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**銀城生活服務有限公司**

**YINCHENG LIFE SERVICE CO., LTD.**

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

**(Stock Code: 1922)**

## **APPOINTMENT OF INDEPENDENT FORENSIC ACCOUNTANT**

This announcement is made by Yincheng Life Service CO., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 11 June 2024 (the “**Announcement**”) in relation to, among others, Allegation A against Mr. Li and Allegation B against Mr. Huang. Unless otherwise stated, capitalised terms used herein shall have the same meaning as defined in the Announcement.

## **APPOINTMENT OF INDEPENDENT FORENSIC ACCOUNTANT**

As disclosed in the Announcement, the Board established the Investigation Committee comprising the three independent non-executive Directors to carry out the Investigation. The Board wishes to announce that it has appointed PricewaterhouseCoopers Management Consulting (Shanghai) Limited as the independent forensic accountant (“**Independent Forensic Accountant**”) to assist the Investigation Committee in the Investigation and to conduct independent forensic review on the following allegations:

- (i) Mr. Li had, during 2019 to 2023, procured the Company to issue off-the-books bonus payments to himself without the approval of the Board. The approximate amount of the unauthorised payments for each year does not exceed approximately RMB2 million;
- (ii) Mr. Li is interested in an entity with a nominee holding the interest of such entity on his behalf and, without disclosing his interest in such entity, formed a joint venture company with the Group;
- (iii) The related party transactions in relation to “Advances to related companies” as disclosed under the sections headed “Related Party Transactions” in the Annual Reports were in fact transactions conducted by the Group with related entities controlled by Mr. Huang. Such transactions were not disclosed and are in breach of the connected transaction disclosure requirements under Chapter 14 of the Listing Rules;

- (iv) Mr. Huang misappropriated all the listing proceeds of the Company and has yet to return such proceeds to the Company and Mr. Huang has from time to time instigated Ms. Huang Xuemei, a then executive Director and Chief Financial Officer of the Company, to misappropriate the operational capital of the Company since the listing of the Company; and
- (v) The personal expenditures of Mr. Huang have been reimbursed by the Company including without limitation personal expenditures of approximately RMB500,000.

The Independent Forensic Accountant will work under the instructions of the Investigation Committee. The Company will work closely with, and provide all necessary support to the Independent Forensic Accountant to conduct the Investigation. Thereafter, the Independent Forensic Accountant will provide the Investigation Committee with an independent report on its findings, and the Investigation Committee will then report to the Board of the results of the Investigation.

**The Company will make further announcement(s) in accordance with the Listing Rules as and when necessary in relation to any material development in connection with the above matters. Shareholders of the Company and investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board of  
**Yincheng Life Service CO., Ltd.**  
**XIE Chenguang**  
*Chairman*

Hong Kong, 5 July 2024

*As at the date of this announcement, the executive Director is Mr. Xie Chenguang; the non-executive Directors are Mr. Huang Qingping, Mr. Yao Ning and Mr. Pan Xiaohu; and the independent non-executive Directors are Mr. Chow Siu Hang, Mr. Li Yougen and Mr. Mao Ning.*