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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)

**CONNECTED TRANSACTION:
INCENTIVE AGREEMENT –
ISSUE OF NEW SHARES TO A CONNECTED PERSON
UNDER SPECIFIC MANDATE**

THE INCENTIVE AGREEMENT

On 27 October 2020, the Company and Zhu Associate entered into the Incentive Agreement, pursuant to which Zhu Associate will be entitled to Incentive Shares depending and based on the NPA of the New Postpartum Care Centres during the Incentive Base Period.

The maximum number of the Incentive Shares to be issued to Zhu Associate by the Company is 200,000,000 Incentive Shares, representing approximately (i) 5.22% of the issued share capital of the Company as at the date of this announcement; and (ii) 4.96% of the Company's issued share capital as enlarged by the issue of the maximum number of the Incentive Shares.

The Incentive Shares to be issued pursuant to the Incentive Agreement will be issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the SGM.

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

LISTING RULES IMPLICATIONS

Ms. Zhu is an executive Director, a joint chairman of the Board and the chief executive officer of the Company as at the date of this announcement. Ms. Zhu is therefore a connected person of the Company at the issuer's level.

Zhu Associate is wholly-owned by Ms. Zhu and therefore a connected person of the Company. The issue of Incentive Shares under the Incentive Agreement constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. The Incentive Shares to be issued pursuant to the Incentive Agreement will be issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the SGM.

SGM

The Company will convene the SGM to seek the Independent Shareholders' approval for the SGM Matters. As Zhu Associate (being wholly-owned by Ms. Zhu) is a party to the Incentive Agreement, Ms. Zhu and her associates (including Subscriber B and Zhu Associate) are required to and will abstain from voting on the resolutions to be proposed at the SGM for approving the SGM Matters. At the SGM, votes will be taken by way of poll. As at the date of this announcement, Ms. Zhu and her associates (including Subscriber B and Zhu Associate) in aggregate did not own any Shares.

On 27 October 2020, the Company and Zhu Associate entered into the Incentive Agreement, pursuant to which Zhu Associate will be entitled to Incentive Shares depending and based on the NPA of the New Postpartum Care Centres during the Incentive Base Period.

THE INCENTIVE AGREEMENT

Set out below are the principal terms and conditions of the Incentive Agreement: –

- Date : 27 October 2020
- Parties : (i) The Company; and
(ii) Zhu Associate
- Obligations of Zhu Associate : Zhu Associate shall, during the term of the Incentive Agreement (i) assist and give advice to the Company on selection of suitable site(s) to establish New Postpartum Care Centres in the PRC; (ii) conduct market research and advise the Company on the establishment of such New Postpartum Care Centres (including location and positioning of such New Postpartum Care Centres); and (iii) liaise with intermediaries and cooperating institutions to implement the construction of the New Postpartum Care Centres.
- Rewards : The Company shall conditionally reward Zhu Associate certain Incentive Shares (if any). The number of Incentive Shares which Zhu Associate will be entitled to shall be calculated in the following manner:

Within 18 months from the date of commencement of operation of each New Postpartum Care Centre (the “**Assessment Period**”), Zhu Associate may select any six consecutive calendar months within the Assessment Period (the “**Incentive Base Period**”) and use the NPA of such New Postpartum Care Centre during the Incentive Base Period to calculate the number of Incentive Shares which Zhu Associate is entitled to, based on the following formula:

Annualised NPA x PE Ratio ÷ Issue Price

Where:

Annualised NPA: The annualised NPA shall be NPA of the relevant New Postpartum Care Centre during the Incentive Base Period x 2

Annualized NPA will be presented in RMB, which shall be converted into HK\$ using the median exchange rate of RMB to HK\$ published on the website of State Administration of Foreign Exchange quoted and traded on the date when Zhu Associate notifies the Company in writing the Incentive Base Period selected, for the purpose of calculating the number of Incentive Shares.

PE Ratio: The price to earnings ratio of the Company for the purpose of calculating the number of Incentive Shares (the “**PE Ratio**”) shall be the average of the price to earnings ratios as at the last trading day of each calendar month during the Incentive Base Period (which is calculated by dividing the basic earnings per Share as stated in the latest published annual report of the Company as of the date of calculating such price to earnings ratio by the closing price of the Shares on the date of calculating such price to earnings ratio), and in any case the PE Ratio shall not be greater than five (5) but not less than three (3). In the event if during the Incentive Base Period, the price to earnings ratio of the last trading day of any calendar month cannot be ascertained (for example, the Company recorded a loss as stated in the consolidated statement of profit or loss and other comprehensive income in the latest published annual report of the Company on the date of calculating the price to earnings ratio), the PE Ratio will be calculated using the average of the price to earnings ratios of the other calendar months during the Incentive Base Period. In the event if during the Incentive Base Period, no price to earnings ratio can be calculated, the Company will adopt the average of the maximum and minimum price to earnings ratio as stated above (i.e. four (4)) for the purpose of calculation.

Issue Price: HK\$0.55 per Incentive Share

For the avoidance of doubt, Zhu Associate is only entitled to a maximum of up to 30,000,000 Incentive Shares (equivalent to HK\$16,500,000 calculated with reference to the Issue Price) for once for each New Postpartum Care Centre, and in aggregate not more than 200,000,000 Incentive Shares (equivalent to HK\$110,000,000 calculated with reference to the Issue Price) shall be allotted and issued to Zhu Associate during the effective period of the Incentive Agreement notwithstanding the number of New Postpartum Care Centres established pursuant to the Incentive Agreement (the “**Maximum Incentive**”).

A Hong Kong certified public accountants, mutually agreed by the parties to the Incentive Agreement, shall be appointed to certify the NPA for each New Postpartum Care Centre and the certification of such certified public accountants shall be final and binding on the parties to the Incentive Agreement.

Zhu Associate shall notify the Company in writing the selected Incentive Base Period within three (3) months from the end date of the selected Incentive Base Period. Zhu Associate may only irrevocably select Incentive Base Period once during the Assessment Period of each New Postpartum Care Centre.

The Incentive Shares shall be allotted and issued by the Company to Zhu Associate (and/or its designated entity(ies) controlled by it) within 30 calendar days after Zhu Associate entitled to Incentive Shares depending and based on the NPA of the New Postpartum Care Centres during the Incentive Base Period and upon the Hong Kong certified public accountants appointed by the Company and Zhu Associate having certified the relevant results.

Lock-up undertaking : Zhu Associate undertakes and warrants (and procure its designated entity(ies) controlled by it) not to directly or indirectly transfer, sell or otherwise dispose of the relevant Incentive Shares obtained by Zhu Associate or its designated entity(ies) controlled by it in accordance with the terms of the Incentive Agreement, within 3 years from the respective dates of issuance of relevant Incentive Shares.

Effective Period : The Incentive Agreement shall become effective from the date which the Company having obtained all necessary approvals, consents and permits in accordance with the relevant laws and regulations (including but not limited to the Listing Rules) applicable to the Incentive Agreement (including but not limited to the Independent Shareholders' approval for the allotment and issue of the Incentive Shares at the SGM under the Specific Mandate and the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Incentive Shares) and Ms. Zhu having executed a new Director's service contract with the Company for a term of 3 years effective from the effective date of the Incentive Agreement.

If the above conditions are not fulfilled on or before 31 March 2021 (or such later date as the parties to the Incentive Agreement may agree in writing), the Incentive Agreement shall not become effective, and that the parties to the Incentive Agreement shall not claim one another for any losses or liabilities of the other party under the Incentive Agreement.

Termination : The Incentive Agreement shall automatically terminate from the date when any of the following events occurs, whichever is earlier:–

1. the Assessment Periods of all New Postpartum Care Centres have ended and all relevant Incentive Shares have been issued and allotted in accordance with the Incentive Agreement;
2. Zhu Associate has received the Maximum Incentive pursuant to the Incentive Agreement; or
3. Ms. Zhu ceases to be an executive Director (*Notes*).

Notes:

- 1) For the avoidance of doubt, the Company shall issue and allot the relevant Incentive Shares in accordance with the Incentive Agreement, if:
 - i) Ms. Zhu is not being removed as an executive Director by the Shareholders or for reasons including misconduct, inability or inappropriate to remain as a Director (such as bankruptcy, no longer qualify to act as a Director or mentally incapacitated), after Ms. Zhu ceased to be a Director, Zhu Associate may still select the Incentive Base Period during the Assessment Period of the relevant New Postpartum Care Centre, if any, and notify the Company in accordance with the terms of the Incentive Agreement; and/or
 - ii) at the time when Ms. Zhu ceases to be an executive Director, there were outstanding Incentive Shares to be issued and allotted to Zhu Associate in accordance with the Incentive Agreement;

- 2) If Ms. Zhu voluntarily leaves the office as an executive Director, or the Company removes Ms. Zhu as a Director for reasons including misconduct, inability or inappropriate to remain as a Director (such as bankruptcy, no longer qualify to act as a Director or mentally incapacitated), and at the time when Ms. Zhu ceases to be an executive Director, Zhu Associate has not informed the Company the selected Incentive Base Period of the relevant New Postpartum Care Centre, in accordance with the Incentive Agreement, the Company shall not be obligated to allot and issue the Incentive Shares (if any) to Zhu Associate.

Notwithstanding the termination of the Incentive Agreement, any Incentive Shares already issued and allotted to Zhu Associate shall not be required to be returned to the Company under any circumstances.

MAXIMUM NUMBER OF INCENTIVE SHARES

The maximum number of the Incentive Shares to be issued to Zhu Associate by the Company is 200,000,000 Incentive Shares, representing approximately (i) 5.22% of the issued share capital of the Company as at the date of this announcement; and (ii) 4.96% of the Company's issued share capital as enlarged by the issue of the maximum number of the Incentive Shares.

ISSUE PRICE

The Issue Price of HK\$0.55 per Incentive Share represents:

- (i) a premium of approximately 7.84% to the closing price of HK\$0.51 per Share as quoted on the Stock Exchange on the date of the Incentive Agreement;
- (ii) a premium of approximately 5.36% to the average closing price of HK\$0.522 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Incentive Agreement; and
- (iii) a premium of approximately 3.97% to the average closing price of HK\$0.529 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Incentive Agreement.

The Issue Price was arrived at after arm's length negotiations between the Company and Zhu Associate with reference to, amongst others, the prevailing market price and the recent trading performance of the Shares.

RANKING OF THE INCENTIVE SHARES

The Incentive Shares will rank, upon issue, *pari passu* in all respect with the Shares in issue on the date of the allotment and issue of the Incentive Shares.

SPECIFIC MANDATE

The Incentive Shares will be issued and allotted pursuant to the Specific Mandate to be sought from the Independent Shareholders at the SGM.

APPLICATION FOR LISTING

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

BASIS FOR THE DETERMINATION OF THE TERMS OF THE INCENTIVE AGREEMENT

The terms of the Incentive Agreement was determined principally after arm's length commercial negotiations between the parties with reference to, among others, (i) the successful track record of the five (5) postpartum care centres under the "Aidigong" brand built by Ms. Zhu over the past 13 years; (ii) price-earnings ratio of the Company; (iii) existing level of remuneration of Ms. Zhu for her role as an executive Director, a joint chairman of the Board and the chief executive officer of the Company; (iv) long term commitment from Zhu Associate to receive Shares in lieu of cash as fee; and (v) the contingent nature of the Incentive Shares.

EFFECT ON THE SHAREHOLDING STRUCTURE

The effect on the shareholding structure of the Company as a result of the issue of the Incentive Shares pursuant to the Incentive Agreement are as follows, assuming that

- (i) Ms. Zhu and the Subscriber B will be entitled to the full amount of the Fourth Installment and the Fifth Installment and having properly received their respective entitlements and use such proceeds to subscribe for the maximum of 264,099,966 First Subscription Shares in aggregate, of which Ms. Zhu and the Subscriber B will subscribe 222,006,334 First Subscription Shares and 42,093,632 First Subscription Shares, respectively;
- (ii) the Group will issue and allot the maximum number of Incentive Shares to Zhu Associate (and/or its designated entity(ies) controlled by it) under the Incentive Agreement; and
- (iii) there is no change in the issued share capital of the Company from the date of this announcement up to and including the date when all the Incentive Shares pursuant to the Incentive Agreement have been issued and allotted:

	As at the date of this announcement		Immediately after the issue of and allotment of the maximum number of the First Subscription Shares		Immediately after the allotment of the maximum number of Incentive Shares		Immediately after the issue of allotment of the maximum number of both the First Subscription Shares and Incentive Shares	
	Number of Shares	Approximate per cent.	Number of Shares	Approximate per cent.	Number of Shares	Approximate per cent.	Number of Shares	Approximate per cent.
<i>Substantial shareholders:</i>								
Champion Dynasty Limited (Note 1)	930,379,671	24.29%	930,379,671	22.72%	930,379,671	23.08%	930,379,671	21.66%
Suntek Global Growth Fund SPC – Suntek Global Growth Fund Number One SP	500,000,000	13.05%	500,000,000	12.21%	500,000,000	12.41%	500,000,000	11.64%
Sub-total:	1,430,379,671	37.34%	1,430,379,671	34.93%	1,430,379,671	35.49%	1,430,379,671	33.30%
Ms. Zhu (Note 2)	-	-	222,006,334	5.42%	-	-	222,006,334	5.17%
Subscriber B (Note 3)	-	-	42,093,632	1.03%	-	-	42,093,632	0.98%
Zhu Associate (Note 4)	-	-	-	-	200,000,000	4.96%	200,000,000	4.66%
Sub-total:	-	-	264,099,966	6.45%	200,000,000	4.96%	464,099,966	10.81%
Public Shareholders:	2,400,535,337	62.66%	2,400,535,337	58.62%	2,400,535,337	59.55%	2,400,535,337	55.89%
Total:	3,830,915,008	100.00%	4,095,014,974	100.00%	4,030,915,008	100.00%	4,295,014,974	100.00%

Notes:

1. Mr. Cheung Wai Kuen (“**Mr. Cheung**”) is a joint chairman of the Board and an executive Director. Mr. Cheung is the sole director of Champion Dynasty Limited and owns its entire issued capital. Mr. Cheung is deemed to be interested in the Shares held by Champion Dynasty Limited. 500,000,000 Shares registered in the name of Champion Dynasty Limited were charged in favour of Golden Full Holdings Limited pursuant to a share charge made by Champion Dynasty Limited as chargor based on a share charge agreement dated 8 January 2020.
2. Ms. Zhu is an executive Director, a joint chairman of the Board and the chief executive officer of the Company.
3. Ms. Zhu owns approximately 75.58% of the equity interest of the Subscriber B and is the executive partner of the Subscriber B as at the date of this announcement. Ms. Zhu will be deemed to be interested in the Shares to be subscribed by the Subscriber B.
4. Zhu Associate is wholly-owned by Ms. Zhu. Ms. Zhu will be deemed to be interested in the Shares to be issued to Zhu Associate.

Upon completion of the First Subscription and the issue of the Incentive Shares under the Incentive Agreement, Ms. Zhu and her associates will hold 464,099,966 Shares, representing approximately 10.81% of the issued share capital of the Company as enlarged by the First Subscription Shares and the Incentive Shares. Thus, upon completion of the First Subscription and the issue of the Incentive Shares under the Incentive Agreement, Ms. Zhu will become a substantial Shareholder.

INFORMATION OF THE GROUP

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

INFORMATION OF MS. ZHU

Ms. Zhu is an executive Director, a joint chairman of the Board and the chief executive officer of the Company. She is the founder, chairman, general manager and a director of Aidigong since its establishment in November 2007. Please refer to page 27 of the 2019 annual report of the Company published on 15 May 2020 for the full biography of Ms. Zhu.

INFORMATION OF ZHU ASSOCIATE

Zhu Associate is an investment holding company incorporated in the British Virgin Islands with limited liability. Zhu Associate is wholly owned by Ms. Zhu.

REASON FOR AND BENEFITS OF THE INCENTIVE AGREEMENT

The revenue of Aidigong for each of the three years ended 31 December 2019 was approximately RMB220.80 million, RMB385.20 million and RMB583.5 million, representing an increase of approximately 74.46% and 51.48% respectively. As at the date of this announcement, Aidigong operates, through its subsidiaries, five (5) postpartum care centres under the brand name of “Aidigong”, four of which are located in first-tier cities (Shenzhen and Beijing) and one in new first-tier city (Chengdu) in the PRC.

Given the continuous growth of postpartum care services industries and the unceasingly increase in the penetration rate of postpartum care centre, more and more postpartum mothers choose to use the postpartum care services provided by postpartum care centres. As operated by technologies specialized in the delivery of high-quality health care services of postpartum mother and baby, postpartum care centres operated under the brand name of “Aidigong” are keenly sought after. As postpartum care centres operated under the brand name of “Aidigong” only exist in Shenzhen, Beijing and Chengdu for the time being, there are a lot of requests received from the customer residing at other cities of the PRC for providing services by Aidigong. On the other hand, due to the fact that the Group’s existing postpartum care centres operated in Shenzhen, Beijing and Chengdu have always been fully utilized and saturated, some postpartum mothers are unable to book the services provided in those centres. Therefore, the demand from the customers for an increase in the provision of postpartum care services in those cities also arises. In the past several years, with the unceasingly increase of enquiries and demand for this service, the number of customers and revenue of Aidigong have increased. The Group plans to increase the number of postpartum care centres operated under the brand name of “Aidigong” in the existing cities, first-tier cities and new first-tier cities in the PRC in order to expand its coverage for the provision of postpartum care services to more people.

Ms. Zhu retains as the chairman and the general manager of Aidigong during the Earn-out Period ending 31 December 2020 and she is entitled to the Earn-out Payment should the net profit of Aidigong for the two years ended 31 December 2019 and 2020 meet the prescribed amount as set out in the Equity Transfer Agreement and use part of the Earn-out Payment to subscribe for the First Subscription Shares.

After arm's length negotiation between the Group and Ms. Zhu, adopting similar payment method/terms as under the Equity Transfer Agreement, Zhu Associate (being an entity wholly-owned by Ms. Zhu) will be entitled to the Incentive Shares depending and based on the NPA of the New Postpartum Care Centres during the Incentive Base Period. The Group does not have any cash outlay for the issue of Incentive Shares to Zhu Associate (and/or its designated entity(ies) controlled by it) pursuant to the Incentive Agreement, and the potential dilution effect resulting from the allotment and issue of the Incentive Shares is considered acceptable.

The Directors (excluding the independent non-executive Directors who will express their view after receiving advice from the Independent Financial Adviser) consider that though the entering into of the Incentive Agreement is not in the Group's ordinary and usual course of business, the terms of the Incentive Agreement (including the Issue Price) are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As mentioned above, Ms. Zhu is an executive Director, a joint chairman of the Board and the chief executive officer of the Company as at the date of this announcement. Ms. Zhu is a connected person of the Company at the issuer's level.

Zhu Associate is wholly-owned by Ms. Zhu and therefore a connected person of the Company. The issue of Incentive Shares under the Incentive Agreement constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. The Incentive Shares to be issued pursuant to the Incentive Agreement will be issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the SGM.

SGM

The Company will convene the SGM to seek the Independent Shareholders' approval for the SGM Matters. As Zhu Associate (being wholly-owned by Ms. Zhu) is a party to the Incentive Agreement, Ms. Zhu and her associates (including Subscriber B and Zhu Associate) are required to and will abstain from voting on the resolutions to be proposed at the SGM for approving the above matters. At the SGM, votes will be taken by way of poll. As at the date of this announcement, Ms. Zhu and her associates (including Subscriber B and Zhu Associate) in aggregate did not own any Shares.

GENERAL

The Independent Board Committee, comprising all the independent non-executive Directors, will be established to consider the SGM Matters and to advise the Independent Shareholders as to whether the SGM Matters are on normal commercial terms or better, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular setting out, among other things, (i) details of the Incentive Agreement (including the Specific Mandate); (ii) the letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the SGM, is expected to be despatched to the Shareholders on or before 17 November 2020.

DEFINITIONS

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

“Aidigong”	深圳愛帝宮母嬰健康管理股份有限公司 (Shenzhen Aidigong Maternity Health Management Co., Ltd.*), a non-listed joint stock company established under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company as at the date of this announcement
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“Assessment Period”	the 18-month period commencing from the date of commencement of operation (i.e. such postpartum care centre has obtained all relevant permits and approvals for the purpose of operation) of each New Postpartum Care Centre
“Board”	the board of Directors
“Company”	Aidigong Maternal & Child Health Limited, an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Directors”	the director(s) of the Company
“Earn-out Period”, “Earn-out Payment”, “Equity Transfer Agreement”, “Fifth Installment”, “First Subscription Shares”, “Fourth Installment” and “Subscriber B”	such terms shall have the same meanings as those defined in the circular of the Company dated 26 July 2019
“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
“Incentive”	the amount payable to Zhu Associate by the Company in the form of Incentive Shares based on the NPA of New Postpartum Care Centres pursuant to the terms and conditions of the Incentive Agreement

“Incentive Agreement”	the agreement dated 27 October 2020 entered into by and between the Company and Zhu Associate in relation to the Incentive
“Incentive Base Period”	the six consecutive calendar months during the Assessment Period selected by Zhu Associate for the purpose of calculating the entitlement of the Incentive Shares
“Incentive Share(s)”	new Shares that shall be allotted and issued by the Company to Zhu Associate as the Incentive
“Independent Board Committee”	the independent board committee of the Company (comprising all the independent non-executive Directors) to be established to advise the Independent Shareholders as to whether the terms of the SGM Matters are fair and reasonable and whether the SGM Matters are in the interests of the Company and the Shareholders as a whole
“Independent Financial Adviser”	Advent Corporate Finance Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out Type 6 (advising on corporate finance) regulated activity, which has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in relation to the SGM Matters
“Independent Shareholder(s)”	Shareholders other than Ms. Zhu and her associates (including Subscriber B and Zhu Associate)
“Issue Price”	the issue price of HK\$0.55 per Incentive Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Ms. Zhu”	Ms. Zhu Yufei, an executive Director, a joint chairman of the Board and the chief executive officer of the Company as at the date of this announcement, being the beneficial owner of Zhu Associate (a party to the Incentive Agreement)
“NPA”	aggregate net profit amount of a New Postpartum Care Centre during the Incentive Base Period prepared in accordance with Hong Kong accounting standards
“New Postpartum Care Centre(s)”	new postpartum care centres (other than the five existing postpartum care centres operated by the Group preceding the date of the Incentive Agreement), to be established and commence operations (i.e. such postpartum care centre has obtained all relevant permits and approvals for the purpose of operation) during the period commencing from the date of the Incentive Agreement, and ending on the third anniversary of the effective date of the Incentive Agreement to be operated by the Group under the existing brand of “Aidigong”
“RMB”	Renminbi, the lawful currency of the PRC
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“SGM”	the special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the SGM Matters
“SGM Matters”	the Incentive Agreement (including the grant of Specific Mandate) and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of the issued Share(s)

“Specific Mandate”	a specific mandate to allot and issue the Incentive Shares to be sought from the Independent Shareholders at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhu Associate”	Hongchang International Investment Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Ms. Zhu
“%”	per cent.

* For identification purpose only

By Order of the Board
Aidigong Maternal & Child Health Limited
Zhu Yufei and Cheung Wai Kuen
Joint Chairmen

Hong Kong, 27 October 2020

In this announcement, the terms “associate”, “connected person”, “percentage ratio”, “subsidiary” and “substantial shareholder” have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

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