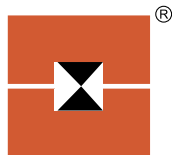


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Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

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 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 wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment on the unaudited consolidated accounts of the Group for the year ended 31 December 2022 and the information currently available to the Board, the Group is expected to record a loss attributable to the owners of the Company in the range of HK\$110 million to HK\$130 million for the year ended 31 December 2022 as compared to the profit attributable to the owners of the Company in the amount of approximately HK\$2 million for the year ended 31 December 2021.

Such loss was primarily attributable to a combination of factors as follows:

- (i) the Group recorded a decrease in income of approximately 9% for the year ended 31 December 2022 as compared with that of the year ended 31 December 2021, due to a shrink of dental business and healthcare business as a result of COVID-19 pandemic restrictions, which resulted in a decrease in gross profit of approximately HK\$14 million;
- (ii) a loss from the change of financial liabilities at fair value through profit or loss in the amount of approximately HK\$17 million;
- (iii) a loss from the change in financial assets at fair value through profit or loss in the amount of approximately HK\$12 million;

- (iv) impairment of property, plant and equipment of approximately HK\$27 million, impairment of right-of-use assets of approximately HK\$9 million, and impairment of property under development of approximately HK\$38 million as a result of a lower carrying amount than the value-in-use amount for the construction and development project of Zhuhai Shili Lianjiang International Health City* (珠海十里蓮江國際健康城) for the health leisure business (the “**Shili Lianjiang project**”) as at 31 December 2022; and
- (v) the expected credit loss on other receivables of approximately HK\$4 million in relation to the Shili Lianjiang project.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2022. The information contained in this announcement is only based on the unaudited consolidated accounts of the Group for the year ended 31 December 2022 and the information currently available to the Group, which have not been audited or reviewed by the auditors of the Company. The Group’s financial results for the year ended 31 December 2022 will be published in due course pursuant to the requirements of the Listing Rules. Shareholders and potential investors are advised to read the annual results announcement carefully when it is published.

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

By order of the Board
Kaisa Health Group Holdings Limited
Kwok Ying Shing
Chairman

Hong Kong, 22 March 2023

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