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If you have sold or transferred all your shares in Kaisa Group Holdings Ltd. 佳兆業集團控股有限公司*, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**DECLARATION AND PAYMENT OF INTERIM DIVIDEND
OUT OF THE SHARE PREMIUM ACCOUNT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM to be held at Harbour View Ballroom I (Level 4), Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Wednesday, 21 November 2018 at 3:30 p.m. is set out in this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the extraordinary general meeting and any adjournment thereof should you so wish.

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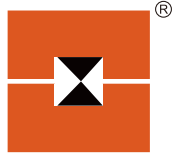
DEFINITIONS

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

“Articles”	the articles of association adopted by the Company, adopted on 22 November 2009, and amended from time to time
“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 as an exempted company with limited liability and the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Harbour View Ballroom I (Level 4), Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Wednesday, 21 November 2018 at 3:30 p.m., to consider and, if appropriate, to approve the declaration and payment of the Interim Dividend out of the Share Premium Account, or any adjournment thereof
“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 People’s Republic of China
“Interim Dividend”	the proposed interim dividend of HK3 cents per Share as recommended by the Board
“Latest Practicable Date”	29 October 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Record Date”	Wednesday, 5 December 2018, the date for the determining of the entitlement to the Interim Dividend

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Register of Members”	the register of members of the Company
“Share Premium Account”	the share premium account of the Company
“Share(s)”	the ordinary shares of par value of HK\$0.1 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.



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 (Chairman)
Mr. Sun Yuenan (Vice Chairman)
Mr. Zhang Jianjun (Vice Chairman)
Mr. Zheng Yi
Mr. Mai Fan

Registered Office:

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

Non-executive Directors:

Ms. Chen Shaohuan

Principal Place of Business

in Hong Kong:

Suite 2001
20th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

Independent Non-executive Directors:

Mr. Rao Yong
Mr. Zhang Yizhao
Mr. Liu Xuesheng

5 November 2018

To the Shareholders

Dear Sir or Madam,

DECLARATION AND PAYMENT OF INTERIM DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT

1. INTRODUCTION

As disclosed in the interim results announcement of the Company dated 28 August 2018 for the six months ended 30 June 2018, the Board recommended the payment of the Interim Dividend out of the Share Premium Account to the Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in respect of the resolution to be proposed at the EGM for the declaration and payment of the Interim dividend.

2. THE INTERIM DIVIDEND

The Interim Dividend is intended to be paid out of the Share Premium Account.

As at 30 June 2018, based on the unaudited consolidated financial statements of the Company, the amount standing at the credit of the Share Premium Account was RMB6,318,120,000 (approximately HK\$7,179,682,000).

As at the Latest Practicable Date, the Company has 6,070,073,697 Shares in issue.

Assuming that there will be no change in the share capital of the Company from the Latest Practicable Date up to the Record Date, the Interim Dividend will be paid by way of the cancellation of approximately RMB160,250,000 (approximately HK\$182,102,000) standing at the credit of the Share Premium Account. Following the payment of the Interim Dividend, RMB6,157,870,000 (approximately HK\$6,997,580,000) will remain standing at the credit of the Share Premium Account.

Conditions of the payment of the Interim Dividend

The payment of the Interim Dividend is conditional upon the satisfaction of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders declaring and approving the payment of the Interim Dividend under Article 134 of the Articles; and
- (ii) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Interim Dividend is paid, unable to pay its debts as they fall due in the ordinary course of business.

Subject to the fulfilment of the above conditions, it is expected that the Interim Dividend will be paid in cash on or about 18 December 2018 to those Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date.

The conditions set out above cannot be waived. If any of the conditions set out above is not satisfied, the Interim Dividend will not be paid.

LETTER FROM THE BOARD

Reasons for the payment of the Interim Dividend out of the Share Premium Account

Taking into account the cash flow and the financial conditions of the Company, the Board considers that the payment of the Interim Dividend is appropriate to recognise Shareholders' continuous support. The Directors also considers that it unnecessary to maintain the Share Premium Account at its current level. Accordingly, the Board considers that the payment of the Interim Dividend out of the Share Premium Account is in the interest of the Shareholders and the Company as a whole.

The payment of the Interim Dividend will not involve any reduction in the authorised or issued share capital of the Company nor will it involve any reduction in the nominal value of the Shares or the trading arrangements of the Shares.

The payment of the Interim Dividend will not have any adverse effect on the underlying assets, liabilities, business operations, management or financial position of the Group.

3. CLOSURE OF REGISTER OF MEMBERS

(i) For determining the Shareholders who qualify for the Interim Dividend

For the purpose of determining the Shareholders who qualify for the Interim Dividend, the register of members of the Company will be closed from Monday, 3 December 2018 to Wednesday, 5 December 2018, both days inclusive.

In order to qualify for the Interim Dividend, all transfer documents should be lodged for registration with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 30 November 2018.

(ii) For determining the identity of the Shareholders who are entitled to attend the EGM

For the determining the identity of the Shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Friday, 16 November 2018 to Wednesday, 21 November 2018, both days inclusive.

In order to be eligible to attend the EGM, all transfer documents should be lodged for registration with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 15 November 2018.

LETTER FROM THE BOARD

4. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information relating to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular, the omission of which would make any statement in this circular incorrect or misleading.

5. THE EGM

The notice of the EGM is set out on pages 7 to 8 of this circular.

Pursuant to the requirements of the Listing Rules, all votes of the Shareholders at the EGM will be taken by poll.

A form of proxy for the EGM is enclosed herewith. Whether or not you intend to attend and vote at the EGM in person or not, you are requested to complete the form of proxy and return the completed form of proxy to the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible, and in any event no later than 48 hours before the time appointed for holding the EGM or adjourned meeting (as the case may be). Completion of a form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting (as the case may be) thereof in person should you so wish.

6. RECOMMENDATION

The Directors consider that the declaration and payment of the Interim Dividend out of the Share Premium Account is in the interest of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Kaisa Group Holdings Ltd. will be held at Harbour View Ballroom I (Level 4), Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Wednesday, 21 November 2018 at 3:30 p.m., for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

Words and expressions that are not expressly defined in this notice shall bear the same meanings as that defined in the circular of the Company dated 5 November 2018.

“THAT:

- (a) the declaration and payment of the Interim Dividend out of the Share Premium Account is hereby approved, confirmed and ratified; and
- (b) any Director be and is hereby authorised to take such action, do such things and execute such further documents as the director may at his absolute discretion consider necessary or desirable for the purpose of or in connection with the payment of the Interim Dividend.”

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

Hong Kong, 5 November 2018

Notes:

- 1. Any Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on behalf of him. A proxy need not be a shareholder of the Company.
- 2. A form of proxy for the EGM is enclosed. In order to be valid, a form of proxy, together with the power of attorney or other authority (if any), under which the form is signed must be deposited at the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if the shareholders of the Company so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.
4. For the purpose of determining shareholders who qualify for the Interim Dividend, the register of members of the Company will be closed from Monday, 3 December 2018 to Wednesday, 5 December 2018, both days inclusive.

As at the date of this notice, the executive Directors are Mr. Kwok Ying Shing, Mr. Sun Yuenan, Mr. Zhang Jianjun, Mr. Mai Fan and Mr. Zheng Yi; the non-executive Director is Ms. Chen Shaohuan; and the independent non-executive Directors are Mr. Rao Yong, Mr. Zhang Yizhao and Mr. Liu Xuesheng.