

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

MAJOR AND CONNECTED TRANSACTION –

PROVISION OF FINANCIAL ASSISTANCE

Reference is made to the announcement issued by the Company on 10 April 2014 in relation to the acquisition of the Land and the formation of the Joint Venture Companies for the purpose of holding and developing the Land.

On 8 April 2015, Kaisa Shenzhen and Shenzhen Fund Resources Investment entered into the Loan Agreement pursuant to which Shenzhen Fund Resources Investment has agreed to advance a loan in the amount of RMB1,377 million (approximately HK\$1,740 million) at an interest rate of 12% per annum to Kaisa Shenzhen. As security of the Loan, Kaisa Shenzhen has agreed to pledge 50% of the registered capital of each of the Joint Venture Companies held by Kaisa Shenzhen in favour of Shenzhen Fund Resources Investment.

Shenzhen Fund Resources Investment is a connected person of the Company by virtue of it being a wholly-owned subsidiary of Sino Life, a substantial shareholder of the Company. Since one of the applicable percentage ratios as defined in Chapter 14 of the Listing Rules in respect of the Loan Agreement and the transactions contemplated thereunder is more than 25% but less than 100%, the Loan Agreement and the transactions contemplated thereunder constitutes a major and connected transaction of the Company and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

* *For identification purposes only*

The EGM will be held for the purpose of considering and, if thought fit, approving the Loan Agreement and the transactions contemplated thereunder. As Shenzhen Fund Resources Investment is a party to the Loan Agreement, Sino Life is required to abstain from voting on the resolution approving the Loan Agreement and the transactions contemplated thereunder at the EGM. A circular containing, inter alia, (a) further information on the Loan Agreement and the transactions contemplated thereunder; (b) a letter of advice containing the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Loan Agreement and the transactions contemplated thereunder; (c) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Loan Agreement and the transactions contemplated thereunder; and (d) a notice convening the EGM, will be despatched to the Shareholders on or before 30 April 2015.

Reference is made to the announcement issued by the Company on 10 April 2014 in relation to the acquisition of the Land and the formation of the Joint Venture Companies for the purpose of holding and developing the Land.

LOAN AGREEMENT

Date

8 April 2015

Parties

- (1) Shenzhen Fund Resources Investment, as lender; and
- (2) Kaisa Shenzhen, as borrower.

Principal amount of the Loan

RMB1,377 million (approximately HK\$1,740 million)

Interest rate

The Loan shall carry an interest of 12% per annum, payable semi-annually on 21 June and 21 December of each year.

Term

Two years from the date of drawdown of the Loan.

Repayment schedule

The principal amount of the Loan together with all outstanding interest accrued thereon shall be repaid by Kaisa Shenzhen on the maturity date.

Security

The security for the Loan includes a share pledge of 50% of the registered capital of each of the Joint Venture Companies held by Kaisa Shenzhen in favour of Shenzhen Fund Resources Investment.

REASONS FOR AND BENEFITS OF THE LOAN AGREEMENT

Kaisa Shenzhen and Shenzhen Fund Resources Investment entered into the Loan Agreement for the purpose of financing part of the acquisition consideration of the Land to be paid by Kaisa Shenzhen to the Binhai Bureau of the Urban Planning Land and Resources Commission of Shenzhen Municipality (深圳市規劃和國土資源委員會濱海管理局) in order to avoid any penalty arising from late payment of such consideration to be imposed by the above PRC authority.

The Board (other than (i) Mr. Ye Lieli, Mr. Lei Fugui and Ms. Chen Shaohuan, who are interested in the Loan Agreement by virtue of their capacity as an employee in either Sino Life, Sino Life's substantial shareholder and/or Sino Life's associate; and (ii) the independent non-executive Directors who will form an opinion after considering the recommendation from the independent financial advisor to be appointed by the Company for the purpose of the Loan Agreement and the transactions contemplated thereunder) considers that the terms of the Loan Agreement to be on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Shenzhen Fund Resources Investment is a connected person of the Company by virtue of it being a wholly-owned subsidiary of Sino Life, a substantial shareholder of the Company. Since one of the applicable percentage ratios as defined in Chapter 14 of the Listing Rules in respect of the Loan Agreement and the transactions contemplated thereunder is more than 25% but less than 100%, the Loan Agreement and the transactions contemplated thereunder constitutes a major and connected transaction of the Company and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

The EGM will be held for the purpose of considering and, if thought fit, approving the Loan Agreement and the transactions contemplated thereunder. As Shenzhen Fund Resources Investment is a party to the Loan Agreement, Sino Life is required to abstain from voting on the resolution approving the Loan Agreement and the transactions contemplated thereunder at the EGM. A circular containing, inter alia, (a) further information on the Loan Agreement and the transactions contemplated thereunder; (b) a letter of advice containing the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Loan Agreement and the transactions contemplated thereunder; (c) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Loan Agreement and the transactions contemplated thereunder; and (d) a notice convening the EGM, will be despatched to the Shareholders on or before 30 April 2015.

GENERAL

The Company is an investment holding company, and its subsidiaries are principally engaged in property development, property investment and property management, and hotel and catering operations in the PRC.

Sino Life is a nationwide professional life insurance company in China which currently headquartered in Shenzhen, the PRC.

Kaisa Shenzhen is principally engaged in property development.

Shenzhen Fund Resources Investment is principally engaged in resources development.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

“Board”	the board of Directors;
“Company”	Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	directors of the Company;
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of approving the Loan Agreement and the transactions contemplated thereunder;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Joint Venture Companies”	three joint venture companies established in the PRC, each of which is owned as to 51% by Kaisa Shenzhen and 49% by Sino Life;
“Kaisa Shenzhen”	佳兆業集團(深圳)有限公司 (Kaisa Group (Shenzhen) Co., Ltd.*), a company established under the laws of PRC and an indirectly wholly-owned subsidiary of the Company;
“Land”	a parcel of land situated at G16301-0701, Xiasha Village, Dapeng Road, Dapeng New District, Shenzhen, the PRC and is classified as commercial land;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	the loan in the amount of RMB1,377 million (approximately HK\$1,740 million) to be advanced by Shenzhen Fund Resources Investment to Kaisa Shenzhen pursuant to the Loan Agreement;
“Loan Agreement”	the loan agreement dated 8 April 2015 entered into between Kaisa Shenzhen and Shenzhen Fund Resources Investment;
“PRC”	the People’s Republic of China, and for the purpose of this announcement excluding Hong Kong, Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of shares of the Company;
“Shenzhen Fund Resources Investment”	深圳市富德資源投資有限公司 (Shenzhen Fund Resources Investment Holding Company Limited*), a company established in the PRC with limited liability and is a wholly-owned subsidiary of Sino Life;
“Sino Life”	富德生命人壽保險股份有限公司 (Funde Sino Life Insurance Co., Ltd*) (formerly known as 生命人壽保險股份有限公司 (Sino Life Insurance Co., Ltd*)) a limited liability company established under the laws of the PRC, a substantial shareholder holding approximately 12.65% interest in the Company as at the date of this announcement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

For illustration purpose, amounts in RMB in this announcement have been translated to HK\$ at HK\$1.00 = RMB0.79127.

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

9 April 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.