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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)

**RESULTS OF THE RIGHTS ISSUE OF RIGHTS SHARES
AT THE SUBSCRIPTION PRICE OF HK\$2.95 EACH ON THE BASIS
OF ONE RIGHTS SHARE FOR EVERY SEVEN EXISTING SHARES
HELD ON THE RECORD DATE
AND
ADJUSTMENT RELATING TO THE SHARE OPTIONS UNDER
THE SHARE OPTION SCHEMES**

Reference is made to the prospectus of Kaisa Group Holdings Ltd. (the “**Company**”) dated 15 April 2021 (the “**Prospectus**”) relating to the Rights Issue. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Prospectus.

* For identification purposes only

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all conditions set out in the Underwriting Agreement have been fulfilled and the Rights Issue became unconditional at 5:00 p.m. on Friday, 30 April 2021. The gross proceeds raised from the Rights Issue are approximately HK\$2,586 million before expenses.

As at 4:00 p.m. on Thursday, 29 April 2021, being the latest time for acceptance of and payment for the Rights Shares and application of and payment for excess Rights Shares, a total of 217 valid acceptances and applications had been received for a total of 3,620,710,862 Rights Shares, which comprise:

- (i) a total of 114 valid acceptances of provisional allotments under the PALs in respect of 852,040,392 Rights Shares, representing approximately 97.20% of the total number of the Rights Shares available under the Rights Issue; and
- (ii) a total of 103 valid applications for excess Rights Shares under the EAFs in respect of 2,768,670,470 Rights Shares, representing approximately 113 times of the total number of the 24,515,136 excess Rights Shares available under the EAFs under the Rights Issue after deducting the 852,040,392 Rights Shares to be allotted under the PALs.

In aggregate, the valid applications and acceptances represented approximately 413.06% of the total number of 876,555,528 Rights Shares available under the Rights Issue.

Pursuant to the Irrevocable Undertakings, Da Chang, Da Feng and Da Zheng have subscribed for 342,023,447 Rights Shares provisionally allotted to it.

EXCESS APPLICATION

In view of the over-subscription of the Rights Shares, as stated in the Prospectus, the Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis according to the principle that, as far as practicable, in proportion to the number of excess Rights Shares being applied for under each application but no preference will be made to Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders and no preference will be given to applications made for topping up odd lot holdings to whole board lot holdings. In this regard, the Board has resolved to allot and issue 24,515,136 Rights Shares to those who have applied for excess Rights Shares on a pro rata basis of approximately 0.89% of the number of excess Rights Shares applied for under each valid application.

Number of valid excess applications	Total number of excess Rights Shares applied for	Basis of allotment	Total number of excess Rights Shares allotted	Approximate percentage of allocation based on the total number of excess Rights Shares applied for
103	2,768,670,470	Allot approximately 0.89% of the excess Rights Shares applied for	24,515,136	0.89%

THE UNDERWRITING AGREEMENT

As all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriters prior to the Latest Time for Termination of the Underwriting Agreement, the Underwriting Agreement became unconditional at 5:00 p.m. on Friday, 30 April 2021.

Based on the above result of acceptances and applications, the Rights Issue was over-subscribed by 2,744,155,334 Rights Shares, representing approximately 413.06% of the total number of 876,555,528 Rights Shares available for subscription under the Rights Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter in respect of the Underwritten Shares have been fully discharged and the Underwriter is not required to take up any Underwritten Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge and information, the shareholding structure of the Company immediately before and after completion of the Rights Issue is set out below:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Da Chang <i>(Note (i))</i>	708,033,378	11.54	809,181,003	11.54
Da Feng <i>(Note (ii))</i>	843,065,378	13.74	964,388,736	13.75
Da Zheng <i>(Note (iii))</i>	843,065,377	13.74	963,503,288	13.74
Other Shareholders	3,741,724,564	60.98	4,275,371,198	60.97
Total	<u>6,135,888,697</u>	<u>100.00</u>	<u>7,012,444,225</u>	<u>100.00</u>

Notes:

- (i) Da Chang is a company wholly owned by Mr. Kwok.
- (ii) Da Feng is a company wholly owned by Xingsheng Asia Limited, which is in turn wholly owned by Hongyi Asia Limited, which is in turn wholly owned by Junjia Enterprises Corporation. Junjia Enterprises Corporation is wholly owned by Bank of East Asia (Trustees) Limited, being the trustee of the Family Trust of which Mr. Kwok is the founder.
- (iii) Da Zheng is a company wholly-owned by Mr. Kwok Ying Chi, brother of Mr. Kwok.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES AND REFUND CHEQUES

It is expected that share certificates in respect of the fully-paid Rights Shares and the refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares (without interest) will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk by the Registrar on Friday, 7 May 2021.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Approval has been granted by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares. Dealings in the fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Monday, 10 May 2021.

ADJUSTMENT RELATING TO THE OUTSTANDING SHARE OPTIONS

Prior to the completion of the Rights Issue, the Company had 285,711,000 outstanding Share Options under the Share Option Schemes. Pursuant to the terms and conditions of the Share Option Schemes and the Listing Rules, the exercise prices and/or the number of the Shares to be issued upon exercise of the Share Options under the Share Option Schemes will be adjusted.

As a result of the Rights Issue, the Company has calculated the necessary adjustments (the “**Share Options Adjustment**”) to the exercise prices of and the number of Shares falling to be issued upon exercise of the Share Options in accordance with the relevant terms of the Share Option Schemes, Rule 17.03(13) of the Listing Rules, the Supplementary Guidance on Main Board Listing Rule 17.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 (the “**Stock Exchange Supplementary Guidance**”).

The Share Options Adjustment as a result of the Rights Issue with effect from Friday, 7 May 2021, being the date on which the fully-paid Rights Shares are allotted and issued, is as set out below:

Date of grant	Immediately before completion of the Rights Issue		Upon completion of the Rights Issue	
	Number of Share Options outstanding	Exercise price of each Share Option	Adjusted number of Share Options outstanding	Adjusted exercise price of each Share options
6 June 2012	27,389,000	HK\$1.50	28,277,149	HK\$1.45
19 July 2017	212,322,000	HK\$3.55	219,206,987	HK\$3.44
12 April 2019	26,000,000	HK\$3.70	26,843,105	HK\$3.58
24 January 2019	10,000,000	HK\$2.38	10,324,271	HK\$2.31
4 November 2020	10,000,000	HK\$3.69	10,324,271	HK\$3.57
	<u>285,711,000</u>		<u>294,975,783</u>	

Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

The Company’s auditor, Grant Thornton Hong Kong Limited, has certified in writing that the adjustments made to the exercise prices and the number of Shares falling to be issued upon the exercise of the outstanding Share Options are in compliance with the requirements set out in the relevant terms of the Share Option Schemes, Rule 17.03(13) of the Listing Rules, and the Stock Exchange Supplementary Guidance.

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

Hong Kong, 6 May 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.