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KASEN INTERNATIONAL HOLDINGS LIMITED

卡森國際控股有限公司

(An exempted company incorporated in the Cayman Islands with limited liability)

(Stock Code: 496)

**UPDATE ANNOUNCEMENT ON
(1) MAJOR TRANSACTION IN RELATION TO THE 2021 HHD
MASTER AGREEMENT;
AND
(2) MAJOR TRANSACTION AND CONTINUING
CONNECTED TRANSACTION IN RELATION TO THE
2021 CCT MASTER AGREEMENT**

Reference is made to the circular (the “**Circular**”) of Kasen International Holdings Limited (the “**Company**”) dated 13 December 2021. Terms used herein shall have the same meanings as defined in the Circular, unless the context requires otherwise.

The Board would like to provide an update on the progress regarding the discharge and release of the outstanding guarantee obligations of the Group under the 2021 HHD Master Agreement and the 2021 CCT Master Agreement.

During the first half of 2022, Haining Home Direct had continued to negotiate with the relevant banks in the PRC and identify possible suitable parties to replace the Group as guarantor to part or all of the HHD Master Guarantee. However, up to the date of this announcement, Haining Home Direct has yet to successfully locate and/or enter into formal arrangement with new creditable guarantor who possesses sufficient assets acceptable to the banks to replace the Group. Accordingly, the outstanding guarantee obligations of the Group in respect of the HHD Master Guarantee remain at the amount of up to RMB370 million as at the date of this announcement.

During the first half of 2022, the CCT Group had continued to negotiate with the relevant banks in the PRC and identify possible suitable parties to replace the Group as guarantor to part or all of the CCT Master Guarantee. However, up to the date of this announcement, the CCT Group has yet to successfully locate and/or enter into formal arrangement with new creditable guarantor who possesses sufficient assets acceptable to the banks to replace the Group. In May and June 2022, the CCT Group had repaid the bank facilities and related interests in the amount of approximately RMB85 million under the CCT Master Guarantee to the relevant commercial bank(s) in the PRC. As a result, the maximum amount of the existing bank facilities (including the associated costs) guaranteed by the Group to the CCT Group has been reduced from an amount of up to RMB393 million to an amount of up to approximately RMB308 million as at the date of this announcement.

Nevertheless, it is understood by the Company that each of Haining Home Direct and the CCT Group will continue to identify possible suitable parties to replace the Group and further negotiate with the relevant PRC banks as and when possible.

The Group's aim to release the outstanding guarantee obligations to each of Haining Home Direct and the CCT Group as soon as possible remains unchanged.

By order of the Board
Kasen International Holdings Limited
Zhu Zhangjin
Chairman

30 June 2022

As at the date of this announcement, the executive directors of the Company are Mr. Zhu Zhangjin, Ms. Zhou Xiaohong and Mr. Zhu Ruijun, and the independent non-executive directors of the Company are Mr. Du Haibo, Mr. Zhang Yuchuan and Mr. Zhou Lingqiang.

Website: <http://www.irasia.com/listco/hk/kasen/index.htm>

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.