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LIFESTYLE INTERNATIONAL HOLDINGS LIMITED

利福國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1212)

**DISCLOSEABLE TRANSACTION
DISPOSALS OF NOTES**

THE DISPOSALS

On 28 April 2021 and 12 May 2021, the Group on the open market disposed of the Notes with an aggregate principal amount of US\$20 million for an aggregate consideration of approximately US\$20.44 million (inclusive of accrued interest) (equivalent to approximately HK\$159.06 million).

LISTING RULES IMPLICATIONS

All of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Disposal or the Second Disposal are below 5% on a standalone basis. However, as one of the applicable percentage ratios in respect of the Disposals, on an aggregate basis, exceed 5% but less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements of the Listing Rules.

THE DISPOSALS

On 28 April 2021 and 12 May 2021, the Group on the open market disposed of the Notes with an aggregate principal amount of US\$20 million for an aggregate consideration of approximately US\$20.44 million (inclusive of accrued interest) (equivalent to approximately HK\$159.06 million). The settlement of the First Disposal and the Second Disposal took place on 3 May 2021 and 14 May 2021 respectively.

As the Disposals were made on the open market through licensed brokers, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the purchaser(s) of the Notes disposed by the Noteholder and their ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group monitors closely its financial investment portfolio and in view of the extreme market volatility amid mounting uncertainties in respect of the economic recovery and interest rate movements, the Directors consider that the Disposals will provide immediate liquidity to the Group thereby allowing it flexibilities to adjust, if needed, the overall strategy on its investment portfolio when the market conditions warrant.

Since the Disposals were conducted on the open market at the prevailing market prices, the Directors consider that the Disposals are on normal commercial terms and the terms, including the considerations, are fair and reasonable and in the best interest of the Company and the shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSALS AND USE OF PROCEEDS

The Group will record a gain on disposal of approximately US\$237,000 (equivalent to approximately HK\$1,844,000) from the Disposals. The gain represents the difference between the net proceeds from the Disposals and the acquisition costs (inclusive of accrued interest) of the Notes.

The net proceeds from the Disposals will be returned to the Group's cash pool for general working capital of the Group.

LISTING RULES IMPLICATIONS

All of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Disposal or the Second Disposal are below 5% on a standalone basis. However, as one of the applicable percentage ratios in respect of the Disposals, on an aggregate basis, exceed 5% but less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“9.75% Notes 2023”	US\$ denominated senior notes issued by Kaisa Group, bearing interest at the rate of 9.75% per annum, and with a maturity date of 28 September 2023;
“11.7% Notes 2025”	US\$ denominated senior notes issued by Kaisa Group, bearing interest at the rate of 11.7% per annum, and with a maturity date of 11 November 2025;
“Board”	the board of Directors;
“Company”	Lifestyle International Holdings Limited, 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;
“Directors”	the directors of the Company;
“Disposals”	the First Disposal and the Second Disposal;

“First Disposal”	the disposal of the 9.75% Notes 2023 at an aggregate principal amount of US\$10 million by the Noteholder on 28 April 2021;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules);
“Kaisa Group”	Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1638);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Noteholder”	Knight Prosper Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company;
“Notes”	9.75% Notes 2023 and 11.7% Notes 2025;
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Second Disposal”	the disposal of the 11.7% Notes 2025 at an aggregate principal amount of US\$10 million by the Noteholder on 12 May 2021;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“US\$” United States dollars, the lawful currency of the United States of America; and

“%” per cent.

In this announcement, figures in US\$ are translated to HK\$ at the exchange rate of US\$1.00 = HK\$7.78 for illustration purposes only. No representation is made that any amount in US\$ could be converted at such rate or any other rates.

By order of the Board
Lifestyle International Holdings Limited
Poon Fuk Chuen
Company Secretary

Hong Kong, 14 May 2021

As at the date of this announcement, the Board comprises Mr. Lau Kam Sen and Ms. Lau Kam Shim as executive directors; Mr. Lau Luen Hung, Thomas, Mr. Doo Wai Hoi, William and Ms. Lau Yuk Wai, Amy as non-executive directors; and Mr. Lam Siu Lun, Simon, The Hon. Shek Lai Him, Abraham, Mr. Hui Chiu Chung and Mr. Ip Yuk Keung as independent non-executive directors