

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.



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)

DISCLOSEABLE TRANSACTION DISPOSAL OF SUBSIDIARY

THE AGREEMENT

The Board is pleased to announce that on 10 November 2025 (after trading hours of the Stock Exchange), the Vendor, a non wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser in relation to the Disposal, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Equity Interest for a consideration of approximately RMB18.69 million, which shall be settled by cash.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as calculated under Rule 14.06 of the Listing Rules in respect of the Disposal is more than 5% but is less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Disposal is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 10 November 2025 (after trading hours of the Stock Exchange), the Vendor, a non wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser in relation to the Disposal, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Equity Interest for a consideration of approximately RMB18.69 million, which shall be settled by cash.

The principal terms of the Agreement are summarized below.

THE AGREEMENT

- Date: 10 November 2025 (after trading hours of the Stock Exchange)
- Parties:
- (1) Vendor: Beijing Hangyang Health Technology. Co., Ltd. (北京航洋健康科技有限公司), a non wholly-owned subsidiary of the Company;
 - (2) Purchaser: Ms. Xue Wenfen (薛文芬) ; and
 - (3) The Target Company.

Subject of the Disposal

Pursuant to the Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Equity Interest, representing 99% of the equity interest in the Target Company.

Consideration

The Consideration payable for the sale and purchase of the Equity Interest shall be approximately RMB18.69 million, which shall be settled by cash in the following manner:

- (1) a sum of approximately RMB1.88 million shall be payable by the Purchaser to the Vendor's designated account no later than the date of the Agreement;
- (2) a sum of approximately RMB7.47 million shall be payable by the Purchaser to the Vendor's designated account within ten (10) Business Days after signing of the Agreement; and
- (3) a sum of approximately RMB9.34 million shall be payable by the Purchaser to the Vendor's designated account within ten (10) Business Days after completion of registration of the Equity Transfer (the **"Final Tranche Consideration"**).

Basis of the Consideration

The Consideration for the Disposal was determined based on arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, the following factors: (i) the financial performance, business development opportunity and prospects of the Target Company; (ii) the unaudited carrying value of the Target Company as at 30 June 2025; (iii) the prevailing market conditions, including the prevailing market price of the property held by the Target Company, being a land parcel located in Luannan Chengxi Industrial Zone, the PRC; and (iv) the benefits to be derived by the Group upon Completion as described under the section headed "REASONS AND BENEFITS OF THE DISPOSAL" in this announcement.

Conditions Precedent

The Completion is subject to the following conditions being satisfied (or waived, if applicable):

- (i) all parties to the Agreement having completed the signing of all documents required for the Equity Transfer, and there being no other material matters that would hinder the Completion;
- (ii) the registered capital of the Target Company having been fully paid up; and
- (iii) all consents and approvals required for the Equity Transfer under the Listing Rules and other regulatory requirements having been obtained.

The Purchaser may waive any of the above conditions (except for the condition set out in (iii) above which cannot be waived).

Completion

The Vendor shall transfer the original documents in respect of operation of the Target Company (including seals, licenses, files, ledgers, other related documents etc.) to the Purchaser upon receipt of the Final Tranche Consideration. Completion shall take place on the date on which the aforesaid transfer of original documents is completed and the conditions precedent under the Agreement are fulfilled (or waived, if applicable).

Upon the Completion, the Group shall cease to hold any interest in the Target Company and thus the Target Company shall cease to be a subsidiary of the Company.

INFORMATION ON THE TARGET COMPANY

The Target Company is an indirect non wholly-owned subsidiary of the Company and a company established in the PRC with limited liability, which has not commenced operation and currently holds a land parcel (the “**Land**”) of approximately 67,000 square metres located at North side of Zhongda Street and west side of Jinxiu Road, Luannan Chengxi Industrial Zone, the PRC. As at the date of this announcement, the Target Company is owned as to 99% by the Vendor and 1% by Mr. Xie Hongyuan who is a son of Mr. Xie Haijing, our executive Director.

The net loss before and after taxation for the years ended 31 December 2023 and 2024 and for the six months ended 30 June 2025 of the Target Company prepared in accordance with the China Accounting Standard for Small Enterprises are summarized and set out below:

	For the year ended 31 December 2023 (unaudited) <i>RMB million</i>	For the year ended 31 December 2024 (unaudited) <i>RMB million</i>	For the six months ended 30 June 2025 (unaudited) <i>RMB million</i>
Net loss before tax	0.65	0.65	0.32
Net loss after tax	0.65	0.65	0.32

The unaudited net assets value of the Target Company as at 30 June 2025 based on the unaudited financial statement of the Target Company prepared in accordance with the China Accounting Standard for Small Enterprises was approximately RMB16.91 million.

FINANCIAL EFFECT OF THE DISPOSAL

Upon the Completion, the Company will cease to have any interest in the Target Company and the financial statements of the Target Company will no longer be consolidated into the Group.

The Group is expected to record an unaudited gain on the Disposal of approximately RMB2.11 million. Such unaudited gain is estimated after taking into account of, amount other things, (i) the Consideration of approximately RMB18.69 million; and (ii) the unaudited carrying value of the Group's interest in the Target Company of an asset of approximately RMB16.59 million as at the date of the Agreement. The exact amount to be recorded in the consolidated statement of profit or loss of the Group is subject to audit, and therefore may be different from the figure provided above.

Shareholders shall note that the above estimation is for information purpose only, the actual amount of gain will be subject to final audit by the auditors of the Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Target Company has not commenced actual operation subsequent to its establishment in January 2018. The Land held by the Target Company had originally been planned for the purposes of expansion of production capacity for health supplement products by building production facilities. However, due to the recent unfavorable market conditions, the management had decided to discontinue such expansion plan.

The Board believes that its continued ownership of the Target Company and thus the Land may not generate optimal returns for the Shareholders. The Company considers the Disposal to be an attractive opportunity for the Company to realise additional cashflow. Divesting the Target Company enables the Group to streamline its operations, obtain extra funding, and reallocate resources to markets and business segments where the Group has a stronger competitive advantage and expertise.

The aggregate net proceeds from the Disposal, after deducting relevant expenses, are estimated to be approximately RMB18.68 million, which the Company currently intends to use for general working capital and other business development. The Disposal, when completed, is expected to improve the Group's liquidity, thereby strengthening its financial position while enabling the Group to focus on its core business.

Taking into consideration of the aforesaid, the Directors consider that the terms and conditions of the Agreement are on normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY AND VENDOR

The Company is an investment holding company. The Group was principally engaged in two businesses: (i) pharmaceutical products business; and (ii) finance leasing business.

The Vendor is a company established in the PRC with limited liability principally engaged in research, production and sales of health products, functional foods and skincare products in the field of soft capsule dosage form and is a non wholly-owned subsidiary of the Company.

INFORMATION ON THE PURCHASER

The Purchaser is an individual and an entrepreneur in the healthcare sector in the PRC at the date of this announcement. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser is an Independent Third Party.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as calculated under Rule 14.06 of the Listing Rules in respect of the Disposal is more than 5% but is less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Disposal is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, the following terms shall have the meanings set out below in this announcement:

“Agreement”	the equity transfer agreement dated 10 November 2025 entered into among the Vendor, the Purchaser and the Target Company in relation to the Disposal
“Board”	the board of Directors
“Business Day(s)”	a day other than a statutory holidays, Saturdays and Sundays in the PRC
“Company”	Sanai Health Industry Group Company Limited 三愛健康產業集團有限公司, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1889)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Agreement
“Consideration”	the consideration payable by the Purchaser to the Vendor for the Equity Interest, being approximately RMB18.69 million
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Equity Interest by the Vendor to the Purchaser pursuant to the terms and conditions of the Agreement
“Equity Interest”	99% of the equity interest in the Target Company
“Equity Transfer”	the transfer of 99% of the equity interest in the Target Company from the Vendor to the Purchaser
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macao Special Administrative Region and Taiwan
“Purchaser”	Ms. Xue Wenfen (薛文芬), an entrepreneur in the healthcare sector in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Luannan Hangyang Health Industry Co., Ltd. (瀾南航洋健康產業有限公司), a company established in the PRC with limited liability and a non wholly-owned subsidiary of the Company
“Vendor”	Beijing Hangyang Health Technology. Co., Ltd. (北京航洋健康科技有限公司), a company established in the PRC with limited liability and a non wholly-owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 10 November 2025

As at the date of this notice, the Board comprises three executive directors, namely, Mr. Yuan Chaoyang, 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.