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)

CLARIFICATION ANNOUNCEMENT

Reference is made to the joint announcement of Kaisa Group Holdings Ltd. (the "**Company**" and, together with its subsidiaries, the "**Group**") and Sunac China Holdings Limited dated 6 February 2015 in relation to the possible conditional mandatory cash offers to acquire all the issued shares in the capital of the Company (other than those shares already held by the offeror and its concert parties and for the shares of the Company held by Funde Sino Life Insurance Co., Ltd. and Fund Resources Investment Holding Group Company Limited) and for the cancellation of all the outstanding share options and convertible bonds of the Company.

Reference is also made to the announcement of the Company dated 16 February 2015 in relation to, among others, the preliminary review of the financial information of the Group (the "**Profit Warning Announcement**").

This clarification announcement is published for the purpose of clarifying the format of the Profit Warning Announcement. Accordingly, the Company sets out below a revised announcement in relation to a profit warning which complies with Rule 10 and Practice Note 2 of the Codes on Takeovers and Mergers and Share Buy-backs.

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and the potential investors that, based on a preliminary review of the financial information that is currently available to the management of the Company, it is expected that the Group will experience a substantial decline in its consolidated net profit attributable to owners of the Company for the year ended 31 December 2014 as compared with the year ended 31 December 2013.

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

This announcement is made by Kaisa Group Holdings Ltd. (the "**Company**" and, together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

Reference is made to the joint announcement of the Company and Sunac China Holdings Limited dated 6 February 2015 in relation to the possible conditional mandatory cash offers to acquire all the issued shares in the capital of the Company (other than those shares already held by the offeror and its concert parties and for the shares of the Company held by Funde Sino Life Insurance Co., Ltd. and Fund Resources Investment Holding Group Company Limited) and for the cancellation of all the outstanding share options and convertible bonds of the Company (the "**Offers**").

The Board wishes to inform the shareholders of the Company and the potential investors that, based on a preliminary review of the financial information that is currently available to the management of the Company, it is expected that the Group will experience a substantial decline in its consolidated net profit attributable to owners of the Company for the year ended 31 December 2014 as compared with the year ended 31 December 2013.

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

This profit warning constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers (the "Takeovers Code") and would need to be reported on by both the Company's financial advisers and its accountants or auditors in accordance with Rule 10.4 of the Takeovers Code.

Given the time constraints when issuing this profit warning announcement, the Company would like to draw the attention of the shareholders of the Company and potential investors that this profit warning does not meet the standard required by Rule 10 of the Takeovers Code and that the shareholders of the Company and potential investors should exercise caution in placing reliance on such forecasts in assessing the merits or demerits of the Offers and on this announcement when dealing in the securities of the Company. Unless the audited results of the Company for the year ended 31 December 2014 are published, the Executive (as defined in the Takeovers Code) will normally require the profit warning to be reported on as soon as reasonably practicable and the relevant reports to be contained in the next document to shareholders.

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

18 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.

All directors of the Company jointly and severally accept full responsibility for 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 not other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

* *For identification purposes only*