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Chuang's Consortium International Limited
(莊士機構國際有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 367)



Chuang's China Investments Limited
(莊士中國投資有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 298)

DISCLOSEABLE TRANSACTION ACQUISITION OF THE KAISA NOTES

The Chuang's China Board and the Chuang's Consortium Board announce that on 18 March 2021, the Purchaser, an indirect wholly-owned subsidiary of Chuang's China, has acquired from the open market the Kaisa Notes with the principal amount of US\$2.0 million (equivalent to approximately HK\$15.5 million) at the consideration of approximately US\$2.083 million (equivalent to approximately HK\$16.2 million).

For Chuang's China, as one or more of the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Kaisa Notes Acquisition (when aggregated with the Previous Chuang's China Kaisa Notes Acquisitions) exceeds 5% (but is less than 25%), the Kaisa Notes Acquisition constitutes a discloseable transaction for Chuang's China under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

For Chuang's Consortium, as one of the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Kaisa Notes Acquisition (when aggregated with the Previous Chuang's Consortium Kaisa Notes Acquisitions) exceeds 5% (but is less than 25%), the Kaisa Notes Acquisition constitutes a discloseable transaction for Chuang's Consortium under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

INTRODUCTION

The Chuang's China Board and the Chuang's Consortium Board announce that on 18 March 2021, the Purchaser, an indirect wholly-owned subsidiary of Chuang's China, has acquired from the open market the Kaisa Notes with the principal amount of US\$2.0 million (equivalent to approximately HK\$15.5 million) at the consideration of approximately US\$2.083 million (equivalent to approximately HK\$16.2 million). The date of settlement for the consideration of the Kaisa Notes Acquisition is on 22 March 2021.

THE KAISA NOTES ACQUISITION

The principal terms of the Kaisa Notes Acquisition are summarized below:

Issuer:	Kaisa Group Holdings Ltd.
Principal amount:	US\$2.0 million (equivalent to approximately HK\$15.5 million)
Consideration and date of settlement:	The consideration is approximately US\$2.083 million (equivalent to approximately HK\$16.2 million), being approximately 102.24% of the principal amount of the Kaisa Notes and unpaid accrued interest, and the date of settlement is on 22 March 2021
Coupon:	8.5% per annum, payable semi-annually
Maturity date:	30 June 2022
Listing:	The Singapore Exchange Securities Trading Limited

The Chuang's China Group intends to fund the Kaisa Notes Acquisition from its internal resources and banking facilities.

As the Kaisa Notes Acquisition was conducted by the Purchaser from the open market through the Purchaser's security brokers (which are and whose beneficial owners are Independent Third Parties), the identities of the sellers of the Kaisa Notes cannot be ascertained. To the best knowledge, information and belief of the Chuang's China Board and the Chuang's Consortium Board and having made all reasonable enquiries, the sellers of the Kaisa Notes and their respective beneficial owners are Independent Third Parties.

In addition to the Kaisa Notes acquired pursuant to the Kaisa Notes Acquisition, the Chuang's China Group also held the Previous Chuang's China Kaisa Notes with maturity dates ranging from 2021 to 2022 with an aggregate principal amount of approximately US\$9.4 million (equivalent to approximately HK\$72.9 million). The Previous Chuang's China Kaisa Notes were acquired by the Chuang's China Group at an aggregate consideration of approximately US\$9.3 million (equivalent to approximately HK\$73.1 million at book cost). After the Kaisa Notes Acquisition, the Chuang's China Group holds an aggregate principal amount of approximately US\$11.4 million (equivalent to approximately HK\$88.5 million) notes issued by the Issuer.

In addition to the Kaisa Notes acquired pursuant to the Kaisa Notes Acquisition, the Chuang's Consortium Group also held the Previous Chuang's Consortium Kaisa Notes with maturity dates ranging from 2021 to 2022 with an aggregate principal amount of approximately US\$14.4 million (equivalent to approximately HK\$111.7 million). The Previous Chuang's Consortium Kaisa Notes were acquired by the Chuang's Consortium Group at an aggregate consideration of approximately US\$14.4 million (equivalent to approximately HK\$112.9 million at book cost). After the Kaisa Notes Acquisition, the Chuang's Consortium Group holds an aggregate principal amount of approximately US\$16.4 million (equivalent to approximately HK\$127.3 million) notes issued by the Issuer.

INFORMATION ON THE ISSUER

According to the public information available to the Chuang's China Board and the Chuang's Consortium Board, the Issuer is an investment holding company listed on the Main Board of the Stock Exchange and its subsidiaries are principally engaged in property development, property investment, property management, hotel and catering operations and other businesses in the PRC.

As at the date of this joint announcement, to the best of the knowledge, information and belief of the Chuang's China Board and the Chuang's Consortium Board, having made all reasonable enquiries, the Issuer and their respective ultimate beneficial owners are Independent Third Parties.

INFORMATION ON CHUANG'S CHINA, CHUANG'S CHINA GROUP AND THE PURCHASER

Chuang's China is incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (stock code: 298). Chuang's China is an indirect non-wholly-owned subsidiary of, and owned as to approximately 60.71% by, the Chuang's Consortium Group as at the date of this joint announcement.

The Chuang's China Group is principally engaged in property development, investment and trading, hotel operation and management, development and operation of cemetery, sales of goods and merchandises (including art pieces), and securities investment and trading.

The Purchaser is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of Chuang's China. The principal activities of the Purchaser are securities investment and trading.

INFORMATION ON CHUANG'S CONSORTIUM AND CHUANG'S CONSORTIUM GROUP

Chuang's Consortium is incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (stock code: 367).

The Chuang's Consortium Group is principally engaged in property development, investment and trading, hotel operation and management, development and operation of cemetery, manufacturing, sales and trading of goods and merchandises, securities investment and trading and money lending business.

As at the date of this joint announcement, the Chuang's Consortium Group holds approximately 60.71% of the total issued share capital of Chuang's China.

REASONS FOR AND BENEFITS OF THE KAISA NOTES ACQUISITION

The Kaisa Notes Acquisition forms part of the investment activities of the Chuang's China Group and the Chuang's Consortium Group, which is in their ordinary and usual course of business. The Chuang's China Board and the Chuang's Consortium Board consider that the Kaisa Notes Acquisition will provide the Chuang's China Group and the Chuang's Consortium Group, respectively with an opportunity to enhance income for their surplus cash amidst the prevailing low interest rate environment.

As the Kaisa Notes Acquisition was conducted through the open market, the Chuang's China Board and the Chuang's Consortium Board are of the opinion that the terms of the Kaisa Notes Acquisition are fair and reasonable and on normal commercial terms, and the Kaisa Notes Acquisition is in the interests of Chuang's China and Chuang's Consortium and their respective shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

For Chuang's China, as one or more of the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Kaisa Notes Acquisition (when aggregated with the Previous Chuang's China Kaisa Notes Acquisitions) exceeds 5% (but is less than 25%), the Kaisa Notes Acquisition constitutes a discloseable transaction for Chuang's China under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

For Chuang's Consortium, as one of the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Kaisa Notes Acquisition (when aggregated with the Previous Chuang's Consortium Kaisa Notes Acquisitions) exceeds 5% (but is less than 25%), the Kaisa Notes Acquisition constitutes a discloseable transaction for Chuang's Consortium under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

“Chuang's China”	Chuang's China Investments Limited (莊士中國投資有限公司), a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (stock code: 298). As at the date of this joint announcement, Chuang's China is owned as to approximately 60.71% by the Chuang's Consortium Group
“Chuang's China Board”	the board of directors of Chuang's China
“Chuang's China Group”	Chuang's China and its subsidiaries
“Chuang's Consortium”	Chuang's Consortium International Limited (莊士機構國際有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 367)
“Chuang's Consortium Board”	the board of directors of Chuang's Consortium
“Chuang's Consortium Group”	Chuang's Consortium and its subsidiaries, including the Chuang's China Group
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person of Chuang’s China or Chuang’s Consortium within the meaning ascribed thereto under the Listing Rules
“Issuer”	Kaisa Group Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1638)
“Kaisa Notes”	8.5% senior notes due June 2022 issued by the Issuer
“Kaisa Notes Acquisition”	the acquisition of the Kaisa Notes in the principal amount of US\$2.0 million (equivalent to approximately HK\$15.5 million) by the Purchaser from the open market on 18 March 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Previous Chuang’s China Kaisa Notes”	7.875% senior notes due June 2021 in the principal amount of US\$2.0 million (equivalent to approximately HK\$15.5 million), 11.25% senior notes due April 2022 in the principal amount of US\$3.0 million (equivalent to approximately HK\$23.3 million) and 8.5% senior notes due June 2022 in the principal amount of US\$4.4 million (equivalent to approximately HK\$34.1 million) issued by the Issuer and held by the Purchaser
“Previous Chuang’s China Kaisa Notes Acquisitions”	the subscriptions and acquisitions (as the case may be) of the Previous Chuang’s China Kaisa Notes by the Purchaser before 1 October 2019
“Previous Chuang’s Consortium Kaisa Notes”	11.25% senior notes due April 2022 in the principal amount of US\$3.0 million (equivalent to approximately HK\$23.3 million) and 8.5% senior notes due June 2022 in the principal amount of US\$2.0 million (equivalent to approximately HK\$15.5 million) issued by the Issuer and held by a wholly-owned subsidiary of Chuang’s Consortium and the Previous Chuang’s China Kaisa Notes
“Previous Chuang’s Consortium Kaisa Notes Acquisitions”	the subscriptions and acquisitions (as the case may be) of the Previous Chuang’s Consortium Kaisa Notes by a wholly-owned subsidiary of Chuang’s Consortium before 1 October 2019 and the Previous Chuang’s China Kaisa Notes Acquisitions

“Purchaser”	Rich Joint Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Chuang’s China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the board of
Chuang’s Consortium International Limited
Albert Chuang Ka Pun
Chairman and Managing Director

By order of the board of
Chuang’s China Investments Limited
Albert Chuang Ka Pun
Chairman

Hong Kong, 18 March 2021

As at the date of this joint announcement, Mr. Albert Chuang Ka Pun, Mr. Richard Hung Ting Ho, Mr. Chong Ka Fung, Miss Ann Li Mee Sum, Mrs. Candy Kotewall Chuang Ka Wai, Mr. Geoffrey Chuang Ka Kam and Mr. Chan Chun Man are the executive directors of Chuang’s Consortium, and Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. Yau Chi Ming, Mr. David Chu Yu Lin and Mr. Tony Tse Wai Chuen are the independent non-executive directors of Chuang’s Consortium.

As at the date of this joint announcement, Mr. Albert Chuang Ka Pun, Miss Ann Li Mee Sum, Mr. Chong Ka Fung, Mr. Sunny Pang Chun Kit, Mr. Geoffrey Chuang Ka Kam and Mr. Neville Charles Kotewall are the executive directors of Chuang’s China, and Mr. Dominic Lai is the non-executive director of Chuang’s China, and Mr. Abraham Shek Lai Him, Mr. Andrew Fan Chun Wah, Dr. Eddy Li Sau Hung and Dr. Ng Kit Chong are the independent non-executive directors of Chuang’s China.

Unless otherwise stated, for the purpose of illustration only, amounts denominated in US\$ in this joint announcement have been translated into HK\$ at the rate of US\$1.00 = HK\$7.76. Such translation should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.