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Sanai Health Industry Group Company Limited
三愛健康產業集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1889)

INSIDE INFORMATION
UPDATE ON LITIGATION

This announcement is made by Sanai Health Industry Group Company Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") 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 paragraph headed "Litigation" of the Directors' Report in the annual report of the Company for the year ended 31 December 2024, and the announcements of the Company dated 18 January 2021, 4 February 2021, 1 June 2023 and 19 December 2023 respectively (collectively the "**Announcements**") in relation to the Litigation and the Appeal. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

As disclosed in the Announcements, the case regarding the Litigation has been returned to the Intermediate People's Court for retrial (the "**Retrial**"). The Board wishes to inform the Shareholders and potential investors of the Company that the Company has received a 民事判決書 (civil judgement) (the "**Second Civil Judgement**") on the Retrial from 北京市第四中級人民法院 (the No. 4 Intermediate People's Court of Beijing*) dated 29 April 2025. Pursuant to the Civil Judgement, among other things:

(i) the payment obligation including the outstanding principal under the Finance Lease Agreement in the amount of RMB67,371,546.21, the outstanding default interest in the amount of RMB57,636,357.78, the default payment in the amount of RMB 2,904,331.80, the legal fees in the amount of RMB800,000 and preservation insurance fees in the amount of RMB175,636.06 (collectively the "**Litigation Amount**") owed by Fujian Sanai to the Plaintiff is affirmed; and

(ii) the Company, Lin Ouwen and Lin Min shall be jointly liable for the Litigation Amount, and they are entitled to claim against Fujian Sanai after discharging of such joint liabilities.

RIGHT OF APPEAL

The parties to the Retrial may appeal to the 北京市高級人民法院 (the High People's Court of Beijing*) within 30 days from the day of delivery of the Second Civil Judgment. The Company is in the course of consulting its PRC legal advisers and intends to lodge an appeal to the High People's Court of Beijing on or before the deadline. The Company will publish further announcement(s) in respect of the Litigation in compliance with the Listing Rules as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Sanai Health Industry Group Company Limited
She Hao
Executive Director

Hong Kong, 12 May 2025

As at the date of this announcement, the Board comprises five executive directors, namely, Mr. Chen Chengqing, Mr. Yuan Chaoyang, Professor Zhang Rongqing, Mr. She Hao and Mr. Xie Haijing, and three independent non-executive directors, namely, Professor Zhu Yi Zhun, Mr. Khor Khie Liem Alex and Ms. Tsui Yuen Tan.

* *For identification purpose only*