



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)

3RD QUARTERLY RESULTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

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* For identification purpose only

ABOUT AID LIFE SCIENCE HOLDINGS LIMITED

AID Life Science Holdings Limited (the “Company” and, together with its subsidiaries, the “Group”) is a strategic investment group listed on GEM (stock code: 8088).

The Group is principally engaged in the business of strategic investment.

MANAGEMENT DISCUSSION AND ANALYSIS

During the nine months under review, the Group continued to operate its strategic investment businesses. As part of the strategic investment business, the Group continued to monitor and strive to maximise the value of its strategic investments including, among others, (i) the development and operations of mobile/online games and mobile game distribution and publishing platform through its subsidiaries, Complete Star Limited and its subsidiary and Honestway Global Group Limited (“HGGL”) and its subsidiaries; (ii) in Korea in the Korean pop music production and artist management business; (iii) in Japan in the online platform for private lodging in Japan business; (iv) in the United States of America for the businesses of robotics, pioneering autonomous mobility; (v) in the People’s Republic of China in the development and operation of electric vehicle charging pile facility; (vi) in the distribution and production of films, television programs and music production, and artist management services through its shareholding in China Creative Digital Entertainment Limited (formerly known as HMV Digital China Group Limited) (stock code: 8078) (“China Creative”); and (vii) the development in advanced personal molecular diagnostic services for cancer evaluation and cure through its shareholding in GeneSort Ltd.

DISPOSAL OF GENESORT INTERNATIONAL INC. AND ITS SUBSIDIARIES (“GENESORT GROUP”)

On 27 May 2019, the Group entered into a sale and purchase agreement with an independent third party (the “Purchaser”), pursuant to which the Group has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase 6% of the issued share capital of GeneSort Group at a cash consideration of US\$740,000 (equivalent to approximately HK\$5,802,000). GeneSort Group is principally engaged in the development of advanced personal molecular diagnostic services for cancer evaluation and cure. The disposal of GeneSort Group was completed on 27 May 2019. Upon completion on 27 May 2019, GeneSort Group had ceased to be a subsidiary of the Group. Thereafter, the investment in GeneSort Group was reclassified as interest in an associate.

FINANCIAL REVIEW

Revenue for the nine months under review decreased to HK\$8.4 million from HK\$9.0 million for the corresponding period last year, while total operating expenses (being selling and distribution expenses, administrative expenses and other operating expenses) for the nine months under review decreased to HK\$46.6 million from HK\$80.0 million for the corresponding period last year.

Fair value loss on financial assets at fair value through profit or loss of HK\$21.9 million was recognised for the nine months under review, while fair value loss of HK\$27.6 million was recognised for the corresponding period last year.

Other net income for the nine months under review decreased to HK\$6.1 million from HK\$11.0 million for the corresponding period last year, which was mainly due to the effective interest income on convertible bonds of HK\$7.2 million was recognised in the corresponding period of last year, which was reclassified from other net income to fair value change at the end of 2018 following the adoption of IFRS 9, therefore no such income was further recognised during the nine months under review.

Finance costs for the nine months under review increased to HK\$12.1 million from HK\$10.6 million for the corresponding period of last year, mainly represent the effective interest expense of the convertible bonds with principal amount of HK\$140 million.

As a result, the Group reported a loss attributable to owners of the Company for the nine months under review of HK\$80.7 million as compared to HK\$93.6 million for the corresponding period last year.

The Group will continue to (i) seize good opportunities from the potential fast growing specialised industry of health technology; (ii) monitor and maximise the value of our investments; and (iii) seek for potential strategic investment and divestment opportunities with the objective to enhance the return to its shareholders.

RESULTS

The board (the “Board”) of directors (the “Director(s)”) of the Company announces the unaudited consolidated results of the Group for the nine months and three months ended 30 September 2019, together with the comparative unaudited figures of the corresponding periods in 2018, as follows:

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the nine months and three months ended 30 September 2019

	Notes	Unaudited Nine months ended 30 September		Unaudited Three months ended 30 September	
		2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
Revenue	3	8,390	9,029	1,296	2,190
Cost of sales		<u>(6,721)</u>	<u>(4,377)</u>	<u>(870)</u>	<u>(1,048)</u>
Gross profit		1,669	4,652	426	1,142
Fair value (loss)/gain on financial assets at fair value through profit or loss		(21,934)	(27,600)	2,849	30,291
Loss on disposal of financial assets at fair value through profit or loss		(6,225)	(2,171)	–	(60)
(Loss)/gain on disposal of subsidiaries	7	(7,700)	5,732	–	5,732
Other net income	3	6,117	10,981	2,350	3,559
Selling and distribution expenses		(442)	(405)	–	(114)
Administrative expenses		(46,168)	(74,608)	(10,364)	(22,566)
Impairment of intangible assets		–	(1,940)	–	(1,940)
Other operating expenses		<u>–</u>	<u>(5,000)</u>	<u>–</u>	<u>(5,000)</u>
(Loss)/profit from operations		(74,683)	(90,359)	(4,739)	11,044
Finance costs		(12,064)	(10,641)	(4,183)	(3,734)
Share of results of an associate, net of tax		<u>(2,186)</u>	–	<u>(1,469)</u>	–
(Loss)/profit before taxation		(88,933)	(101,000)	(10,391)	7,310
Taxation credit	4	<u>1,312</u>	1,472	<u>332</u>	227
(Loss)/profit for the period		<u>(87,621)</u>	<u>(99,528)</u>	<u>(10,059)</u>	<u>7,537</u>

		Unaudited Nine months ended 30 September		Unaudited Three months ended 30 September	
		2019	2018	2019	2018
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Attributable to:					
Owners of the Company		(80,738)	(93,555)	(10,043)	10,223
Non-controlling interests		(6,883)	(5,973)	(16)	(2,686)
		<u>(87,621)</u>	<u>(99,528)</u>	<u>(10,059)</u>	<u>7,537</u>
(Loss)/profit for the period					
(Loss)/earnings per share					
attributable to owners of					
the Company for the period					
	5	HK cents	HK cents (restated)	HK cents	HK cents (restated)
Basic		<u>(14.88)</u>	<u>(17.40)</u>	<u>(1.84)</u>	<u>1.89</u>
Diluted		<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

UNAUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the nine months and three months ended 30 September 2019

	Unaudited Nine months ended 30 September		Unaudited Three months ended 30 September	
	2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
(Loss)/profit for the period	(87,621)	(99,528)	(10,059)	7,537
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(1,251)	(2,654)	(760)	(1,847)
Share of other comprehensive income of an associate	(596)	–	(458)	–
Other comprehensive income for the period, net of tax	<u>(1,847)</u>	<u>(2,654)</u>	<u>(1,218)</u>	<u>(1,847)</u>
Total comprehensive income for the period, before and net of tax	<u>(89,468)</u>	<u>(102,182)</u>	<u>(11,277)</u>	<u>5,690</u>
Attributable to:				
Owners of the Company	(83,250)	(96,172)	(11,265)	8,415
Non-controlling interests	<u>(6,218)</u>	<u>(6,010)</u>	<u>(12)</u>	<u>(2,725)</u>
Total comprehensive income for the period, before and net of tax	<u>(89,468)</u>	<u>(102,182)</u>	<u>(11,277)</u>	<u>5,690</u>

NOTES TO THE UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 21 February 2000 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and, its principal place of business is 22/F, New World Tower II, 18 Queen's Road Central, Central, Hong Kong. The Company's shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 17 April 2000. The Company and its subsidiaries are together referred to as the "Group" hereinafter.

The Company acts as the holding company of the Group. The Group is principally engaged in the business of strategic investment.

The unaudited consolidated financial information has been prepared in accordance with International Financial Reporting Standards ("IFRSs") which collective term includes all applicable individual International Financial Reporting Standards and Interpretations approved by the International Accounting Standards Board (the "IASB") and all applicable individual International Accounting Standards and Interpretations as originated by the Board of the International Accounting Standards Committee and adopted by IASB. The unaudited consolidated financial information also complies with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("GEM Listing Rules").

The unaudited consolidated financial information has been prepared under historical cost convention except for certain financial instruments classified as financial assets at fair value through profit or loss, which are measured at fair value.

It should be noted that accounting estimates and assumptions are used in preparation of the unaudited consolidated financial information. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the unaudited consolidated financial information, are consistent with those set out in the Company's annual audited consolidated financial statements for the year ended 31 December 2018 ("2018 Annual Report").

This consolidated financial information for the nine months ended 30 September 2019 is unaudited but has been reviewed by the audit committee of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

This unaudited consolidated financial information should be read in conjunction with the Company's 2018 Annual Report, which has been prepared in accordance with IFRSs. The principal accounting policies adopted to prepare this unaudited consolidated financial information are consistent with those adopted to prepare the Company's 2018 Annual Report.

The IASB has issued a number of new or revised IFRSs which are first effective for accounting period beginning on 1 January 2019, the adoption of these amendments has no material impact on how the Group's financial performance for the current and prior periods have been prepared and presented.

The Group has not early adopted the new or revised IFRSs which have been issued but not yet effective.

3. REVENUE AND OTHER NET INCOME

Revenue represents the (i) net receipts from sales of in-app purchases items, (ii) advertising income, (iii) game publishing service income, and (iv) real-time video streaming income.

Other net income mainly comprises interest income and net foreign exchange gains.

4. TAXATION CREDIT

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

Accordingly, starting from the year ended 31 December 2018, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. The profits of group entities not qualified for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

The Group’s subsidiaries operating in the People’s Republic of China (“PRC”) are subject to PRC Enterprise Income Tax at the tax rate of 25%. One of the Group’s major operating subsidiary, 上海威搜游科技有限公司 (Shanghai VSOYOU Technology Co., Ltd.* or “VSOYOU”), was established in the PRC and carries on business in the PRC as a software enterprise. This subsidiary has, pursuant to the relevant laws and regulations in the PRC, obtained exemption from PRC Enterprise Income Tax for two years starting from its first profit-making year, followed by a 50% reduction for the next three years (the “Tax Exemption”). This subsidiary which is currently entitled to the Tax Exemption from 1 January 2015 would continue to enjoy such treatments until the Tax Exemption period expires, but not beyond 31 December 2019.

Taxes on profits assessable elsewhere have been calculated at the rates prevailing in the relevant jurisdictions during the nine months and three months ended 30 September 2019 and 2018.

Deferred tax credit relating to the amortisation of intangible assets was recognised in profit or loss for the nine months and three months ended 30 September 2019 and 2018. No recognition of potential deferred tax assets relating to tax losses of the Group has been made as the recoverability of the potential deferred tax assets is uncertain.

5. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing consolidated (loss)/profit attributable to owners of the Company by weighted average number of ordinary shares in issue during the nine months and three months ended 30 September 2019 and 2018.

	Unaudited Nine months ended 30 September 2019		Unaudited Three months ended 30 September 2019	
		2018 (restated)		2018 (restated)
<i>(HK\$'000)</i>				
Consolidated (loss)/profit attributable to owners of the Company	<u>(80,738)</u>	<u>(93,555)</u>	<u>(10,043)</u>	<u>10,223</u>
<i>(Number)</i>				
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	<u>542,482,005</u>	<u>537,607,005</u>	<u>545,107,005</u>	<u>540,232,005</u>
<i>(HK cents)</i>				
Basic (loss)/earnings per share	<u>(14.88)</u>	<u>(17.40)</u>	<u>(1.84)</u>	<u>1.89</u>

The weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share has been adjusted for share consolidation on 14 December 2018.

(b) Diluted (loss)/earnings per share

For the nine months and three months ended 30 September 2019 and 2018, the diluted (loss)/earnings per share would (reduce)/increase if the outstanding share options and convertible bonds were taken into account, as those financial instruments had an anti-dilutive effect and were hence ignored in the calculation of diluted (loss)/earnings per share.

6. MOVEMENTS IN RESERVES

	Share premium	Capital reduction reserve	Convertible bonds equity reserve	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Remuneration share reserve	Investment revaluation reserve	Foreign exchange reserve	Other reserve	Statutory surplus reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2019 as originally presented	762,257	702,955	1,921	2,112	601	57,159	10,400	-	(3,048)	(20,798)	5,163	(1,149,683)	369,039
Impact on application of IFRS 16	-	-	-	-	-	-	-	-	-	-	-	(608)	(608)
At 1 January 2019 (Restated)	762,257	702,955	1,921	2,112	601	57,159	10,400	-	(3,048)	(20,798)	5,163	(1,150,291)	368,431
Loss for the period	-	-	-	-	-	-	-	-	-	-	-	(80,738)	(80,738)
Other comprehensive income													
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	(1,916)	-	-	-	(1,916)
Share of other comprehensive income of an associate	-	-	-	-	-	-	-	-	(596)	-	-	-	(596)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(2,512)	-	-	(80,738)	(83,250)
Remuneration shares issued for consultancy service	324	-	-	-	-	-	3,329	-	-	-	-	-	3,653
Disposals of subsidiaries as a result of loss of control, reclassified to profit or loss	-	-	-	-	-	-	-	-	-	(821)	-	821	-
At 30 September 2019 (Unaudited)	762,581	702,955	1,921	2,112	601	57,159	13,729	-	(5,560)	(21,619)	5,163	(1,230,208)	288,834
At 1 January 2018 as originally presented	756,387	702,955	1,921	2,112	601	62,165	7,820	(2,876)	(839)	(21,619)	5,163	(382,320)	1,131,470
Impact on application of IFRS 9	-	-	-	-	-	-	-	2,876	-	-	-	(7,109)	(4,233)
At 1 January 2018 (Restated)	756,387	702,955	1,921	2,112	601	62,165	7,820	-	(839)	(21,619)	5,163	(389,429)	1,127,237
Loss for the period	-	-	-	-	-	-	-	-	-	-	-	(93,555)	(93,555)
Other comprehensive income													
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	(2,617)	-	-	-	(2,617)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(2,617)	-	-	(93,555)	(96,172)
Remuneration shares issued for consultancy service	5,871	-	-	-	-	-	1,020	-	-	-	-	-	6,891
Lapse of share options	-	-	-	-	-	(4,902)	-	-	-	-	-	4,902	-
Disposal of interests in subsidiaries without loss of control	-	-	-	-	-	-	-	-	-	821	-	-	821
At 30 September 2018 (Unaudited)	762,258	702,955	1,921	2,112	601	57,263	8,840	-	(3,456)	(20,798)	5,163	(478,082)	1,038,777

7. DISPOSAL OF SUBSIDIARIES

(a) Disposal of AID Partners Asset Management Limited (“AIDPAML”)

On 5 September 2018, the Group disposed of its entire issued share capital of AIDPAML to an independent third party at a cash consideration of approximately HK\$5,937,000. The net assets of AIDPAML at the date of disposal were as follows:

	2018 <i>HK\$'000</i>
Net assets of a subsidiary disposed of:	
Property, plant and equipment	1
Trade and other receivables	8
Cash and cash equivalents	253
Trade and other payables	<u>(57)</u>
	205
Total consideration	<u>5,937</u>
Gain on disposal of a subsidiary included in profit or loss for the period	<u><u>5,732</u></u>
Consideration satisfied by:	
Cash	<u><u>5,937</u></u>
Net cash inflow arising on disposal:	
Cash consideration received	5,937
Cash and bank balances disposed of	<u>(253)</u>
	<u><u>5,684</u></u>

(b) Disposal of GeneSort International Inc. and its subsidiaries (“GeneSort Group”)

On 27 May 2019, the Group disposed of 6% of the issued share capital of GeneSort Group at a cash consideration of US\$740,000 (equivalent to approximately HK\$5,802,000). Upon completion on 27 May 2019, GeneSort Group had ceased to be a subsidiary of the Group. Thereafter, the investment in GeneSort Group was reclassified as interest in an associate.

The assets and liabilities of GeneSort Group were deconsolidated from the Group’s consolidated statement of financial position and the interest in GeneSort Group has been accounted for as an associate using equity method. The fair value of the retained interest in GeneSort Group at the date of reclassification is regarded as the cost on initial recognition of the investment in GeneSort Group as an associate.

	2019 HK\$’000
Net assets of subsidiaries disposed of:	
Property, plant and equipment	5,400
Intangible assets	83,085
Trade and other receivables	1,324
Cash and cash equivalents	1,418
Trade and other payables	(60,635)
Deferred tax liabilities	(7,767)
	<u>22,825</u>
Less:	
Fair value of interest in an associate retained	(8,420)
Non-controlling interests	1,583
Total consideration	<u>(8,288)</u>
Loss on disposal of subsidiaries included in profit or loss for the period	<u><u>7,700</u></u>
Consideration satisfied by:	
Cash	5,802
Financial assets at fair value through profit or loss	2,486
	<u><u>8,288</u></u>
Net cash inflow arising on disposal:	
Cash consideration received	5,802
Cash and bank balances disposed of	(1,418)
	<u><u>4,384</u></u>

8. DISPOSAL OF INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL AND FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Disposal of First Champion Global Limited (“First Champion”)

On 26 June 2018, the Group has entered into an investment agreement, pursuant to which the Group disposed of its entire equity interest in First Champion (the “Transaction”). The Transaction involves indirect partial disposal of 22.7% equity interest in a subsidiary without loss of control together with financial assets at fair value through profit or loss, both being held under First Champion (the “Disposal Group”), for an aggregate consideration US\$718,000 (equivalent to approximately HK\$5,600,000), which was satisfied by 46.3% interest in a limited partnership. It was accounted for as an equity transaction with non-controlling interests and summarised as follows:

	2018 HK\$'000
Carrying amounts of the Disposal Group disposed of:	
Net assets of First Champion	–
Net assets of 22.7% of equity interest in a subsidiary	4,779
Financial assets at fair value through profit or loss	–
	<hr/>
	4,779
Total consideration	<hr/> 5,600
Gain on disposal of the Disposal Group within equity	<hr/> <hr/> 821
Satisfied by:	
46.3% interest in a limited partnership	<hr/> <hr/> 5,600

9. LOAN OF LISTED SECURITIES

On 22 March 2018, the Group entered into a Stock Borrowing Agreement (“Agreement”) with China Creative as the borrower, whereas the Group has agreed to make available to the borrower a loan of the loaned securities up to 300,000,000 shares in China Creative (6,000,000 share adjusted upon the Capital Reorganization of China Creative), that were held by a subsidiary of the Group, in favour of an investor as a security for performance of certain obligations by China Creative, in relation to its issuance of convertible bonds and notes to the investor. Under the Agreement, China Creative has agreed to pay a borrowing fee on the value of the loaned securities at a rate of 3.5% per annum. During the nine months ended 30 September 2019, interest income amounted to HK\$2,382,000 was recognised as other net income in profit or loss.

The loan is guaranteed and indemnified by an executive director of China Creative against all costs, losses, damages, demands and expenses in which the Group may sustain or incur as a result of the whole or any of the obligations being defaulted or becoming irrecoverable from the borrower. As at 30 September 2019, the fair value of the loaned securities was HK\$852,000 by reference to market value.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2019 (nine months ended 30 September 2018: Nil).

DISCLOSURE OF INTERESTS

(A) Director's Interests

As at 30 September 2019, the interests of the Directors or any chief executive of the Company in the ordinary shares of the Company (the "Shares") and underlying Shares and any of its associated corporations as recorded in the register were:

(i) Interests in the Shares

Name of Directors	Personal interest	Corporate interest	Family interest	Aggregate long position in Shares	Approximate percentage of the issued share capital of the Company %
Mr. Wu King Shiu, Kelvin ("Mr. Wu") (Notes 1 & 2)	1,424,400	104,939,882	8,280,000	114,644,282	21.03
Ms. Chan Suet Ngan	19,850	–	–	19,850	0.003
Mr. Hu Kenneth (Note 3)	–	–	630,000	630,000	0.11
Ms. Qian Alexandra Gaochuan ("Ms. Qian") (Note 3)	630,000	–	–	630,000	0.11
Mr. Yuen Kwok On ("Mr. Yuen")	99,000	–	–	99,000	0.01

Notes:

1. Mr. Wu owns 1,424,400 Shares. Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited own 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares, respectively. Mr. Wu is deemed to have interests in 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares of which Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited were deemed to be interested by virtue of the Securities and Future Ordinance (the "SFO") since Mr. Wu indirectly own 56% through Billion Power Management Limited, of the issued share capital of AID Partners GP2, Ltd.. AID Partners GP2, Ltd. is the general partner of AID Partners Capital II, L.P. ("AID Cap II"). AID Cap II is interested in the entire issued share capital of Leader Fortune International Limited, which is interested in the entire issued share capital of Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited.
2. Billion Express Consultants Limited ("Billion Express") owns 8,280,000 Shares. The entire issued share capital of Billion Express is wholly owned by Ms. Li Mau, the spouse of Mr. Wu. Accordingly, Mr. Wu is deemed to be interested in the shares of the Company held by Billion Express.
3. Ms. Qian, the spouse of Mr. Hu Kenneth holds 630,000 Shares. Accordingly, Mr. Hu Kenneth is deemed to be interested in 630,000 Shares.

(ii) *Interests in the underlying Shares*

Outstanding share options

Name of Directors	Date of grant (dd/mm/yyyy)	Exercise price HK\$	Exercise period (Notes)	Balance as at 1 January 2019	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Balance as at 30 September 2019
Mr. Wu	20/06/2014	3.20	(1)	1,344,200	-	-	-	1,344,200
	01/04/2016	4.94	(2)	3,500,000	-	-	-	3,500,000
	19/05/2017	1.56	(3)	450,000	-	-	-	450,000
				<u>5,294,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,294,200</u>
Ms. Chan Suet Ngan	01/04/2016	4.94	(2)	200,000	-	-	-	200,000
	19/05/2017	1.56	(3)	600,000	-	-	-	600,000
				<u>800,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800,000</u>
Mr. Hu Kenneth	01/04/2016	4.94	(2)	200,000	-	-	-	200,000
	19/05/2017	1.56	(3)	1,400,000	-	-	-	1,400,000
				<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,600,000</u>
Ms. Qian	01/04/2016	4.94	(2)	200,000	-	-	-	200,000
	19/05/2017	1.56	(3)	1,400,000	-	-	-	1,400,000
				<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,600,000</u>
Mr. Yuen	01/04/2016	4.94	(2)	150,000	-	-	-	150,000
	19/05/2017	1.56	(3)	100,000	-	-	-	100,000
				<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>

Notes:

- (1) Exercisable from 20 June 2014 to 19 June 2024.
- (2) Divided into two tranches exercisable from 1 October 2016 and 1 April 2017, respectively to 31 March 2026.
- (3) Exercisable from 19 May 2017 to 18 May 2027.

(iii) Short positions

None of the Directors held short positions in the Shares and underlying Shares or any associated corporation.

Save as disclosed above, as at 30 September 2019, none of the Directors or chief executive of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provision of the SFO), or which were recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules relating to securities transactions by Directors.

(B) Substantial Shareholders and Other Persons

As at 30 September 2019, the following persons, other than the Directors or chief executive of the Company, had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is expected, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

(i) *Interests in the Shares and underlying Shares*

Name	Aggregate long position in Shares	Aggregate long position in underlying shares	Approximate percentage of the issued share capital of the Company %
Substantial Shareholders			
Mr. Wu (<i>Notes 1 and 5</i>)	114,644,282	5,294,200	22.00
Ms. Li Mau (<i>Notes 1 and 5</i>)	114,644,282	5,294,200	22.00
Mr. Ho Gilbert Chi Hang (“Mr. Ho”) (<i>Notes 2 and 5</i>)	104,953,082	5,317,100	20.22
Mr. Chang Tat Joel (“Mr. Chang”) (<i>Notes 3 and 5</i>)	104,939,882	2,067,100	19.63
AID Cap II (<i>Note 5</i>)	104,939,882	–	19.25
AID Partners GP2, Ltd. (<i>Note 5</i>)	104,939,882	–	19.25
Hong Kong HNA Holding Group Co. Limited (<i>Note 4</i>)	66,141,232	21,538,461	16.08
Mr. David Tin	45,454,400	–	8.33
Billion Power Management Limited (<i>Note 5</i>)	104,939,882	–	19.25
Elite Honour Investments Limited (<i>Note 5</i>)	104,939,882	–	19.25
Genius Link Assets Management Limited (<i>Note 5</i>)	104,939,882	–	19.25
Leader Fortune International Limited (<i>Note 5</i>)	104,939,882	–	19.25
Abundant Star Ventures Limited (<i>Note 5</i>)	45,454,545	–	8.33
Vantage Edge Limited (<i>Note 5</i>)	34,090,937	–	6.25
Mr. Wong Kwok Ho (“Mr. Wong”) (<i>Notes 6 and 7</i>)	32,558,200	14,250,000	8.58
Ms. Chau Mui (<i>Notes 6 and 7</i>)	32,558,200	14,250,000	8.58

Notes:

1. Mr. Wu, the Chairman and Non-Executive Director of the Company, owns 1,424,400 Shares and Billion Express owns 8,280,000 Shares. The entire issued share capital of Billion Express is wholly owned by Ms. Li Mau, the spouse of Mr. Wu. Accordingly, Mr. Wu is deemed to be interested in the shares of the Company held by Billion Express. Mr. Wu is interested in 1,344,200 share options, 3,500,000 share options and 450,000 share options at an exercise price of HK\$3.20 per Share, HK\$4.94 per Share and HK\$1.56 per Share, respectively, to subscribe for Shares. Mr. Wu is deemed to have interest in 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares as mentioned in note 5 below, respectively. Ms. Li Mau, as the spouse of Mr. Wu, is deemed to be interested in these Shares and underlying Shares for the purpose of the SFO.
2. Mr. Ho owns 13,200 Shares and is interested in 1,367,100 share options, 3,500,000 share options and 450,000 share options at an exercise price of HK\$3.20 per Share, HK\$4.94 per Share and HK\$1.56 per Share, respectively, to subscribe for Shares. Mr. Ho is also deemed to have interest in 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares as mentioned in note 5 below, respectively.

3. Mr. Chang is interested in 1,367,100 share options, 250,000 share options and 450,000 share options at an exercise price of HK\$3.20 per Share, HK\$4.94 per Share and HK\$1.56 per Share, respectively, to subscribe for Shares. Mr. Chang is also deemed to have interest in 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares as mentioned in note 5 below, respectively.
4. Hong Kong HNA Holding Group Co. Limited is wholly-owned by HNA Financial Holdings International Co., Ltd. (“HNA Financial”). HNA Financial is wholly-owned by Beijing HNA Financial Holdings Co., Ltd. (“Beijing HNA”). Beijing HNA is owned as to 61.32% by HNA Investment Holding Co. Ltd. (“HNA Investment”) and owned as to 37.74% by Hainan HNA Holding Co., Ltd.. HNA Investment is owned as to 73.06% by HNA Holding Group Co., Ltd.. Hainan HNA Holding Co., Ltd. is owned as to 51.38% by HNA Holding Group Co., Ltd. and 21.61% by HNA Group Co., Ltd.. HNA Holding Group Co., Ltd. is wholly-owned by HNA Group Co., Ltd.. HNA Group Co., Ltd. is owned as to approximately 70% by Hainan Traffic Administration Holding Co., Ltd. (“Hainan Traffic”). Hainan Traffic is owned as to approximately 50% by Sheng Tang Development (Yangpu) Co., Limited (“Sheng Tang”). Sheng Tang is owned as to 35% by Tang Dynasty Development Co., Limited (“Tang Dynasty”) and 65% by Hainan Province Cihang Foundation. Tang Dynasty is owned as to approximately 98% by Pan-American Aviation Holding Company, which is in turn 100% beneficially owned by Cihang Sino-Western Cultural and Educational Exchange Foundation Limited.
5. Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited own 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares. Mr. Wu, Mr. Ho and Mr. Chang are deemed to have interest in 25,394,400 Shares, 45,454,545 Shares and 34,090,937 Shares of which Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited are deemed to have interests by virtue of the SFO since they indirectly own 56% through Billion Power Management Limited, 23% through Elite Honour Investments Limited and 21% through Genius Link Assets Management Limited, respectively, of the issued share capital of AID Partners GP2, Ltd.. AID Partners GP2, Ltd. is the general partner of AID Cap II. AID Cap II interested in the entire issued share capital of Leader Fortune International Limited, which is interested in the entire issued share capital of Hero Sign Limited, Abundant Star Ventures Limited and Vantage Edge Limited.
6. Mr. Wong owns 16,839,200 Shares and is interested in 4,500,000 share options at an exercises price of HK\$1.56 per Share to subscribe for Shares. Mr. Wong is deemed to be interested in 14,625,000 Shares and 9,750,000 underlying shares as mentioned in note 7 below. Ms. Chau Mui, as the spouse of Mr. Wong, owns 1,094,000 Shares and is deemed to be interested in all Shares and underlying shares held by Mr. Wong.
7. Sky March Limited (“Sky March”) entered into a consulting service agreement with the Company dated 5 May 2017 (“Consulting Service Agreement”), pursuant to which the Company has issued 97,500,000 Shares (4,875,000 Shares adjusted upon the Share Consolidation), 97,500,000 Shares (4,875,000 Shares adjusted upon the Share Consolidation) and 4,875,000 Shares to Sky March on 25 May 2017, 28 May 2018 and 28 May 2019, respectively, and 9,750,000 Shares will be issued to Sky March in accordance with the terms and conditions of the Consulting Service Agreement. Mr. Wong is interest in these shares and underlying shares through his 100% interest in Sky March.

(ii) Short positions

No person held short positions in the Shares and underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

Save as disclosed above, as at 30 September 2019, the Directors of the Company were not aware of any other person who had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at 30 September 2019, no other person had interests which were recorded in the register required to be kept under section 336 of the SFO.

(C) Competing Interests

So far as the Directors were aware, none of the other Directors or their respective associates were interested in any business which competes or is likely to compete, whether directly or indirectly, with the business of the Group.

(D) Share Option Schemes

The Company's share option scheme which was adopted on 27 March 2002 (the "2002 Share Option Scheme") was expired and a new share option scheme (the "2014 Share Option Scheme") was adopted by an ordinary resolution passed by the shareholders at the extraordinary general meeting of the Company on 15 April 2014 (the "Adoption Date"). The 2014 Share Option Scheme constitutes a share option scheme governed by Chapter 23 of the GEM Listing Rules and will remain in force for 10 years from the Adoption Date.

Upon the expiry of the 2002 Share Option Scheme, no further option can be offered thereunder but any options granted prior to such expiry but not yet exercised shall continue to be valid and exercisable.

The Company operates both the 2002 Share Option Scheme and the 2014 Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operation. Pursuant to the 2014 Share Option Scheme, the Directors of the Company may grant options to eligible participants persons (as defined in the 2014 Share Option Scheme) to subscribe for shares in the Company subject to the terms and conditions stipulated therein.

2002 Share Option Scheme

The remaining share options granted under the 2002 Share Option Scheme are for other eligible participants and are exercisable as follows:

- (a) the first 30% of the options between the first and tenth anniversary of the date of grant;
- (b) the next 30% of the options between the second and tenth anniversary of the date of grant; and
- (c) the remaining options between the third and tenth anniversary of the date of grant.

The following table sets out information relating to the 2002 Share Option Scheme:

Date of grant (dd/mm/yyyy)	Grantees	Exercise period (dd/mm/yyyy)	Exercise price per share HK\$	Number of share options				
				Balance as at 1 January 2019	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Balance as at 30 September 2019
07/10/2010	Former directors and former employees	07/10/2011 to 06/10/2020	4.00	118,528	-	-	-	118,528
16/03/2012	Former directors and former employees	16/03/2013 to 15/03/2022	4.00	267,129	-	-	-	267,129
14/05/2012	Former directors and former employees	14/05/2013 to 13/05/2022	3.80	292,968	-	-	-	292,968
Total				678,625	-	-	-	678,625

No option was granted or exercised under the 2002 Share Option Scheme during the nine months ended 30 September 2019.

The weighted average remaining contractual life of the options outstanding under the 2002 Share Option Scheme as at 30 September 2019 was approximately 2.28 years.

No share-based compensation expense was recognised under the 2002 Share Option Scheme during the nine months ended 30 September 2019 and 2018.

2014 Share Option Scheme

The following table sets out information relating to the 2014 Share Option Scheme:

Date of grant (dd/mm/yyyy)	Grantees	Exercise period (Notes)	Exercise price per share HK\$	Number of share options				Balance as at 30 September 2019
				Balance as at 1 January 2019	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	
15/05/2014	Directors and former directors	(1)	3.20	2,734,200	-	-	-	2,734,200
20/06/2014	Directors and former directors	(2)	3.20	1,623,262	-	-	-	1,623,262
01/04/2016	Directors and former directors	(3)	4.94	8,450,000	-	-	-	8,450,000
19/05/2017	Directors and former directors	(5)	1.56	5,300,000	-	-	-	5,300,000
				<u>18,107,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,107,462</u>
20/06/2014	Other eligible participants	(4)	3.20	1,770,138	-	-	-	1,770,138
01/04/2016	Other eligible participants	(3)	4.94	1,820,800	-	-	-	1,820,800
19/05/2017	Other eligible participants	(5)	1.56	11,809,600	-	-	-	11,809,600
				<u>15,400,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,400,538</u>
			Total	<u>33,508,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,508,000</u>

Notes:

- (1) Exercisable from 15 May 2014 to 14 May 2024.
- (2) Exercisable from 20 June 2014 to 19 June 2024.
- (3) Divided into two tranches exercisable from 1 October 2016 and 1 April 2017, respectively to 31 March 2026.
- (4) Divided into two tranches exercisable from 20 June 2014 and 20 June 2015, respectively to 19 June 2024.
- (5) Exercisable from 19 May 2017 to 18 May 2027.

No option was granted or exercised under the 2014 Share Option Scheme during the nine months ended 30 September 2019.

During the nine months ended 30 September 2019, no option was lapsed upon resignation of other eligible participants.

The weighted average remaining contractual life of the options outstanding under the 2014 Share Option Scheme as at 30 September 2019 was approximately 6.75 years.

No share-based compensation expense was recognised under the 2014 Share Option Scheme in the consolidated statement of profit or loss for the nine months ended 30 September 2019 and 2018.

AUDIT COMMITTEE

The Company established an audit committee on 31 March 2000 with the written terms of reference in compliance with the GEM Listing Rules. The audit committee comprises three Independent Non-Executive Directors, Mr. Yuen Kwok On (Chairman), Mr. Matsumoto Hitoshi and Mr. Yau Chung Hang. The primary duties of the audit committee are to review and supervise the Company's financial reporting process and internal control systems. The audit committee reports its work, findings and recommendations to the Board after each meeting.

The audit committee meets at least quarterly with the most recent meeting held on 8 November 2019. The unaudited consolidated financial information of the Company for the nine months ended 30 September 2019 has been reviewed by the audit committee.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the nine months ended 30 September 2019 and 30 September 2018. Neither the Company, nor any of its subsidiaries, has purchased or sold any of the Company's listed securities during the nine months ended 30 September 2019 and 30 September 2018.

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

Hong Kong, 8 November 2019

As at the date of this announcement, the Directors of the Company 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 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 AID Life Science Holdings Limited at www.8088inc.com.

The English text for this announcement shall prevail over the Chinese text for the purpose of interpretation.

** For identification purpose only*