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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)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF A PROPERTY

THE TRANSACTION

Reference is made to the announcement of the Company dated 27 January 2025 concerning the Order issued by Dalian Court against Outsourcing Company to refund and compensate Dalian Finance Bureau of the Outstanding Amount of approximately RMB296.6 million.

On 13 October 2025 (after trading hours of the Stock Exchange), Dalian ChangDe, a wholly-owned subsidiary of the Company, and Outsourcing Company, a wholly-owned subsidiary of the Company, entered into the Offset Agreement with Dalian HengYe, which is wholly-owned by Dalian Finance Bureau, pursuant to which Dalian ChangDe has conditionally agreed to transfer all interests in the Property to Dalian HengYe, and Dalian HengYe has conditionally agreed to offset part of the Outstanding Amount totaling RMB275.78 million as the Consideration for the transfer of the Property.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Transaction under the Offset Agreement exceed(s) 75%, the Transaction constitutes a very substantial disposal on the part of the Company under the Listing Rules, and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

None of the Directors has material interest in the Transaction and hence no Director is required to abstain from voting on the relevant resolution(s) of the Board approving the Offset Agreement and the transactions contemplated thereunder.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Offset Agreement and the transactions contemplated thereunder.

The voting in respect of the Transaction under the Offset Agreement at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Transaction. As such, no Shareholders required to abstain from voting on the relevant resolution(s) to approve the Offset Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further information on the Offset Agreement and the transactions contemplated thereunder, (ii) other information as required under the Listing Rules, and (iii) a notice of the EGM is expected to be despatched to the Shareholders on or before 4 November 2025 as additional time is required to prepare the relevant information to be included in the circular.

Completion of the Transaction is subject to the fulfilment of the conditions of effectiveness of Offset Agreement, and therefore the Transaction may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE TRANSACTION

Reference is made to the announcement of the Company dated 27 January 2025 concerning the Order issued by Dalian Court against Outsourcing Company to refund and compensate Dalian Finance Bureau of the Outstanding Amount of approximately RMB296.6 million.

On 13 October 2025 (after trading hours of the Stock Exchange), Dalian ChangDe, a wholly-owned subsidiary of the Company, and Outsourcing Company, a wholly-owned subsidiary of the Company, entered into the Offset Agreement with Dalian HengYe, which is wholly-owned by Dalian Finance Bureau, pursuant to which Dalian ChangDe has conditionally agreed to transfer all interests in the Property to Dalian HengYe, and Dalian HengYe has conditionally agreed to offset part of the Outstanding Amount totaling RMB275.78 million as the Consideration for the transfer of the Property.

The Offset Agreement

The principal terms of the Offset Agreement are set out below:

Date

13 October 2025

Parties

(1) Dalian ChangDe;

(2) Outsourcing Company; and

(3) Dalian HengYe.

Assets to be disposed of

Pursuant to the terms and conditions of the Offset Agreement, Dalian ChangDe has conditionally agreed to transfer all interests in the Property, including the land and all buildings (completed or construction in progress), plant, mechanical and electrical equipment, fixtures and fittings located in or on or which otherwise relate to the Property and fixtures attached to the Property or any part thereof by, or by the direction of, or owned or controlled by Dalian ChangDe as at the date of this announcement, to Dalian HengYe.

The Property is located in Dadonggou Village, Xinzhaizi Subdistrict, Ganjingzi District, Dalian City. The land use nature is designated for software outsourcing and research & development purposes, with a land area of approximately 36,950.8 square meters and a planned construction area of approximately 74,500 square meters. Among these, five individual above-ground buildings with a total gross floor area of approximately 49,300 square meters, together with an underground garage (including civil air defense facilities and equipment rooms) covering approximately 25,200 square meters, were under construction. The construction and development of the Property are currently suspended.

The Property has obtained the state-owned land use rights certificate, construction land planning permit, construction project planning permit, construction work permit, and commercial housing pre-sale permit.

Consideration

The total consideration of RMB275.78 million for the transfer of the Property by Dalian ChangDe to Dalian HengYe will be settled by way of offset against part of the Outstanding Amount totaling RMB275.78 million.

Such consideration was determined after arm's length negotiations between the Parties with reference to:–

(i) the carrying amount of the Property as per unaudited management accounts as at 31 August 2025 of approximately RMB444.51 million, determined using the residual approach, which is based on an income approach that estimates the property value by capitalising the rental income expected upon completion of construction, assuming the project of the Property will be carried out according to the Group's latest development plan in the ordinary course of business;

(ii) the asset valuation report of the Property dated 28 August 2025, valuing the Property at approximately RMB275.78 million based on the cost approach, which estimates the property value by calculating the expected costs the government would incur to construct the Property as if it were new land, as prepared by an independent professional valuer in the PRC appointed by the People's Government of Ganjingzi District, Dalian City;

(iii) the preliminary valuation on the market value of the Property as at 31 August 2025 of approximately RMB300 million in the existing state of the Property, according to the valuation by MILES Valuation Advisory Limited, an independent professional valuer appointed by the Company, determined using the residual method, which is based on the market approach that assesses the Gross Development Value (GDV) by capitalising on the estimated selling price of the fully completed property under prevailing market conditions at the time of valuation;

(iv) the fulfillment of the payment obligations of the Outstanding Amount as determined by the Order;

(v) the transfer of the Property with suspended construction project, which to a certain extent alleviates the Company's cash flow pressure; and

(vi) other factors as set out in the section headed "Reasons for and benefits of the Transaction" in this announcement.

The significant discount in the Property valuations compared to its carrying amount reflects the differing valuation methods and specific transaction considerations. Considering that (a) the nature of the Transaction, whereby the Property with suspended construction project is disposed of as consideration to offset the Group's Outstanding Amount, which fundamentally differs from a routine property sale in that it does not require the buyer to reapply for licenses, manage registrations, or resume construction; (b) the direct cash flow benefit to the Group, as the transfer reduces cash outflows otherwise needed to settle the Outstanding Amount, thereby easing short-term liquidity pressure; (c) the counterparty's clear intention, with the Dalian Finance Bureau committed to promptly resolving the existing refund and compensation matter; and (d) the market challenges associated with the sale of suspended projects of the Property, where typical buyers are generally unwilling or unable to assume the risks involved, the Board considers that the consideration, which is at a significant discount to its carrying amount, is fair and reasonable under the circumstances, and believes the Transaction serves the best interests of the Company and its shareholders by mitigating liquidity risks and timely settling outstanding liabilities.

Conditions of Effectiveness of Offset Agreement

The Offset Agreement shall be effective from the date on which all of the following conditions have been satisfied:

a. the Offset Agreement having been executed; and

b. Dalian ChangDe and Outsourcing Company having completed the decision-making and approval procedures through their respective internal authorised bodies, including but not limited to the shareholders' and the board of directors' approval, and having fulfilled the listed company's disclosure obligations and shareholders' approval for the Transaction in accordance with the Listing Rules.

Registration

Within seven (7) days after the Offset Agreement becomes effective, Dalian ChangDe shall hand over to Dalian HengYe the current status of the assets in Property, housing construction archives, and all project engineering documents of the Property according to the handover list set out in the Offset Agreement. Dalian HengYe and Dalian ChangDe shall sign the handover list and initiate the transfer registration procedures for the state-owned land use rights certificate of the Property, and pay the relevant transfer taxes and fees in full as determined by the relevant authorities.

Completion

After Dalian ChangDe hands over the assets in Property to Dalian HengYe in accordance with the terms and conditions of the Offset Agreement and completes the Registration, it shall be deemed that part of the Outstanding Amount totaling RMB275.78 million is paid.

Completion shall take place upon the Registration. Upon Completion, the Company will cease to have any interest in the Property.

INFORMATION ON THE PARTIES

The Group

The Company is an investment holding company and its subsidiaries principally engage in the business of development and operation of business parks, the development and sales of multifunctional integrated residential community projects, the operation and management, construction, decoration, landscaping and the property management of business parks in the PRC.

Dalian ChangDe

Dalian ChangDe owns the Property and is a company established in the PRC in June 2010 with limited liability. As at the date of this announcement, Dalian ChangDe is an indirect wholly-owned subsidiary of the Company, and is principally engaged in corporate management consulting; lease of premises; and real estate development and sales.

Outsourcing Company

Outsourcing Company is a company established in the PRC in May 2008 with limited liability. As at the date of this announcement, Outsourcing Company is an indirect wholly-owned subsidiary of the Company, and is principally engaged in development and construction of outsourcing service bases; land consolidation; and property management.

Dalian HengYe

Dalian HengYe is a company established in the PRC in May 2016 with limited liability. As at the date of this announcement, Dalian HengYe is wholly-owned by Dalian Finance Bureau, and is principally engaged in trade brokerage; information technology consulting services; corporate headquarters management; enterprise management; investment activities carried out with proprietary funds; financing consulting services; engineering management services; cultural venue management services; sports and health services; leisure and sightseeing activities; consulting and planning services; and urban and rural environment management.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Dalian HengYe and its ultimate beneficial owners are Independent Third Parties.

FINANCIAL EFFECT OF THE TRANSACTION

Upon Completion, the Company will cease to hold any interest in the Property. As such, the financial information of the Property will be derecognised from the consolidated financial statements of the Group. It is expected that the Transaction will not generate any new cash funding to the Company.

For illustrative purposes, it is estimated that the Company will record a preliminary net loss on the Transaction of approximately RMB184 million, being the net of the estimated expenses and tax expenses in relation to the Transaction of approximately RMB14.85 million, and the difference between (i) the Consideration of RMB275.78 million; and (ii) the carrying amount of the Property of approximately RMB444.51 million as per the unaudited management accounts as at 31 August 2025. The actual figures will be subject to the audit by the auditors of the Company and therefore may be different from the aforementioned amounts.

REASONS FOR AND BENEFITS OF THE TRANSACTION

As disclosed in the announcement of the Company dated 27 January 2025, Outsourcing Company, a wholly-owned subsidiary of the Company, was ordered to pay the Outstanding Amount of approximately RMB296.6 million to Dalian Finance Bureau pursuant to the Order. Dalian Finance Bureau has then entered into a debt assignment agreement with Outsourcing Company and Dalian HengYe, which is wholly-owned by Dalian Finance Bureau, pursuant to which Dalian Finance Bureau has assigned part of the Outstanding Amount of RMB275.78 million to Dalian HengYe. The remaining Outstanding Amount of approximately RMB20.82 million will be offset against the rent and property fees owed by the government and its relevant management units to Outsourcing Company and its affiliated companies (the "**Offsetting**"). The Outstanding Amount, together with the rent and property fees owed by the government to the Company as of the date of this announcement, will be fully settled upon the completion of the Transaction and the Offsetting.

The Property, being a suspended asset, was chosen for the Transaction as it offers the most beneficial option for the Company and is the only asset in Ganjingzi District in Dalian City free of any mortgage. The construction and development of the Property have been suspended since 2021 due to the impact of the pandemic and financial pressures, during which the Company has temporarily paused investment while continuously monitoring market demand for industrial leasing.

The Company has considered various alternatives to settle the Outstanding Amount, including but not limited to cash settlement and external financing. However, due to insufficient cash flow, the Company is unable to repay the Outstanding Amount. Furthermore, under the financing frameworks in the PRC, there is no specific loan category for compensation or refund purposes, preventing the Company from obtaining bank financing to settle the Outstanding Amount.

Having assessed these factors, the Property, being a suspended asset, presents a strategically sound option. Suspended projects inherently pose greater market challenges compared to completed or newly developed properties, as prospective buyers must undertake the complex and costly processes of reapplying for licenses, managing registrations, and resuming construction. These factors significantly limit the pool of potential buyers, as most typical buyers are either unwilling or unable to assume such risks. In this context, government entities are often regarded as the preferred buyers, given their capability to navigate regulatory requirements more efficiently and facilitate smoother registration and approval processes. Therefore, the Transaction provides a timely and effective solution to the funding and development uncertainties that could otherwise impede the progress and completion of the Property. By enabling the transfer of the Property's interests with suspended construction, the Transaction facilitates the allocation of associated risks and responsibilities, thereby enhancing overall risk management of the Group.

Furthermore, the Transaction helps alleviate the Company's immediate cash flow constraints by reducing the need for substantial additional investment required for the Property's completion. It thus enables the Company to focus resources on core businesses while supporting the potential continuity or eventual completion of the Property's development.

Based on the above, the Directors (including the independent non-executive Directors) believe that the terms of the Transaction (including the Consideration) are on normal commercial terms, fair and reasonable, and the Transaction is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Transaction under the Offset Agreement exceed(s) 75%, the Transaction constitutes a very substantial disposal on the part of the Company under the Listing Rules, and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

None of the Directors has material interest in the Transaction and hence no Director is required to abstain from voting on the relevant resolution(s) of the Board approving the Offset Agreement and the transactions contemplated thereunder.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Offset Agreement and the transactions contemplated thereunder.

The voting in respect of the Transaction at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Transaction. As such, no Shareholders required to abstain from voting on the relevant resolution(s) to approve the Offset Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further information on the Offset Agreement and the transactions contemplated thereunder, (ii) other information as required under the Listing Rules, and (iii) a notice of the EGM is expected to be despatched to the Shareholders on or before 4 November 2025.

Completion of the Transaction is subject to the fulfilment of the conditions of effectiveness of Offset Agreement and therefore the Transaction may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

"Board"	the board of Directors
"Company"	Yida China Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (stock code: 3639)
"Completion"	completion of the Transaction in accordance with the terms and conditions of the Offset Agreement
"connected person"	has the meaning ascribed thereto under the Listing Rules
"Consideration"	a sum of RMB275.78 million, being the consideration for the transfer of all interests in the Property
"Dalian ChangDe"	Dalian Science and Technology City Changde Development Co., Ltd.* (大連科技城昌得開發有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Dalian Court"	the People's Court of Pulandian District, Dalian Municipal
"Dalian Finance Bureau"	Finance Bureau of Ganjingzi District, Dalian Municipal, PRC
"Dalian HengYe"	Dalian Ganjing Hengye Development Co., Ltd.* (大連甘井恆業發展股份有限公司), which is a company established in the PRC with limited liability and wholly-owned by Dalian Finance Bureau
"Director(s) "	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the Offset Agreement and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Offset Agreement"	the offset agreement dated 13 October 2025 entered into by and between Dalian ChangDe, Outsourcing Company and Dalian HengYe, pursuant to which Dalian ChangDe has conditionally agreed to transfer all interests in the Property to Dalian HengYe to offset part of the Outstanding Amount totaling RMB275.78 million
"Order"	the court order made by Dalian Court on 25 October 2024 in relation to the conviction of Outsourcing Company for offering bribes and order of payment of the Outstanding Amount of approximately RMB296.6 million in damages to Dalian Finance Bureau. For more details, please refer to the announcement of the Company dated 27 January 2025
"Outsourcing Company"	Dalian Services Outsourcing Base Development Company Limited* (大連服務外包基地發展有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
"Outstanding Amount"	a total amount of approximately RMB296.6 million payable by Outsourcing Company to Dalian Finance Bureau pursuant to the Order, of which RMB275.78 million has been assigned by Dalian Finance Bureau to Dalian HengYe
"Parties"	collectively, Dalian ChangDe, Outsourcing Company and Dalian HengYe
"PRC"	the People's Republic of China which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Property"	the property located in Dadonggou Village, Xinzhaizi Subdistrict, Ganjingzi District, Dalian City and designated for software outsourcing and R&D purposes, with a site area of approximately 36,950.8 square meters and a planned construction area of approximately 74,500 square meters, which is owned by Dalian ChangDe as at the date of this announcement, including all buildings (completed or construction in progress), plant, mechanical and electrical equipment, fixtures and fittings located in or on or which otherwise relate to the Property and fixtures attached to the Property or any part thereof by, or by the direction of, or owned or controlled by Dalian ChangDe
"Registration"	the registration and filing procedures as set out in the paragraph headed "The Transaction – The Offset Agreement – Registration" in this announcement
"Share(s) "	ordinary share(s) of US$0.01 each in the share capital of the Company

"Shareholder(s) "	holder(s) of issued Shares from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Transaction"	the transaction in relation to the transfer of all interests in the Property by Dalian ChangDe to Dalian HengYe to offset part of the Outstanding Amount totaling RMB275.78 million in accordance with the terms and conditions of the Offset Agreement
"RMB"	Renminbi, the lawful currency of the PRC
"%"	per cent

* *For identification purposes only*

By order of the Board
Yida China Holdings Limited
Jiang Xiuwen
Chairman and chief executive officer

Hong Kong, 13 October 2025

As at the date of this announcement, the executive Directors are Mr. Jiang Xiuwen and Mr. Yuan Wensheng, the non-executive Directors are Mr. Lu Jianhua, Mr. Wang Gang and Ms. Jiang Qian, and the independent non-executive Directors are Mr. Guo Shaomu, Mr. Chen Yi Chuan and Mr. Tong Wing Chi.