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北京健康(控股)有限公司
Beijing Health (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2389)

VOLUNTARY ANNOUNCEMENT ENTERING INTO COOPERATION AGREEMENT ON THE INVESTMENT AND OPERATION OF NURSING HOME IN LUOXI

This announcement is made by Beijing Health (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform its shareholders and potential investors of the latest information about the Group.

The Board of Directors (the “**Board**”) is pleased to announce that Changzhou Qiyue Hongtai Geriatric Service Co., Ltd.* (常州啟悅宏泰養老服務有限公司) (“**Qiyue Hongtai**”), an indirect non-wholly owned subsidiary of the Company, and the People’s Government of Luoxi, Xinbei District, Changzhou (the “**Luoxi Government**”) have entered into a cooperative agreement on the investment and operation of nursing home in Luoxi (the “**Cooperation Agreement**”) on 5 July 2023.

Pursuant to the Cooperation Agreement, Qiyue Hongtai is authorized to engage in the investment and administration of the nursing home in Luoxi in accordance with the model of “construction by the public sector and operation by the private sector with integrated medical and geriatric care”. The first term of cooperation and operation period is 10 years. During the operation period, Qiyue Hongtai shall pay a cooperation rental fee of RMB110,000 per annum to the Luoxi Government, and the Luoxi Government shall grant a rent-free period of no less than 18 months to Qiyue Hongtai. Qiyue Hongtai plans to carry out renovation to the project to create a smart and garden-like nursing home that integrates medical and geriatric care, so as to enhance the geriatric and medical services of the nursing home in Luoxi, which will be renamed as Luoxi Nursing Home (Integrated Medical and Geriatric Care). The Group believes that winning the tender for the Luoxi Nursing Home project will bring positive and favourable impact on the Group’s performance in the near future.

ABOUT LUOXI NURSING HOME (INTEGRATED MEDICAL AND GERIATRIC CARE)

Changzhou Luoxi Nursing Home is located at 997 Zhengtai Road, Luoxi, Xinbei District, Changzhou, Jiangsu Province, the construction of which was financed by the Luoxi Government in 2009. Divided into three buildings in the south, central and north, the project covers a total area of 15,000 sq.m., with a construction area of 4,800 sq.m., a landscaping area of approximately 5,000 sq.m., and a total of 152 beds.

ABOUT THE GERIATRIC BUSINESS OF THE GROUP

The Group actively expands inclusive institutions for geriatric care and engages in the investment and operation of nursing homes by adopting the model of “construction by the public sector and operation by the private sector with integrated medical and geriatric care”. It has maintained in-depth deployment in Yangtze River Delta region, which has stronger economic power and greater market demand, and gradually expanded to the entire PRC for the provision of quality geriatric service. The Group has established the “Beikang Hongtai* (北康宏泰)” geriatric service brand with strong competitive advantages in China and has broad experience in investment and operation of medical and geriatric care. At present, the Group operates a number of self-operated nursing institutions through its own team of professional geriatric care and medical personnel. The occupancy rate of beds for geriatric care is full throughout the year, representing full recognition and acknowledgment by customers, the central and local governments. This cooperation will provide a good foundation for the accelerated development of the Group’s geriatric business. The realization of the target of 10,000 beds and becoming a national benchmark geriatric enterprise is therefore accelerated.

By Order of the Board of
Beijing Health (Holdings) Limited
Zhu Shi Xing
Chairman

Hong Kong, 5 July 2023

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Zhu Shi Xing, Mr. Liu Xue Heng, Mr. Gu Shan Chao, Mr. Siu Kin Wai, Mr. Hu Shiang Chi and Mr. Wang Zheng Chun and five independent non-executive Directors, namely Mr. Robert Winslow Koepp, Mr. Gary Zhou, Mr. Tse Man Kit, Keith, Mr. Wu Yong Xin and Mr. Zhang Yun Zhou.

* *For identification purpose only*