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KAISA GROUP HOLDINGS LTD.

佳兆業集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1638)

ISSUANCE OF ADDITIONAL US\$200 MILLION

9.75% SENIOR NOTES DUE 2023

**(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE
US\$500 MILLION 9.75% SENIOR NOTES DUE 2023)**

References are made to the announcements of the Company dated 8 July 2020, 9 July 2020 and 22 July 2020 and in respect of the issuance of the Original Notes by the Company and the announcement dated 20 April 2021 in respect of the proposed Additional Notes Issue.

On 20 April 2021, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with Credit Suisse, Deutsche Bank, Guotai Junan International, HSBC, China CITIC Bank International, Haitong International, Standard Chartered Bank, UBS, Kaisa Financial Group, Fulbright Securities Limited and Hung Sing Securities Limited in connection with the Additional Notes Issue.

THE PURCHASE AGREEMENT

Date

20 April 2021

Parties to the New Notes Purchase Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) Credit Suisse, Deutsche Bank, Guotai Junan International, HSBC, China CITIC Bank International, Haitong International, Standard Chartered Bank, UBS, Kaisa Financial Group, Fulbright Securities Limited and Hung Sing Securities Limited.

Credit Suisse, Deutsche Bank, Guotai Junan International and HSBC are the joint global coordinators, joint bookrunners and joint lead managers, China CITIC Bank International, Haitong International, Standard Chartered Bank and UBS are the joint bookrunners and joint lead managers, and Kaisa Financial Group, Fulbright Securities Limited and Hung Sing Securities Limited are the joint lead managers in respect of the offer and sale of the Additional Notes. They are also the initial purchasers of the Additional Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Credit Suisse, Deutsche Bank, Guotai Junan International, HSBC, China CITIC Bank International, Haitong International, Standard Chartered Bank, UBS and Hung Sing Securities Limited is an independent third party and not a connected person of the Company and its connected persons.

As at the date of this announcement, Kaisa Financial Group is a wholly-owned subsidiary of the Company and not a connected person of the Company and its connected persons.

As at the date of this announcement, Fulbright Securities Limited is a company majority controlled by the family members of Mr. Kwok Ying Shing. As all the applicable percentage ratios under the Listing Rules in respect of the subscription amount (including any commission) by Fulbright Securities Limited under the Purchase Agreement is less than 0.1%, the transactions contemplated under the Purchase Agreement fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules and are fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

MiFID II professionals/ECPIs-only/No PRIIPs KID – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Notes are not available to retail investors in the EEA and UK.

The Additional Notes have not been, and will not be, registered under the Securities Act. The Additional Notes will only be offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Additional Notes will be offered to the public in Hong Kong.

Principal terms of the Additional Notes

The following is a summary of certain provisions of the Additional Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Additional Notes, the guarantees provided by the Subsidiary Guarantors, and the JV Subsidiary Guarantors, if any.

Additional Notes offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US\$200 million. The Additional Notes will mature on 28 September 2023 unless earlier redeemed in accordance with the terms thereof.

Issue price

The issue price of the Additional Notes will be 101.262% of the principal amount of the Additional Notes plus accrued interest from (and including) 28 March 2021 to (but excluding) 27 April 2021.

Interest

The Additional Notes will bear interest from and including 28 March 2021 at the rate of 9.75% per annum, payable semi-annually in arrears on 28 March and 28 September each year, commencing 28 September 2021.

Reasons for the Additional Notes Issue

The Company is an investment holding company, and its subsidiaries are principally engaged in property development, property investment and property management, and hotel and catering operations and cinema, department store and cultural centre operations, and waterway passenger and cargo transportation in the PRC. The Company intends to use the net proceeds of the Additional Notes Issue to refinance its existing medium to long term offshore indebtedness which will become due within one year.

Listing

Application will be made to the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and listing and quotation of the Additional Notes on, the SGX-ST are not to be taken as an indication of the merits of the offering, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Additional Notes or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set forth below unless the context requires otherwise:

“Additional Notes”	the US\$ senior notes to be issued by the Company (to be consolidated and form a single series with the Original Notes)
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Board”	the board of Directors
“China CITIC Bank International”	China CITIC Bank International Limited
“Company”	Kaisa Group Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch
“Directors”	the directors of the Company
“EEA”	the European Economic Area
“Group”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“Haitong International”	Haitong International Securities Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Indentures”	the written agreement entered into between the Company, the Subsidiary Guarantors as guarantors and the trustee, that specifies the terms and conditions of the Additional Notes including the covenants, events of default, interest rate of the Additional Notes and the maturity date
“JV Subsidiary Guarantor”	certain subsidiaries of the Company, other than the Subsidiary Guarantors, that guarantee the Company’s obligations under the Additional Notes
“Kaisa Financial Group”	Kaisa Financial Group Company Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Notes”	the US\$500 million 9.75% senior notes due 2023, which were issued on 16 July 2020 and 10 February 2021 by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Purchase Agreement”	the agreement entered into by and among, inter alia, Credit Suisse, Deutsche Bank, Guotai Junan International, HSBC, China CITIC Bank International, Haitong International, Standard Chartered Bank, UBS, Kaisa Financial Group, Fulbright Securities Limited, Hung Sing Securities Limited, the Company and the Subsidiary Guarantors in relation to the Additional Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantee”	guarantees for the Additional Notes to be provided by the Subsidiary Guarantors
“Subsidiary Guarantor”	certain existing non-PRC subsidiaries of the Company that on the issue date of the Additional Notes will provide guarantees for the Additional Notes
“UBS”	UBS AG Hong Kong Branch

“U.S. Dollars” or “US\$”	United States dollar(s), the lawful currency of the United States
“UK”	the United Kingdom
“United States”	the United States of America
“%”	per cent.

By Order of the Board
KAISA GROUP HOLDINGS LTD.
Kwok Ying Shing
Chairman and Executive Director

Hong Kong, 21 April 2021

As at the date of this announcement, the executive Directors are Mr. Kwok Ying Shing, Mr. Sun Yuenan, Mr. Mai Fan, Mr. Li Haiming and Mr. Kwok Hiu Kwan; the non-executive Director is Ms. Chen Shaohuan; and the independent non-executive Directors are Mr. Rao Yong, Mr. Zhang Yizhao and Mr. Liu Xuesheng.

* *For identification purposes only*