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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)

INSIDE INFORMATION AND TRADING RESUMPTION

This announcement is made by Kaisa Group Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE SENIOR NOTES

(1) The 2021 Senior Notes

The 6.5% senior notes due 2021 in the aggregate principal amount of US\$400,000,000 issued by the Company and listed on the Singapore Exchange Securities Trading Limited (with ISIN XS2268673337 and Common Code 226867333) matured on 7 December 2021 together with the accrued interest in the amount of US\$12,927,778 became due and payable. The Company did not make the payment on that day.

(2) The 2023 Senior Notes

The interest in the amount of US\$29,875,000 under the 11.95% senior notes due 2023 issued by the Company and listed on the Singapore Exchange Securities Trading Limited (with ISIN XS2078247983 and Common Code 207824798) became due and payable on 12 November 2021. The Company had a grace period of 30 days to pay the interest. The grace period has expired and the Company did not make the payment before the expiry.

(3) The 2025 Senior Notes

The interest in the amount of US\$58,501,287 under the 11.7% senior notes due 2025 issued by the Company and listed on the Singapore Exchange Securities Trading Limited (with ISIN XS2338398253 and Common Code 233839825) became due and payable on 11 November 2021. The Company had a grace period of 30 days to pay the interest. The grace period has expired and the Company did not make the payment before the expiry.

(4) The 2026 Senior Notes

The interest in the amount of US\$17,475,000 under the 11.65% senior notes due 2026 (with ISINXS2347581873 and Common Code 234758187) issued by the Company became due and payable on 1 December 2021. The Company did not make the payment on that day. The Company has a grace period of 30 days to pay the interest.

(5) Possible impact

The non-payments with respect to the senior notes mentioned in paragraphs (1) to (3) above may lead to the Company's creditors demanding for acceleration of repayment. As at the date of this announcement, the Company has not received any notice regarding acceleration action by holders of the senior notes issued by the Company. As at the date of this announcement, the outstanding principal amount of the Company's senior notes is approximately US\$11,780 million. The Company has been in discussions with representatives of holders of its senior notes (including the senior notes referred to in paragraphs (1) to (4) above) for a comprehensive debt restructuring plan with respect to its outstanding senior notes.

OPERATIONS OF THE GROUP

As disclosed in the announcements of the Company dated 3 December 2021 and 3 November 2021, the Group recorded a significant decline in contracted sales between October (approximately RMB8,195 million) and November (approximately RMB1,006 million). While the Group continues to develop and sell properties in its ordinary course of business, the confidence of potential property purchasers remains dampened in December.

APPOINTMENT OF ADVISERS

The Company has appointed Houlihan Lokey (China) Limited as its financial adviser to assess the Group's capital structure, evaluate the liquidity of the Group and explore all feasible solutions to ease the current liquidity issue and reach an optimal solution for all the stakeholders as soon as possible.

The Company has also appointed Sidley Austin as its legal adviser in support of this effort.

Offshore creditors of the Company may contact its financial adviser:

Houlihan Lokey (China) Limited

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RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 8 December 2021 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 20 December 2021.

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

Hong Kong, 20 December 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*