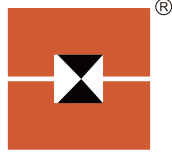


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Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

**SUPPLEMENTAL ANNOUNCEMENT –
DISCLOSEABLE TRANSACTION**

Reference is made to the announcement of Kaisa Health Group Holdings Limited (the “**Company**”) dated 31 January 2022 (the “**Announcement**”) in relation to the Acquisitions. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Board would like to provide the following supplemental information to the Shareholders:

(i) Information on the Limited Partnership

The Limited Partnership is a limited partnership established under the laws of the PRC on 15 March 2018. As at 31 December 2021, the total capital commitment of the general and limited partners of the Limited Partnership was RMB3,000 million. The investment targets of the Limited Partnership are enterprises which are market leaders in the consumption upgrade and industrial upgrade sectors.

The Limited Partnership has over 40 limited partners which are large enterprises, funds and entrepreneurs in the PRC. No single limited partner holds more than 30% of the limited partnership interests in the Limited Partnership. The general partner of the Limited Partnership is Zhuhai Jinyiheng, which is a limited partnership established in the PRC with a registered capital of RMB60 million. To the best of the knowledge, information and belief of the Group, having made all reasonable enquiries, Zhuhai Jinyiheng is controlled by Mr. Song Xiao Wei and Mr. Li Shuai, who are residents in the PRC. Their current investments focus on the consumption upgrade and industrial upgrade markets in the PRC. Zhuhai Jinyiheng, as the general partner, is responsible for the management and operations of the Limited Partnership; and Shenzhen Dayizhen and the other limited partners of the Limited Partnership are financial investors in the Limited Partnership without the right to participate in the management of the Limited Partnership. The initial term of the Limited Partnership is 8 years, subject to an option to extend at the discretion of Zhuhai Jinyiheng. As at the date of this announcement, save for the Limited Partnership, Zhuhai Jinyiheng manages a few other limited partnerships in the PRC with investment focuses on the consumption upgrade and industrial upgrade markets in the PRC.

The investment mandate of the Limited Partnership mainly covers equity investments in various healthcare sectors including beauty and cosmetics, fresh food and drinks, home consumables and logistics, medical and healthcare services, artificial intelligence and automation.

(ii) Safeguards of the rights and interests of Shenzhen Dayizhen in the Target Limited Partnership Interests

The Company's interests in Shenzhen Dayizhen is accounted as financial assets at fair value through profit or loss in the Company's financial statements. Shenzhen Dayizhen receives unaudited financial reports of the Limited Partnership on a half-yearly basis and audited financial reports of the Limited Partnership on an annual basis. Shenzhen Dayizhen also has the right to request Zhuhai Jinyiheng to provide information relating to the books and records of the Limited Partnership. Shenzhen Dayizhen has the right to participate in the annual meetings convened by Zhuhai Jinyiheng in relation to the financial results of the Limited Partnership. The Company has dedicated relevant personnel to closely monitor the performance of the Limited Partnership to safeguard the rights and interests of Shenzhen Dayizhen in the Target Limited Partnership Interests.

(iii) Basis of determination of the considerations under the Transfer Agreements

Three separate Transfer Agreements were entered into because the Group did not have sufficient funds to acquire and complete the Acquisitions in one tranche. The three Transfer Agreements should be considered as a series of transactions.

The total consideration of the Acquisitions was RMB180,000,000 and the total Capital Contribution acquired was RMB165,289,256.20 and the total consideration represented a premium of approximately 8.9% of the total Capital Contribution amount. Based on the audited accounts of the Limited Partnership as at 31 December 2020, the corresponding share of net asset value attributable to the Target Limited Partnership Interests was approximately RMB200,000,000. The Board considered that, after arm's length commercial negotiation and agreement with Shenzhen Yingdou, the considerations of the Acquisitions were fair and reasonable, as the total consideration of the Acquisitions represented a discount of 10% over the net asset value attributable to the Target Limited Partnership Interests. The total consideration of the Acquisitions was agreed having considered the requirement of entering into the Acquisitions in 3 tranches because of the liquidity of the Group in financing the Acquisitions.

(iv) The relevant PRC regulatory restrictions on the direct investment in the Target Limited Partnership Interests

The investment in the Limited Partnership with investment focuses in equity and equity related securities in the information technology, high-quality medical and health industries is currently subject to foreign investment restrictions under the Provisions and Guidelines. In accordance with the Provisions and Guidelines, investments in medical or healthcare institutes should be subject to a sino-foreign joint venture structure.

The Limited Partnership has made certain equity investments in companies engaging in the industries which fall within the restricted list for foreign investments under the Provisions and Guidelines, such as human stem cell technology development, human genetic diagnosis and treatment technology development. The Contractual Arrangements will not result in Shenzhen Dayizhen becoming a foreign investor.

The above supplemental information does not affect other information contained in the Announcement and the contents of the Announcement remain correct and unchanged.

By Order of the Board
Kaisa Health Group Holdings Limited
Zhang Huagang
Chairman

Hong Kong, 3 March 2022

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhang Huagang (Chairman), Mr. Luo Jun (Co-Vice Chairman), Mr. Wu Tianyu (Co-Vice Chairman), Mr. Kwok Ying Shing, and three independent non-executive Directors, namely Dr. Liu Yanwen, Dr. Lyu Aiping and Ms. Li Yonglan.

** For identification purposes only*