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Jinxin Fertility Group Limited

錦欣生殖醫療集團有限公司*

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1951)

DISCLOSEABLE ANNOUNCEMENT ACQUISITION OF EQUITY INTEREST IN JIUZHOU HOSPITAL AND HEWANJIA HOSPITAL

THE ACQUISITION

The Board is pleased to announce that on April 21, 2022 (after trading hours), the Purchaser has entered into an Equity Transfer Agreement with the Vendor, pursuant to which, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Target Equity Interest for a total cash Consideration of RMB954,124,600.

As of the date of this announcement, (i) Kangzhi Hospital Company and Guangzhou Yunzhicai each owns 51% and 49% equity interest, respectively, in Jiuzhou Hospital; and (ii) Kangzhi Hospital Company and Guangzhou Hejia each owns 51% and 49% equity interest, respectively, in Hewanjia Hospital. The Company indirectly holds 10% equity interest in Kangzhi Hospital Company and 15% limited partnership interest in the Vendor as a result of the Prior Acquisition.

As part of the restructuring pursuant to the Equity Transfer Agreement, Jinrun Fude, an indirect subsidiary of the Company, will subscribe for registered capital in the sum of RMB12,857,143 and RMB16,714,286 in each of Jiuzhou Hospital and Hewanjia Hospital, respectively, amounting to 30% equity interest in each of the Target Hospitals, and enter into the new contractual arrangements before Completion.

Upon Completion, the Company will be indirectly entitled to approximately 96.50% effective shareholding interest in each of the Target Hospitals. The Target Hospitals will become indirect non-wholly owned subsidiaries of the Company and the financial results of the Target Hospitals will be consolidated into the financial statements of the Company.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on April 21, 2022 (after trading hours), the Purchaser has entered into an Equity Transfer Agreement with the Vendor, pursuant to which, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Target Equity Interest for a total cash Consideration of RMB954,124,600.

As of the date of this announcement, (i) Kangzhi Hospital Company and Guangzhou Yunzhicai each owns 51% and 49% equity interest, respectively, in Jiuzhou Hospital; and (ii) Kangzhi Hospital Company and Guangzhou Hejia each owns 51% and 49% equity interest, respectively, in Hewanjia Hospital.

The Company indirectly holds 10% equity interest in Kangzhi Hospital Company and 15% limited partnership interest in the Vendor as a result of the Prior Acquisition.

As part of the restructuring pursuant to the Equity Transfer Agreement, Jinrun Fude, an indirect subsidiary of the Company, will subscribe for registered capital in the sum of RMB12,857,143 and RMB16,714,286 in each of Jiuzhou Hospital and Hewanjia Hospital, respectively, amounting to 30% equity interest in each of the Target Hospitals, and enter into the new contractual arrangements before Completion. For more details of the new contractual arrangements, please see details in the section headed “Structure of the Target Group upon Completion” in this announcement.

Upon Completion, the Company will be indirectly entitled to approximately 96.50% effective shareholding interest in each of the Target Hospitals. The Target Hospitals will become indirect non-wholly owned subsidiaries of the Company and the financial results of the Target Hospitals will be consolidated into the financial statements of the Company. For more details of the shareholding structure of the Target Group, please see details in the section headed “Structure of the Target Group upon Completion” in this announcement.

The principal terms of the Equity Transfer Agreement are summarized as below:

THE EQUITY TRANSFER AGREEMENT

Date

April 21, 2022

Parties

- (1) the Purchaser, an indirect wholly owned subsidiary of the Company
- (2) the Vendor

As of the date of this announcement and to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, other than the 15% indirect limited partnership interest in the Vendor held by Jinxin BVI, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Equity interests to be acquired

Pursuant to the Equity Transfer Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Target Equity Interest which consists of 90.00% equity interest in Kangzhi Hospital Company, 89.7959% equity interest in Guangzhou Yunzhicai and 89.7959% equity interest in Guangzhou Hejia. As part of the restructuring pursuant to the Equity Transfer Agreement, Jinrun Fude, an indirect subsidiary of the Company, will also subscribe for registered capital in the sum of RMB12,857,143 and RMB16,714,286 in each of Jiuzhou Hospital and Hewanjia Hospital, respectively, amounting to 30% equity interest in each of the Target Hospitals.

Upon Completion, the Company will be indirectly entitled to approximately 96.50% effective shareholding interest in each of the Target Hospitals. The Target Hospitals will become indirect non-wholly owned subsidiaries of the Company and the financial results of the Target Hospitals will be consolidated into the financial statements of the Company.

Consideration

Pursuant to the Equity Transfer Agreement, the total amount of the Consideration shall be RMB954,124,600, of which RMB479,150,100 shall be paid for the 90.00% equity interest in Kangzhi Hospital Company, RMB342,205,500 shall be paid for the 89.7959% equity interest in Guangzhou Yunzhicai and RMB132,769,000 shall be paid for the 89.7959% equity interest in Guangzhou Hejia.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to, among other things: (i) the valuation report prepared by an independent professional valuer in respect of the market value of the Target Group using the market approach as at the benchmark date (i.e. February 28, 2022), (ii) the historical financial performance of Jiuzhou Hospital and Hewanjia Hospital; and (iii) the benefits derived from the Group's ability to control and influence over the management and operations of Jiuzhou Hospital and Hewanjia Hospital, as set out in the section headed "Reasons for and Benefits of the Acquisition".

Having considered the aforesaid factors, the Directors considers that the Consideration and the terms of the Equity Transfer Agreement are fair and reasonable, and in the interests of the Company and its shareholders as a whole. The consideration will be funded by the internal resources of the Group.

Payment terms and the conditions precedent

The Consideration shall be paid in cash by the Purchaser in the following manners:

- (1) The Purchaser shall pay the first installment in the sum of approximately RMB477,062,300 into the bank account(s) as designated by the Vendor within 10 business days after satisfaction (or if applicable, waiver) of the following conditions precedent:
 - (a) all requisite internal approvals and consents for the Acquisition having been obtained by the Purchaser, the Vendor and each of the Target Hospitals and its shareholders, as the case may be;

- (b) each Target Hospital having duly executed the subscription agreement in relation to the Subscription; and
 - (c) the representations and warranties given by the Vendor being true and accurate, and there being no material breach by the Vendor of its obligations under the Equity Transfer Agreement, and there being no applicable laws, regulations, judgments, orders or proceedings which would prohibit or restrict the Acquisition, or the Target Hospitals from the continuation of their businesses in the ordinary and usual course.
- (2) The Purchaser shall pay the second installment in the sum of approximately RMB409,426,300 into the bank account(s) as designated by the Vendor within 10 business days after satisfaction (or if applicable, waiver) of the following conditions precedent:
- (a) all requisite third parties' approvals, consents and notices having been delivered and obtained; and
 - (b) the representations and warranties given by the Vendor being true and accurate, and there being no material breach by the Vendor of its obligations under the Equity Transfer Agreement, and there being no applicable laws, regulations, judgments, orders or proceedings which would prohibit or restrict the Acquisition, or the Target Hospitals from the continuation of their businesses in the ordinary and usual course.
- (3) The Purchaser shall pay the third installment in the sum of approximately RMB59,446,000 into the bank account(s) as designated by the Vendor within 30 business days after satisfaction (or if applicable, waiver) of the following conditions precedent:
- (a) Jiuzhou Hospital having cleared its first human assisted reproductive technology qualification verification procedure and obtained the approval document from the relevant competent authority following Completion; and
 - (b) the representations and warranties given by the Vendor being true and accurate, and there being no material breach by the Vendor of its obligations under the Equity Transfer Agreement, and there being no applicable laws, regulations, judgments, orders or proceedings which would prohibit or restrict the Acquisition, or the Target Hospitals from the continuation of their businesses in the ordinary and usual course.
- (4) The Purchaser shall pay the fourth installment in the sum of approximately RMB8,190,000 into the bank account(s) as designated by the Vendor within 30 business days after satisfaction (or if applicable, waiver) of the following conditions precedent:
- (a) Hewanjia Hospital having cleared its first human assisted reproductive technology qualification verification procedure and obtained the approval document from the relevant competent authority following Completion; and
 - (b) the representations and warranties given by the Vendor being true and accurate, and there being no material breach by the Vendor of its obligations under the Equity Transfer Agreement, and there being no applicable laws, regulations, judgments, orders or proceedings which would prohibit or restrict the Acquisition, or the Target Hospitals from the continuation of their businesses in the ordinary and usual course.

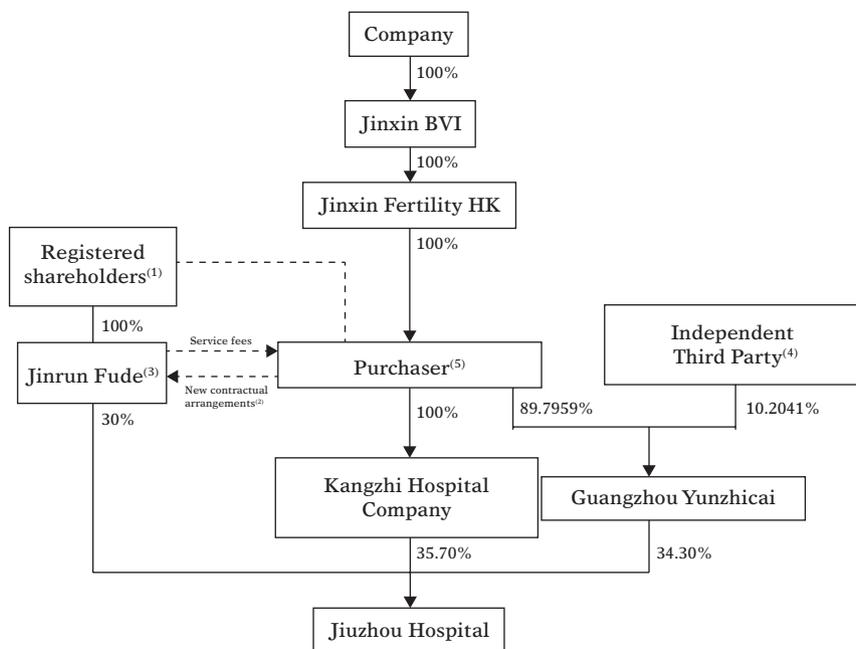
Completion

Completion is expected to take place within 30 business days following the signing of the Equity Transfer Agreement.

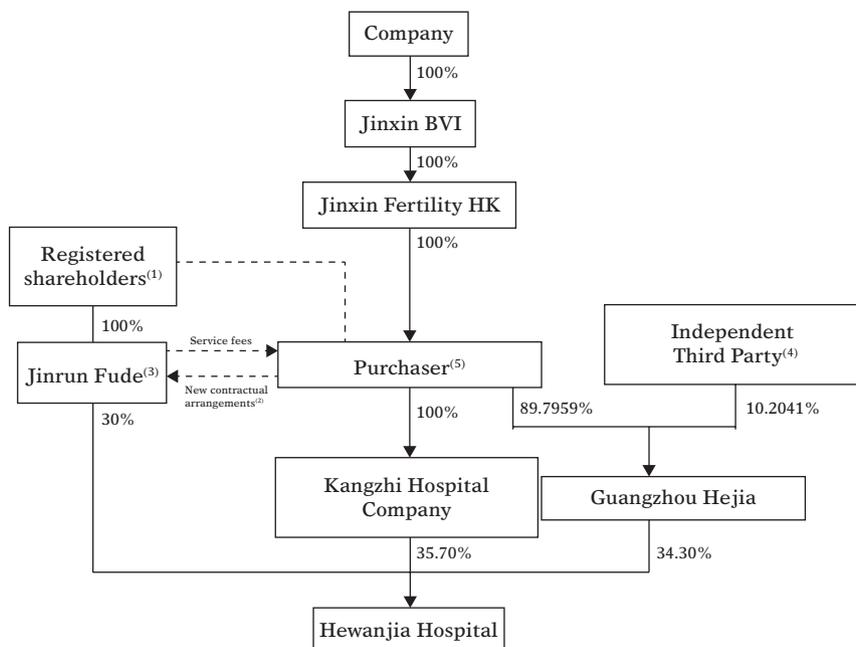
STRUCTURE OF THE TARGET GROUP UPON COMPLETION

The shareholding structure of the Target Group upon Completion is set out below:

Jiuzhou Hospital



Hewanjia Hospital



Notes:

- (1) The registered shareholders are Ms. Yan Xiaoqing and Ms. Zhu Yujuan, who hold 51% and 49% equity interests in Jinrun Fude, respectively.
- (2) The exclusive operation service agreements, exclusive option agreements, shareholders' rights entrustment agreements, equity pledge agreements and spouse undertaking(s) together form the legal relationship under the new contractual arrangements.
- (3) As part of the Acquisition, Jinrun Fude will enter into a capital increase agreement with each of the Target Hospital subscribe for 30% equity interest therein.
- (4) The Vendor will dispose of the remaining 10.2041% equity interest in Guangzhou Yunzhicai and Guangzhou Hejia to certain Independent Third Parties pursuant to a separate equity transfer agreement to be entered into between them.
- (5) The Purchaser may hold the equity rights in Kangzhi Hospital Company directly and/or indirectly through its subsidiaries or entities controlled by it.

Upon Completion, each of the Target Hospitals will enter into new contractual arrangements with Jinrun Fude, the Purchaser and the registered shareholders, respectively, the terms and conditions of which shall be the same as the Existing Contractual Arrangements of the Company in all material respects, upon which the economic benefit in relation to 30% of the equity interests in each of the Target Hospitals held by Jinrun Fude will be consolidated into the Group's results. The Company will publish further announcement(s) in accordance with the Listing Rules and Guidance Letter HKEx-GL-77-15 issued by the Stock Exchange.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition will enable the Group to (i) gain complete control and influence over the management and operation in each of the Target Hospitals, (ii) increase its share of economic benefits in each of the Target Hospitals, (iii) have greater flexibility in the formulation of business strategies in each of the Target Hospitals, and (iv) increase the number of assisted reproductive medical facilities under its network by acquiring ownership of the premises and hospital buildings under Jiuzhou Hospital.

The Acquisition represents a strategic investment in line with the Group's well-established strategy of leveraging its leadership in China to expand its ARS outreach by focusing on acquisitions targeting ARS providers that already possess conventional IVF licenses and are located in geographical locations that presents strategic advantages to the Group. The ARS market in Yunnan Province is relatively fragmented. The Target Hospitals, in aggregate, ranked first among private for-profit IVF hospitals in 2021 in Yunnan province in terms of number of egg retrieval cycles with an aggregate of 3,246 cycles. The Group intends to integrate its existing resources into and cooperate with the Target Hospitals in terms of physicians, laboratories, clinical management experience and marketing to bolster its operations. As such, the Company believes that the market share of the Target Hospitals will significantly increase in the near future.

Further, the location of the Targets Hospitals is in Kunming, Yunnan, which presents strategic benefits to the Group as the Acquisition will allow for additional productivity and capacity of the Group's network of ARS and cover regional markets including the regions of southwestern China, Greater Bay Area, and central China. It also provides the Group with the opportunity to further penetrate into and synergize with Guizhou Province as well as Southeast Asia regions.

In view of the above, the Directors are of the view that the terms of the Equity Transfer Agreement as well as the transactions contemplated thereunder are fair and reasonable, and the Acquisition is on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

GENERAL INFORMATION

Information of the Target Companies

Kangzhi Hospital Company is a company incorporated under the laws of the PRC with limited liability and is principally engaged in investment holding. As of the date of this announcement, Kangzhi Hospital Company is owned by the Purchaser as to 10% equity interest and the Vendor as to 90% equity interest. The principal assets of Kangzhi Hospital Company are the 51% equity interest in each of the Target Hospitals.

Guangzhou Yunzhicai is a company incorporated under the laws of the PRC with limited liability and is principally engaged in investment holding. As of the date of this announcement, Guangzhou Yunzhicai is owned by the Vendor as to 99.99% equity interest and Mr. Mo Manzhou (莫滿洲) as to 0.01% equity interest. The principal asset of Guangzhou Yunzhicai is the 49% equity interest in Jiuzhou Hospital.

Guangzhou Hejia is a company incorporated under the laws of the PRC with limited liability and is principally engaged in investment holding. As of the date of this announcement, Guangzhou Hejia is owned by the Vendor as to 99.99% equity interest and Mr. Mo Manzhou as to 0.01% equity interest. The principal asset of Guangzhou Hejia is the 49% equity interest in Hewanjia Hospital.

Upon Completion, (i) Kangzhi Hospital Company will become indirect wholly owned subsidiary of the Company, and (ii) Guangzhou Yunzhicai and Guangzhou Hejia will become indirect non-wholly owned subsidiaries of the Company. Accordingly, the financial results of the Target Companies will be consolidated into the financial statements of the Company.

Information of the Target Hospitals

Jiuzhou Hospital

As of the date of this announcement, the Company indirectly holds approximately 5.10% equity interest and the Vendor indirectly holds approximately 94.90% equity interest in Jiuzhou Hospital. Jiuzhou Hospital is a limited liability company incorporated in the PRC and commenced operations in September 2003. Jiuzhou Hospital is a Class II general hospital specializing in assisted reproductive services, andrology, obstetrics and gynecology. Jiuzhou Hospital is located in Panlong District of Kunming City, Yunnan, and operating in a self-owned building. Jiuzhou Hospital performed 2,565 IVF cycles for the year ended December 31, 2021, which increased by 16.80% from 2,196 IVF cycles for the year ended December 31, 2020.

The unaudited net assets of Jiuzhou Hospital as at December 31, 2021 was approximately RMB55,856,627. The following table sets out the number of IVF cycles, revenue and unaudited net profit (both before and after taxation) of Jiuzhou Hospital for the years ended December 31, 2020 and 2021:

	For the year ended December 31,	
	2020	2021
Number of IVF cycles conducted	2,196	2,565
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	196,156	209,817
Net profit before taxation	37,188	15,452
Adjusted net profit before taxation ^(Note)	N/A	23,531
Net profit after taxation	31,624	11,858
Adjusted net profit after taxation ^(Note)	N/A	20,002

Note: Pursuant to a collaboration agreement entered into between Jiuzhou Hospital, the Purchaser and Chengdu Xinan Hospital in August 2021, Chengdu Xinan Hospital provides management services to Jiuzhou Hospital including speciality alliance, brand promotion, quality control, talent cultivation, supply chain management and information technology for a management fee, which has been shown here to illustrate the impact of the management fee on the net profit of Jiuzhou Hospital.

Hewanjia Hospital

As of the date of this announcement, the Company indirectly holds approximately 5.10% equity interest and the Vendor indirectly holds approximately 94.90% equity interest in Hewanjia Hospital. Hewanjia Hospital is a limited liability company incorporated in the PRC and commenced operations in January 2014. Hewanjia Hospital is a Class III specialty hospital specializing in assisted reproductive services, obstetrics and gynecology. Hewanjia Hospital is located in Wuhua District of Kunming City, Yunnan. Hewanjia Hospital performed 681 IVF cycles for the year ended December 31, 2021, which increased by 30.46% from 522 IVF cycles for the year ended December 31, 2020.

The unaudited net liabilities of Hewanjia Hospital as at December 31, 2021 was approximately RMB9,758,325. The following table sets out the number of IVF cycles conducted, revenue and unaudited net profit (both before and after taxation) of Hewanjia Hospital for the years ended December 31, 2020 and 2021:

	For the year ended December 31,	
	2020	2021
Number of IVF cycles conducted	522	681
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	68,452	75,130
Net profit before taxation	1,113	(11,849)
Adjusted net profit before taxation ^(Note)	N/A	(8,418)
Net profit after taxation	980	(11,849)
Adjusted net profit after taxation ^(Note)	N/A	(8,418)

Note: Pursuant to a collaboration agreement entered into between Hewanjia Hospital, the Purchaser and Chengdu Xinan Hospital in August 2021, Chengdu Xinan Hospital provides management services to Hewanjia Hospital including speciality alliance, brand promotion, quality control, talent cultivation, supply chain management and information technology for a management fee, which has been shown here to illustrate the impact of the management fee on the net profit of Hewanjia Hospital.

Upon Completion, the Target Hospitals will become indirect non-wholly owned subsidiaries of the Company. Accordingly, the financial results of the Target Companies will be consolidated into the financial statements of the Company.

Information of the Vendor

The Vendor is a limited partnership established under the laws of the PRC on May 8, 2021. As of the date of this announcement, the Vendor is an investment vehicle managed by CNCB (Beijing) Equity Investment Fund Management Co., Ltd. (信銀振華(北京)股權投資基金管理有限公司) and Beijing Yuanxu Equity Investment Fund Management Co., Ltd. (北京遠旭股權投資基金管理有限公司) as its general partners. Jinxin BVI, a wholly-owned subsidiary of the Company, holds approximately 15% indirect limited partnership interest in the Vendor as a result of the Prior Acquisition.

CNCB (Beijing) Equity Investment Fund Management Co., Ltd. is wholly owned by CNCB (Hong Kong) Investment Limited, a wholly-owned subsidiary of China CITIC Bank Corporation Limited which is listed on the Stock Exchange (stock code: 00998.HK).

Beijing Yuanxu Equity Investment Fund Management Co., Ltd. is indirectly wholly-owned by Sino-Ocean Group Holding Limited which is listed on the Stock Exchange (stock code: 03377.HK).

To the best knowledge, information and belief of the Directors, and having made all reasonable enquires, save for the 15% indirect limited partnership interest held by Jinxin BVI in the Vendor, the Vendor and its respective beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Information of the Group

The Company is a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange. The Company is an investment holding company and the Group is principally engaged in the provision of assisted reproductive services in the PRC, Hong Kong and the United States.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	the acquisition of the Target Equity Interest and other transactions contemplated under the Equity Transfer Agreement in accordance with the terms and conditions thereof
“ARS”	assisted reproductive services
“Company”	Jinxin Fertility Group Limited (錦欣生殖醫療集團有限公司*)
“Completion Date”	the date of Completion in accordance with the provisions of the Equity Transfer Agreement
“Completion”	completion of the Acquisition and other transactions contemplated under the Equity Transfer Agreement in accordance with the terms and conditions thereof
“Consideration”	the consideration payable by the Purchaser to the Vendor pursuant to the Equity Transfer Agreement, details of which are set out under the section “Consideration” in this announcement
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated April 21, 2022 (after trading hours) entered into among the Purchaser and the Vendor in relation to the Acquisition
“Existing Contractual Arrangements”	the series of contractual arrangements, as the case may be, entered into by, among others, the Purchaser, the Registered Shareholders, Mr. Zeng Yong, Jinrun Fude and Shenzhen Zhongshan Hospital, details of which are described in the section headed “Contractual Arrangements” in the Prospectus
“Group”	the Company together with its subsidiaries
“Guangzhou Hejia”	Guangzhou Hejia Management Consulting Co., Ltd.* (廣州和家管理諮詢有限公司), a company established under the laws of the PRC with limited liability on May 14, 2021 and, as of the date of this announcement, is wholly owned by the Vendor
“Guangzhou Yunzhicai”	Guangzhou Yunzhicai Technology Co., Ltd.* (廣州雲芝彩科技有限公司), a company established under the laws of the PRC with limited liability on March 18, 2021 and, as of the date of this announcement, is wholly owned by the Vendor

“Hewanjia Hospital”	Kunming Jinxin Hewanjia Obstetrics and Gynecology Hospital Co., Ltd.* (昆明錦欣和萬家婦產醫院有限公司), a company established under the laws of the PRC with limited liability on January 15, 2014 and, as of the date of this announcement, is owned by the Kangzhi Hospital Company as to 51% equity interest and Guangzhou Hejia as to 49% equity interest
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) who is(are) third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“IVF”	in-vitro fertilization
“Jinrun Fude”	Chengdu Jinrun Fude Medical Management Company Limited (成都錦潤福德醫療管理有限公司), a limited liability company established under the laws of the PRC on May 9, 2018, the Company’s indirect subsidiary by virtue of the Existing Contractual Arrangements
“Jinxin BVI”	Jinxin Fertility Group (BVI) Company Limited, a wholly-owned subsidiary of the Company
“Jiuzhou Hospital”	Yunnan Jinxin Jiuzhou Hospital Co., Ltd.* (雲南錦欣九洲醫院有限公司), a company established under the laws of the PRC with limited liability on September 24, 2003 and, as of the date of this announcement, is owned by the Kangzhi Hospital Company as to 51% equity interest and Guangzhou Yunzhicai as to 49% equity interest
“Kangzhi Hospital Company”	Guangdong Kangzhi Hospital Management Co., Ltd.* (廣東康芝醫院管理有限公司), a company established under the laws of the PRC with limited liability on March 5, 2018 and, as of the date of this announcement, is owned by the Purchaser as to 10% equity interest and the Vendor as to 90% equity interest
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“percentage ratio”	the percentage ratio(s) set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC” or “China”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong and Macao Special Administrative Regions and Taiwan
“Prior Acquisition”	the acquisition of 10% equity interest in Kangzhi Hospital Company by the Purchaser and the subscription of 15% indirect limited partnership interest by Jinxin BVI in the Vendor as disclosed in the announcement of the Company dated June 18, 2021

“Prospectus”	the prospectus of the Company dated June 13, 2019
“Purchaser”	Sichuan Jinxin Fertility Medical Investment Management Co., Ltd.* (四川錦欣生殖醫療投資管理有限公司), previously known as Sichuan Jinxin Fertility Medical Management Co., Ltd. (四川錦欣生殖醫療管理有限公司) and Chengdu Jinde Corporate Management Company Limited (成都錦德企業管理有限公司), a company established under the laws of the PRC with limited liability on September 12, 2016, an indirect subsidiary of the Company
“RMB”	the lawful currency of the PRC
“Shareholder(s)”	holders of Shares
“Shares”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.00001
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of registered capital in the sum of RMB12,857,143 and RMB16,714,286 in each of Jiuzhou Hospital and Hewanjia Hospital, respectively, amounting to 30% equity interest in each of the Target Hospitals as part of the restructuring contemplated under the Equity Transfer Agreement
“subsidiary(ies)”	has the same meaning ascribed to it in the Listing Rules
“Target Companies”	Kangzhi Hospital Company, Guangzhou Yunzhicai and Guangzhou Hejia
“Target Equity Interest”	90.00% equity interest in Kangzhi Hospital Company, 89.7959% equity interest in Guangzhou Yunzhicai and 89.7959% in Guangzhou Hejia
“Target Group”	Target Companies and the Target Hospitals
“Target Hospitals”	Jiuzhou Hospital and Hewanjia Hospital
“Vendor”	Tianjin Binhai Yuanxian Management Consulting Center (Limited Partnership)* (天津濱海遠賢管理諮詢中心(有限合夥)), a limited partnership established in the PRC on May 8, 2021
“%”	per cent

By order of the Board
Jinxin Fertility Group Limited
Zhong Yong
Chairman

Hong Kong, April 21, 2022

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Zhong Yong, Dr. John G. Wilcox, Mr. Dong Yang, Ms. Lyu Rong and Dr. Geng Lihong, as executive Directors; Mr. Fang Min, Ms. Hu Zhe and Ms. Yan Xiaoqing, as non-executive Directors; and Dr. Chong Yat Keung, Mr. Li Jianwei, Mr. Wang Xiaobo and Mr. Ye Changqing, as independent non-executive Directors.

The English names of the PRC entities referred to in this announcement are merely translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese names shall prevail.

** For identification purpose only*