
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your 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, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its 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 circular.



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)

**PROPOSED SHARE CONSOLIDATION,
PLACING OF NEW SHARES UNDER SPECIFIC MANDATE,
AND
NOTICE OF SGM**

Placing Agent



貝塔國際證券
BETA INTERNATIONAL SECURITIES

A notice convening the SGM to be held at Room 3607, 36/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong, at 2:00 p.m. on Thursday, 25 July 2024 is set out on pages SGM-1 to SGM-4 in this circular.

A form of proxy for use by the Shareholders at the SGM is enclosed together with this circular. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the SGM (i.e. not later than 2:00 p.m. on Tuesday, 23 July 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

10 July 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	6
LETTER FROM THE BOARD	9
NOTICE OF SGM.	SGM-1

Should there be any discrepancy between the English and Chinese versions of this circular, the English version shall prevail.

DEFINITIONS

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

“Announcements”	the Share Consolidation Announcement and the Placing Announcement
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Bye-laws”	the bye-laws of the Company, as amended or restated from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“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, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange

DEFINITIONS

“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 Class A Convertible Preference Share(s)”	the class A non-voting and redeemable convertible preference shares of par value of HK\$0.4 each in the share capital of the Company, upon the Share Consolidation becoming effective
“Consolidated Class B Convertible Preference Share(s)”	the class B non-voting and redeemable convertible preference shares of par value of HK\$0.4 each in the share capital of the Company, upon the Share Consolidation becoming effective
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.4 each in the share capital of the Company, upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Class A Convertible Preference Share(s)”	the class A non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Existing Class B Convertible Preference Share(s)”	the class B non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Existing Convertible Preference Share(s)”	the Existing Class A Convertible Preference Share(s) and Existing Class B Convertible Preference Share(s)
“Existing Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective

DEFINITIONS

“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Latest Practicable Date”	8 July 2024, being the latest practicable date for the purpose of ascertaining certain information contained herein
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules
“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

DEFINITIONS

“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 Announcement”	the announcement of the Company dated 20 June 2024 in relation to, among other things, 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
“Rights Issue”	the rights issue conducted by the Company, details of which are set forth under the heading “Fund Raising Activities in the Past Twelve Months” in this circular
“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 at 2:00 p.m. on Thursday, 25 July 2024 at Room 3607, 36/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong for the purpose of considering and, if thought fit, approving (i) the Share Consolidation; and (ii) the Placing Agreement and the transactions contemplated thereunder, as well as 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

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
“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
“Share Consolidation Announcement”	the announcement of the Company dated 19 June 2024 in relation to, among other things, the Share Consolidation
“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.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is as follows:

Expected timetable

**2024
(Hong Kong time)**

Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM 4:30 p.m. on Friday, 19 July

Closure of the register of members for determining the entitlement to attend and vote at the SGM (both days inclusive) From Monday, 22 July to Thursday, 25 July

Latest date and time for lodging the proxy forms for the SGM 2:00 p.m. on Tuesday, 23 July

Expected date and time of the SGM 2:00 p.m. on Thursday, 25 July

Publication of announcement of poll results of the SGM Thursday, 25 July

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation

Expected effective date of the Share Consolidation Monday, 29 July

First day of free exchange of existing share certificates of the Existing Shares for new share certificates of the Consolidated Shares Monday, 29 July

Dealings in the Consolidated Shares commence 9:00 a.m. on Monday, 29 July

EXPECTED TIMETABLE

Expected timetable

2024
(Hong Kong time)

Original counter for trading in Existing Shares
in board lots of 2,000 Shares (in the form of
existing share certificate(s) in pink colour)
temporarily closes 9:00 a.m. on
Monday, 29 July

Temporary counter for trading in Consolidated Shares
in board lots of 50 Consolidated Shares
(in the form of existing share certificate(s)
in pink colour) opens. 9:00 a.m. on
Monday, 29 July

Original counter for trading in Consolidated Shares
in board lots of 2,000 Consolidated Shares
(in the form of new share certificate(s) for
Consolidated Shares in blue colour) re-opens 9:00 a.m. on
Monday, 12 August

Parallel trading in the Consolidated Shares
(in the form of new share certificate(s) for the
Consolidated Shares in blue colour and existing
share certificate(s) in pink colour) commences 9:00 a.m. on
Monday, 12 August

Designated broker starts to stand in the market to
provide matching services for the sale and purchase
of odd lots of the Consolidated Shares 9:00 a.m. on
Monday, 12 August

Designated broker ceases to stand in the market to
provide matching services for the sale and purchase
of odd lots of the Consolidated Shares 4:00 p.m. on
Friday, 30 August

EXPECTED TIMETABLE

Expected timetable

2024
(Hong Kong time)

Temporary counter for trading in Consolidated Shares
in board lots of 50 Consolidated Shares (in the form
of existing share certificate(s) in pink colour) closes. 4:10 p.m. on
Friday, 30 August

Parallel trading in the Consolidated Shares (in the form
of new share certificate(s) in blue colour for the
Consolidated Shares and existing share certificates
in pink colour) ends. 4:10 p.m. on
Friday, 30 August

Last day and time for free exchange of existing share
certificates for new share certificates of the
Consolidated Shares 4:00 p.m. on
Tuesday, 3 September

The expected timetable set out above is subject to the results of the SGM and fulfillment of the conditions of the Share Consolidation and is therefore for indicative purpose only. Save where otherwise specified, all times and dates in this circular refer to Hong Kong local times and dates. Any change(s) to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

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 Directors:

Mr. Lee Kar Lung

Independent non-executive Directors:

Mr. Lam Chi Wing

Mr. Wong Yiu Kit, Ernest

Mr. Shan Guoxin

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

10 July 2024

To the Shareholders

Dear Sir or Madam,

**PROPOSED SHARE CONSOLIDATION,
PLACING OF NEW SHARES UNDER SPECIFIC MANDATE,
AND
NOTICE OF SGM**

A. INTRODUCTION

References are made to the Announcements in relation to, among other things, the Share Consolidation and the Placing. The purpose of this circular is to provide you with, among other things: (i) details of the Share Consolidation; (ii) details of the Placing Agreement and the transaction contemplated thereunder; (iii) a notice convening the SGM together with a form of proxy; and (iv) other information as required under the Listing Rules.

LETTER FROM THE BOARD

B. PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation pursuant to which every forty (40) Existing Shares, every forty (40) Existing Class A Convertible Preference Shares and every forty (40) Existing Class B Convertible Preference Shares of par value of HK\$0.01 each in the share capital of the Company will be consolidated into, respectively, one (1) Consolidated Share, one (1) Consolidated Class A Convertible Preference Share and one (1) Consolidated Class B Convertible Preference Share of par value of HK\$0.4 each in the share capital of the Company. The Share Consolidation is conditional upon, among other things, the approval by the Shareholders by way of poll at the SGM. As none of the Shareholders or their associates would have a material interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Share Consolidation at the SGM.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM;
- (ii) the Listing Committee granting the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the applicable laws of Bermuda and the Listing Rules to effect the Share Consolidation.

As at the Latest Practicable Date, none of the conditions above had been fulfilled. Subject to the fulfilment of the conditions above, the Share Consolidation will become effective on Monday, 29 July 2024.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$808,000,000 divided into 80,000,000,000 Existing Shares, 400,000,000 Existing Class A Convertible Preference Shares and 400,000,000 Existing Class B Convertible Preference Shares of par value of HK\$0.01 each, of which 5,913,353,298 Existing Shares, 187,265,918 Existing Class A Convertible Preference Shares and 187,265,918 Existing Class B Convertible Preference Shares have been issued and are fully paid or credited as fully paid.

LETTER FROM THE BOARD

Immediately upon the Share Consolidation becoming effective, and assuming that no further Existing Shares will be issued or repurchased from the Latest Practicable Date up to the effective date of the Share Consolidation, the authorised share capital of the Company shall remain at HK\$808,000,000 but will be divided into 2,000,000,000 Consolidated Shares, 10,000,000 Consolidated Class A Convertible Preference Shares and 10,000,000 Consolidated Class B Convertible Preference Shares of par value of HK\$0.4 each, of which 147,833,832 Consolidated Shares, 4,681,647 Consolidated Class A Convertible Preference Shares and 4,681,647 Consolidated Class B Convertible Preference Shares will be in issue. The Consolidated Shares, the Consolidated Class A Convertible Preference Shares and the Consolidated Class B Convertible Preference Shares shall rank *pari passu* in all respects with each other within the same class of shares in accordance with the Bye-laws.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that fractional Consolidated Shares (if any) will not be allocated to Shareholders who may otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

Furthermore, as at the Latest Practicable Date, there are (i) 374,531,836 issued and outstanding Existing Convertible Preference Shares issued by the Company, which are convertible into 487,679,102 Existing Shares; and (ii) 63,500,000 outstanding award granted by the Company to 69 selected persons under the Share Award Scheme, which when exercised, have the right to subscribe for 63,500,000 Existing Shares. The Share Consolidation may lead to (i) adjustments to the conversion prices and/or the resulting number of Consolidated Shares to be issued upon exercise of the conversion right attached to the Existing Convertible Preference Shares; and (ii) adjustments to the exercise prices and/or the resulting number of Consolidated Shares to be issued upon exercise of the outstanding award shares. The Company will notify the holders of the Existing Convertible Preference Shares, holders of the outstanding award shares granted by the Company under the Share Award Scheme, 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 Existing Convertible Preference Shares and the Share Award Scheme.

Save as disclosed above, as at the Latest Practicable Date, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar right which are convertible or exchangeable into, any Existing Shares or Consolidated Shares.

LETTER FROM THE BOARD

NO CHANGE IN BOARD LOT SIZE

The Existing Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 2,000 Consolidated Shares per board lot. Based on the closing price of HK\$0.041 per Existing Share (equivalent to the theoretical closing price of HK\$1.64 per Consolidated Share upon the Share Consolidation becoming effective) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the value of each board lot of 2,000 Existing Shares is HK\$82; and (ii) the value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$3,280.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” (the “**Guide**”) issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in June 2024 has stated that (i) market price of the securities of an issuer at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

The Company has been constantly monitoring the trading prices of the Existing Shares. The highest and lowest prices at which the Existing Shares have been traded on the Stock Exchange during each of the previous six months up to and including the Latest Practicable Date were as follows:

	Lowest trading prices	Highest trading prices
	<i>HK\$</i>	<i>HK\$</i>
2024		
January	0.035	0.275
February	0.057	0.091
March	0.048	0.080
April	0.044	0.094
May	0.049	0.066
June	0.041	0.058
July (up to and including the Latest Practicable Date)	0.039	0.044

LETTER FROM THE BOARD

For the past six months up to and including the Latest Practicable Date, save and except January 2024, during which the highest trading price of the Existing Shares was HK\$0.275, the Existing Shares have been traded at a price below HK\$0.10, ranging from HK\$0.039 to HK\$0.094. Based on the highest and lowest prices at which the Existing Share have been traded on the Stock Exchange as disclosed above, for the past six months up to and including the Latest Practicable Date, the value of the board lot ranged from HK\$78 to HK\$188, which was less than HK\$2,000.

Upon the Share Consolidation becoming effective, the Share price would be adjusted to HK\$1.64 per Consolidated Share (based on the closing price of HK\$0.041 per Existing Share as at the Latest Practicable Date), and with a board lot size of 2,000 Consolidated Shares, the new board lot value would be HK\$3,280. The Share Consolidation would enable the share price of the Company and the value of the board lot to comply with the trading requirements under the Listing Rules.

In addition, the Board considers that the Share Consolidation would reduce the number of Existing Shares currently in issue and increase the nominal value of the Shares, and bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange, thus maintaining the trading amount for each board lot at a reasonable level in order to attract more investors and to broaden the shareholder base of the Company. It is also hoped that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor. The Directors also believe that the Share Consolidation will provide greater opportunity for, and more flexibility in, the Company's possible equity fund raising in the future. Furthermore, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks or securities houses will charge a minimum transaction costs for each securities trade.

The Board considers that the Share Consolidation is essential to achieve the abovementioned purpose. Taking into account of the potential benefits and the insignificant amount of costs to be incurred, the Board is of the view that the Share Consolidation is in the best interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

OTHER ARRANGEMENTS

Exchange for share certificates of the Consolidated Shares

Subject to the Share Consolidation becoming effective, Shareholders may, on or after Monday, 29 July 2024 until Tuesday, 3 September 2024 (both days inclusive), between 9:00 a.m. and 4:30 p.m. on any Business Day, submit share certificates of the Existing Shares (in pink colour) to the Company's branch share registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at the expense of the Company, for new share certificates of the Consolidated Shares (in blue colour) (on the basis of forty (40) Existing Shares for one (1) Consolidated Share). Thereafter, certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

After 4:10 p.m. on Friday, 30 August 2024, existing share certificates of the Existing Shares will only remain effective as documents of title and may be exchanged for certificates of the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Application for listing of the Consolidated Shares

Application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date 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. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

LETTER FROM THE BOARD

None of the equity or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Fractional entitlement to the Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, a designated broker will be appointed by the Company to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lots arrangement, is recommended to consult his/her/its own professional advisers. The Company has appointed Beta International Securities Limited as an agent to provide matching services on a best-efforts basis regarding the sale and purchase of odd lots of the Consolidated Shares from 9.00 a.m. on Monday, 12 August 2024 to 4:00 p.m. on Friday, 30 August 2024 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Leung Yat Ying at Room 3326, 33/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong or at telephone number 3590 9459 during office hours (i.e. 9:00 a.m. to 6:00 p.m. within such period).

Shareholders or potential investors of the Company should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

LETTER FROM THE BOARD

OTHER CORPORATE ACTIONS AND FUND-RAISING ACTIVITIES IN THE NEXT TWELVE MONTHS

As at the Latest Practicable Date, save for the Placing as disclosed in the Placing Announcement, the Company has no plan or intention to carry out any further corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation. Nevertheless, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

Shareholders should note that the Share Consolidation is conditional upon the fulfilment of conditions. Therefore, the Share Consolidation may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company and if they are in any doubt about their position, they should consult their professional advisers.

C. PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

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.

LETTER FROM THE BOARD

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 Latest Practicable Date 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 Latest Practicable Date (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;
- (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;

LETTER FROM THE BOARD

- (iv) a discount of approximately 75.37% to the theoretical net asset value per Consolidated Share as at 31 December 2023 (after taking into account the effect of the Share Consolidation) of approximately HK\$6.82 on the basis of 110,875,374 Consolidated Shares in issue as at 31 December 2023 (after taking into account the effect of the Share Consolidation) and the audited consolidated net asset value of the Group as at 31 December 2023 of approximately HK\$755,949,000 as disclosed in the annual report of the Company published on 30 April 2024 for the year ended 31 December 2023;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 3.54%, represented by the theoretical diluted price of approximately HK\$1.91 per Consolidated Share (after taking into account the effect of the Share Consolidation) to the benchmarked price of approximately HK\$1.98 per Consolidated Share (after taking into account the effect of the Share Consolidation); and
- (vi) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 11.9%, when aggregated with the Rights Issue.

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. In particular, the market prices of the Shares traded on the Stock Exchange for the past month and the past three months, in each case up to and including the date of the Placing Agreement (the **"One-Month Review Period"** and **"Three-Month Review Period"**, respectively) were taken into consideration as a benchmark to reflect the prevailing market conditions and the recent trading performance of the Shares. During the Three-Month Review Period, the Shares were traded on the Stock Exchange with a theoretical closing price ranging from HK\$1.80 per Consolidated Share (after taking into account the effect of the Share Consolidation) to HK\$3.19 per Consolidated Share (after taking into account the effect of the Share Consolidation), with a theoretical average closing price of HK\$2.33 per Consolidated Share (after taking into account the effect of the Share Consolidation). Despite the fact that the Placing Price represents a discount of approximately 38.69% to the theoretical average closing price per Consolidated Share (after taking into account the effect of the Share Consolidation) during the Three-Month Review Period, the figure decreased to approximately 22.62% with regard to discount to the theoretical average closing price per Consolidated Share (after taking into account the effect of the Share Consolidation) during the One-Month Review Period, which was considered to be more reflective of the recent trading performance of the Shares. In addition, the current Hong Kong capital market sentiment as reflected by the Hang Seng Index was also taken into consideration. As at the date of the Placing Agreement, the Hang Seng Index closed at 18,335.32 points, representing (i) a 6.63% decrease from 19,636.22 points, the highest closing record during the six months up to and including the date of the Placing Agreement; (ii) a 8.68% decrease from 20,078.94 points, the highest record during the twelve months up to and including the date of the Placing Agreement; and (iii) a 37.40% decrease from 29,288.22 points, the highest record during the thirty-six months up to and including the date of the Placing Agreement. In view of the above, the Directors consider that the Placing Price is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

At the same time, the Directors noted that the Placing Price represents a discount of approximately 75.37% to the theoretical net asset value per Consolidated Share as at 31 December 2023 (after taking into account the effect of the Share Consolidation) of approximately HK\$6.82 as disclosed above. During the Three-Month Review Period and the One-Month Review Period, the Shares were trading at the theoretical average closing price of HK\$2.33 and HK\$2.06 per Consolidated Share (after taking into account the effect of the Share Consolidation), respectively, representing a discount of approximately 65.84% and 69.79% (the “NAV Discount Range”) to the theoretical net asset value per Consolidated Share as at 31 December 2023. Considering the level of the theoretical average closing price of the Shares and the Shares had been consistently traded at a substantial discount to the theoretical net asset value per Consolidated Share as at 31 December 2023 during the Three-Month Review Period and the One-Month Review Period, the Directors are of the view that, when determining the Placing Price, it would be more appropriate to make reference to the prevailing market price of the Shares which reflected the fair market value of the Shares traded on the Stock Exchange, instead of making reference to the theoretical net asset value per Consolidated Share. Although the Placing Price represents a discount of approximately 75.37% to the theoretical net asset value per Consolidated Share as at 31 December 2023, which is slightly out of the NAV Discount Range, the Board considers that taking into consideration of the above, it is reasonable and necessary to set the Placing Price at such discount so as to attract the Placees and potential investors of the Company to participate in the Placing. As such, the Board is of the view that the Placing Price is fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

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. In particular, the factors articulated under the heading “Placing Price” in this circular, namely the deteriorating trading performance of the Shares and the worsening Hong Kong capital market sentiment, as well as the low liquidity and demand for the Shares of the Company during the Three-Month Review Period and Six-Month Review Period, were taken into consideration. The low liquidity and demand for the Shares of the Company was reflected by the low average daily trading volume of approximately 14,631,114 Shares and 23,509,124 Shares during the One-Month Review Period and Three-Month Review Period, respectively, representing 0.25% and 0.40% of the total number of issued Existing Shares as at the date of the Placing Agreement.

LETTER FROM THE BOARD

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 Placees 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.

LETTER FROM THE BOARD

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.

As at the Latest Practicable Date, none of the conditions above had been satisfied or waived by the Placing Agent.

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.

LETTER FROM THE BOARD

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

LETTER FROM THE BOARD

- (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. As at the Latest Practicable Date, the Directors are not aware of the occurrence of any of the above events.

LETTER FROM THE BOARD

REASONS FOR THE PLACING AND THE USE OF PROCEEDS

The Company is an exempted 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.

Details of the Group's loans and other payables intended to be settled using net proceeds of approximately HK\$50,480,000 are set out below:

Nature	Maturity date	Principal amount	Interest rate per annum	Expected time of repayment
Bank borrowing 1	September 2024	RMB2,000,000	6.75%	September 2024
Bank borrowing 2	November 2024	RMB2,000,000	5.4%	November 2024
Bank borrowing 3	December 2024	RMB15,000,000	6.75%	December 2024
Bonds payable 1	July 2024	HKD10,200,000	7%	July 2024
Bonds payable 2	October 2024	HKD10,000,000	7%	October 2024
Bonds payable 3	November 2024	HKD10,000,000	3.5%	November 2024

As for the net proceeds of approximately HK\$21,634,000 intended to be used towards the Group's working capital, they are expected to be used for the following purposes: (i) 50% for payment of professional fees, which is expected to be fully utilised by December 2024; (ii) 35% for further expansion of the Company's postpartum care service businesses, which is expected to be fully utilised by December 2025; (iii) 10% for payment of staff salaries and welfare, which is expected to be fully utilised by December 2024; and (iv) 5% for office rental and expenses, which is expected to be fully utilised by December 2024.

LETTER FROM THE BOARD

As at 31 December 2023, the Group's bank and cash balances amounted to approximately HK\$80.3 million, and its current liabilities amounted to approximately HK\$384.4 million. For each of the years ended 31 December 2022 and 2023, the Group did not record profits. As such, the Group would require significant external financing to improve its financial position. The Group has explored different financing methods, and in particular, the Group conducted and completed the Rights Issue in May 2024. The net proceeds raised from the Rights Issue was approximately HK\$56.3 million. While it is a considerable sum of proceeds, it is insufficient to fully address the Group's funding needs. This could be seen from the fact that, while the Rights Issue was completed as recent as 14 May 2024, approximately HK\$49.1 million out of the HK\$56.3 million net proceeds raised in the Rights Issue, representing approximately 87.2% of the net proceeds, had already been utilised as at the date of the Placing Announcement. Therefore, the Group intends to conduct the Placing to further accommodate its financing needs, in particular, to repay the loans and other payables and to replenish its working capital as detailed above.

The Board has considered other alternative fund-raising methods such as debt financing or open offer. The Board considered that debt financing may incur further interest burden on the Group and may be subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position and the then financial market condition and it may be relatively uncertain and time-consuming. For pre-emptive fund-raising methods such as open offer, having considered: (a) the relatively higher costs for conducting open offer due to additional costs for engagement of various professional parties such as underwriters, reporting accountants, financial advisers and brokerage agents (if applicable); and (b) a relatively longer time is usually required for open offer which involve more stringent documentary and registration requirements such as preparation of listing documents, application forms, registration requirements for a listing document and negotiations with the underwriter on the terms and conditions of the underwriting agreement, the Board does not consider open offer to be desirable alternatives to the Placing.

For the avoidance of doubt, the Placing was not contemplated at the time of publication of the prospectus in relation to the Rights Issue. After the completion of the Rights Issue, the Board has been continually monitoring the status of the use of proceeds from the Rights Issue. As mentioned above, as at the date of the Placing Announcement, approximately 87.2% of the net proceeds from the Rights Issue had already been utilised. Despite the close proximity of the Rights Issue and the Placing, taking into account the financial position of the Group outlined above and the prompt utilisation of the proceeds from the Rights Issue, the Company is of the view that it has imminent need to raise further proceeds through the Placing since the date of the Placing Agreement and up to the Latest Practicable Date.

LETTER FROM THE BOARD

To conclude, the Group has imminent need for funding in order to repay its loans and other payables detailed above and to replenish its working capital. In view of the current market conditions and the uncertainties in the economy, the Company considers it critical to strengthen the Group's financial position for pursuing business development opportunities in order 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. The Board is of the view that the Placing represents the best means to raise funds and is in the best interest of the Company and the Shareholders as a whole for the time being, given that the Placing is a more time-efficient and cost-effective solution compared to other fundraising methods.

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 Latest Practicable Date:

Date of Announcements/ Prospectus	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds as at the date of the Placing 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; (ii) approximately HK\$8.51 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.	(i) approximately HK\$39.6 million for repayment of loans and other payables of the Group; (ii) approximately HK\$5 million towards expanding the Group's postpartum care services business; and (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 Latest Practicable Date.

LETTER FROM THE BOARD

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 Latest Practicable Date up to the Completion) are set out below:

Shareholder	As at the Latest Practicable Date		As at the Latest Practicable Date (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		Number of		Number of	
	Existing Shares	Approximate % ⁽⁴⁾	Consolidated Shares	Approximate % ⁽⁴⁾	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)	–	–	–	–	–	–
Placees	–	–	–	–	44,350,000	23.08
Public Shareholders	4,371,318,701	73.92	109,282,969	73.92	109,282,969	56.86
Total	5,913,353,298	100	147,833,832	100	192,183,832	100

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.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

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 Placing will not result in a theoretical dilution effect of 25% or more on its own or when aggregated with the Rights Issue. As such, the theoretical dilution impact of the Placing is in compliance with Rule 7.27B of the Listing Rules.

D. SGM

A notice convening the SGM to be held at 2:00 p.m. on Thursday, 25 July 2024 at Room 3607, 36/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong, is set out on pages SGM-1 to SGM-4 of this circular. The SGM will be convened for the purpose of considering and, if thought fit, approving (i) the Share Consolidation; and (ii) the Placing Agreement and the transactions contemplated thereunder, as well as the grant of the Specific Mandate for the allotment and issue of the Placing Shares.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, none of the Shareholders have a material interest in the Share Consolidation and the transactions contemplated under the Placing Agreement, including the grant of the Specific Mandate for the allotment and issue of the Placing Shares. Accordingly, no Shareholder is required to abstain from voting on the resolutions to be proposed at the SGM.

A form of proxy for use at the SGM is enclosed together with this circular. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete the form of proxy and return it to the Company's branch registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in accordance with the instructions printed thereon as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM (i.e. not later than 2:00 p.m. on Tuesday, 23 July 2024) or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof (as the case may be) in person should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of Shareholders at a general meeting must be taken by poll. Therefore, the chairman of the SGM will demand all resolutions proposed thereat be taken by poll. An announcement on the poll results will be made by the Company after the SGM pursuant to Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

E. CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For the purpose of determination of entitlement to attend and vote at the SGM to be held on Thursday, 25 July 2024, the register of members of the Company will be closed from Monday, 22 July 2024 to Thursday, 25 July 2024 both days inclusive, during which period no transfer of shares can be registered. In order to qualify for attending and voting at the SGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's Hong Kong branch share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 19 July 2024.

F. RESPONSIBILITY STATEMENT

This circular, 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 circular 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 in this circular or this circular as a whole misleading.

G. RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the Placing Agreement is on normal commercial terms, and the Share Consolidation, Placing Agreement and the Specific Mandate are fair and reasonable and are in the interests of the Group and the Shareholders as a whole. Accordingly, the Board would recommend the Shareholders to vote in favour of the resolutions to be proposed at the SGM.

Yours faithfully,
By order of the Board
Aidigong Maternal & Child Health Limited
Wong Wing Cheung
Company Secretary

NOTICE OF SGM



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)

NOTICE IS HEREBY GIVEN THAT the special general meeting (the “**SGM**”) of Aidigong Maternal & Child Health Limited (the “**Company**”) will be held at 2:00 p.m. on Thursday, 25 July 2024 at Room 3607, 36/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong for the purpose of considering and, if thought fit, with or without amendments, passing the following ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT**, subject to the satisfaction of all the conditions set out in the letter from the board under the heading “Conditions of the Share Consolidation” in the circular dated 10 July 2024 issued by the Company (the “**Circular**”), with effect from 29 July 2024:
 - (a) (i) every forty (40) issued and unissued ordinary shares of par value of HK\$0.01 each in the share capital of the Company (“**Existing Share(s)**”); (ii) every forty (40) issued and unissued class A non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company (“**Existing Class A Convertible Preference Share(s)**”); and (iii) every forty (40) issued and unissued class B non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company (“**Existing Class B Convertible Preference Share(s)**”) be respectively consolidated into one (1) ordinary share of par value of HK\$0.4 each in the share capital of the Company (the “**Consolidated Share(s)**”), one (1) class A non-voting and redeemable convertible preference share of par value of HK\$0.4 each in the share capital of the Company (the “**Consolidated Class A Convertible Preference Share(s)**”) and one (1) class B non-voting and redeemable convertible preference share of par value of HK\$0.4 each in the share capital of the Company (the “**Consolidated Class B Convertible Preference Share(s)**”), and such Consolidated Shares, Consolidated Class A Convertible Preference Shares and Consolidated Class B Convertible Preference Shares shall rank pari passu in all respects with other shares in the same class and have such rights and be subject to such restrictions as set out in the memorandum of association and bye-laws of the Company (the “**Share Consolidation**”);

NOTICE OF SGM

- (b) immediately following the Share Consolidation, the authorized share capital of the Company be changed from HK\$808,000,000 divided into 80,000,000,000 Existing Shares, 400,000,000 Existing Class A Convertible Preference Shares and 400,000,000 Existing Class B Convertible Preference Shares of par value of HK\$0.01 each, to HK\$808,000,000 divided into 2,000,000,000 Consolidated Shares, 10,000,000 Consolidated Class A Convertible Preference Shares and 10,000,000 Consolidated Class B Convertible Preference Shares of par value of HK\$0.4 each;
 - (c) all fractional Consolidated Shares, Consolidated Class A Convertible Preference Shares and Consolidated Class B Convertible Preference Shares, if any, resulting from the Share Consolidation shall be disregarded and not be issued to the shareholders of the Company and any fractions of the Consolidated Shares, Consolidated Class A Convertible Preference Shares and Consolidated Class B Convertible Preference Shares be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the board of directors of the Company may think fit;
 - (d) any one or more director(s) of the Company be and is/are hereby authorised generally to implement and take all steps and do all acts and things and execute and deliver all such documents (including under seal, where applicable) which he/she/they consider(s) necessary, desirable or expedient to give effect to the Share Consolidation and the transactions contemplated thereunder.”
2. “**THAT**, conditional upon the proposed resolution numbered 1 set out in the notice convening the SGM being passed and subject to the satisfaction or waiver (as the case may be) of all the conditions set out in the letter from the board under the heading “Conditions of the Placing” in the Circular:
- (a) the placing agreement dated 20 June 2024 and entered into between the Company as issuer and Beta International Securities Limited as the placing agent in relation to the placing, on a best effort basis, of up to 44,350,000 new Consolidated Shares of the Company (the “**Placing Shares**”) at the placing price of HK\$1.68 per Placing Share (a copy of the Placing Agreement having been produced to the SGM and initialled by the chairman of the SGM for the purpose of identification), and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Placing Shares) be and are hereby approved, confirmed and ratified;
 - (b) the board of Directors of the Company be and is hereby granted a specific mandate to exercise all the powers of the Company to allot and issue the Placing Shares, subject to and in accordance with the terms and conditions of the Placing Agreement; and

NOTICE OF SGM

- (c) any one or more director(s) of the Company be and is/are hereby authorised generally to implement and take all steps and do all acts and things and execute and deliver all such documents (including under seal, where applicable) which he/she/they consider(s) necessary, desirable or expedient to give effect to the Placing Agreement, and the transactions contemplated thereunder and to agree with such variation(s), amendment(s) or waiver(s) as, in the opinion of the directors of the Company, is/are in the interests of the Company and its shareholders as a whole.”

By order of the Board
Aidigong Maternal & Child Health Limited
Wong Wing Cheung
Company Secretary

Hong Kong, 10 July 2024

Notes:

1. The SGM will be held in a form of physical meeting. Any shareholder of the Company entitled to attend and vote at the SGM is entitled to appoint one or more separate proxies to attend and to vote instead of him. A proxy need not be a shareholder of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney or other person duly authorised on its behalf to sign the same.
3. A form of proxy for use at the SGM is enclosed. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the SGM (i.e. not later than 2:00 p.m. on Tuesday, 23 July 2024) or any adjournment thereof (as the case may be).
4. No instrument appointing proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the meeting or any adjournment thereof in cases where the meeting was originally held within 12 months from such date.
5. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting if the member so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. All resolutions as set out in this notice will be taken by poll.

NOTICE OF SGM

7. For the purpose of determination of entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Monday, 22 July 2024 to Thursday, 25 July 2024 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending and voting at the SGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 19 July 2024.
8. Members of the Company or their proxies shall produce documents of their proof of identity when attending the SGM.
9. A circular containing further details concerning proposed resolutions set out in this notice will be sent to all shareholders of the Company together with this notice.
10. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board comprises Ms. Wang Aier (Chairman), 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, Mr. Wong Yiu Kit, Ernest and Mr. Shan Guoxin as independent non-executive Directors.