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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)**

### **PROPOSED ONSHORE DEBT RESTRUCTURING AND RESUMPTION OF TRADING**

#### **1. INTRODUCTION**

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 “**Stock Exchange**”) 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).

Reference is made to the joint announcement dated 6 February 2015 and issued by the Company, Sunac China Holdings Limited (“**Sunac**”) and Ease Success Holdings Limited (the “**Offeror**”) which is a wholly-owned subsidiary of Sunac (the “**Joint Announcement**”) in relation to, among others, the agreement to acquire 2,529,196,133 shares of the Company by the Offeror (the “**Acquisition**”).

Terms defined in the Joint Announcement have the same meaning in this announcement unless the context requires otherwise.

This announcement sets out the key principle of the proposed restructuring plan for the Group’s onshore debts as outlined in paragraph 2 below (the “**Proposed Onshore Restructuring Plan**”).

\* For identification purposes only

## **2. THE PROPOSED RESTRUCTURING PLAN FOR THE COMPANY'S ONSHORE DEBTS**

### **(1) Objective**

The indebtedness that is subject to the Proposed Onshore Restructuring Plan comprises:

- (a) debts of approximately RMB12,417.68 million (equivalent to approximately HK\$15,665.04 million) due to banks as at 31 December 2014 as disclosed in the Company's announcement dated 16 February 2015; and
- (b) debts of approximately RMB35,553.00 million (equivalent to approximately HK\$44,850.51 million) due to non-bank financial institutions as at 31 December 2014 as disclosed in the Company's announcement dated 16 February 2015.

The objective of the Proposed Onshore Restructuring Plan is to restore the financial and operational stability of the Group based on (i) the Group's future liquidity needs and its projected business plan and (ii) terms that are satisfactory to Sunac so that the Acquisition can be completed, subject to fulfilment of the other Conditions. The implementation of the Proposed Onshore Restructuring Plan is one of the conditions precedent of completion to the Acquisition.

### **(2) Key Principle**

The Proposed Onshore Restructuring Plan has been developed around the principle of fair and equal treatment of all creditors with full consideration given to their respective debt positions, security coverage and priority in liquidation.

### **(3) Proposed Key Terms**

The key terms of the Proposed Onshore Restructuring Plan are that there will not be any change in the securities and guarantee of the debt and there will not be a reduction of any creditor's principal debt claim which will be paid in full over time to all creditors. However, there will be a reduction of interest (which shall be not less than 70% of the base rate published by the People's Bank of China) and an extension of tenor (in any event the remaining tenor shall not be less than three years and not more than six years, except if the remaining tenor of the original debt is more than six years, such tenor shall remain unchanged).

The Company had a meeting with the relevant onshore lenders regarding the Proposed Onshore Restructuring Plan on 2 March 2015. The Company will issue further announcement(s) on the key terms and any material progress in the implementation of the Proposed Onshore Restructuring Plan.

For the avoidance of doubt, the above key terms are applicable to the Proposed Onshore Restructuring Plan only, and the proposed restructuring plan for the Group's offshore debts will be announced as and when appropriate.

#### (4) **Benefit**

The implementation will allow the Company to return to a sustainable capital structure and its focus of achieving its business plan to the mutual benefit of the Company and the relevant creditors.

### 3. **CAUTION**

The information contained in this announcement is based solely on a preliminary assessment by the management of the Company with reference to the information currently available to it, which has not been audited by the Company's auditors. The actual results of the Group for the year ended 31 December 2014 may be different from what is disclosed in this announcement.

Shareholders and holders of other securities of the Company and potential investors in the securities of the Company are advised to read the annual results announcement of the Company for the year ended 31 December 2014 which is expected to be issued before 31 March 2015.

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

### 4. **RESUMPTION OF TRADING**

An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 3 March 2015. At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 2 March 2015.

*For illustration purpose, amounts in RMB in this announcement have been translated to HK\$ at HK\$1.00 = RMB0.7927.*

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

2 March 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.*