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SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1918)

ANNOUNCEMENT
TERMINATION OF MAJOR TRANSACTION FOR
SUNAC INVOLVING SHARE PURCHASE AGREEMENT
IN RELATION TO THE ACQUISITION OF 2,529,196,133 SHARES
OF KAISA BY THE OFFEROR
AND
CLOSE OF OFFER PERIOD FOR KAISA
AND
RESUMPTION OF TRADING

Termination of Share Purchase Agreement and close of offer period for Kaisa

On 26 May 2015, the Sellers, the Offeror, the Guarantors and the Company entered into a Termination Agreement to terminate the Sale and Purchase Agreement with immediate effect.

Accordingly, the Share Purchase will not proceed and the Share Offer, the Option Offer and the CB offer as initially disclosed in the Joint Announcement will also not proceed. The offer period for Kaisa is closed on the date of this announcement, i.e. 28 May 2015.

Resumption of Trading

At the request of the Company, trading of all securities of the Company was halted with effect from 9:00 a.m. on 15 May 2015 pending the release by the Company of an announcement relating to the transaction disclosed in the Joint Announcement. Application has been made by the Company to The Stock Exchange of Hong Kong Limited for the resumption of trading of all securities of the Company with effect from 9:00 a.m. on 28 May 2015.

This announcement is made by Sunac China Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and 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 joint announcement made by the Company and Kaisa Group Holdings Ltd. (“**Kaisa**”) on 6 February 2015 (the “**Joint Announcement**”) and the announcement made by the Company on 15 May 2015. Terms used herein shall have the same meanings as defined in the Joint Announcement unless otherwise specified.

As disclosed in the Joint Announcement, on 30 January 2015, the Sellers, the Offeror, the Guarantors and the Company entered into the Share Purchase Agreement, pursuant to which the Offeror has conditionally agreed to acquire from the Sellers an aggregate of 2,529,196,133 shares in the issued share capital of Kaisa.

Pursuant to the Share Purchase Agreement, the Offeror, the Sellers and the escrow agent entered into the Escrow Agreement on 13 February 2015. As at the date of this Announcement, the Offeror has paid the First Pre-payment and Second Pre-payment in the total of HK\$2.325 billion to the Sellers pursuant to the Share Purchase Agreement (the “**Pre-payments**”).

Termination of Share Purchase Agreement and close of offer period for Kaisa

As at the date of this announcement, certain conditions precedent have not been fulfilled and the parties to the Share Purchase Agreement agree and believe that the conditions precedent to completion of the Share Purchase Agreement would not be able to be satisfied on or before the Long Stop Date. After careful consideration of all the circumstances surrounding the Share Purchase, the Board and the Sellers decided not to proceed with the Share Purchase. Accordingly, on 26 May 2015, the Sellers, the Offeror, the Guarantors and the Company entered into a termination agreement to terminate the Sale and Purchase Agreement (the “**Termination Agreement**”) with immediate effect.

Pursuant to the Termination Agreement, the Sellers shall refund the Pre-payments to the Offeror and all other rights and obligations of the parties under the Share Purchase Agreement shall cease and determine, and the parties to the Share Purchase Agreement shall not have any claims against each other.

Under the Termination Agreement, the Sellers shall refund HK\$1.1625 billion, being half of the Pre-payments, to the Offeror on or before 29 May 2015 (the “**Initial Refund**”), and the remaining HK\$1.1625 billion (the “**Subsequent Refund**”, together with the Initial Refund, the “**Total Refund**”) together with interests calculated pursuant to the terms of the Termination Agreement to the Offeror no later than 28 December 2015. Mr. Kwok Ying Shing, one of the Guarantors, has provided personal guarantee as primary obligor, to perform the Sellers’ obligations under the Termination Agreement and to assume sole responsibility to ensure full performance of the Sellers’ refund obligation under the Termination Agreement.

Pursuant to the Termination Agreement, the Offeror and the Sellers agreed to make an unconditional and irrevocable joint instruction to the escrow agent to terminate the Escrow Agreement and request for the return of the escrowed shares to the Sellers upon the receipt of the Initial Refund by the Offeror. The Offeror and Da Feng (one of the Sellers) also agreed to use their best endeavors to enter into a new escrow agreement in relation to 700,000,000 Shares (the “**Escrowed Shares**”) held by Da Feng (the “**New Escrow Agreement**”) within five Business Days (or such later date acceptable to the Offeror) after the escrowed shares have been returned to the Sellers pursuant to the termination of the Escrow Agreement. The New Escrow Agreement will contain terms to the effect that, after the Total Refund has been settled by the Sellers, the escrow agent shall unconditionally transfer the Escrowed Shares back to Da Feng upon receiving joint instruction issued by the Offeror and Da Feng.

Pursuant to the Termination Agreement, the Offeror and the Company jointly and severally, unconditionally and irrevocably undertook to the Sellers and the Guarantors that the Offeror and the Company will not and shall procure their associates (as defined under the Listing Rules) not to directly or indirectly acquire or provide financial assistance to any other parties to acquire securities or debt of Kaisa or any of its subsidiaries upon termination of the Share Purchase Agreement and within the 365 days after termination. For the avoidance of doubt, the restriction does not apply to any transaction or sale and purchase in relation to equities or debts of subsidiaries of Kaisa entered into by Sunac or its subsidiaries directly with Kaisa or its subsidiaries.

As the Share Purchase will not proceed, the Share Offer, the Option Offer and the CB Offer as initially disclosed in the Joint Announcement will also not proceed and the offer period for Kaisa is closed on the date of this announcement i.e. 28 May 2015.

The Company has been informed by Morgan Stanley that it has tendered its resignation from its role as the financial adviser to the Company in connection with the Offers.

Further announcements will be made by the Company in accordance with all applicable requirements of the Listing Rules and the Takeovers Codes (where applicable) as and when appropriate.

Resumption of Trading

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By Order of the Board
SUNAC CHINA HOLDINGS LIMITED
Sun Hongbin
Chairman

Hong Kong, 28 May 2015

The directors of Sunac jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the executive Directors are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. LI Shaozhong, Mr. CHI Xun, Mr. SHANG Yu and Mr. JING Hong; the non-executive Director is Mr. ZHU Jia; and the independent non-executive Directors are Mr. POON Chiu Kwok, Mr. LI Qin, Mr. MA Lishan and Mr. TSE Chi Wai.