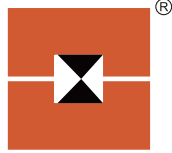


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Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

PROFIT WARNING

This announcement is made by Kaisa Health Group Holdings Limited (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 the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment on the unaudited management accounts of the Group for the six months ended 30 June 2022 and information currently available to the Board, it is expected the Group will record a loss attributable to the owners of the Company in the range of HK\$85 million to HK\$95 million for the six months ended 30 June 2022 as compared to the profit attributable to the owners of the Company in the amount of approximately HK\$61 million for the six months ended 30 June 2021.

Based on the information currently available, the turnaround from profit to loss for the six months ended 30 June 2022 was primarily attributable to a combination of factors as follows:—

- (i) the Group recorded an overall decrease of 9% in income for the six months ended 30 June 2022 as compared with the income recorded for the corresponding period in 2021, due to a decrease in domestic orders which resulted in a decrease in gross profit of approximately HK\$14 million;

- (ii) the fair value loss of financial assets at fair value through profit or loss of approximately HK\$7 million for the six months ended 30 June 2022 as compared with the corresponding period of fair value gain of approximately HK\$48 million in 2021;
- (iii) the expected credit loss on a loan receivable of approximately HK\$3 million for the six months ended 30 June 2022 as compared with reversal of expected credit loss on a loan receivable of approximately HK\$25 million for the corresponding period in 2021;
- (iv) the fair value loss of financial liabilities at fair value through profit or loss of approximately HK\$22 million for the six months ended 30 June 2022 as compared with nil for the corresponding period in 2021; and
- (v) the impairment losses of right-of-use assets, property, plant and equipment and property under development of approximately HK\$4 million, HK\$18 million, and HK\$23 million respectively for the six months ended 30 June 2022 as compared with nil for the corresponding period in 2021. Such impairment losses were incurred as a result of lower values in use than the carrying values of the right-of-use assets, property, plant and equipment and property under development.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2022. The information contained in this announcement is only based on the unaudited management accounts of the Group and information currently available to the Group, which is subject to finalisation and necessary adjustments and has not been confirmed, or reviewed by the auditors of the Company. Details of the financial results of the Group will be disclosed in the Group's interim results announcement for the six months ended 30 June 2022 which will be published on 29 August 2022 pursuant to the requirements of the Listing Rules. Shareholders and potential investors are advised to read the financial results announcement carefully when it is published.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Kaisa Health Group Holdings Limited
Zhang Huagang
Chairman

Hong Kong, 22 August 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), and Mr. Kwok Ying Shing, and three independent non-executive Directors, namely Dr. Liu Yanwen, Dr. Lyu Aiping, and Ms. Li Zhiying.