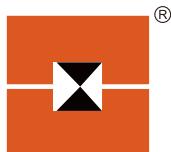


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KAISA GROUP HOLDINGS LTD.

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 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 31 March 2015 and 29 April 2015 respectively (the “**Announcements**”) in relation to the delay in publication of the preliminary annual results and the annual report of the Company for the year ended 31 December 2014. Terms defined in the Announcements shall bear the same meaning in this announcement.

The Company has been notified by its auditors that the following audit issues have to be addressed and verified before they will resume the audit work:

- (a) the authenticity of certain documents that were presented to the auditors during the audit process, and which could lead to a reclassification of certain non-interest-bearing liabilities into interest-bearing liabilities;
- (b) the nature and substance of the cash payments to, and from, certain parties;
- (c) the nature and substance of the repurchase or cancellation of certain sales contracts relating to properties under development, completed properties held for sale and proposed development projects that were previously sold or entered into by the Group;
- (d) the commercial rationale behind the sale by the Group of certain subsidiaries located in Dongguan;
- (e) the reason behind the re-designation of advance proceeds in the amount of RMB700 million due to the payors as other payables due to certain parties; and

* For identification purposes only

- (f) the status with respect to the restrictions on the sale by the Group of its property projects imposed by the Group's creditors.

To investigate and address these audit issues, an independent committee of the Board was set up as previously announced by the Company.

Shareholders, holders of other securities of the Company and potential investors in the securities of the Company are advised to exercise caution when dealing the securities of the Company.

By Order of the Board
KAISA GROUP HOLDINGS LTD.
Kwok Ying Shing
Chairman and Executive Director

18 September 2015

As at the date of this announcement, the executive Directors are Mr. Kwok Ying Shing, Mr. Sun Yuenan, Mr. Zheng Yi, Mr. Yu Jianqing and Mr. Lei Fugui; the non-executive Director is Ms. Chen Shaohuan; and the independent non-executive Directors are Mr. Zhang Yizhao and Mr. Rao Yong.