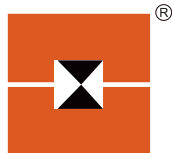


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KAISA GROUP HOLDINGS LTD.

佳兆業集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1638)

RECENT DEVELOPMENTS

This announcement is made by Kaisa Group Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s announcements dated 21 December 2014, 29 December 2014 and 1 January 2015 respectively (collectively, the “**Announcements**”). Unless otherwise stated, terms used in this announcement should have the same meanings as those defined in the Announcements.

RECENT DEVELOPMENTS

The board of directors of the Company (the “**Board**”) would like to provide an update on certain recent developments of the Group.

On 31 December 2014, the Company received a notice from two project partners of the Group (the “**Project Partners**”) in respect of two urban redevelopment projects in Longgang District, the PRC (the “**Projects**”). The Project Partners have alleged that the Group has breached the cooperation agreements (the “**Alleged Breach**”) between the Group and the Project Partners (the “**Cooperation Agreements**”) in relation to the Projects and claimed to exercise their rights to terminate the Cooperation Agreements and demand for the refund of the fees of RMB1,200.00 million (equivalent to approximately HK\$1,520.53 million) paid by the Project Partners under the Cooperation Agreements. On the same day, the Company received a notice from the lender, an affiliate of the Project Partners, under a facility agreement in connection with the financing of, among other things, the Projects. In the notice, the lender has alleged that the Alleged Breach constitutes an event of default under the relevant loan agreement and declared that the above fees together with the accrued interest and all other amounts outstanding is immediately due and payable.

* *For identification purposes only*

As at 5 January 2015, apart from the notices mentioned above and the notice for repayment under the HSBC Facility Agreement, the Group has not received any notice or demand from any creditor for repayment. As at 5 January 2015, the Group's debt liabilities of approximately RMB797.20 million (equivalent to approximately HK\$1,010.14 million) has become due and payable upon maturity of their term. The Company is currently assessing the overall impact on the financial position of the Group as a result of the above notices and the above repayment obligations of the Group and will publish an announcement to provide an update as soon as practicable.

For illustration purpose, amount in RMB in this announcement have been translated to HK\$ at HK\$1.00 = RMB0.7892.

By order of the Board of
KAISA GROUP HOLDINGS LTD.
Sun Yuenan
Co-chairman and Executive Director

6 January 2015

As at the date of this announcement, the executive Directors are Mr. Sun Yuenan, Mr. Ye Lieli, Mr. Lei Fugui, Mr. Jin Zhigang and Mr. Yu Jianqing; the non-executive Director is Ms. Chen Shaohuan; and the independent non-executive Directors are Mr. Zhang Yizhao and Mr. Rao Yong.