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AID Life Science Holdings Limited
(滙友生命科學控股有限公司)*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8088)

**MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF
AID PARTNERS AUTONOMOUS GP LTD**

DISPOSAL AGREEMENT

The Board is pleased to announce that on 26 May 2020 (after trading hours), the Group and the Purchaser, an Independent Third Party, entered into the Disposal Agreement, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Share, being the entire issued share capital of the General Partner, at a cash consideration of US\$270,000 (equivalent to approximately HK\$2.1 million).

Upon Completion, the Company will cease to have any equity interest in the General Partner and the General Partner will cease to be a subsidiary of the Company. As a result of the Disposal, the Group would cease to have management and investment control over the Partnership through the General Partner. Therefore, the Partnership and its subsidiaries would also cease to be accounted for as subsidiaries of the Company notwithstanding that the Group would still retain its capital contribution to the Partnership. The Disposal would amount to a deemed disposal of the Partnership and its subsidiaries including the investment in the US Company.

Accordingly, the financial results of the General Partner, the Partnership and its subsidiaries will no longer be consolidated into the consolidated financial statements of the Group.

* For identification purpose only

GEM LISTING RULES IMPLICATIONS

Although the Group's investments and its equity interests in the Partnership and the US Company (through the Partnership and its subsidiaries) would remain unchanged after the Disposal, the Partnership and its subsidiaries would cease to be accounted for as subsidiaries of the Group as the Group would have no control over the Partnership and its decision regarding the investment in the US Company. The Disposal would amount to a deemed disposal of the Partnership and its subsidiaries including the investment in the US Company.

As one or more of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules in respect of the Disposal (including the deemed disposal of the Partnership and the US Company) exceeds 25% but less than 75%, the Disposal constitutes a major transaction on the part of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal Agreement and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting in respect of the Disposal Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, information relating to the Disposal Agreement, further information on the Disposal and a notice of EGM and other information as required under the GEM Listing Rules is expected to be despatched to the Shareholders on or before 16 June 2020.

Completion is conditional upon the satisfaction of the conditions set out in the section headed "Disposal Agreement — Conditions Precedent" in this announcement, including the approval of the Disposal Agreement and the transactions contemplated thereunder by the Shareholders at the EGM. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares of the Company.

The Board is pleased to announce that on 26 May 2020 (after trading hours), the Group and the Purchaser, an Independent Third Party, entered into the Disposal Agreement, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Share, being the entire issued share capital of the General Partner, at a cash consideration of US\$270,000 (equivalent to approximately HK\$2.1 million).

DISPOSAL AGREEMENT

Set out below are the principal terms of the Disposal Agreement:

Date

26 May 2020

Parties

Vendor: New Earn Investments Limited, an indirect wholly-owned subsidiary of the Company

Purchaser: Vantage Elite Holdings Limited, a company incorporated in Samoa with limited liability

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

Assets to be disposed of

Pursuant to the Disposal Agreement, the Company conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Share, representing the entire equity interest in the General Partner, free from all encumbrances and together with all rights then or thereafter attaching thereto including all dividends or distributions which may be paid, declared or made in respect thereof at any time on or after the date of the Completion.

Consideration

The consideration for the Sale Share shall be US\$270,000 (equivalent to approximately HK\$2.1 million), which shall be satisfied by the Purchaser in cash upon Completion.

The consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to the management fees payable by the limited partners of the Partnership to the General Partner as general partner of the Partnership and the prevailing market conditions.

In view of the above, the Directors consider that the terms and conditions of the Disposal Agreement were concluded under normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion is conditional upon fulfilment of the following conditions:

- (a) the passing by the Shareholders at the EGM of the necessary ordinary resolution(s) to approve the Disposal Agreement and the transactions contemplated hereby; and

- (b) all necessary consents and approvals (including but not limited to consents and approvals in relation to the Partnership) required to be obtained on the part of the Vendor and the Company in respect of the Disposal Agreement and the transactions contemplated thereby having been obtained and remain in full force and effect.

None of the above conditions may be waived by the Vendor or the Purchaser. If the conditions set out above have not been satisfied at or before 4:00 p.m. (Hong Kong time) on the Long Stop Date, the Disposal Agreement shall cease and determine and neither party shall have any obligations and liabilities thereunder save for any antecedent breaches of the provisions in the Disposal Agreement.

Completion

Completion shall take place on the date falling on the next Business Day after the fulfillment of the above conditions.

INFORMATION ON THE GENERAL PARTNER AND THE PARTNERSHIP

The General Partner is a company incorporated in the Cayman Islands with limited liability. It is the general partner of the Partnership as at the date of this announcement. Save for acting as the general partner of the Partnership, the General Partner has no other business activity. The principal business activity of the Partnership is investment holding and its sole asset is investment in stocks in the US Company, which is principally engaged in robotics, pioneering autonomous mobility, through its subsidiaries.

Set out below is the unaudited financial information of the General Partner for the years ended 31 December 2018 and 31 December 2019 which were prepared in accordance with the International Financial Reporting Standards:

	For the year ended 31 December 2018 <i>US\$ '000</i> (unaudited)	For the year ended 31 December 2019 <i>US\$ '000</i> (unaudited)
Revenue	53	53
Net profit before taxation	53	53
Net profit after taxation	53	53

The unaudited net assets of the General Partner as at 31 December 2019 were approximately US\$179,000.

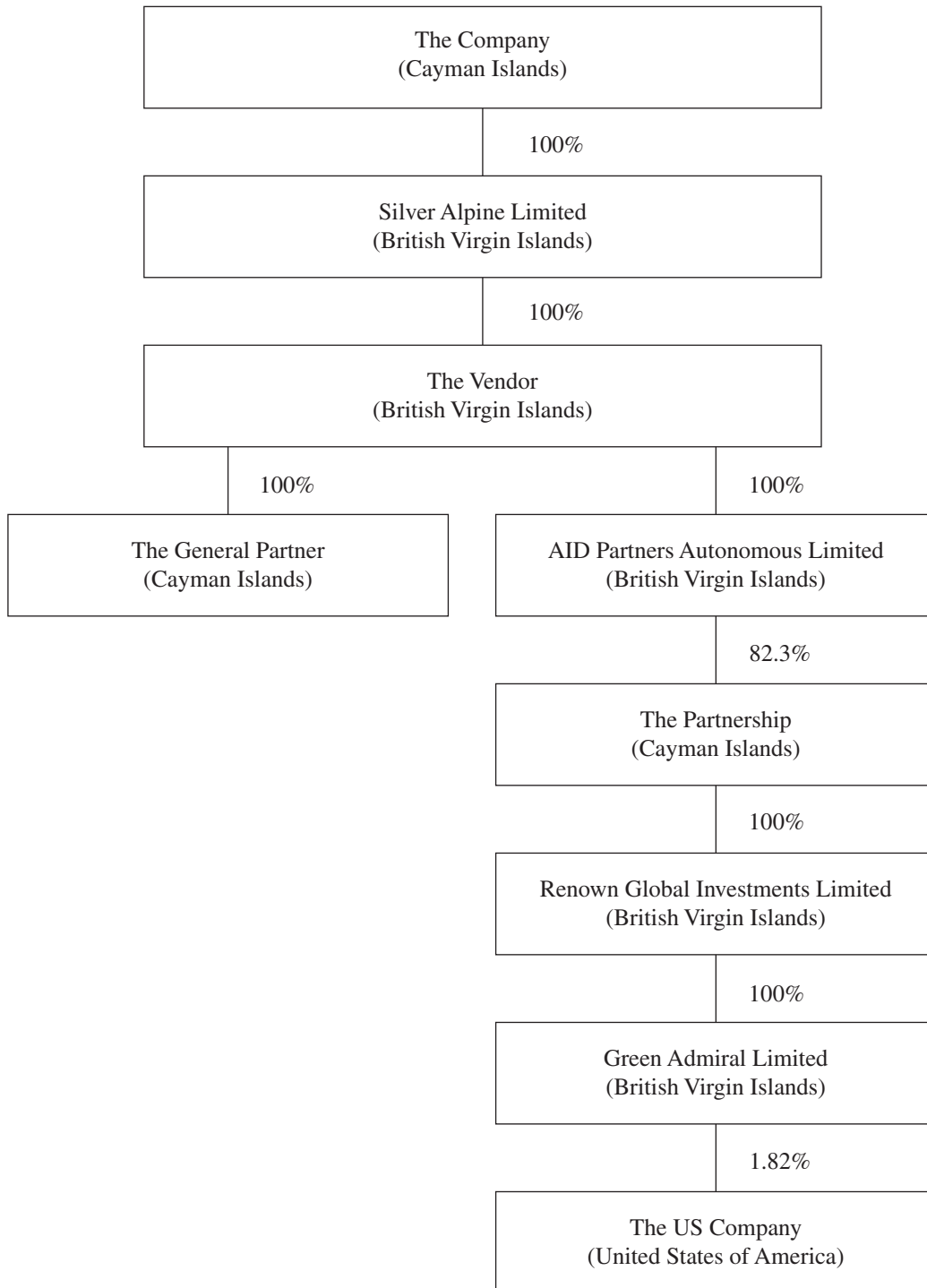
Set out below is the unaudited consolidated financial information of the Partnership and its subsidiaries for the years ended 31 December 2018 and 31 December 2019 which were prepared in accordance with the International Financial Reporting Standards:

	For the year ended 31 December 2018 <i>US\$'000</i> (unaudited)	For the year ended 31 December 2019 <i>US\$'000</i> (unaudited)
Revenue	53	53
Net profit before taxation	9,705	57
Net profit after taxation	9,705	57

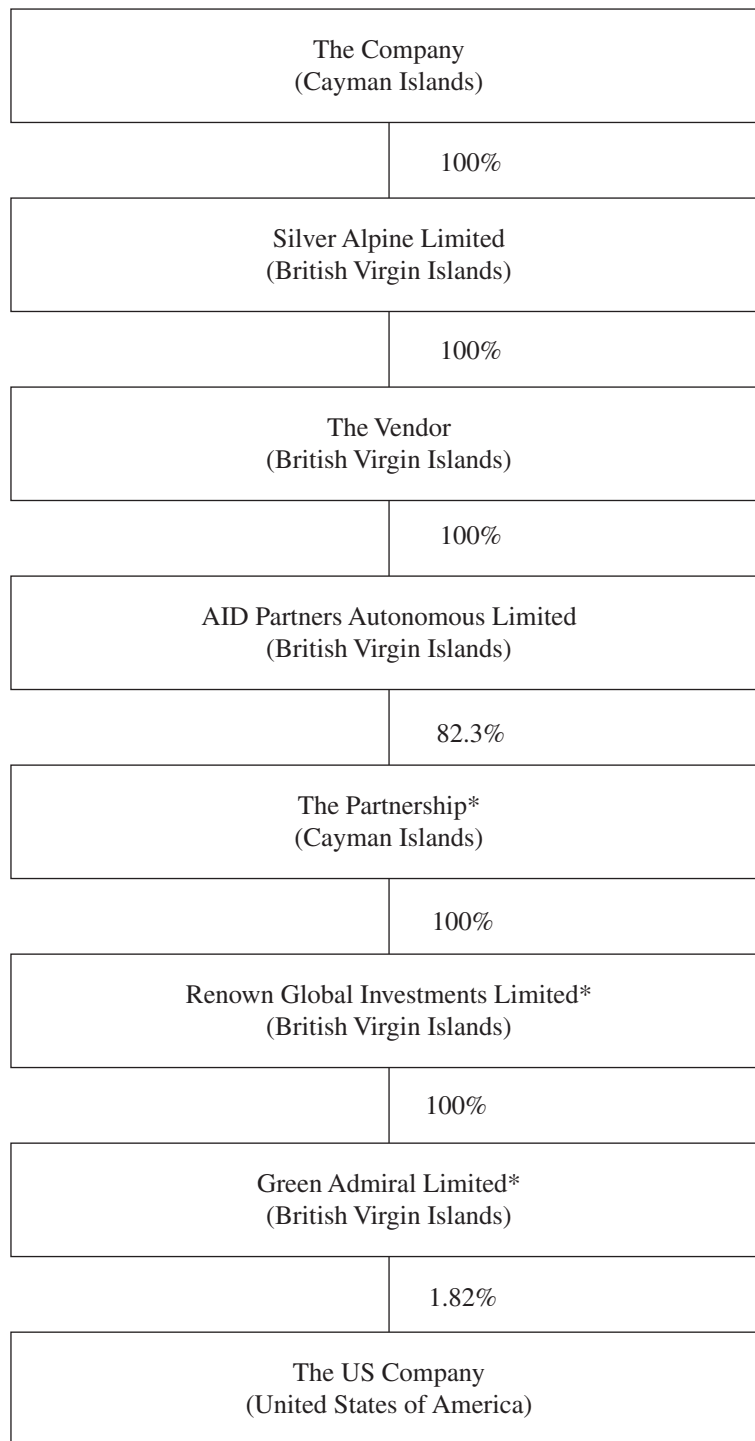
The unaudited consolidated net assets of the Partnership and its subsidiaries as at 31 December 2019 were approximately US\$39,835,000.

The group structure of the Partnership before and after the Disposal are illustrated as follows:

Group structure of the Partnership immediately before the Disposal



Group structure of the Partnership immediately after the Disposal



* *Cease to be accounted for as subsidiaries of the Company*

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the General Partner will cease to be a subsidiary of the Company. As such, the results, assets and liabilities of the General Partner will cease to be consolidated into the books of the Company after Completion.

It is expected that upon Completion, the Group expects to recognise an unaudited gain of approximately HK\$1.5 million on the Disposal, being the difference between the consideration and the aggregate of the estimated carrying value of the Group's interest in the General Partner disposed of and the estimated costs and expenses in relation to the Disposal.

The net proceeds from the Disposal of approximately HK\$1.5 million will be used for the general working capital of the Group.

In view of the Group's capital contribution to and the management control over the Partnership by the Group through the General Partner, the Partnership has been accounted for as a 82.3%-owned subsidiary of the Group and the investment in the US Company is accounted for as financial asset at fair value through profit or loss. As a result of the Disposal, the Group would cease to have management and investment control over the Partnership through the General Partner. The Partnership and its subsidiaries would cease to be accounted for as subsidiaries of the Company notwithstanding that the Group would still retain its capital contribution to the Partnership. Instead, given the nature of the Partnership whose principal activity is the investment in the US Company (through its wholly owned subsidiaries), the Group would account for its investment in the Partnership as an investment in the fund's assets not controlled by the Group, which is also a financial asset at fair value through profit or loss. As the Partnership and its subsidiaries would cease to be accounted as subsidiaries of the Group, their results would cease to be consolidated into the Group's financial statements after the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is engaged in the business of strategic investment.

It has always been the business strategy of the Company to make appropriate business decisions and optimal adjustments on its business plans according to the market conditions to create the best possible value for the Group and the shareholders of the Company. In 2015, convertible bonds in the principal amount of HK\$140,000,000, bearing a compound interest rate of 8% per annum, was issued by the Company with a maturity date on 20 July 2020. The Disposal is part of the steps by the Group to divest its investment in the US Company, as its value has appreciated since it was acquired by the Group in 2016, and to repay the convertible bonds and to finance the operation and development of the Group's business. The Purchaser is a company incorporated in Samoa as an investment vehicle by its ultimate beneficial owner, Mr. Asher Dory ("Mr. Dory"). Given that Mr. Dory is specialized in new upcoming technologies and has extensive experience in emerging markets for a number of renowned multinational corporations in the fields of telecommunications, information technology and fintech, the Board is of the view that the Purchaser, as the new general partner of the Partnership after the Disposal, could best facilitate the divestment in the US Company by the Partnership.

In view of the abovementioned factors, the Directors consider that the terms and conditions of the Disposal are fair and reasonable and on normal commercial terms and are in the interests of the Company and Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

Although the Group's investments and its equity interests in the Partnership and the US Company (through the Partnership and its subsidiaries) would remain unchanged after the Disposal, the Partnership and its subsidiaries would cease to be accounted for as subsidiaries of the Group as the Group would have no control over the Partnership and its decision regarding the investment in the US Company. The Disposal would amount to a deemed disposal of the Partnership and its subsidiaries including the investment in the US Company.

As one or more of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules in respect of the Disposal (including the deemed disposal of the Partnership and the US Company) exceeds 25% but less than 75%, the Disposal constitutes a major transaction on the part of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal Agreement and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting in respect of the Disposal Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, information relating to the Disposal Agreement, further information on the Disposal and a notice of EGM and other information as required under the GEM Listing Rules is expected to be despatched to the Shareholders on or before 16 June 2020.

Completion is conditional upon the satisfaction of the conditions set out in the section headed "Disposal Agreement — Conditions precedent" in this announcement, including the approval of the Disposal Agreement and the transactions contemplated thereunder by the Shareholders at the EGM. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares of the Company.

DEFINITIONS

Unless the context requires otherwise, terms used in this announcement shall have the following meanings:

“Board”	the board of Directors
“Business Day”	a day other than a Saturday, Sunday or public holiday on which banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	AID Life Science Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM of the Stock Exchange (stock code: 8088)
“Completion”	completion of the sale and purchase of the Sale Share in accordance with the terms and conditions of the Disposal Agreement
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company for the time being
“Disposal”	the disposal of the Sale Share pursuant to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 26 May 2020 in relation to the Disposal entered into between the Vendor and the Purchaser
“General Partner”	AID Partners Autonomous GP Ltd, a company incorporated in the Cayman Islands with limited liability
“EGM”	an extraordinary general meeting of the Company to be convened and held to approve the Disposal Agreement and the transactions contemplated thereunder
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, 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 any of its connected persons

“Long Stop Date”	17 July 2020, or such other time and date as may be agreed between the Vendor and the Purchaser
“Partnership”	a Cayman Islands exempted partnership registered under the Exempted Limited Partnership Law, 2014 (as amended) of the Cayman Islands with the Registrar of Exempted Limited Partnerships in the Cayman Islands, for which the General Partner acts as the general partner
“Purchaser”	Vantage Elite Holdings Limited, a company incorporated in Samoa and the purchaser of the Sale Share under the Disposal Agreement
“Sale Share”	1 ordinary share with a nominal value of US\$1.00 in the share capital of the General Partner
“Share(s)”	ordinary share(s) of US\$0.002 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“US Company”	Zoox, Inc., a company incorporated in the United States of America with limited liability, in which the Group owns 5,813,870 series A preferred stocks (representing approximately 1.82% of the enlarged share capital of the US Company on the assumption that all the convertible securities of the US Company (including the series A preferred stocks) are fully converted into common stocks of the US Company)
“Vendor”	New Earn Investments Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board
AID Life Science Holdings Limited
Wu King Shiu, Kelvin
Chairman

Hong Kong, 26 May 2020

As at the date of this announcement, the Directors are:

Chairman and Non-Executive Director: Wu King Shiu, Kelvin

Executive Directors: Chan Suet Ngan, Hu Kenneth and
Qian Alexandra Gaochuan

Independent Non-Executive Directors: Yuen Kwok On, Matsumoto Hitoshi and Yau Chung Hang

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.

Unless otherwise specified in this announcement, the exchange rates of US\$1.00 = HK\$7.8 have been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or at any other rates.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.8088inc.com.