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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kaisa Group Holdings Ltd., you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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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)

MAJOR TRANSACTION – DISPOSAL OF SUBSIDIARY

A letter from the Board is set out on pages 6 to 12 of this circular.

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“affiliates”	any party which is directly or indirectly controlled by another party or is jointly controlled by another party together with the aforementioned party;
“Agreement”	the sale and purchase agreement dated 26 August 2010 entered into between the Vendor, the Purchaser and the Target Company in relation to the Disposal;
“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“BOC Loan”	the amount advanced by the Bank of China, Guangzhou Tianhe branch to Guangzhou Jiasui and guaranteed by Kaisa Property Shenzhen, which stands at approximately RMB400 million as at 26 August 2010 together with interests accrued thereon;
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks are open for business in Hong Kong and the PRC;
“Closing Date”	20 December 2010, or such other date as the Vendor and the Purchaser may agree;
“Company”	Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司**), a company incorporated in the Cayman Islands as an exempted company on 2 August 2007 with limited liability and the Shares of which are listed on the Stock Exchange;
“Completion”	completion of the Disposal pursuant to the Agreement;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Corporate Guarantee”	the corporate guarantee provided by the Target Company pursuant to the terms of the indenture in connection with the Senior Notes;
“Da Chang”	Da Chang Investment Company Limited (大昌投資有限公司), an investment holding company incorporated in the BVI on 23 July 2007 and a Shareholder;

DEFINITIONS

“Da Feng”	Da Feng Investment Company Limited (大豐投資有限公司), an investment holding company incorporated in the BVI on 23 July 2007 and a Shareholder;
“Da Zheng”	Da Zheng Investment Company Limited (大正投資有限公司), an investment holding company incorporated in the BVI on 23 July 2007 and a Shareholder;
“Debt”	certain liabilities incurred or to be incurred by the Target Company in connection with the Guangzhou Kaisa Project up to an amount of RMB900 million;
“Designated Account”	the bank account held in the name of Guangzhou Jiasui at the China Construction Bank, Guangzhou Tianhe branch;
“Development Costs”	the development costs in relation to the Guangzhou Kaisa Project including but not limited to land development and construction costs incurred by Guangzhou Jiasui, the Security Deposit and other costs and expenses;
“Director(s)”	the director(s) of the Company;
“Disposal”	the disposal of the Sale Shares by the Vendor pursuant to the Agreement;
“Evergrande”	Evergrande Real Estate Group Limited;
“GFA”	gross floor area;
“Group”	the Company and its subsidiaries;
“Guangzhou Jiasui”	廣州市佳穗置業有限公司 (Guangzhou Jiasui Zhiye Co., Ltd.*), a limited liability company established in the PRC on 31 May 2006 and wholly owned by Huidong Investment;
“Guangzhou Kaisa Project”	the development of the Guangzhou Land as described in the section headed “Information on the Target Group and Guangzhou Kaisa Project” in this circular;
“Guangzhou Land”	a site located at Pearl River New Town B2-3, Tianhe District, Guangzhou, the PRC;

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huidong Agriculture”	惠東縣東升農業科技開發有限公司 (Huidongxian Dongsheng Agriculture Technology Development Co., Ltd.*), a limited liability company established in the PRC on 12 March 2007 and wholly owned by the Target Company;
“Huidong Investment”	惠東縣佳兆業投資有限公司 (Huidongxian Kaisa Investment Co., Ltd.*), a limited liability company established in the PRC on 20 November 2007 and wholly owned by Huidong Agriculture;
“Inter-company Loan”	all monies (including but not limited to loans and advances) advanced to or for Guangzhou Jiasui by the affiliates of the Vendor for the Guangzhou Kaisa Project;
“Kaisa Property Shenzhen”	佳兆業地產(深圳)有限公司 (Kaisa Property (Shenzhen) Co., Ltd.*), a limited liability company established in the PRC on 3 June 1999 and an indirect subsidiary of the Company;
“Kwok Family Trust”	a discretionary family trust established on 23 May 2008 by Mr. Kwok Ying Shing, Mr. Kwok Chun Wai and Mr. Kwok Ying Chi, the beneficiaries of which include themselves and their immediate family members;
“Latest Practicable Date”	26 October 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange;

DEFINITIONS

“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this circular;
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme conditionally approved and adopted by the Company on 22 November 2009, the principal terms of which are summarised in the Prospectus;
“Prospectus”	the prospectus of the Company dated 26 November 2009;
“Purchaser”	Shengyu (BVI) Limited (盛譽(BVI)有限公司), a company incorporated in the British Virgin Islands with limited liability;
“Purchaser Group”	Evergrande and its subsidiaries, including the Purchaser;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Shares”	the entire issued share capital in the Target Company which is held by the Vendor as at the date of this circular;
“Security Deposit”	the security deposits payable under the building contracts in relation to the Guangzhou Kaisa Project on or before the Settlement Date;
“Senior Notes”	the US\$350 million 13.5% senior notes due 2015 issued by the Company on 28 April 2010;
“Settlement Date”	the date on which all payments relating to Guangzhou Kaisa Project has been settled, such date shall fall within six months from the Closing Date;
“Share Charge”	the charge on the Sale Shares given by the Vendor in favour of Citigroup International Limited under the Senior Notes;
“Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on 22 November 2009, the principal terms of which are summarised in the Prospectus;
“Shareholder(s)”	shareholder(s) of the Company;

DEFINITIONS

“Share(s)”	ordinary share(s) with a par value of HK\$0.10 each in the share capital of the Company;
“sq.m.”	square metre;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	China Agriculture Technology Limited (中國農業科技有限公司*), a company incorporated in the British Virgin Islands with limited liability on 18 March 2004 and wholly owned by the Vendor;
“Target Group”	the Target Company and its subsidiaries;
“Vendor”	Jie Feng Investment Company Limited (捷豐投資有限公司*), a company incorporated in the British Virgin Islands with limited liability on 23 July 2007 and indirectly wholly owned by the Company; and
“%”	per cent.

Note: For the purpose of this circular, the exchange rate of RMB1.00 = HK\$1.16 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes and do not constitute representations that any amount in RMB or HK\$ have been, could have been or may be converted at such rates.

* *The English translation of the Chinese names in this circular, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

** *For identification purposes only*



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)

Executive Directors:

Mr. Kwok Ying Shing
Mr. Kwok Ying Chi
Mr. Sun Yuenan
Dr. Tam Lai Ling
Dr. Huang Chuanqi
Mr. Chen Gengxian
Ms. Jin Jane

Independent non-executive Directors:

Mr. Rao Yong
Mr. Zhang Yizhao
Mr. Fok Hei Yu

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of

business in Hong Kong:
Suite 2001, 20th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

29 October 2010

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION – DISPOSAL OF SUBSIDIARY

INTRODUCTION

Reference is made to the announcement of the Company dated 26 August 2010 in relation to the Agreement pursuant to which the Vendor, a wholly-owned subsidiary of the Company, agreed to sell to the Purchaser the Sale Shares, representing 100% interest in the Target Company to the Vendor at a total consideration of RMB1.0 billion (HK\$1.16 billion), subject to adjustment. In addition, the Purchaser has also agreed to settle the Debt subject to the terms and conditions of the Agreement.

The purpose of this circular is to give you further details about the Disposal.

* For identification purposes only

LETTER FROM THE BOARD

AGREEMENT

Date: 26 August 2010

Parties: (1) Vendor : Jie Feng Investment Company Limited
(2) Purchaser : Shengyu (BVI) Limited
(3) Target Company : China Agriculture Technology Limited

The Disposal

The Target Company is owned as to 100% by the Vendor as at the date of this circular. The Vendor has conditionally agreed to the sale of the Sale Shares, representing 100% interest in the Target Company, and to the settlement of the Debt with the Purchaser.

Upon completion of the Disposal, members of the Target Group will cease to be subsidiaries of the Company.

Consideration

The consideration for the disposal of the Sale Shares shall be RMB1.0 billion, subject to adjustment, which shall be satisfied by the Purchaser in cash in the following manner:

- (a) the sum of RMB600 million (the “**Deposit**”) to be paid to the Vendor and/or its affiliates within three Business Days after the date of signing of the Agreement; and
- (b) the sum of RMB400 million to be paid to the Vendor and/or its affiliates on the Closing Date.

The Purchaser has also agreed to settle the Debt by paying the sum of RMB900 million (“**the Relevant Amount**”) to the Designated Account on the Closing Date.

The Vendor and the Purchaser agreed to procure Guangzhou Jiasui to apply the Relevant Amount to settle the BOC Loan, the Inter-company Loan and the Development Costs.

Adjustment to the consideration

The consideration of the Disposal may be subject to upward or downward adjustments as follows:

- (a) in the event that, after the Settlement Date but before the deduction of the Security Deposit, the balance in the Designated Account after settlement of the BOC Loan and the Inter-company Loan is insufficient to settle the outstanding amount of the Development Costs payable prior to the Settlement Date, the Vendor shall pay the shortfall amount to the Purchaser; and

LETTER FROM THE BOARD

- (b) in the event that, after the Settlement Date but before the deduction of the Security Deposit, the balance in the Designated Account after settlement of the BOC Loan and the Inter-company Loan exceeds the outstanding amount of the Development Costs payable prior to the Settlement Date, the Purchaser shall pay the excess amount to the Vendor.

The consideration for the Disposal was determined after arm's length negotiations between the Vendor and the Purchaser with reference to the prevailing real estate market conditions in Guangzhou, the PRC, the book value of the total amount of the Debt outstanding as at the date of the Agreement, the estimated total costs and expenses to be incurred prior to the completion of the Guangzhou Kaisa Project and the prevailing tax regulations applicable to the Disposal.

The Directors are of the view that the terms and conditions of the Agreement, including the consideration, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Company estimates that the amount of liability incurred or to be incurred by the Target Company in connection with the Guangzhou Kaisa Project was approximately RMB970 million and that the amount of Debt was approximately RMB900 million as at 26 August 2010 and the Latest Practicable Date.

The Company estimates that the amount of Security Deposit was below RMB30 million as at 26 August 2010 and the Latest Practicable Date.

The Security Deposit would be deducted from the Relevant Amount deposited by the Purchaser to the Designated Account, and in the event that there is any shortfall of the Relevant Amount to satisfy, among other things, the Security Deposit, the consideration of the Disposal may be subject to downward adjustment as described above.

As the construction work of Guangzhou Kaisa Project is close to completion and all major building contracts relating thereto have been executed, the Company expects that no major unforeseen costs will be incurred from the Latest Practicable Date up to the date of completion of the Guangzhou Kaisa Project. Although the consideration of the Disposal may be subject to adjustments, the Company believes that it is highly unlikely that the Company will be required to pay any significant shortfall amount to the Purchaser as a result of any downward adjustment to the consideration of the Disposal based on the current estimates of the Development Costs.

LETTER FROM THE BOARD

Conditions Precedent

Completion is conditional upon the following matters:

- (a) full discharge of the Share Charge on the relevant Sale Shares and the Corporate Guarantee upon the date of transfer of the Sale Shares; and
- (b) the Vendor has not received any written notice from the Purchaser within 14 Business Days from the date of the Agreement, stating that the Purchaser is not satisfied with the due diligence results.

As at the Latest Practicable Date, condition (b) above has been fulfilled.

Transfer of Sale Shares

Subject to the fulfillment of the conditions precedent and the full payment of the consideration under the Agreement, the transfer of the Sale Shares shall take place on the Closing Date.

Guarantee by the Company and Evergrande

Each of the Company and Evergrande has irrevocably and unconditionally guaranteed, as a continuing obligation, the due and punctual performance and observance by the Vendor (in the case of the Company) and the Purchaser (in the case of Evergrande) of all of its obligations contained in the Agreement.

The guarantee provided by each of the Company and Evergrande shall constitute a continuing guarantee and shall remain in force until the obligations of the Vendor or the Purchaser, as the case may be, are fully discharged under the Agreement.

Termination

The Agreement may be terminated upon, among other matters, mutual agreement of the parties to the Agreement. In the event that the due diligence results of the Target Group are different from the disclosures made in the Agreement in any material aspect, the Purchaser will have the right to terminate the Agreement, upon which the Deposit shall be refunded to the Purchaser. In addition, in the event that any party to the Agreement fails to perform its obligations under the Agreement, the defaulting party shall pay an amount of RMB600 million to the non-defaulting party.

INFORMATION ON THE TARGET GROUP AND GUANGZHOU KAISA PROJECT

As at the date of this Agreement, the Vendor is holding the entire issued capital of the Target Company, which in turn holds the entire interest in Huidong Agriculture. Huidong Agriculture is holding the entire equity interest in Huidong Investment, which in turn holds the entire equity interest in Guangzhou Jiasui. The Target Company, Huidong Agriculture and Huidong Investment are all investment holding companies.

LETTER FROM THE BOARD

Guangzhou Jiasui is a limited liability company established in the PRC on 31 May 2006 and is indirectly wholly owned by the Vendor as at the date of this circular. The registered capital of Guangzhou Jiasui is RMB10 million. Guangzhou Jiasui is principally engaged in property development.

Guangzhou Kaisa Plaza is located in Guangzhou's central business district in Tianhe District, Guangzhou, the PRC and occupies an aggregate site area of approximately 7,106 sq.m. with an existing saleable area of approximately 92,783 sq.m. Guangzhou Kaisa Plaza is expected to be a commercial project which comprises primarily one high-rise office building with retail space. The development of Guangzhou Kaisa Plaza commenced in July 2008 and the project is expected to be completed in December 2010.

Financial information on the Target Group

The following information is extracted from the unaudited proforma consolidated financial statements of the Target Group for the financial years ended 31 December 2008 and 31 December 2009:

	For the year ended 31 December (unaudited)	
	2008	2009
	<i>RMB</i>	<i>RMB</i>
Turnover	Nil	Nil
Profit/Loss before taxation	(3,509,131)	(3,215,988)
Profit/Loss after taxation	(3,449,109)	(3,168,135)
Net assets as of 31 December	13,950,274	10,810,114

The Target Group recorded unaudited consolidated net deficits of approximately RMB219,284 as at 30 June 2010.

FINANCIAL EFFECTS OF THE DISPOSAL

After taking into account the consideration of the Disposal, the value of the Debt, the cost of investment in Guangzhou Kaisa Project by the Group and the related transaction costs, it is estimated that a gain of approximately RMB825 million will be recorded by the Group as a result of the Disposal. It is expected that the total assets of the Group will be increased by approximately RMB368 million and the total liabilities of the Group will be decreased by approximately RMB457 million. Given that the Disposal is transacted by way of equity interest transfer, the Disposal will therefore not trigger PRC local taxes including business tax at 5% and land appreciation tax calculated at progressive rates ranging 30% to 60% under the prevailing tax rules and regulations.

LETTER FROM THE BOARD

INFORMATION ON THE PURCHASER

The Purchaser is a subsidiary of Evergrande Real Estate Group Limited, the shares of which are listed on the Stock Exchange. The Purchaser Group is principally engaged in the property development, property investment, property management, property construction, land leveling and other property development related services in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of The Purchaser, Evergrande and the controlling shareholders (as defined in the Listing Rules) of Evergrande is independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

INFORMATION ON THE GROUP

The Group is principally engaged in property development, property investment and property management and project consultancy businesses in the PRC. The Target Company is an indirect wholly owned subsidiary of the Company.

REASONS FOR THE DISPOSAL

The Group is principally engaged in the development of large scale residential properties and integrated commercial properties. The net proceeds from the Disposal will be used by the Group for funding existing and future property project developments and general corporate purposes.

Based on the assessment set out in the paragraph headed "Financial Effects of the Disposal" above, the Company considers that the Disposal provides a good opportunity for the Group to realize its investment to generate a satisfactory return. The net proceeds from the Disposal will provide the Group with the flexibility to make future investments when suitable opportunities arise. In light of the above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Agreement are fair and reasonable and the entering into of the Agreement is in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER THE LISTING RULES

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under the Listing Rules. Accordingly, the Disposal is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company and Evergrande have not entered into any transactions in the past 12 months that would need to be aggregated with the Disposal pursuant to Rule 14.22 of the Listing Rules.

LETTER FROM THE BOARD

On the basis that (i) no Shareholder is required to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Disposal; and (ii) Da Chang, Da Feng and Da Zheng, being a closely allied group of Shareholders indirectly wholly-owned by the Kwok Family Trust, which hold 960,104,622 Shares, 983,174,457 Shares and 954,404,622 Shares, respectively, representing an aggregate of approximately 59.08% of the issued share capital of the Company as at the date of this circular, have approved the Disposal in writing in accordance with Rule 14.44 of the Listing Rules, the Company has applied to the Stock Exchange pursuant to Rule 14.44 of the Listing Rules seeking its confirmation that the written Shareholders' approval provided by Da Chang, Da Feng and Da Zheng shall be accepted in lieu of a general meeting of Shareholders. The Stock Exchange has confirmed to the Company that the written Shareholders' approval provided by Da Chang, Da Feng and Da Zheng are acceptable in lieu of a general meeting of Shareholders. Accordingly, no general meeting will be held. The information contained in this circular is for information only.

RECOMMENDATION

The Directors consider that the Agreement and the transactions contemplated thereunder have been negotiated on an arm's length basis and their terms and conditions are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix of this circular.

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

1. INDEBTEDNESS

1.1 Borrowings and debts

Borrowings

As at the close of business on 31 August 2010, being the latest practicable date for the purpose of this indebtedness statement, the Group had secured bank borrowings of approximately RMB3,099,500,000, unsecured borrowings of approximately RMB1,557,753,000 and Senior Notes with carrying amount of RMB2,430,992,000.

Pledge of assets

As at the close of business on 31 August 2010, the Group had pledged certain properties and land use rights, and bank deposits with carrying values of approximately RMB5,742,808,000 (subject to the finalized valuation of the properties) and RMB17,000,000 respectively to secure the general banking facilities granted to the Group. The Senior Notes are secured by the pledge of shares of the Group's subsidiaries incorporated outside of the PRC, and jointly and severally guarantees given by certain subsidiary of the Group.

Financial guarantees contracts

As at the close of business on 31 August 2010, the Group had financial guarantees in respect of mortgage facilities for certain purchasers of the property units of approximately RMB3,250,780,000.

1.2 Disclaimer

Save as aforesaid and apart from intra-group liabilities as at 31 August 2010, the Group had no other outstanding mortgages, charges, debentures, loan capital or bank overdrafts, loans or other similar indebtedness, hire purchase commitments, liabilities under acceptances, acceptance credits or any guarantees or any material contingent liabilities.

2. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the expected completion of the Disposal on 20 December 2010 and the financial resources available to the Group, including the internally generated funds and the available banking facilities, the Directors are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular.

3. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Upon Completion, the Group will continue to be engaged in the business of property development, property investment and property management and project consultancy businesses in the PRC.

The Group has a number of property development projects covering several cities of the PRC. These property development projects are currently or would be gradually put up for sale, and are expected to generate cash inflow for the Group. Given the future prospects of the economy and real estate sector in the PRC, the Group will continue to look for opportunities in acquiring quality property development projects or land banks in the PRC.

The Board considers that the Disposal will provide the Group with further flexibility to finance its existing property development projects and to make future investments when suitable opportunities arise.

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from Savills Valuation and Professional Services Limited, an independent property valuer, in connection with their opinion of value of the property held by the Company as at 31 August 2010.



Savills Valuation and
Professional Services Limited
23/F Two Exchange Square
Central, Hong Kong

T: (852) 2801 6100

F: (852) 2530 0756

EA LICENCE: C-023750

savills.com

29 October 2010

The Directors
Kaisa Group Holdings Ltd
Suite 2001, 20th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

Dear Sirs,

In accordance with the instructions from Kaisa Group Holdings Ltd. (the "Company") for us to value the property located in the People's Republic of China ("PRC"), we confirm that we have carried out an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of value of property as at 31 August 2010 for public circular purpose.

Our valuation of the property is our opinion of its market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion".

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by specifically terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

In the course of our valuation of the property in the PRC, unless otherwise stated, we have assumed that transferable land use rights in respect of the property for its specific term at nominal annual land use fee have been granted and that any land grant premium payable has already been fully paid. We have also assumed that, unless otherwise stated, the owner of the property has a proper legal title and has free and uninterrupted rights to use, occupy or assign the property for the whole of the unexpired term as granted.

In the course of our valuation, we have valued the property on the basis that it will be developed and completed in accordance with the latest development proposal provided to us. We have assumed that all consents, approvals and licenses from relevant government authorities for the development proposal have been obtained. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to the comparable market transactions as available in the markets and have also taken into account the construction costs to be expended to reflect the quality of the completed development.

We have been provided with extracts of documents in relation to the title of the property. However, we have not searched the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the extracts handed to us. In the course of our valuation, we have relied to a very considerable extent on the information given by the Company and its PRC legal adviser, King & Wood, regarding the title of the property. We have also accepted advice on such matters as planning approvals, statutory notices, easements, tenure, particulars of occupancy, development proposal, construction cost, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on the information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to our valuation. We were also advised by the Company that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view.

We have inspected the exterior of the property. During the course of our inspection, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the property is free from rot, infestation and any other defects. No tests were carried out on any of the services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have valued the property in accordance with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors.

Unless otherwise stated, all money amounts stated in our report are in Renminbi ("RMB").

We enclose herewith our valuation certificate.

Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services Limited

Charles C K Chan

MSc FRICS FHKIS MCI Arb RPS(GP)

Managing Director

Note: Mr. Charles C K Chan is a qualified surveyor and has about 26 years' experience in the valuation of properties in Hong Kong and 21 years' experience in the valuation of properties in the PRC.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 August 2010																					
Guangzhou Kaisa Plaza, Lot No.B2-3, Pearl River New Town, Tianhe District, Guangzhou, Guangdong Province, PRC.	Guangzhou Kaisa Plaza (the “development”) is a high-rise Grade A office building being constructed on a parcel of land with a site area of approximately 7,105.89 sq.m. (76,488 sq.ft.). Upon completion, the property will have a total gross floor area (including 464 car parking spaces and ancillary facilities) of approximately 117,522.17 sq.m. (1,265,008 sq.ft.), the breakdown of which is as follows: <table><tr><th>Use</th><th colspan="2">Approximate Gross Floor Area</th></tr><tr><td></td><th>(sq.m.)</th><th>(sq.ft.)</th></tr><tr><td>Office</td><td>87,882.79</td><td>945,970</td></tr><tr><td>Commercial</td><td>5,254.66</td><td>56,561</td></tr><tr><td>Car parking space</td><td>19,614.92</td><td>211,135</td></tr><tr><td>Ancillary facilities</td><td>4,769.80</td><td>51,342</td></tr><tr><td>Total</td><td><u>117,522.17</u></td><td><u>1,265,008</u></td></tr></table>	Use	Approximate Gross Floor Area			(sq.m.)	(sq.ft.)	Office	87,882.79	945,970	Commercial	5,254.66	56,561	Car parking space	19,614.92	211,135	Ancillary facilities	4,769.80	51,342	Total	<u>117,522.17</u>	<u>1,265,008</u>	The property is under construction.	RMB1,860,000,000
Use	Approximate Gross Floor Area																							
	(sq.m.)	(sq.ft.)																						
Office	87,882.79	945,970																						
Commercial	5,254.66	56,561																						
Car parking space	19,614.92	211,135																						
Ancillary facilities	4,769.80	51,342																						
Total	<u>117,522.17</u>	<u>1,265,008</u>																						
The property is scheduled to be completed by December 2010. The land use rights of the property have been granted for three concurrent terms of 40, 50 and 70 years commencing on 26 June 2006 for commercial, tourism, entertainment, residential and other uses.																								

Notes:

- Pursuant to the Stated-owned Land Use Rights Transfer Contract entered into between Guangzhou Jiaying Industry Co., Ltd. and Guangzhou Jiasui Zhiye Co., Ltd. (“Guangzhou Jiasui”), a wholly-owned subsidiary of the Company, dated 26 June 2006, the land use rights of the property with a site area of approximately 7,105.89 sq.m. have been contracted to be transferred to Guangzhou Jiasui at a consideration of RMB240,319,700.
- Pursuant to the State-owned Land Use Rights Certificate – Sui Fu Guo Yong (2006) Di No. 01000035 dated 12 September 2006, the land use rights of the property with a site area of approximately 7,105.89 sq.m. have been granted to Guangzhou Jiasui for three concurrent terms of 40, 50 and 70 years commencing on 26 June 2006 for commercial, tourism, entertainment, residential and other uses.
- Pursuant to the Construction Land Planning Permit – Sui Gui Di Zheng [2006] No. 1500 dated 24 November 2006, Guangzhou Jiasui is permitted to develop a parcel of land with a site area of approximately 7,106.00 sq.m.
- Pursuant to the Construction Works Planning Permit – Sui Gui Jian Zheng [2008] No. 1934 dated 12 June 2008, the approved construction scale of the property is approximately 117,575.00 sq.m.

5. Pursuant to the Construction Works Commencement Permit – No. 440101200807300101 dated 30 July 2008, the planned construction works of the property with a total gross floor area of approximately 117,575.00 sq.m. have been permitted for commencement.
6. Pursuant to the Pre-sale Permit – Sui Fang Yu (Wang) Zi Di 20100208 dated 27 April 2010, portion of the property with a total gross floor area of approximately 92,782.58 sq.m. is permitted for pre-sale.
7. As advised by the Company, the total construction cost expended as at 31 August 2010 was approximately RMB432,060,000 and the estimated outstanding construction cost for completion of the property was approximately RMB157,730,000 (excluding marketing and finance costs). In the course of our valuation, we have taken into account the aforesaid amounts.
8. The market value of the property as if completed as at 31 August 2010 is estimated to be RMB2,487,000,000.
9. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter alia*, the following information:
 - i. the Stated-owned Land Use Rights Transfer Contract is legal, valid and legally binding;
 - ii. the land premium of the property has been fully settled and Guangzhou Jiasui has obtained the State-owned Land Use Rights Certificate for the land use rights of the property;
 - iii. Guangzhou Jiasui has obtained the requisite permits, approvals and certificates for the status of the construction works;
 - iv. the property is not subject to any mortgages or other third party's rights, sale or pre-sale; and
 - v. Guangzhou Jiasui is entitled to occupy, use, transfer, lease, mortgage or dispose of the property by other legal means within the land use term.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's interests in Shares

As at the Latest Practicable Date, save as disclosed below, none of the Directors or chief executive of the Company has interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange:

(i) Long positions in the Shares and underlying Shares

Name of Director	Capacity	Family interests (Note 1)	Number of Shares under options granted (Note 2)	Total	Approximate percentage of the issued share capital (Note 3) (%)
KWOK Ying Shing	Settlor/Beneficiary of the Kwok Family Trust	2,897,683,701	–	2,897,683,701	59.08
KWOK Ying Chi	Settlor/Beneficiary of the Kwok Family Trust	2,897,683,701	–	2,897,683,701	59.08
TAM Lai Ling	personal	–	40,000,000	40,000,000	0.82
SUN Yuenan	personal	–	13,000,000	13,000,000	0.27
CHEN Gengxian	personal	–	12,850,000	12,850,000	0.26

Name of Director	Capacity	Family interests (Note 1)	Number of Shares under options granted (Note 2)	Total	Approximate percentage of the issued share capital (Note 3) (%)
HUANG Chuanqi	personal	–	10,000,000	10,000,000	0.20
JIN Jane	personal	–	4,750,000	4,750,000	0.10
FOK Hei Yu	personal	–	1,500,000	1,500,000	0.03
ZHANG Yizhao	personal	–	1,000,000	1,000,000	0.02
RAO Yong	personal	–	1,000,000	1,000,000	0.02

Notes:

- (1) These interests refer to the Shares that are beneficially owned through the Kwok Family Trust, a trust established for the benefit of the Kwok family. See “Substantial Shareholders.”
- (2) These shares refer to the Shares underlying options that have been granted under the Pre-IPO Share Option Scheme and/or Share Option Scheme.
- (3) These percentages of shareholdings were shown on the latest disclosure forms filed up to the Latest Practicable Date in which the number of Shares in issue was 4,904,670,000.

(ii) Long positions in the shares of associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares	Percentage of shareholding in the associate corporation (%)
KWOK Ying Shing (Note)	Da Chang	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Da Feng	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Da Zheng	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Chang Yu	Settlor/Beneficiary of the Kwok Family Trust	1,000	100
KWOK Ying Chi (Note)	Da Chang	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Da Feng	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Da Zheng	Settlor/Beneficiary of the Kwok Family Trust	1	100
	Chang Yu	Settlor/Beneficiary of the Kwok Family Trust	1,000	100

Note: The entire issued share capital of each of Da Chang Investment Company Limited (“**Da Chang**”), Da Feng Investment Company Limited (“**Da Feng**”) and Da Zheng Investment Company Limited (“**Da Zheng**”) is held by Chang Yu Investment Company Limited (“**Chang Yu**”) which is in turn wholly owned by Good Health Investments Limited (“**Good Health**”), which is owned as to 50% by Seletar Limited and as to 50% by Serangoon Limited, as nominees and trustees for Credit Suisse Trust Limited, which is acting as the trustee of the Kwok Family Trust. The Kwok Family Trust is a discretionary trust set up by Mr. KWOK Chun Wai, Mr. KWOK Ying Shing and Mr. KWOK Ying Chi on 23 May 2008, the beneficiary objects of which include the immediate family members of the Kwok Family. Each of Mr. KWOK Chun Wai, Mr. KWOK Ying Shing and Mr. KWOK Ying Chi is a settlor of the Kwok Family Trust and is therefore taken to be interested in the Shares held by Da Chang, Da Feng and Da Zheng.

Save as disclosed above, none of the Directors knows of any person (not being a Director or chief executive of the Company) had or was deemed to have any interests or short positions in the shares of the Company, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register which were required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code. None of Directors or their spouse or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporations, or had exercised any such right during the period from 9 December 2009, the date on which trading of the shares of the Company commenced on the Stock Exchange, up to the Latest Practicable Date.

(iii) Long positions in the Senior Notes

Name of Director	Capacity (Note)	Amount of debentures	Approximate percentage of the issued debenture (%)
Tam Lai Ling	Interest held jointly with another person	USD1,250,000	0.36

Note: Tam Lai Ling is holding the debentures jointly with Chu Yan Yan, spouse.

(b) Substantial Shareholders

As at the Latest Practicable Date, save as disclosed below, so far as is known to the Board, no persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of substantial shareholder	Capacity	Type of interests	Number of Shares (Note 1)	Approximate percentage of the issued share capital of the Company (Note 17) (%)
Da Chang	Beneficial owner	Corporation	960,104,622 (L) (Note 2)	19.58 (L)
Da Feng	Beneficial owner	Corporation	983,174,457 (L) (Note 2)	20.05 (L)
Da Zheng	Beneficial owner	Corporation	954,404,622 (L) (Note 2)	19.46 (L)
Chang Yu	Interest in a controlled corporation	Corporation	2,897,683,701 (L) (Note 2)	59.08 (L)
Credit Suisse Trust Limited	Interest in a controlled corporation	Corporation	2,897,683,701 (L) (Note 4)	59.08 (L)

Name of substantial shareholder	Capacity	Type of interests	Number of Shares (Note 1)	Approximate percentage of the issued share capital of the Company (Note 17) (%)
Good Health	Interest in a controlled corporation	Corporation	2,897,683,701 (L) (Notes 2 & 3)	59.08 (L)
KWOK Chun Wai	Settlor/Beneficiary of the Kwok Family Trust	Family Trust	2,897,683,701 (L) (Note 4)	59.08 (L)
KWOK Ying Shing	Settlor/Beneficiary of the Kwok Family Trust	Family Trust	2,897,683,701 (L) (Note 4)	59.08 (L)
KWOK Ying Chi	Settlor/Beneficiary of the Kwok Family Trust	Family Trust	2,897,683,701 (L) (Note 4)	59.08 (L)
TC Group Cayman Investment Holdings, L.P.	Interest in a controlled corporation	Corporation	431,309,914 (L) (Notes 6, 7 & 16)	8.79 (L)
TCG Holdings Cayman II, LP.	Interest in a controlled corporation	Corporation	431,309,914 (L) (Notes 6, 7 & 16)	8.79 (L)
Temasek Holdings (Private) Limited	Interest in a controlled corporation	Corporation	431,309,914 (L) (Notes 5 & 16)	8.79 (L)
Credit Suisse (Hong Kong) Limited	Interest in a controlled corporation	Corporation	300,000,000(L) 150,000,000(S) (Note 8)	6.00 (L) 3.00 (S)
Credit Suisse (International) Holding AG	Interest in a controlled corporation	Corporation	300,000,000(L) 150,000,000(S) (Note 8)	6.00 (L) 3.00 (S)
Credit Suisse AG	Interest in a controlled corporation	Corporation	4,107,726,245(L) 865,688,491(S) (Notes 8 & 16)	82.15 (L) 17.31 (S)

Name of substantial shareholder	Capacity	Type of interests	Number of Shares (Note 1)	Approximate percentage of the issued share capital of the Company (Note 17) (%)
Carlyle Asia Real Estate GP, L.P.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 10, 11 & 16)	5.28 (L)
Carlyle Asia Real Estate II GP, L.P.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 9, 10 & 16)	5.28 (L)
Carlyle Asia Real Estate II, Ltd.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 9 & 16)	5.28 (L)
Carlyle Asia Real Estate Partners, L.P.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 10 & 16)	5.28 (L)
Carlyle Asia Real Estate, Ltd.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 10 & 16)	5.28 (L)
Carlyle Offshore Partners II, Ltd.	Interest in a controlled corporation	Corporation	431,309,914 (L) (Notes 11)	8.79 (L)
Credit Suisse (USA) Inc.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 12 & 16)	75.83 (L) 14.31 (S)
Credit Suisse Holdings (USA), Inc.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 12 & 16)	75.83 (L) 14.31 (S)
Credit Suisse Private Equity, Inc.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 12 & 16)	75.83 (L) 14.31 (S)
DLJ Real Estate Capital IV, Inc.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 13 & 16)	75.83 (L) 14.31 (S)
DLJ Real Estate Capital IV, L.P.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 13 & 16)	75.83 (L) 14.31 (S)

Name of substantial shareholder	Capacity	Type of interests	Number of Shares (Note 1)	Approximate percentage of the issued share capital of the Company (Note 17) (%)
DLJ Real Estate Capital Partners IV, L.P.	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 13 & 16)	75.83 (L) 14.31 (S)
Longhill Holding Company Ltd.	Interest in a controlled corporation	Corporation	258,785,949 (L) (Notes 14 & 16)	5.28 (L)
RECP IV Kaisa, LLC	Interest in a controlled corporation	Corporation	3,791,570,651(L) 715,688,491(S) (Notes 13, 15 & 16)	75.83 (L) 14.31 (S)

Notes:

1. The letter "L" denotes the person's long position in the shares and the letter "S" denotes the person's short position in the Shares.
2. The entire issued share capital of each of Da Chang, Da Feng and Da Zheng is held by Chang Yu which is in turn wholly-owned by Good Health.
3. Good Health is owned as to 50% by Seletar Limited and as to 50% by Serangoon Limited, as nominees and trustees for Credit Suisse Trust Limited.
4. Credit Suisse Trust Limited which is acting as the trustee of a discretionary trust set up by Mr. KWOK Chun Wai, Mr. KWOK Ying Shing and Mr. KWOK Ying Chi on 23 May 2008 (the "Kwok Family Trust"). The beneficiary objects of the Kwok Family Trust include the immediate family members of the Kwok Family (including Mr. KWOK Chun Wai, Mr. KWOK Ying Shing and Mr. KWOK Ying Chi). Each of Mr. KWOK Chun Wai, Mr. KWOK Ying Shing and Mr. KWOK Ying Chi is a settlor of the Kwok Family Trust and is therefore taken to be interested in the Shares held by Da Chang, Da Feng and Da Zheng.
5. Temasek Holdings (Private) Limited wholly owns Temasek Capital (Private) Limited. Temasek Capital (Private) Limited wholly owns Seletar Limited. Seletar Limited wholly owns Baytree Investments (Mauritius) Pte Ltd..
6. TC Group Cayman Investment Holdings, L.P., a limited partnership formed under the laws of the Cayman Islands, has a controlling interest in CAGP Ltd..
7. TCG Holdings Cayman II, L.P., a limited partnership formed under the laws of the Cayman Islands, has a controlling interest in TC Group Cayman Investment Holdings, L.P..
8. Credit Suisse Group AG is a company listed in Switzerland, ADS in New York and is the parent company of Credit Suisse AG, Credit Suisse (Hong Kong) Limited and Credit Suisse (International) Holding AG..
9. Carlyle Asia Real Estate Partners II, L.P., an exempted limited partnership and an investment fund formed under the laws of the Cayman Islands, acting by its general partner Carlyle Asia Real Estate II, Ltd., an exempted company incorporated under the laws of the Cayman Islands and wholly owned by Carlyle Asia Real Estate II, GP, L.P..

10. Carlyle Asia Real Estate Partners, L.P., an exempted limited partnership and an investment fund formed under the laws of the Cayman Islands, acting by its general partner Carlyle Asia Real Estate Ltd., an exempted company incorporated under the laws of the Cayman Islands.
11. Carlyle Offshore Partners II, Ltd. wholly owns TCG Holdings Cayman II, L.P., which in turn wholly owns TC Group Cayman Investment Holdings, L.P., which wholly owns CAGP Ltd..
12. Credit Suisse Private Equity, Inc. is wholly owned by Credit Suisse (USA), Inc., which is in turn wholly owned by Credit Suisse Holdings (USA), Inc..
13. DLJ Real Estate Capital Partners IV, L.P. is wholly owned by DLJ Real Estate Capital IV, L.P., which is in turn wholly owned by DLJ Real Estate Capital IV, Inc., which is in turn wholly owned by Credit Suisse Private Equity, Inc..
14. Longhill Holding Company Ltd., an investment holding company incorporated under the laws of the Cayman Islands, an affiliated entity of Carlyle Asia Real Estate Partners, L.P. and Carlyle Asia Real Estate Partners II, L.P..
15. RECP IV Kaisa, LLC, a limited liability company organized under the laws of the State of Delaware, the United States of America, is controlled by DLJ Real Estate Capital Partners IV, L.P..
16. The interests in the 3,791,570,651 (L) shares and the 715,688,491 (S) shares are the aggregate interests of all investors to the pre-IPO equity agreements among such investors, the Company and the Controlling Shareholders. Pursuant to such agreements, such investors are considered as parties acting in concert under Section 317 and 318 of the SFO, and pursuant to such rules all their interests in the Company (including those of their affiliates) have been counted together when calculating the interests of each such investor (and its controlling person) in the Company. For this purpose, the shares owned by Da Chang, Da Feng and Da Zheng under the trust (see Note 4 above) are also included when calculating the interests of each such investor (and its controlling person) in the Company.
17. These percentages of shareholdings were shown on the latest disclosure forms filed up to the Latest Practicable Date in which the number of Shares in issue was 4,904,670,000.

In addition to the above, the following persons are directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our subsidiaries:

Name of our subsidiary	Substantial shareholder of such subsidiary	Percentage of Shareholding
Dongguan Yingyan	Dongguan Fenggang Yantian Enterprise Development Company	20%
Guangdong Guan Ji	Peng De Gao	20%
Huizhou Kaisa Tangquan	Huizhou State-owned Tanquan Linchang	20%
Multi-Shiner	Red Path Limited	30%

3. DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from 9 December 2009, except Dr. Tam Lai Ling and Dr. Huang Chuanqi has entered into a service contract with the Company for a term of three years commencing from 8 March 2010 and 15 June 2010 respectively, and which will continue thereafter until terminated by either party thereto giving to the other party not less than three months' prior notice in writing. Mr. Kwok Ying Shing and Mr. Kwok Ying Chi were re-designated as executive Directors of the Company on 17 November 2009.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company and is appointed for a period of one year commencing from 9 December 2009, which will continue thereafter until termination by either party thereto by giving not less than three months' prior notice in writing.

None of the Directors has entered into a service contract with the Company which is not determinable within one year without payment of compensation other than statutory compensation.

4. COMPETING BUSINESS INTEREST OF DIRECTORS

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any other business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Company is not aware of any material adverse change in the financial or trading position of the Group since 31 December 2009, being the date to which the latest audited combined financial statements of the Company were made up.

6. LITIGATION

So far as the Company is aware, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company or any of its subsidiaries within the two years preceding the date of this circular and are or may be material:

- (a) a supplemental agreement dated 21 October 2009, between Da Chang, Da Feng, Da Zheng, the Investor Shareholders and the Company in relation to amendments to certain terms of a share purchase agreement dated 7 November 2007;
- (b) an amended and restating deed dated 24 October 2009 between the Company (as borrower), Rui Jing, Jie Feng, Heng Chang, Guang Feng, Ye Chang, Chang Ye, Rong Hui, Yuan Yuan, Da Hua, Tai He Xiang, Zheng Zhong Tian, Dong Chang, Jin Chang, Dong Sheng, Xie Mao, Kaisa Holdings, Regal Silver, Kaisa Technology, Cornwell Holdings, Woodland Height, Success Take, Leisure Land (together as original guarantors), Ace Start, China Agriculture, China Dong Sheng Agriculture, China Manfort, Onfair Asia, Yi Qing, Yong Rui, Zhan Zheng (together as additional obligators), Credit Suisse, Singapore Branch (as arranger, facility agent, global security agent and account bank), Kamsara Limited, Merrill Lynch PCG, Inc., Credit Suisse, Singapore Branch, Forum Asian Realty Income II, L.P., PMA Credit Opportunities Fund, PMA Temple Fund, Diversified Asian Strategies Fund, PMA Focus Fund (together as lenders) and Da Chang, Da Feng and Da Zheng (as corporate shareholder) in relation to amendments to certain terms of a credit agreement dated 24 August 2007 (as amended and restated on 12 September 2007 and further amended on 14 November 2007);
- (c) an amended and restated tranche A warrant instrument dated 12 September 2007 and as amended on 27 October 2009, between the Company, Da Chang, Da Feng and Da Zheng in respect of the Tranche A Warrants;
- (d) an amended and restated tranche B warrant instrument dated 12 September 2007 and as amended on 27 October 2009, between the Company, Da Chang, Da Feng and Da Zheng in respect of the Tranche B Warrants;
- (e) a deed of indemnity dated 25 November 2009 given by Kwok Ying Shing, Kwok Chun Wai and Kwok Ying Chi in favor of the Company and its subsidiaries in respect of, amongst others, certain taxation indemnity;
- (f) a deed of non-competition dated 25 November 2009, given by each of the Kwok Family (i.e. Mr. Kwok Ying Shing, Mr. Kwok Chun Wai and Mr. Kwok Ying Chi), Da Chang, Da Feng, Da Zheng and Chang Yu in favor of the Company;

- (g) an underwriting agreement dated 25 November 2009 entered into among the Company, each of the Kwok Family (i.e. Mr. Kwok Ying Shing, Mr. Kwok Chun Wai and Mr. Kwok Ying Chi), Da Chang, Da Feng, Da Zheng and Chang Yu, and the underwriters of the initial listing of the Company, whose names are set out in the section entitled “Underwriting – Hong Kong Underwriters” in the Prospectus;
- (h) a sale and purchase agreement dated 2 February 2010 entered into between Fitter Holdings Limited (as Vendor) and Zhan Zheng Consulting Company Limited (as Purchaser) in relation to the acquisition of the 44% equity interest in Fenglong Group Co., Ltd.;
- (i) an agreement dated 21 April 2010 entered into between, among others, the Company, Citigroup Global Markets Inc., Credit Suisse Securities (Europe) Limited and UBS AG in relation to the issue of the Senior Notes; and
- (j) the Agreement.

8. EXPERT AND CONSENT

The following is the qualifications of the expert who has been named in this circular or have given opinions or advice which are contained in this circular:

Name	Qualification
Savills Valuation and Professional Services Limited (“Savills”)	Professional property surveyors and valuers

Savills has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Savills did not have any shareholding, directly or indirectly, in any members of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of the Group.

As at the Latest Practicable Date, Savills did not have any direct or indirect interests in any assets which had been, since 31 December 2009 (being the date to which the latest published audited accounts of the Company were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any members of the Group.

9. GENERAL

- (a) None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 December 2009, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.
- (b) As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.
- (c) The company secretary of the Company is Mr. Cheung Hung Kwong. Mr. Cheung has been a member of the American Institute of Certified Public Accountants (AICPA) since August 1996 and a chartered financial analyst qualified by the CFA Institute in the U.S. since September 2000.
- (d) The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (e) The principal place of business of the Company in Hong Kong is at Suite 2001, 20th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.
- (f) The branch share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Ltd..
- (g) The principal share registrar of the Company is Butterfield Fulcrum Group (Cayman) Limited (formerly known as Butterfield Fund Services (Cayman) Limited).
- (h) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong at Suite 2001, 20th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including 12 November 2010:

- (a) the memorandum and articles of association of the Company;
- (b) the annual report of the Company for the year ended 31 December 2009 and the interim report of the Company for the six month ended 30 June 2010;
- (c) the valuation report issued by Savills Valuation and Professional Services Limited in relation to Guangzhou Kaisa Plaza as set out in Appendix II to this circular;
- (d) the service contracts entered into by each of the executive Directors with the Company;
- (e) the material contracts as set out in paragraph 7 in this Appendix;
- (f) the letter of consent referred to in the paragraph headed "Expert and consent" in this Appendix III;
- (g) the circular dated 30 April 2010;
- (h) the circular dated 4 May 2010;
- (i) the Agreement; and
- (j) this circular.