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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)**

### **REVIEW OF RESTRUCTURING AND REFINANCING ALTERNATIVES**

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 announcement of the Company dated 9 February 2015 in relation to recent developments and resumption of trading as well as the joint announcement of the Company and Sunac China Holdings Limited (“**Sunac**”) dated 6 February 2015 in relation to the share purchase agreement of the Company’s shares entered into with Sunac (the “**Share Purchase Agreement**”)

In light of recent developments at the Group and given that completion of the Share Purchase Agreement is conditional upon, among other things, the satisfactory resolution of a restructuring or refinancing of the Group’s existing debt facilities and any outstanding defaults, the board of directors of the Company (the “**Board**”) has begun reviewing and assessing various options with regards to its onshore and offshore debt obligations. Whether the Group meets upcoming payments under its existing debt obligations will be based on an assessment of the overall financial condition of the Group and lenders and bondholders should not expect payments of principal and interest according to existing terms.

\* For identification purposes only

With a mandate to continue to stabilise the business, the Board is pleased to announce that it has appointed Houlihan Lokey (China) Limited (“**Houlihan Lokey**”) for the purposes of providing strategic advice with respect to the Group’s capital structure, including its debt obligations. Houlihan Lokey will assist the Company in reviewing and assessing various options and in formulating a plan to implement an appropriate restructuring of the Group’s debt obligations. This plan will be developed with consideration of restoring stability at the Group.

In light of the adverse impact of the recent developments on the Group and to better protect the interests of all the stakeholders of the Company, the Company intends to start a dialogue with its lenders and bondholders around a potential transaction as soon as possible targeting to reach a preliminary understanding among the lenders and bondholders by end of March 2015 and completion by end of April 2015. Any actions the Company decides to take will be after a detailed internal assessment of its business plan and available options, and most importantly for the benefit of all of its stakeholders. At this moment, amongst other things, the Company expects material modifications to the Group’s offshore debt obligations to be necessary so as not to frustrate the transaction under the Share Purchase Agreement.

The Company looks forward to a constructive dialogue and timely creditor support to ensure the long-term success of its business for the benefit of all stakeholders.

Holders of the Company’s offshore debt obligations are encouraged to contact the following Houlihan Lokey representatives:

<b>Asian-Based Creditors</b>	<b>EMEA-Based Creditors</b>	<b>U.S.-Based Creditors</b>
Brandon Gale BGale@HL.com	Joseph Swanson JSwanson@HL.com	Saul E. Burian SBurian@HL.com

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

11 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.*