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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)

MAJOR TRANSACTION

DISPOSAL OF EQUITY INTERESTS AND SHAREHOLDER'S LOANS IN PROJECT COMPANIES

On 30 January 2015, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreements with the Purchaser, pursuant to which the Vendor has conditionally agreed to dispose of, and the Purchaser has conditionally acquire, the equity interest in and the shareholder's loan to each of the Project Companies.

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposals on an aggregated basis exceeds 25% but is less than 75%, the Disposals constitute a major transaction of the Company under the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The EGM will be held for the purpose of considering and, if thought fit, approving the transactions contemplated under the Agreements. A circular containing, among others, (i) further information on the Agreements; and (ii) a notice convening the EGM, will be despatched to the Shareholders on or before 24 February 2015.

THE AGREEMENTS

On 30 January 2015, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreements with the Purchaser, pursuant to which the Vendor has conditionally agreed to dispose of, and the Purchaser has conditionally acquire, the equity interest in and the shareholder's loan to each of the Project Companies. The principal terms of the Agreements are set out below.

* *For identification purposes only*

1. The First Agreement

- Date : 30 January 2015
- Parties : (1) Shanghai Xinwan Investment, a wholly-owned subsidiary of the Company as vendor
- (2) Kaisa Shenzhen, a wholly-owned subsidiary of the Company as vendor guarantor
- (3) Tianjin Tengyao as purchaser
- (4) Tianjin Sunac Aocheng as purchaser guarantor
- (5) Shanghai Chengwan Zhaoye as project company
- (6) Shanghai Yingwan Zhaoye as project company

Assets to be disposed of

Pursuant to the First Agreement, Shanghai Xinwan Investment has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, (i) the 51% equity interest in Shanghai Chengwan Zhaoye; and (ii) the 51% equity interest in Shanghai Yingwan Zhaoye and the shareholder's loan amounted to RMB543,056,700 (equivalent to approximately HK\$685,981,000). Kaisa Shenzhen and Tianjin Sunac Aocheng have agreed to guarantee the performance of certain obligations of Shanghai Xinwan Investment and Tianjin Tengyao respectively under the First Agreement.

Shanghai Chengwan Zhaoye is owned as to 51% by Shanghai Xinwan Investment and 49% by a party which is not a connected person (as defined in the Listing Rules) of the Company.

Shanghai Yingwan Zhaoye is owned as to 51% by Shanghai Xinwan Investment and 49% by a party which is not a connected person (as defined in the Listing Rules) of the Company. As at the date of the First Agreement, the shareholder's loan amounted to RMB543,056,700 (equivalent to approximately HK\$685,981,000) is due and payable by Shanghai Yingwan Zhaoye to Shanghai Xinwan Investment and its affiliates.

Upon completion of the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal, Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye will cease to be subsidiaries of the Company.

Consideration

The total consideration for the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal is RMB598,556,700 (equivalent to approximately HK\$756,088,000) which comprises:

- (i) the consideration of the 51% equity interest in Shanghai Chengwan Zhaoye of RMB30,000,000 (equivalent to approximately HK\$37,896,000);
- (ii) the consideration of the 51% equity interest in Shanghai Yingwan Zhaoye of RMB25,500,000 (equivalent to approximately HK\$32,211,000); and
- (iii) the shareholder's loan of RMB543,056,700 (equivalent to approximately HK\$685,981,000), representing the total amount of shareholder's loan made by Shanghai Xinwan Investment and its affiliates to Shanghai Yingwan Zhaoye as at the date of the First Agreement.

The consideration for the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal was determined after arm's length negotiations between the Vendor and the Purchaser with reference to a valuation report (with a valuation reference date of 31 December 2014) as appraised by an independent valuer and a market valuation of Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye as agreed by both the Vendor and the Purchaser.

The Directors are of the view that the consideration for the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal is fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Subject to the satisfaction of all the conditions precedent under the First Agreement, on the completion date or the Business Day immediately following the completion date under the First Agreement, the Purchaser shall transfer 50% of the consideration for the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal to the designated bank account of Shanghai Xinwan Investment. The remaining 50% of the consideration shall be transferred to the designated bank account of Shanghai Xinwan Investment by the Purchaser on the Business Day immediately following the settlement of the debt owed by Shanghai Xinwan Investment to Shanghai Chengwan Zhaoye as set out in the First Agreement.

2. The Second Agreement

Date : 30 January 2015

Parties : (1) Shanghai Xinwan Investment, a wholly-owned subsidiary of the Company as vendor

(2) Kaisa Shenzhen, a wholly-owned subsidiary of the Company as vendor guarantor

(3) Tianjin Tengyao as purchaser

(4) Tianjin Sunac Aocheng as purchaser guarantor

(5) Shanghai Qingwan Zhaoye as project company

Assets to be disposed of

Pursuant to the Second Agreement, Shanghai Xinwan Investment has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, the 100% equity interest in Shanghai Qingwan Zhaoye and the shareholder's loan amounted to RMB1,166,751,700 (equivalent to approximately HK\$1,473,823,000). Kaisa Shenzhen and Tianjin Sunac Aocheng have agreed to guarantee the performance of certain obligations of Shanghai Xinwan Investment and Tianjin Tengyao respectively under the Second Agreement.

Shanghai Qingwan Zhaoye is owned as to 100% by Shanghai Xinwan Investment. As at the date of the Second Agreement, the shareholder's loan amounted to RMB1,166,751,700 (equivalent to approximately HK\$1,473,823,000) is due and payable by Shanghai Qingwan Zhaoye to Shanghai Xinwan Investment and its affiliates.

Upon completion of the Shanghai Qingwan Zhaoye Disposal, Shanghai Qingwan Zhaoye will cease to be a subsidiary of the Company.

Consideration

The total consideration for the Shanghai Qingwan Zhaoye Disposal is RMB1,166,751,701 (equivalent to approximately HK\$1,473,823,000) which comprises:

- (i) the consideration of the 100% equity interest in Shanghai Qingwan Zhaoye of RMB1 (equivalent to approximately HK\$0.79); and
- (ii) the shareholder's loan of RMB1,166,751,700 (equivalent to approximately HK\$1,473,823,000), representing the total amount of shareholder's loan made by Shanghai Xinwan Investment and its affiliates to Shanghai Qingwan Zhaoye as at the date of the Second Agreement.

The consideration for the Shanghai Qingwan Zhaoye Disposal was determined after arm's length negotiations between the Vendor and the Purchaser with reference to a valuation report (with a valuation reference date of 31 December 2014) as appraised by an independent valuer and a market valuation of Shanghai Qingwan Zhaoye as agreed by both the Vendor and the Purchaser.

The Directors are of the view that the consideration for the Shanghai Qingwan Zhaoye Disposal is fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Subject to the satisfaction of all the conditions precedent under the Second Agreement, on the completion date or the Business Day immediately following the completion date under the Second Agreement, the Purchaser shall transfer 100% of the consideration for the Shanghai Qingwan Zhaoye Disposal to the designated bank account of Shanghai Xinwan Investment.

3. The Third Agreement

Date : 30 January 2015

Parties : (1) Shanghai Xinwan Investment, a wholly-owned subsidiary of the Company as vendor

(2) Kaisa Shenzhen, a wholly-owned subsidiary of the Company as vendor guarantor

(3) Tianjin Tengyao as purchaser

(4) Tianjin Sunac Aocheng as purchaser guarantor

(5) Shanghai Rongwan Zhaoye as project company

Assets to be disposed of

Pursuant to the Third Agreement, Shanghai Xinwan Investment has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, the 100% equity interest in Shanghai Rongwan Zhaoye and the shareholder's loan amounted to RMB579,628,700 (equivalent to approximately HK\$732,178,000). Kaisa Shenzhen and Tianjin Sunac Aocheng have agreed to guarantee the performance of certain obligations of Shanghai Xinwan Investment and Tianjin Tengyao respectively under the Third Agreement.

Shanghai Rongwan Zhaoye is owned as to 100% by Shanghai Xinwan Investment. As at the date of the Third Agreement, the shareholder's loan amounted to RMB579,628,700 (equivalent to approximately HK\$732,178,000) is due and payable by Shanghai Rongwan Zhaoye to Shanghai Xinwan Investment and its affiliates.

Upon completion of the Shanghai Rongwan Zhaoye Disposal, Shanghai Rongwan Zhaoye will cease to be a subsidiary of the Company.

Consideration

The total consideration for the Shanghai Rongwan Zhaoye Disposal is RMB609,628,700 (equivalent to approximately HK\$770,074,000) which comprises:

- (i) the consideration of the 100% equity interest in Shanghai Rongwan Zhaoye of RMB30,000,000 (equivalent to approximately HK\$37,896,000); and
- (ii) the shareholder's loan of RMB579,628,700 (equivalent to approximately HK\$732,178,000), representing the total amount of shareholder's loan made by Shanghai Xinwan Investment and its affiliates to Shanghai Rongwan Zhaoye as at the date of the Third Agreement.

The consideration for the Shanghai Rongwan Zhaoye Disposal was determined after arm's length negotiations between the Vendor and the Purchaser with reference to a valuation report (with a valuation reference date of 31 December 2014) as appraised by an independent valuer and a market valuation of Shanghai Rongwan Zhaoye as agreed by both the Vendor and the Purchaser.

The Directors are of the view that the consideration for the Shanghai Rongwan Zhaoye Disposal is fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Subject to the satisfaction of all the conditions precedent under the Third Agreement, on the completion date or the Business Day immediately following the completion date under the Third Agreement, the Purchaser shall transfer 100% of the consideration for the Shanghai Rongwan Zhaoye Disposal to the designated bank account of Shanghai Xinwan Investment.

Other Terms and Conditions of the Agreements

Each of the Agreements have the following terms and conditions:

Indemnity

The Purchaser reserves the right to seek indemnification from the Vendor in relation to all actual losses, suffered by the Purchaser after the signing of the Agreement upon the occurrence of the following events:

- (i) the actual aggregate investment (both in terms of equity and shareholders' loan) made by the Vendor and its affiliates in the Project Companies is lower than as previously disclosed;
- (ii) representations and warranties made by the Vendor and the Project Companies become untrue (including the existence of previously undisclosed indebtedness of the Project Companies) and resulting in a material adverse effect on the Project Companies.

Conditions Precedent to the Disposals

Completion of the Disposals is subject to, among others, satisfaction of the following conditions precedent:

- (i) the parties to each of the Agreements having obtained the following approvals, authorizations and permissions:
 - (a) approvals and permissions from the relevant PRC governmental and regulatory authorities;
 - (b) the Purchaser having obtained all necessary internal approvals, including but not limited to approvals from the board and (if applicable) shareholders in relation to the transactions contemplated in the Agreements;
 - (c) the Vendor and the Project Companies having obtained all necessary internal approvals, including but not limited to approvals from the board and (if applicable) shareholders in relation to the transactions contemplated in the Agreements;
 - (d) the creditors, relevant third parties and interested parties of the Vendor and the Project Companies having provided the necessary written approvals and permissions in relation to the transactions contemplated in the Agreements; and
 - (e) all pledges and encumbrances on the equity interests of the Project Companies having been released, rights of the equity interests of the Project Companies remaining complete, all blockages and restrictions imposed on the equity interests and the assets of the Project Companies having been lifted and all court and arbitration proceedings against the Project Companies have been withdrawn.
- (ii) the Agreements and related ancillary documentation having been duly signed and becoming legally binding on all parties to the Agreements;
- (iii) prior to the completion of the Disposals, the Purchaser having commenced the due diligence relating to the Project Companies and their underlying projects, and save as disclosed in the Agreements, no material deficiencies or other material issues relating to the Disposals having been identified;
- (iv) the transfer of the equity interests, the shareholder's loans and other relevant documents of the Project Companies having been completed;
- (v) the representations and warranties made by the Vendor and the Project Companies remaining true, accurate and complete in material respects as at the completion date of the Disposals;

- (vi) based on the knowledge of the Vendor and the Project Companies, save as disclosed in the Agreements, there being no occurrence or anticipated occurrence of any event, situation or change before completion causing material adverse effect on the Project Companies and the performance of the parties' obligations under the Agreements as at the completion date of the Disposals; and
- (vii) as at the completion date of the Disposal, save as disclosed in the Agreements, there being no litigation, arbitration, administrative procedures, court orders, regulatory decisions or legal requirements: (a) preventing, limiting or affecting the transactions contemplated under the Agreements or causing material adverse change thereunder; (b) causing the Purchaser to suffer material penalty or bear legal liability in accordance with laws and regulations; or (c) causing material adverse change to the business operations of the Purchaser.

If the Conditions are not fulfilled within 45 Business Days from the date of the relevant Agreements or such other longer period as agreed between the parties to the relevant Agreements in writing, the relevant Parties to the Agreements shall have the right to terminate the relevant Agreements and the respective rights and obligations of the parties under the relevant Agreements will be released.

Completion of the Disposals

Completion of each of the Disposals will take place on the date of registration with the relevant Administration of Industry and Commerce of, including but not limited to, the following:

- (i) the Purchaser being the new registered owner of the equity interest of the relevant Project Company;
- (ii) the legal representatives of the relevant Project Company being changed to a person nominated by the Purchaser;
- (iii) resignation of directors and supervisors of the relevant Project Company originally nominated by the Vendor and appointment of directors and supervisors nominated by the Purchaser being duly registered; and
- (iv) the articles of association of the relevant Project Company having been amended.

Option to Repurchase

Subject to there being no change in control of the Vendor, the Vendor has an option to, within 12 months from the date of the relevant Agreement, repurchase the assets and liabilities acquired by the Purchaser from the Vendor pursuant to the relevant Agreement.

The option to repurchase is subject to, among others, (i) written approval of creditors, partners (if any) and relevant interested parties required for the consummation of such option to repurchase; and (ii) a repurchase price of not less than the sum of: (a) the Consideration and all other reasonable costs in relation to the Disposals; (b) the amount of capital injected by the Purchaser and its affiliates into the relevant Project Company since the date of the relevant Agreement; and (c) 10% of the sum of (a) and (b).

FINANCIAL EFFECT OF THE DISPOSALS

After taking into account the total consideration of the Disposals, the amounts of the shareholder's loans, the cost of investment in the Project Companies and the related transaction costs, it is estimated that the net proceeds of the Disposals will amount to approximately RMB2,374,937,000 (equivalent to approximately HK\$2,999,984,000) and a loss of approximately RMB43,904,000 (equivalent to approximately HK\$55,459,000) will be recorded by the Group as a result of the Disposals.

REASONS FOR THE DISPOSALS

The Group is principally engaged in the development of large-scale residential properties and integrated commercial properties in the PRC. In view of the distressed debt position and financial difficulties of the Company, the Company will use the net proceeds from the Disposals for general working capital purpose in order to increase the cash flow and the general working capital of the Company to secure the Company's daily operations. In relation to the Company's recent situation and the conditions of the projects that are subject to the Disposals, the Purchaser and the Purchaser Guarantor are fully aware of the same, and are willing to proceed with the Disposals.

In light of the above, based on the assessment as set out in the paragraph headed "Financial Effect of the Disposals" above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Agreements are fair and reasonable and the entering into of the Agreements is in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PROJECT COMPANIES

Shanghai Chengwan Zhaoye

Shanghai Chengwan Zhaoye is a limited liability company established in the PRC on 2 August 2013. As at the date of this announcement, the registered capital of Shanghai Chengwan Zhaoye amounted to RMB58,820,000 (equivalent to approximately HK\$74,301,000). Shanghai Chengwan Zhaoye is principally engaged in property development, property management and investment management.

As at the date of this announcement, Shanghai Xinwan Investment is holding the 51% equity interest in Shanghai Chengwan Zhaoye, which is in turn holding the entire interest in a parcel of land located in 嘉定區徐行鎮4街坊31/1丘 (31/1 Qiu, 4 Jie Fang, Xuhang Town, Jiading District*) in Shanghai, the PRC and occupies an aggregate site area of approximately 48,386.8 sq. m. and an aggregate gross floor area per allowed plot ratio of approximately 87,096.24 sq. m. for the purposes of residential use. The land is currently held for the development of phase 3 of 上海佳兆業城市廣場 (Shanghai Kaisa City Plaza*).

The following information is a summary of the financial information of Shanghai Chengwan Zhaoye:

	For the year ended	
	31 December	
	2013	2014
	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Net loss (before taxation and extraordinary items)	(48)	(4,218)
Net loss (after taxation and extraordinary items)	(48)	(4,218)

The unaudited net asset value of Shanghai Chengwan Zhaoye as at 31 December 2014 was approximately RMB54,554,000 (equivalent to approximately HK\$68,912,000).

Shanghai Yingwan Zhaoye

Shanghai Yingwan Zhaoye is a limited liability company established in the PRC on 20 June 2013. As at the date of this announcement, the registered capital of Shanghai Yingwan Zhaoye amounted to RMB50,000,000 (equivalent to approximately HK\$63,159,000). Shanghai Yingwan Zhaoye is principally engaged in property development, property management, investment management and carpark operation.

As at the date of this announcement, Shanghai Xinwan Investment is holding the 51% equity interest in Shanghai Yingwan Zhaoye, which is in turn holding the entire interest in a parcel of land located in 花木街道46街坊16/3丘 (16/3 Qiu, 46 Jie Fang, Huamu Street*) in Shanghai, the PRC and occupies an aggregate site area of approximately 11,088 sq. m. and an aggregate gross floor area per allowed plot ratio of approximately 49,896 sq. m. for the purposes of commercial and office use. The land is currently held for the development of 上海浦東金融中心 (Shanghai Pudong Finance Centre*).

The following information is a summary of the financial information of Shanghai Yingwan Zhaoye:

	For the year ended	
	31 December	
	2013	2014
	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Net loss (before taxation and extraordinary items)	(482)	(1,068)
Net loss (after taxation and extraordinary items)	(369)	(1,068)

The unaudited net asset value of Shanghai Yingwan Zhaoye as at 31 December 2014 was approximately RMB48,450,000 (equivalent to approximately HK\$61,201,000).

Shanghai Rongwan Zhaoye

Shanghai Rongwan Zhaoye is a limited liability company established in the PRC on 17 October 2013. As at the date of this announcement, the registered capital of Shanghai Rongwan Zhaoye amounted to RMB30,000,000 (equivalent to approximately HK\$37,896,000). Shanghai Rongwan Zhaoye is principally engaged in property development, property management and investment management.

As at the date of this announcement, Shanghai Xinwan Investment is holding the 100% equity interest in Shanghai Rongwan Zhaoye, which is in turn holding the entire interest in a parcel of land located in 奉賢區莊行鎮5街坊100/丘 (100/Qiu, 5 Jie Fang, Zhuanghang Town, Fengxian District*) in Shanghai, the PRC and occupies an aggregate site area of approximately 73,734.6 sq. m. and an aggregate gross floor area per allowed plot ratio of approximately 87,282 sq. m. for the purposes of residential use. The land is currently held for the development of 上海佳兆業8號 (Shanghai Kaisa No. 8*).

The following information is a summary of the financial information of Shanghai Rongwan Zhaoye:

	For the year ended	
	31 December	
	2013	2014
	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Net loss (before taxation and extraordinary items)	(7)	(1,452)
Net loss (after taxation and extraordinary items)	(7)	(1,452)

The unaudited net asset value of Shanghai Rongwan Zhaoye as at 31 December 2014 was approximately RMB28,541,000 (equivalent to approximately HK\$36,053,000).

Shanghai Qingwan Zhaoye

Shanghai Qingwan Zhaoye is a limited liability company established in the PRC on 21 August 2014. As at the date of this announcement, the registered capital of Shanghai Qingwan Zhaoye amounted to RMB50,000,000 (equivalent to approximately HK\$63,159,000). Shanghai Qingwan Zhaoye is principally engaged in property development, property management and investment management.

As at the date of this announcement, Shanghai Xinwan Investment is holding the 100% equity interest in Shanghai Qingwan Zhaoye, which is in turn holding the entire interest in a parcel of land located in 青浦區重固鎮張墅涇北側16-08地塊 (Land no. 16-08 adjacent to the north of Zhangshu River, Zhonggu Town, Qingpu District*) in Shanghai, the PRC and occupies an aggregate site area of approximately 90,642.1 sq. m. and an aggregate gross floor area per allowed plot ratio of approximately 154,091.57 sq. m for the purposes of residential use. The land is currently held for the development of 青浦君滙上品 (Qingpu Junhui Shangpin*).

Based on the unaudited management accounts of Shanghai Qingwan Zhaoye as at 31 December 2014, Shanghai Qingwan Zhaoye has a net liabilities value of approximately RMB39,000 (equivalent to approximately HK\$49,000) and recorded a loss of approximately RMB39,000 (equivalent to approximately HK\$49,000) for the period since its establishment and up to 31 December 2014.

INFORMATION ON THE GROUP, THE VENDOR AND THE VENDOR GUARANTOR

The Group is principally engaged in the development of large-scale residential properties and integrated commercial properties in the PRC. The Vendor and the Vendor Guarantor are wholly-owned subsidiaries of the Company which are principally engaged in property development and investment business.

INFORMATION ON THE PURCHASER AND THE PURCHASER GUARANTOR

The Purchaser and the Purchaser Guarantor are indirect wholly-owned subsidiaries of Sunac, the shares of which are listed on the Stock Exchange (stock code: 1918). Both the Purchaser and the Purchaser Guarantor are principally engaged in property development and investment business.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, each of the Purchaser and the Purchaser Guarantor and their ultimate beneficial owners are not connected persons (as defined in the Listing Rules) of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposals on an aggregated basis exceeds 25% but is less than 75%, the Disposals constitute a major transaction of the Company under the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be held for the purpose of considering and, if thought fit, approving the transactions contemplated under the Agreements. A circular containing, among others, (i) further information on the Agreements; and (ii) a notice convening the EGM, will be despatched to the Shareholders on or before 24 February 2015.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

“Agreements”	the First Agreement, the Second Agreement and the Third Agreement;
“Board”	the board of Directors;
“Business Day”	any day on which banks in the PRC are open for business (except Saturday, Sunday and public holidays);
“Company”	Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司*), a company incorporated in the Cayman Islands as an exempted company with limited liability and the shares of which are listed on the Stock Exchange;
“Completion”	completion of the Disposals upon satisfaction of the Condition(s);
“Condition(s)”	the conditions precedent to the respective Agreements;
“Consideration”	the consideration in respect of the respective Disposals pursuant to the respective Agreements;
“Director(s)”	the director(s) of the Company;
“Disposals”	the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal, the Shanghai Qingwan Zhaoye Disposal and the Shanghai Rongwan Zhaoye Disposal;

“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Agreements and the transactions contemplated thereunder;
“First Agreement”	the disposal agreement dated 30 January 2015 entered into between Shanghai Xinwan Investment as vendor, Kaisa Shenzhen as vendor guarantor, Tianjin Tengyao as purchaser and Tianjin Sunac Aocheng as purchaser guarantor in relation to the Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Kaisa Shenzhen” or “Vendor Guarantor”	佳兆業集團(深圳)有限公司 (Kaisa Group (Shenzhen) Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement;
“Project Companies”, or each of them, “Project Company”	Shanghai Chengwan Zhaoye, Shanghai Yingwan Zhaoye, Shanghai Qingwan Zhaoye and Shanghai Rongwan Zhaoye;
“RMB”	Renminbi, the lawful currency of the PRC;
“Second Agreement”	the disposal agreement dated 30 January 2015 entered into between Shanghai Xinwan Investment as vendor, Kaisa Shenzhen as vendor guarantor, Tianjin Tengyao as purchaser and Tianjin Sunac Aocheng as purchaser guarantor in relation to the Shanghai Qingwan Zhaoye Disposal;
“Shanghai Chengwan Zhaoye”	上海誠灣兆業房地產有限公司 (Shanghai Chengwan Zhaoye Property Development Co., Ltd.*), a company established in the PRC with limited liability which is owned as to 51% by Shanghai Xinwan Investment and 49% by a party which is not a connected person (as defined in the Listing Rules) of the Company;

“Shanghai Chengwan Zhaoye and Shanghai Yingwan Zhaoye Disposal”	the disposal of 51% equity interest and the shareholder’s loan in Shanghai Chengwan Zhaoye and the disposal of 51% equity interest and the shareholder’s loan in Shanghai Yingwan Zhaoye as contemplated under the First Agreement;
“Shanghai Qingwan Zhaoye”	上海青灣兆業房地產開發有限公司 (Shanghai Qingwan Zhaoye Property Development Co., Ltd.*), a company established in the PRC with limited liability and wholly owned by Shanghai Xinwan Investment as at the date of this announcement;
“Shanghai Qingwan Zhaoye Disposal”	the disposal of 100% equity interest and the shareholder’s loan in Shanghai Qingwan Zhaoye as contemplated under the Second Agreement;
“Shanghai Rongwan Zhaoye”	上海榮灣兆業房地產開發有限公司 (Shanghai Rongwan Zhaoye Property Development Co., Ltd.*), a company established in the PRC with limited liability and wholly owned by Shanghai Xinwan Investment as at the date of this announcement;
“Shanghai Rongwan Zhaoye Disposal”	the disposal of 100% equity interest and the shareholder’s loan in Shanghai Rongwan Zhaoye as contemplated under the Third Agreement;
“Shanghai Xinwan Investment” or “Vendor”	上海新灣投資發展有限公司 (Shanghai Xinwan Investment Development Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Kaisa (Shenzhen) as at the date of this announcement;
“Shanghai Yingwan Zhaoye”	上海贏灣兆業房地產有限公司 (Shanghai Yingwan Zhaoye Property Development Co., Ltd.*), a company established in the PRC with limited liability which is owned as to 51% by Shanghai Xinwan Investment and 49% by a party which is not a connected person (as defined in the Listing Rules) of the Company;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Sunac”	Sunac China Holdings Limited (融創中國控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability and the shares of which are listed on the Stock Exchange (stock code: 1918);
“Third Agreement”	the disposal agreement dated 30 January 2015 entered into between Shanghai Xinwan Investment as vendor, Kaisa Shenzhen as vendor guarantor, Tianjin Tengyao as purchaser and Tianjin Sunac Aocheng as purchaser guarantor in relation to the Shanghai Rongwan Zhaoye Disposal;

“Tianjin Sunac Aocheng” or “Purchaser Guarantor” 天津融創奧城投資有限公司 (Tianjin Sunac Aocheng Investment Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Sunac as at the date of this announcement;

“Tianjin Tengyao” or “Purchaser” 天津騰耀置業有限公司 (Tianjin Tengyao Property Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Purchaser guarantor as at the date of this announcement;

“sq. m.” square meter; and

% per cent.

For the purpose of this announcement, the exchange rate of HK\$1.00 = RMB0.79165 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes and do not constitute representation that any amount in RMB or HK\$ have been or may be converted in such rates.

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

1 February 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.