Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

YIDA CHINA HOLDINGS LIMITED
億達中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3639)

INSIDE INFORMATION – SETTLEMENT AGREEMENT

DISCLOSURE OBLIGATION UNDER RULE 13.18

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO and Rule 13.18 of the Listing Rules.

Reference is made to the announcement of the Company dated 25 February 2021 in relation to the latest progress of the Arbitration, in which, among other things, the Company disclosed that it has been proactively discussing with the Claimants and exploring alternatives to settle the amount that might have to be paid as a result of the Final Award.

THE SETTLEMENT AGREEMENT

On 20 October 2020, the Final Award was issued in favour of the Aetos Parties against the Obligors, pursuant to which the Obligors are adjudged to owe and be liable to pay the Final Award Amount, together with interest accruing thereon. As at the date of this announcement, the Final Award Amount together with interest accruing thereon amounted to US$208,793,407 and has not been paid by the Obligors pursuant to the Final Award.

The Company hereby announces that, on 4 March 2021, the Aetos Parties, the Obligors and the Yida Parties entered into the Settlement Agreement. The principal terms of the Settlement Agreement are as follows:

Date: 4 March 2021

Parties: (i) the Aetos Parties;

(ii) the Obligors; and

(iii) the Yida Parties.

Subject: Pursuant to the Settlement Agreement, the Aetos Parties, the Obligors and the Yida Parties agreed to resolve any and all matters relating to the performance and satisfaction of the Final Award as well as the further settlement of any and all disputes among them by entering into the Settlement Agreement to provide for, among other things, the scheduled repayment of the amounts owed by the Obligors to the Aetos Parties under the Final Award as further detailed in the paragraph headed "Deferred payment schedule" below.

Total Payment Obligation: By entering into the Settlement Agreement, the Obligors have acknowledged and agreed that they are lawfully indebted to the Aetos Parties for the aggregate sum of US$208,793,407 (the "**Total Payment Obligation**"), representing the Final Award Amount plus interest accrued on the price of the Amended Put Option from 20 October 2020 (being the date of the Final Award) to 5 March 2021.

Deferred payment schedule: Pursuant to the Settlement Agreement, it is agreed that, subject to the full performance of the Deferred Payment Obligation as provided below, the Total Payment Obligation would be reduced to US$175,000,000 (the "**Deferred Payment Obligation**"). The Deferred Payment Obligation will be payable by the Obligors as follow:

(i) US$35,000,000 as the upfront payment (the "**Upfront Payment**") payable on or before 5 March 2021;

(ii) US$50,000,000 as the first scheduled payment together with interests accrued payable on or before 30 April 2021;

(iii) US$50,000,000 as the second scheduled payment together with interests accrued payable on or before 31 May 2021; and

(iv) US$40,000,000 as the third scheduled payment together with interests accrued payable on or before 30 September 2021.

Pursuant to the Settlement Agreement, in the event that the Obligors were to complete each Deferred Payment Obligation on or before the aforesaid scheduled payment date, the Aetos Parties shall, as incentive, waive the obligation of the Obligors to pay such remaining balance of the Total Payment Obligation (i.e. US$33,793,407).

On the other hand, the failure of the Obligors to fulfill any portion of the Deferred Payment Obligation on or before the applicable scheduled payment date and expiry of the applicable grace period shall constitute an event of default under the Settlement Agreement, giving the Aetos Parties the right to accelerate the remaining portion of the Total Payment Obligation.

Conditions precedent: The Settlement Agreement provides that it will become effective and binding upon the satisfaction or waiver by the Aetos Parties of the last of the conditions set forth below:

(a) the execution and delivery of the Settlement Agreement;

(b) the receipt of the Upfront Payment by the Aetos Parties; and

(c) the execution and delivery by Dalian Yida of the relevant termination letters in relation to the termination of the CIETAC arbitration to the Aetos Parties pursuant to the Settlement Agreement.

Others: Under the Settlement Agreement, the Yida Parties have agreed to:

(a) the execution and delivery of the Company Share Charge by Jiayou, pursuant to which Jiayou agreed to charge in favour of Aetos Parties in respect of 20% of the issued shares in the Company held by Jiayou; and

(b) the execution and delivery of the Subordination Agreement, under which Jiayu will covenant and agree that the obligation of any Yida Party to repay the shareholder loans lent by Jiayu shall be subordinate and junior in right of payment to the prior payment in full of the Total Payment Obligation by the Obligors.

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

Pursuant to the Settlement Agreement, CMIG or its subsidiaries are required to be the beneficial owner of 35% or more of the total outstanding Shares (the "**Change of Control**"), failing which the Aetos Parties shall be entitled to declare the outstanding balance of the Total Payment Obligation, together with accrued interest and all other amounts accrued or outstanding, to be due and payable on the thirtieth (30th) day following the Change of Control. For the avoidance of doubt, in the case of the Change of Control in the absence of any event of default under the Settlement Agreement, the Obligors are only required to settle the amount under the Deferred Payment Obligation.

As at the date of this announcement, CMIG and its subsidiaries together hold 1,581,485,750 Shares, representing 61.2% of the issued share capital of the Company.

The Company will continue to make disclosures in its subsequent interim and annual reports for so long as the above obligations relating to the CMIG and its subsidiaries continue to exist pursuant to the requirements of Rule 13.21 of the Listing Rules.

REASONS FOR AND BENEFITS OF THE SETTLEMENT AGREEMENT

The Board is of the view that by entering into the Settlement Agreement, it will enable the Company (a) to settle the outstanding principal and interest claimed under the Final Award with the reduction of an amount by approximately US$34 million from approximately US$209 million to US$175 million, which would lessen the Group's financial burden and improve its liquidity positions; and (b) to eliminate the negative impact of the Arbitration on the Company's public image. As such, the Directors, including the independent non-executive Directors, consider that the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

"Aetos Parties"	Lorraine Investment, Normandy Investment, Capital Chain and Better Chance
"Amended Put Option"	the exercise of a put option at the price determined pursuant to a formula stipulated in the Supplemental Agreements
"Arbitration"	the submission of arbitration applications by the Claimants relating to the exercise of the Amended Put Option stipulated in the Supplemental Agreement pursuant to an arbitration notice received by the Group on 23 October 2017
"Better Chance"	Better Chance Investments Limited, a company duly established and validly existing under the laws of Hong Kong
"Board"	the board of Directors
"Capital Chain"	Capital Chain Holdings Limited, a company duly established and validly existing under the laws of Hong Kong
"CIETAC"	China International Economic and Trade Arbitration Commission

“Claimants”	certain joint venture partners of two joint venture, namely Dalian Yihong Property Development Co. Ltd. and Dalian Yize Property Development Co. Ltd., regarding the exercise the Amended Put Option at the price determined pursuant to a formula stipulated in the Supplemental Agreements
“CMIG”	China Minsheng Investment Group Corp., Ltd.
“Company”	Yida China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 3639)
“Company Share Charge”	a share charge to be entered into by Jiayou in favour of Aetos Parties, pursuant to which Jiayou agreed to charge the 20% of the issued Shares held by it in favour of Aetos Parties as security for the obligation of Yida Parties under the Settlement Agreement
“Dalian Yida”	Dalian Yida Property Co., Ltd., a limited liability company duly established and validly existing under the laws of the PRC and a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Final Award”	the final award from the Hong Kong International Arbitration Centre regarding the Arbitration on 20 October 2020
“Final Award Amount”	the amount of the Final Award comprising (1) the price of the Amended Put Option of US$108,757,937, (2) accrued interest up to the date of the Final Award of US$84,113,389, (3) legal costs and expenses of US$6,711,972, and (4) arbitration cost of HKD 3,107,251.57
“Gang Xin”	Gang Xin Limited, a company duly established and validly existing under the laws of the British Virgin Islands and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

"Jiayou"	Jiayou (International) Investment Limited (嘉佑(國際)投資有限公司), a company incorporated in the British Virgin Islands and owned as to approximately 61.20% of the Shares in issue as at the date of this announcement and a controlling shareholder (as defined under the Listing Rules) of the Company
"Jiayu"	Shanghai Jiayu Medical Investment Management Co., Ltd. (上海嘉愈醫療投資管理有限公司), a limited liability company duly established and validly existing under the laws of the PRC and a subsidiary of CMIG
"King Equity"	King Equity Holdings Limited, a company duly established and validly existing under the laws of Hong Kong and a wholly-owned subsidiary of the Company
"Lorraine Investment"	Lorraine Investment, Ltd., an exempted limited liability company duly established and validly existing under the laws of the Cayman Islands
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Normandy Investment"	Normandy Investment, Ltd., an exempted limited liability company duly established and validly existing under the laws of the Cayman Islands
"Obligors"	Dalian Yida, Gang Xin and King Equity
"PRC"	the People's Republic of China
"Settlement Agreement"	the settlement agreement dated 4 March 2021 entered into by and among the Aetos Parties, the Obligors and the Yida Parties in relation to the settlement arrangement for the outstanding payments to be made by the Obligors under the Final Award
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of US$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Subordination Agreement"	the subordination agreement to be entered into by the Yida Parties, Jiayu and Aetos Parties, pursuant to which Jiayu will covenant and agree that the obligation of any Yida Party to repay the shareholder loans lent by Jiayu shall be subordinate and junior in right of payment to the prior payment in full of the Total Payment Obligation by the Obligors
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Supplemental Agreements"	the supplementary agreements dated 18 December 2013
"Yida Parties"	the Company, its five wholly-owned subsidiaries and its two joint ventures
"%"	per cent

By order of the Board
Yida China Holdings Limited
Jiang Xiuwen
Chairman and Chief Executive Officer

Hong Kong, 5 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Jiang Xiuwen, Ms. Zheng Xiaohua and Mr. Yu Shiping, the non-executive directors of the Company are Mr. Wang Gang and Mr.Zhang Xiufeng and the independent non-executive directors of the Company are Mr. Yip Wai Ming, Mr. Guo Shaomu, Mr. Wang Yinping and Mr. Han Gensheng.