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**銀城國際控股有限公司**

YINCENG INTERNATIONAL HOLDING CO., LTD.

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1902)**

## **CONTINUING CONNECTED TRANSACTION LEASE AGREEMENT**

**Independent Financial Adviser to the Company**



### **LEASE AGREEMENT**

The Board is pleased to announce that on 30 September 2021, Dongfang Yinian Health Industry Development (an indirect wholly-owned subsidiary of the Company) as the lessor and Yincheng Rehabilitation Hospital as the lessee entered into the Lease Agreement, pursuant to which Dongfang Yinian Health Industry Development agreed to lease the Premises to Yincheng Rehabilitation Hospital for a term of 20 years commencing from 1 October 2021 and ending on 30 June 2041.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Yincheng Rehabilitation Hospital is a direct wholly-owned subsidiary of Dongfang Yinian Rehabilitation Hospital Co., which in turn is ultimately owned as to approximately 53.11% by Mr. Huang (the chairman, a non-executive Director and a controlling Shareholder of the Company). Accordingly, Yincheng Rehabilitation Hospital is an associate of Mr. Huang and a connected person of the Company, and the entering into of the Lease Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the largest annual cap of the transactions to be contemplated under the Lease Agreement exceeds 0.1% but is less than 5%, the entering into of the Lease Agreement falls within the ambit of Rule 14A.76(2)(a) of the Listing Rules and is subject to the reporting, announcement and annual review requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the term of the Lease Agreement exceeds three years, VMS Securities Limited has been appointed as the Independent Financial Adviser to the Company pursuant to Rule 14A.52 of the Listing Rules to review and explain why the Lease Agreement requires a longer period and to confirm that it is normal business practice for agreements of this type to be of such duration.

## INTRODUCTION

The Board is pleased to announce that on 30 September 2021, Dongfang Yinian Health Industry Development (an indirect wholly-owned subsidiary of the Company) as lessor and Yincheng Rehabilitation Hospital as lessee entered into the Lease Agreement, pursuant to which Dongfang Yinian Health Industry Development agreed to lease the Premises to Yincheng Rehabilitation Hospital for a term of 20 years commencing from 1 October 2021 and ending on 30 June 2041.

## MAJOR TERMS OF THE LEASE AGREEMENT

Premises: Building 2, No. 21 Maqun South Road, with an aggregate gross floor area of approximately 50,638 square metres

Usage: Commercial use including medical and health

Term: 20 years commencing from 1 October 2021 and ending on 30 June 2041

Rental payable: The yearly rental payable is calculated by multiplying the rent per sq.m. per day with the total lease area and 365 days per year (save for 2024 which 366 days are counted). The rent under the Lease Agreement is RMB2.02 per sq.m. per day from 1 October 2021 to 30 June 2022 and will increase by approximately 2% every year from 1 July 2022 to 2041. Further, discounts ranging from 10% to 80% have been offered to Yincheng Rehabilitation Hospital for the first five years' rental from 1 October 2021 to 30 June 2026 to accommodate their initial stage of preparation before the hospital becoming fully operational.

Details of the yearly rental during the term calculated with reference to the method and discounts stated above are as follows:

- RMB7,467,136 (i.e. RMB0.54 per sq.m. per day) from 1 October 2021 to 30 June 2022
- RMB11,424,717 (i.e. RMB0.62 per sq.m. per day) from 1 July 2022 to 30 June 2023
- RMB19,475,230 (i.e. RMB1.05 per sq.m. per day) from 1 July 2023 to 30 June 2024

- RMB27,734,644 (i.e. RMB1.50 per sq.m. per day) from 1 July 2024 to 30 June 2025
- RMB36,372,004 (i.e. RMB1.97 per sq.m. per day) from 1 July 2025 to 30 June 2026
- RMB41,221,605 (i.e. RMB2.23 per sq.m. per day) from 1 July 2026 to 30 June 2027
- RMB42,046,037 (i.e. RMB2.27 per sq.m. per day) from 1 July 2027 to 30 June 2028
- RMB42,886,958 (i.e. RMB2.32 per sq.m. per day) from 1 July 2028 to 30 June 2029
- RMB43,744,697 (i.e. RMB2.37 per sq.m. per day) from 1 July 2029 to 30 June 2030
- RMB44,619,591 (i.e. RMB2.41 per sq.m. per day) from 1 July 2030 to 30 June 2031
- RMB45,511,983 (i.e. RMB2.46 per sq.m. per day) from 1 July 2031 to 30 June 2032
- RMB46,422,222 (i.e. RMB2.51 per sq.m. per day) from 1 July 2032 to 30 June 2033
- RMB47,350,667 (i.e. RMB2.56 per sq.m. per day) from 1 July 2033 to 30 June 2034
- RMB48,297,680 (i.e. RMB2.61 per sq.m. per day) from 1 July 2034 to 30 June 2035
- RMB49,263,634 (i.e. RMB2.67 per sq.m. per day) from 1 July 2035 to 30 June 2036
- RMB50,248,906 (i.e. RMB2.72 per sq.m. per day) from 1 July 2036 to 30 June 2037
- RMB51,253,884 (i.e. RMB2.77 per sq.m. per day) from 1 July 2037 to 30 June 2038
- RMB52,278,962 (i.e. RMB2.83 per sq.m. per day) from 1 July 2038 to 30 June 2039
- RMB53,324,541 (i.e. RMB2.89 per sq.m. per day) from 1 July 2039 to 30 June 2040
- RMB54,391,032 (i.e. RMB2.94 per sq.m. per day) from 1 July 2040 to 30 June 2041

The outgoing utility charges and other expenses including water charges, electricity bill, gas, internet, telephone, property management fees and other utility charges incurred by Yincheng Rehabilitation Hospital's operation during the term shall be borne by Yincheng Rehabilitation Hospital.

The rental payable by Yincheng Rehabilitation Hospital to Dongfang Yinian Health Industry Development under the Lease Agreement is determined after arm's length negotiations between Dongfang Yinian Health Industry Development and Yincheng Rehabilitation Hospital after having taken into account (i) the prevailing market rates for similar premises in similar locations in the PRC; (ii) the rental increment of approximately 2% for every year from 1 July 2022 to 2041 with reference to the expected inflation rate in the future, subject to the discounts ranging from 10% to 80% for the first five years' rental from 1 October 2021 to 30 June 2026 to accommodate Yincheng Rehabilitation Hospital's initial stage of preparation before the hospital becoming fully operational; (iii) the long tenure and the total lease area under the Lease Agreement; and (iv) the opinion of the Company's independent property valuer that the total rental payable under the Lease Agreement is fair and reasonable and reflects the current prevailing market rates for similar premises in similar locations in the PRC.

Payment term:

The rental shall be paid and settled every three months by Yincheng Rehabilitation Hospital which shall pay and settle the corresponding rental fully fifteen (15) days prior to the beginning of the three-month payment period, except for the first two payments which shall be paid according to the dates specified in the Lease Agreement.

The rental and its payment schedule are subject to the satisfactory delivery of the Premises by Dongfang Yinian Health Industry Development to Yincheng Rehabilitation Hospital by 1 October 2021. In the event that the aforementioned delivery date of the Premises changes, the parties will negotiate and sign a supplementary agreement.

Security deposit:

At the time of signing of the Lease Agreement, Yincheng Rehabilitation Hospital shall pay a sum of RMB500,000 to Dongfang Yinian Health Industry Development as security deposit for its performance of the terms and conditions stipulated in the Lease Agreement.

Upon expiration of the Lease Agreement and that Yincheng Rehabilitation Hospital having (i) fulfilled all the terms and conditions of the Lease Agreement, (ii) vacated and returned the Premises as agreed, (iii) completed the procedures of moving out; and (iv) settled all outstanding fees in relation to and changed the registration of telecommunications, internet, gas and business licences etc., Dongfang Yinian Health Industry Development will refund the remaining security deposit to Yincheng Rehabilitation Hospital without interest within seven (7) working days.

**Delivery:** The Premises shall be delivered by Dongfang Yinian Health Industry Development to Yincheng Rehabilitation Hospital on 1 October 2021.

The Premises are renovated by Dongfang Yinian Health Industry Development, in which Yincheng Rehabilitation Hospital has already confirmed Yincheng Rehabilitation Hospital's renovation standard on-site. On the date of delivery, both Dongfang Yinian Health Industry Development and Yincheng Rehabilitation Hospital shall execute a delivery confirmation letter according to the current situation of the Premises at the time when the Premises are to be delivered to Yincheng Rehabilitation Hospital.

**Renewal:** Subject to the negotiations between the parties on a fair and reasonable basis and the compliance with the applicable Listing Rules, Yincheng Rehabilitation Hospital has a pre-emptive right to renew the lease upon expiry of the lease term which shall be exercised by giving a written notice to Dongfang Yinian Health Industry Development six months prior to expiry of the lease term and signing a renewal lease agreement three months prior to expiry of the lease term.

If Yincheng Rehabilitation Hospital decides not to renew the lease, it must return the Premises to Dongfang Yinian Health Industry Development on the expiry date of the lease term and vacate all of its belongings within five (5) days from the expiry of the lease. Yincheng Rehabilitation Hospital shall complete the procedures of moving out including changing telecommunications, internet, gas and business registrations and licenses within fifteen (15) working days of the expiry of the lease and settle all outstanding fees.

**Change of ownership of the Premises:** Dongfang Yinian Health Industry Development shall have the right to assign or mortgage the Premises during the term of the lease without obtaining Yincheng Rehabilitation Hospital's consent. In such event, Yincheng Rehabilitation Hospital voluntarily waives the right of first refusal to purchase and to renew the lease after expiry of the Lease Agreement, but Dongfang Yinian Health Industry Development shall notify Yincheng Rehabilitation Hospital in writing after the change of ownership.

In such event of a change in the ownership of the Premises, the Lease Agreement shall remain legally binding between Yincheng Rehabilitation Hospital and the third party after the transfer, and the third party shall become the Lessor of the Lease Agreement, entitled to the rights and assuming the obligations of Dongfang Yinian Health Industry Development.

Performance and  
termination:

The performance of the Lease Agreement is conditional upon compliance with the applicable Listing Rules. In the event of any failure to comply with the applicable Listing Rules, either party may suspend the performance of the duties and obligations under the Lease Agreement until such time as the relevant Listing Rules have been complied with.

Dongfang Yinian Health Industry Development shall allow (and ensure Yincheng Rehabilitation Hospital agrees) the Board and the auditors of the Company to review the transaction records pursuant to the Lease Agreement in order to comply with the relevant Listing Rules requirements.

Subject to the compliance with the applicable Listing Rules, the Lease Agreement may be varied or terminated upon mutual consent.

Yincheng Rehabilitation Hospital has the right to terminate the Lease Agreement unilaterally by giving a written notice to Dongfang Yinian Health Industry Development should Dongfang Yinian Health Industry Development fails to deliver the Premises within 30 days of the agreed date without reasonable cause, and that such delivery has still not been completed after a written overdue reminder has been sent by Yincheng Rehabilitation Hospital.

Dongfang Yinian Health Industry Development has the right to terminate the Lease Agreement unilaterally by giving a written notice to Yincheng Rehabilitation Hospital should any of the following events arise:

- (i) Yincheng Rehabilitation Hospital fails to make any of the rental and utility payments which it is responsible for fifteen (15) days or more from the agreed date;
- (ii) Yincheng Rehabilitation Hospital fails to pay or make up the deposit payment as stipulated in the Lease Agreement;
- (iii) Yincheng Rehabilitation Hospital, without the prior written consent of Dongfang Yinian Health Industry Development, adds or modifies the usage or the brand stipulated in the Lease Agreement, and such changes have still not been rectified within seven (7) days after a written reminder has been sent by Dongfang Yinian Health Industry Development;

- (iv) Yincheng Rehabilitation Hospital carries out destructive acts to the Premises which causes damage to the main structure of the Premises, and such acts have still not been rectified within seven (7) days after a written reminder has been sent by Dongfang Yinian Health Industry Development;
- (v) Yincheng Rehabilitation Hospital, without the prior written consent of Dongfang Yinian Health Industry Development, sublet or assign the Premises in whole or in part, transfer, lend or exchange the use of the Premises, or hand it over to a third party for contractual, cooperative or joint operation, or provide any mortgage, pledge or guarantee for the Premises (including the right to use) and its fixtures, installations and equipment to a third party; or
- (vi) any other situation that is stipulated in the Lease Agreement and the relevant laws and regulations arises.

## ANNUAL CAPS

The annual caps for the transactions contemplated under the Lease Agreement are set out as follows:

<b>Period</b>	<b>Annual caps (RMB)</b>
1 October to 31 December 2021	3,764,255
1 January 2022 to 31 December 2022	9,462,190
1 January 2023 to 31 December 2023	15,456,234
1 January 2024 to 31 December 2024	23,665,704
1 January 2025 to 31 December 2025	32,088,820
1 January 2026 to 31 December 2026	38,816,734
1 January 2027 to 31 December 2027	41,637,209
1 January 2028 to 31 December 2028	42,469,953
1 January 2029 to 31 December 2029	43,319,352
1 January 2030 to 31 December 2030	44,185,739
1 January 2031 to 31 December 2031	45,069,454
1 January 2032 to 31 December 2032	45,970,843
1 January 2033 to 31 December 2033	46,890,260
1 January 2034 to 31 December 2034	47,828,065
1 January 2035 to 31 December 2035	48,784,627
1 January 2036 to 31 December 2036	49,760,319
1 January 2037 to 31 December 2037	50,755,525
1 January 2038 to 31 December 2038	51,770,636
1 January 2039 to 31 December 2039	52,806,049
1 January 2040 to 31 December 2040	53,862,170
1 January 2041 to 30 June 2041	26,971,991



The above annual caps have been determined with reference to the yearly rental payable by Yincheng Rehabilitation Hospital to Dongfang Yinian Health Industry Development under the Lease Agreement.

## **GENERAL INFORMATION OF THE PARTIES TO THE LEASE AGREEMENT**

### **The Company**

The Company is a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange. The Group is an established property developer in the PRC focusing on developing quality residential properties in the Yangtze River Delta Megalopolis for customers of all ages. The Group commenced property development operations in Nanjing and successfully expanded its footprint to other cities in the Yangtze River Delta Megalopolis, including Hangzhou, Wenzhou, Wuxi, Suzhou, Zhenjiang and Hefei.

### **Dongfang Yinian Health Industry Development**

Dongfang Yinian Health Industry Development is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. Dongfang Yinian Health Industry Development principally engages in the provision of elderly care services and hospital investment and management.

### **Yincheng Rehabilitation Hospital**

Yincheng Rehabilitation Hospital is a private non-enterprise unit (民辦非企業單位) established under the laws of the PRC and principally engages in the provision of medical and health services, particularly rehabilitation services.

As at the date of this announcement, Yincheng Rehabilitation Hospital is a direct wholly-owned subsidiary of Dongfang Yinian Rehabilitation Hospital Co., which in turn is ultimately owned as to approximately 53.11%, 19.26%, 8.01%, 5.32%, 5.11%, 4.11%, 3.71% and 1.37% by Mr. Huang, Mr. Dai Chengshu, Mr. Xie Chenguang (a non-executive Director), Mr. Zhu Linnan, Mr. Zhu Linbin, Mr. Ma Baohua (an executive Director), Mr. Zhu Li (an executive Director) and Ms. Cao Lian, respectively.

## **REASONS FOR AND BENEFITS OF THE LEASE AGREEMENT**

While the Group is an established property developer in the PRC which has primarily been focusing on developing quality residential properties in the Yangtze River Delta Megalopolis, property leasing is also part of the Group's main operating segments and has generated fruitful return for the Group in the past. Yincheng Rehabilitation Hospital being a newly-established private non-enterprise unit (民辦非企業單位), has a demand for a premise for it to use as the rehabilitation hospital's operation site. After having considered that (i) the usage of the Premises is commercial including for medical and health purposes; and (ii) there is a lack of medical resources and rehabilitation facilities in the area around the Premises, leasing of the Premises under the Lease Agreement will be mutually beneficial to both parties where the rehabilitation services to be provided by Yincheng Rehabilitation Hospital can fulfil the needs of the residents in the area around the Premises while at the same time, provide a stable source of income for the Group.



The Directors (excluding the Directors who are required to abstain from voting, but including the independent non-executive Directors) consider that it is reasonable for the term of the Lease Agreement to be longer than three years after having taken into account that (i) a long-term lease is more suitable for the usage of a medical institution as its operation site; and (ii) it will provide the Group with stable rental income without interruption to its business operations since Dongfang Yinian Health Industry Development can lease the Premise to Yincheng Rehabilitation Hospital for a longer period, thus reducing the Group's burden in identifying new tenants after the expiration of lease.

Please refer to the paragraph headed "Opinion from Independent Financial Adviser" below for advice from the Independent Financial Adviser in relation to its view on the duration of the Lease Agreement.

In light of the above, the terms of the Lease Agreement are arrived at after arm's length negotiations between Dongfang Yinian Health Industry Development and Yincheng Rehabilitation Hospital. The Directors (excluding the Directors who are required to abstain from voting, but including the independent non-executive Directors) are of the view that the transactions to be contemplated under the Lease Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and the terms of the Lease Agreement and its proposed annual caps are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **OPINION FROM INDEPENDENT FINANCIAL ADVISER**

As the term of the Lease Agreement exceeds three years, VMS Securities Limited has been appointed as the Independent Financial Adviser to the Company pursuant to Rule 14A.52 of the Listing Rules to review and explain why the Lease Agreement requires a longer period and to confirm that it is normal business practice for agreements of this type to be of such duration.

In accessing the fairness and reasonableness of the duration of the Lease Agreement, the Independent Financial Adviser has taken into account the following factors when formulating its opinion pursuant to Rule 14A.52 of the Listing Rules:

- i. it is the market practice to enter into long-term leases for leasing commercial properties in the PRC;
- ii. as stated in the 2020 Annual Report of the Company dated 30 April 2021, the Group will continue to improve cash flow turnover to reduce financial risks and promote steady development, while the longer lease represents part of the Group's initiatives to maintain a stable and sustainable return and strengthen the Group's operating cash flows, which is in line with the Group's business strategy;
- iii. the long duration of the Lease Agreement allows the Group to benefit from the diminished administrative and marketing burdens of finding new suitable tenant after expiration of leases, whilst enjoying a stable rental income which is set taking into account (i) the prevailing market rates for similar premises in similar locations in the PRC; (ii) the rental increment of approximately 2% for every year from 1 July 2022 to 2041 with reference to the expected inflation rate in the future, subject to the discounts ranging from 10% to 80% for the first five years' rental from 1 October 2021 to 30

June 2026 to accommodate Yincheng Rehabilitation Hospital's initial stage of preparation before the hospital becoming fully operational; (iii) the long tenure and the total lease area under the Lease Agreement; and (iv) the opinion of the Company's independent property valuer that the total rental payable under the Lease Agreement is fair and reasonable and reflects the current prevailing market rates for similar premises in similar locations in the PRC;

- iv. identified and reviewed 98 comparable transactions relating to the leasing of properties with contract terms ranging from 3.5 to 40 years, where one of the parties (or its direct or indirect holding company) is listed on the Stock Exchange and details of the transactions are disclosed within the period commencing from 1 January 2019 to the date of this announcement on the website of the Stock Exchange (the “**Comparable Lease Transactions**”), of which, 4 of the Comparable Lease Transactions relating to the leasing of properties for provision of medical or rehabilitation services had contract terms ranging from 4 to 20 years, accordingly, the duration of the Lease Agreement falls within range;
- v. premises for the provision of medical or rehabilitation services are special in nature, which generally require (i) relatively larger amount of capital expenditure on machineries and infrastructure; (ii) a certain period of time before the facilities and resources can be fully utilised; and (iii) stability for the convenience of patients and their family, in particular, long-term patients who visit the healthcare centre regularly; and
- vi. the Directors (excluding the Directors who are required to abstain from voting, but including the independent non-executive Directors) are of the view that the transactions contemplated under the Lease Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and the terms of the Lease Agreement and its proposed annual caps are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

Based on the foregoing, the Independent Financial Adviser confirmed that the duration of the Lease Agreement which is longer than three years is required, and it is fair and reasonable and normal business practice for the Lease Agreement to be of such duration.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Yincheng Rehabilitation Hospital is a direct wholly-owned subsidiary of Dongfang Yinian Rehabilitation Hospital Co., which in turn is ultimately owned as to approximately 53.11% by Mr. Huang (the chairman, a non-executive Director and a controlling shareholder of the Company). Accordingly, Yincheng Rehabilitation Hospital is an associate of Mr. Huang and a connected person of the Company, and the entering into of the Lease Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the largest annual cap of the transactions contemplated under the Lease Agreement exceeds 0.1% but is less than 5%, the entering into of the Lease Agreement falls within the ambit of Rule 14A.76(2)(a) of the

Listing Rules and is subject to the reporting, announcement and annual review requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Huang has abstained from voting on the relevant board resolutions of the Company for approving the Lease Agreement. Mr. Xie Chenguang (being a non-executive Director and an ultimate beneficial owner of Yincheng Rehabilitation Hospital), Mr. Ma Baohua (being an executive Director and an ultimate beneficial owner of Yincheng Rehabilitation Hospital) and Mr. Zhu Li (being an executive Director and an ultimate beneficial owner of Yincheng Rehabilitation Hospital) have also abstained from voting on the relevant board resolutions of the Company for approving the Lease Agreement. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, other than Mr. Huang, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Zhu Li, none of the Directors has material interest in the transactions contemplated under the Lease Agreement and none of them is required to be abstained from voting on the relevant board resolutions.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Yincheng International Holding Co., Ltd. (銀城國際控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1902)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the director(s) of the Company
“Dongfang Yinian Health Industry Development”	Nanjing Dongfang Yinian Health Industry Development Co., Ltd.* (南京東方頤年健康產業發展有限公司), a company established under the laws of the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company
“Dongfang Yinian Rehabilitation Hospital Co.”	Nanjing Dongfang Yinian Rehabilitation Hospital Co., Ltd.* (南京東方頤年康復醫院有限公司), a company established under the laws of the PRC with limited liability and ultimately owned as to approximately 53.11% by Mr. Huang
“Group”	the Company and its subsidiaries

“Independent Financial Adviser”	VMS Securities Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and being the independent financial adviser appointed by the Company for the purpose of Rule 14.52 of the Listing Rules in relation to the Lease Agreement
“Lease Agreement”	the lease agreement dated 30 September 2021 entered into between Dongfang Yinian Health Industry Development as lessor and Yincheng Rehabilitation Hospital as leasee in relation to the leasing of the Premise
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Huang”	Mr. Huang Qingping, the chairman, a non-executive Director and a controlling shareholder of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Premises”	Building 2, No. 21, Maqun South Road
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yincheng Rehabilitation Hospital”	Nanjing Yincheng Rehabilitation Hospital* (南京銀城康復醫院), a private non-enterprise unit (民辦非企業單位) established under the laws of the PRC and a direct wholly-owned subsidiary of Dongfang Yinian Rehabilitation Hospital Co., which in turn is ultimately owned as to approximately 53.11% by Mr. Huang
“%”	per cent

By order of the Board of  
**YINCHENG INTERNATIONAL HOLDING CO., LTD.**  
**HUANG Qingping**  
*Chairman*

Hong Kong, 30 September 2021

*As at the date of this announcement, the executive Directors of the Company are Mr. Ma Baohua, Mr. Zhu Li, Mr. Wang Zheng and Ms. Shao Lei; the non-executive Directors of the Company are Mr. Huang Qingping and Mr. Xie Chenguang; and the independent non-executive directors of the Company are Mr. Chen Shimin, Mr. Chan Peng Kuan and Mr. Lam Ming Fai.*

*\* for identification purposes only*