

**SCHEDULE 1
CONVERSION NOTICE**

KAISA GROUP HOLDINGS LTD.

RMB1,500,000,000

USD Settled 8 per cent. Convertible Bonds due 2015 (the "Bonds")

(Please read the notes overleaf before completing this Notice.)

Name: Date:

Address: Tel No:.....

*Euroclear/Clearstream Account No.:..... Fax No:.....

(*delete as appropriate)

Signature¹ :

.....

To: [Conversion Agent]

cc: Kaisa Group Holdings Ltd. (the "Issuer")

I/We, being the holders of the Bonds specified below, hereby irrevocably elect to either (a) convert such Bonds into fully-paid ordinary shares of the Issuer (the "Shares") with a par value of HK\$0.10. Terms used in this Conversion Notice and not otherwise defined have the meanings given to them in the Paying, Conversion and Transfer Agency Agreement dated 20 December 2010 between, among others, the Issuer and Citibank, N.A., London Branch as Principal Agent.

1 Total principal amount, number and identifying numbers of Bonds to be converted:

Total principal amount:

Total number of Bonds:

Identifying numbers of Bonds (if relevant)*:

Identifying numbers of Certificates deposited in respect of Bonds to be converted (if relevant)*:

N.B. If necessary, the identifying numbers of Bonds and Certificates can be attached separately.

* Not required for Bonds represented by a Global Certificate

2 Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

¹ Where the Bonds to be converted are evidenced by the Global Certificate, the Conversion Notice need not be signed. In such a case, delivery of the Conversion Notice will constitute confirmation by the beneficial owner of the Bonds to be converted that the information in the Conversion Notice is true and accurate on delivery.

Name:
Address:
Telephone Number:
Fax Number:

3 I/We hereby request that [I/We be registered as holder(s) of the relevant number of Shares in the register of shareholders of the Issuer] [the Shares be delivered to, and registered in the name of the Depository for credit to the securities account number specified below] or the certificates for the Shares (together with any other securities, property or cash, including any US Dollar cheque in respect of payment of an Equivalent Amount pursuant to Condition 6(B)(iii)) required to be delivered upon conversion, be despatched by ordinary post (at my/our risk and expense) to the person whose name, contact person, telephone numbers, fax number and address is given below and in the manner specified below:

Name:
Contact Person:
Address:
.....
Account No.:
Account Name:
Telephone Number/Fax Number::
Manner of despatch:

The Certificate in respect of the Bonds converted hereby accompanies this Conversion Notice.*

Name:
Address:
.....
.....

* Not required for the Global Certificate.

4 The Issuer has notified the Conversion Agents that the Issuer's register of shareholders will be closed on the following dates:

.....
.....

5 I/We certify that the amount of (if any) capital, stamp, issue, registration or other similar taxes and duties ("**Duties**"):

5.1 arising upon exercise of the Conversion Rights in the country in which such Conversion Rights are exercised, and which is payable/has been paid by me/us, is:

Amount:

Country in which Conversion Rights are exercised:

and/or

5.2 payable by me/us in any jurisdiction consequent upon the issue or transfer of Shares to or to the order of a person other than the exercising Bondholder is:

Amount:

Country in which Duties are payable:

I/We hereby certify that at the time of execution and deposit of this Conversion Notice I/we or the person who has the beneficial interest in the Bonds specified above is/are not in the United States (within the meaning of Regulation S (“**Regulation S**”) under the US Securities Act of 1933) and that I/we, or such person, purchased such Bonds or the beneficial interest therein, in a transaction made in accordance with Rule 903 or Rule 904 of Regulation S.⁺

N.B.

- (i) This Conversion Notice will be void unless the introductory details and Sections 1 to 4 are completed.
- (ii) Your attention is drawn to Condition 6(B)(ii) of the Bonds with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively eligible for conversion.
- (iii) Despatch of share certificates or other securities or property will be made at the risk and expense of the converting Bondholder and the converting Bondholder will be required to submit any necessary documents required in order to effect despatch in the manner specified.
- (iv) If a retroactive adjustment contemplated by the terms and conditions of the Bonds is required in respect of a conversion of Bonds, certificates for the additional Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered or despatched in the same manner as the Shares, other securities, property and cash or, as the case may be, Equivalent Amount previously issued pursuant to the relevant Conversion Notice.

For Agent's use only:

- 1** (A) Bond conversion identification reference:
- (B) Date on which the Conversion Notice is deposited with (and, if applicable, Certificate is surrendered to) the Agent:
- (C) Conversion Date:
- 2** (A) Aggregate principal amount of Bonds in respect of which Certificates have been deposited for conversion:
- (B) Conversion Price on Conversion Date:
- (C) Number of Shares issuable:

⁺ No Shares will be issued to a Bondholder unless the Bondholder satisfies the foregoing conditions.

3 (if applicable) amount of cash payment due to converting Bondholder under Condition 6(A)(ii) in respect of fractions of Shares:

The Conversion Agent must complete items 1, 2 and (if applicable) 3.