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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)**

### **CONSENT SOLICITATION IN RESPECT OF**

- (i) 12.875% SENIOR NOTES DUE 2017,**
- (ii) 10.25% SENIOR NOTES DUE 2020,**
- (iii) 8.875% SENIOR NOTES DUE 2018, AND**
- (iv) 6.875% SENIOR NOTES DUE 2016**

Kaisa Group Holdings Ltd. (the “**Company**”) today announced a solicitation of consents (the “**Consent Solicitation**”) to certain proposed amendments (the “**Proposals**”) to:

- the indenture, dated as of September 18, 2012 (as supplemented or amended to the date hereof, the “**2017 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 12.875% Senior Notes Due 2017 (Common Code 082836675, ISIN XS0828366756) (the “**2017 Notes**”);
- the indenture, dated as of January 8, 2013 (as supplemented or amended to the date hereof, the “**2020 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 10.25% Senior Notes Due 2020 (Common Code 087158047, ISIN XS0871580477) (the “**2020 Notes**”);

\* For identification purposes only

- the indenture, dated as of March 19, 2013 (as supplemented or amended to the date hereof, the “**2018 Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 8.875% Senior Notes Due 2018 (CUSIP 48300T AB8, Common Code 90471139, ISIN US48300TAB89 (Rule 144A) and CUSIP G52132 AF7, Common Code 90471368, ISIN USG52132AF72 (Regulation S)) (the “**2018 Notes**”); and
- the indenture, dated as of April 22, 2013 (as supplemented or amended to the date hereof, the “**2016 Indenture**” and, together with the 2017 Indenture, the 2020 Indenture and the 2018 Indenture, the “**Indentures**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 6.875% Senior Notes Due 2016 (CMU Instrument No. CILHKN13004, Common Code 091908786, ISIN HK0000146719) (the “**2016 Notes**” and, together with the 2017 Notes, the 2020 Notes and the 2018 Notes, the “**Notes**” and, each, a “**Series**”).

On June 6, 2014, the Company issued 9.00% Senior Notes due 2019 (the “**New Notes**”) in the aggregate principal amount of US\$400 million and expect to use the proceeds from issuance of the New Notes to refinance existing indebtedness, to finance existing and new property projects and for general corporate purposes. The principal purpose of the Consent Solicitation and the Proposals is to obtain the requisite consents to amend the Indentures to bring them into conformity with the terms of the New Notes. The Proposals include amendments to: (i) provisions relating to future Subsidiary Guarantors and Security; (ii) the “Limitation on Indebtedness and Preferred Stock” covenant; (iii) the “Limitation on Restricted Payments” covenant; (iv) the “Permitted Liens” definition; (v) the “Limitation on Sale and Leaseback Transactions” covenant; (vi) the “Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” covenant; (vii) the “Limitation on Issuances of Guarantees by Restricted Subsidiaries” covenant; (viii) the “Limitation on Asset Sales” covenant; (ix) the “Limitation on Transactions with Shareholders and Affiliates” covenant; (x) provisions relating to “Designation of Restricted and Unrestricted Subsidiaries”; and (xi) provisions relating to Events of Default. In addition, the Company is also seeking through the Consent Solicitation to clarify and amend certain provisions to bring such provisions more in line with the terms of senior notes issued by comparable issuers in the market and to amend and introduce definitions related to the above Proposals.

The record date for the Consent Solicitation is 5:00 p.m. Central European Summer Time with respect to the 2017 Notes and the 2020 Notes, 5:00 p.m. New York City Time with respect to the 2018 Notes and 6:00 p.m. Hong Kong Time with respect to the 2016 Notes, on June 6, 2014. The Consent Solicitation will expire at 5:00 p.m. Central European Summer Time with respect to the 2017 Notes and the 2020 Notes and 5:00 p.m. New York City Time with respect to the 2018 Notes on June 20, 2014 and 5:00 p.m. Hong Kong Time with respect to the 2016 Notes on June 27, 2014, unless extended or terminated by the Company.

With respect to each Series of Notes, the Company is offering to the holders of record of the Notes as of the record date (the “**Holders**”) a consent fee of US\$3.75 for each US\$1,000 in principal amount of the 2017 Notes, the 2020 Notes and the 2018 Notes, or, in the case of the 2016 Notes, a consent fee of CNY375 for each CNY100,000 in principal amount, in respect of which any Holder has validly delivered a consent on or prior to the relevant expiration date

of the Consent Solicitation as described above. The Company's obligation to accept consents and pay the consent fee is conditioned on, among other things, there being validly delivered consents from the Holders of not less than a majority in aggregate principal amount of the outstanding Notes of each Series.

For a detailed statement of the terms and conditions of the Consent Solicitation and the Proposals, Holders of the 2017 Notes and the 2020 Notes should refer to the consent solicitation statement dated June 9, 2014 (the “**2017 Notes and 2020 Notes Consent Solicitation Statement**”), Holders of the 2018 Notes should refer to the consent solicitation statement dated June 9, 2014 (the “**2018 Notes Consent Solicitation Statement**”), and Holders of the 2016 Notes should refer to the consent solicitation statement dated June 9, 2014 (the “**2016 Notes Consent Solicitation Statement**” and, together with the 2017 Notes and 2020 Notes Consent Solicitation Statement and the 2018 Notes Consent Solicitation Statement, the “**Consent Solicitation Statements**”). The 2017 Notes and 2020 Notes Consent Solicitation Statement and the 2018 Notes Consent Solicitation Statement will be distributed to the Holders of the respective Series by Citibank, N.A., London Branch, the information and tabulation agent for the Consent Solicitation with respect to such Series, and the 2016 Notes Consent Solicitation Statement will be distributed to the Holders of the 2016 Notes by Citicorp International Limited, the information and tabulation agent for the Consent Solicitation with respect to such Series. The Company has engaged Citigroup Global Markets Limited and Credit Suisse Securities (Europe) Limited to act as solicitation agents for the Consent Solicitation. Questions from Holders of Notes regarding the Consent Solicitation or requests for additional copies of the relevant Consent Solicitation Statement, the Consent Form or other related documents should be directed to the solicitation agents for the Consent Solicitation, being Citigroup Global Markets Limited, at Citigroup Centre, 33 Canada Square, Canary Wharf, London E14 5LB, United Kingdom (telephone: +44 20 7986 9000) with a copy to Citigroup Global Markets Asia Limited, at 47th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong (telephone: +852 2501 2552 and email: [liabilitymanagement.asia@citi.com](mailto:liabilitymanagement.asia@citi.com)) and Citigroup Global Markets Inc., at 390 Greenwich Street, 1st Floor, New York, New York 10013, United States (telephone: +1 212 723 3600) and Credit Suisse Securities (Europe) Limited, at One Cabot Square, London E14 4QJ, United Kingdom, attention: Liability Management Team (telephone: +44 (0) 20 7888 5564); or the information and tabulation agent for the Consent Solicitation, being, with respect to the 2017 Notes, the 2020 Notes and the 2018 Notes, Citibank, N.A., London Branch, at 13th Floor, Citigroup Centre, Canada Square, London E14 5LB, United Kingdom, attention: Exchange Team (telephone: +44 (0) 20 7508 3867) or, with respect to the 2016 Notes, Citicorp International Limited, at 55th Floor, One Island East, 18 Westlands Road, Island East, Hong Kong, attention: Regional A&T Operations (facsimile: +852 2621 3183), with a copy to 39th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong, attention: Agency and Trust (facsimile: +852 2323 0279).

This announcement is not a solicitation of consent with respect to any Series of Notes. The Consent Solicitation is being made solely by the Consent Solicitation Statements, which set forth a detailed description of the terms of the Consent Solicitation with respect to the relevant Series of Notes.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this press release comes are required to inform themselves about, and to observe, any such restrictions.

## ABOUT THE COMPANY

The Company is a leading PRC property developer with a sizable and diversified land bank of approximately 23.3 million sq.m. GFA in 27 cities across five regions. According to “Top 50 Real Estate Enterprise Property Developers by Sales in 2011,” “Top 50 Real Estate Enterprise Property Developers by Sales in 2012” and “Top 50 Real Estate Enterprise Property Developers by Sales in 2013” jointly compiled and issued by China Real Estate Information Corporation and China Real Estate Appraisal Center, Kaisa was ranked 12th, 17th and 25th nationwide in terms of GFA sold in 2011, 2012 and 2013, respectively. The Company focuses on mass market housing demand and are primarily engaged in the development of large-scale residential properties as well as integrated commercial properties. Headquartered in Shenzhen, the Special Economic Zone adjacent to Hong Kong, the Company has historically focused its property development in the Pearl River Delta region. Its well-established position in the Pearl River Delta region is supported by its geographically diversified development portfolio, including projects in Greater Shenzhen, Foshan, Guangzhou and Zhuhai. Leveraging its success in the Pearl River Delta region, the Company has also expanded into other areas in China, including Shanghai, Hangzhou, Taizhou and Jiangyin in the Yangtze River Delta region, Chengdu, Chongqing and Nanchong in the Western China region, Changsha, Wuhan and Zhuzhou in the Central China region, and Shenyang, Yingkou, Benxi, Panjin, Anshan, Weifang, Liaoyang, Dalian, Dandong, Huludao and Qingdao in the Pan-Bohai Bay Rim. With its in-depth property development experience and the dedication that it has demonstrated throughout its operational history, the Company intends to expand into other regions in China. The Company believes “Kaisa” symbolizes its high quality property developments and high standards of industry practice and encapsulates its devotion to customer satisfaction.

## FORWARD-LOOKING INFORMATION

Forward-looking statements in this announcement, including those statements relating to the Consent Solicitation, such as the scheduled expiration date and payment of the Consent Fee, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for any Series of Notes; changes in the business and financial condition of the Company and its subsidiaries; changes in the debt markets in general; and the occurrence of events specified in the Consent Solicitation that would trigger a condition permitting termination or amendment of the Consent Solicitation.

By order of the Board  
**Kaisa Group Holdings Ltd.**  
**Kwok Ying Shing**  
*Chairman and Executive Director*

Hong Kong June 9, 2014

*As at the date of this announcement, the executive directors of the Company are Mr. Kwok Ying Shing, Mr. Kwok Ying Chi, Mr. Sun Yuenan, Dr. Tam Lai Ling and Mr. Jin Zhigang; the non-executive director of the Company is Ms. Chen Shaohuan; the independent non-executive directors of the Company are Mr. Rao Yong, Mr. Zhang Yizhao and Mr. Fok Hei Yu.*