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KWG GROUP HOLDINGS LIMITED

合景泰富集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1813)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
KWG LIVING GROUP HOLDINGS LIMITED
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**RECORD DATE FOR CONDITIONAL DISTRIBUTION
AND ASSURED ENTITLEMENT
AND CLOSURE OF REGISTER OF MEMBERS**

The Record Date for the purpose of determining the Conditional Distribution and the Assured Entitlement will be on Friday, 9 October 2020. The register of members of the Company will be closed on Friday, 9 October 2020 and no transfer of the Shares will be registered on such day.

The Proposed Spin-off is subject to, among other things, the approval of the Listing Committee for the grant of the listing of, and permission to deal in, the KWG Living Shares, the final decisions of the Board and of the board of directors of KWG Living, market conditions and other considerations. The Proposed Spin-off may or may not materialise. Shareholders and other investors should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Conditional Distribution and the Preferential Offering will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

INTRODUCTION

Reference is made to the announcement of the Company dated 24 June 2020 in relation to the Proposed Spin-off. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 24 June 2020.

The Company intends to effect the Proposed Spin-off by way of the Conditional Distribution and the Global Offering which comprises of the Hong Kong Public Offering and the International Offering (including the Preferential Offering).

In accordance with the requirements of Practice Note 15 of the Listing Rules, the Board proposes to give due regard to the interests of the Shareholders by providing the Qualifying Shareholders with the Assured Entitlement by way of the Preferential Offering, if the Proposed Spin-off proceeds. Details in respect of the Proposed Spin-off, including the size and structure of the Global Offering and the terms of the Assured Entitlement, have not yet been finalised and further announcement(s) will be made by the Company as and when appropriate.

If the Conditional Distribution becomes unconditional, it will be satisfied wholly by way of a distribution in specie of the KWG Living Shares to the Qualifying Shareholders whose names appeared on the register of members of the Company on the Record Date.

The purpose of this announcement is to inform the Qualifying Shareholders of the Record Date for the purpose of determining the Conditional Distribution and the Assured Entitlement.

Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date will be entitled to apply for certain KWG Living Shares on an assured basis pursuant to the Preferential Offering, if the Proposed Spin-off proceeds. The basis of the Assured Entitlement will be determined based on their respective shareholdings in the Company on the Record Date, the details of which will be separately announced.

Subject to the applicable legal restrictions and regulatory requirements, the Qualifying Shareholders (regardless of whether they choose to participate in the Preferential Offering) and Shareholders who are Non-Qualifying Shareholders (or who do not satisfy the basis of the Assured Entitlement) may also either, if eligible, (i) apply for the KWG Living Shares offered under the Hong Kong Public Offering; or (ii) indicate an interest for the KWG Living Shares offered under the International Offering.

Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS

The Record Date for the purpose of determining the Conditional Distribution and the Assured Entitlement will be on Friday, 9 October 2020. The register of members of the Company will be closed on Friday, 9 October 2020 and no transfer of the Shares will be registered on such day.

In order to qualify for the Conditional Distribution and the Assured Entitlement, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 8 October 2020.

As the final dates of registration and issue of the prospectus of KWG Living have not yet been determined, the Record Date and the closure of the register of members of the Company for the purpose of determining the Conditional Distribution and the Assured Entitlement set out in this announcement are subject to change depending on the final timetable of the Proposed Spin-off.

In the event that there is any change to the Record Date and the date of the closure of the register of members of the Company for determining the Conditional Distribution and the Assured Entitlement, a further announcement will be made by the Company and such revised Record Date and the date of the closure of the register of members of the Company will supersede and replace the Record Date and the date of the closure of the register of members of the Company for determining the Conditional Distribution and the Assured Entitlement set out in this announcement.

GENERAL

Details in respect of the Proposed Spin-off, including the size, structure of the Global Offering, the expected timetable and the terms of the Assured Entitlement, have not yet been finalised. Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

The Proposed Spin-off is subject to, among other things, the approval of the Listing Committee for the grant of the listing of, and permission to deal in, the KWG Living Shares, the final decisions of the Board and of the board of directors of KWG Living, market conditions and other considerations. The Proposed Spin-off may or may not materialise. Shareholders and other investors should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Conditional Distribution and the Preferential Offering will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

DEFINITION

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

“Assured Entitlement”	the entitlement of the Qualifying Shareholders to apply for certain KWG Living Shares on an assured basis pursuant to the Preferential Offering to be determined based on their respective shareholdings in the Company on the Record Date
“Board”	the board of directors of the Company
“Company”	KWG Group Holdings Limited (合景泰富集團控股有限公司) (stock code: 1813), an exempted company incorporated in the Cayman Islands with limited liability on 28 July 2006, the share of which are listed on the Main Board of the Stock Exchange
“Conditional Distribution”	the conditional special dividend to be declared by the Board and to be satisfied by way of a distribution in specie of the KWG Living Shares

“Global Offering”	the Hong Kong Public Offering and the International Offering (including the Preferential Offering)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Public Offering”	the offer of the KWG Living Shares for subscription by the public in Hong Kong on the terms and conditions to be set out in the prospectus and application forms of KWG Living
“International Offering”	the offer of the KWG Living Shares by the international underwriters of KWG Living outside the United States in offshore transactions in accordance with Regulation S
“KWG Living”	KWG Living Group Holdings Limited (合景悠活集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 11 September 2019
“KWG Living Shares”	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of KWG Living
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company as of 4:30 p.m. on the Record Date and whose addresses as shown on such register are in any of the jurisdictions, which the Company and KWG Living consider it necessary or expedient to exclude from the Preferential Offering on account of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant body or stock exchange in that jurisdiction
“Preferential Offering”	the preferential offering of the KWG Living Shares to the Qualifying Shareholders as the Assured Entitlement in the Global Offering
“Proposed Spin-off”	the proposed spin-off and separate listing of the KWG Living Shares on the Main Board of the Stock Exchange
“Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company at 4:30 p.m. on the Record Date, other than Non-Qualifying Shareholders

“Record Date”	9 October 2020, being the record date for ascertaining the Qualifying Shareholders who shall be entitled to the Conditional Distribution and the Assured Entitlement
“Regulation S”	Regulation S under the U.S. Securities Act
“Shares”	ordinary share(s) with nominal value of HK\$0.10 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America
“%”	Percentage

By order of the Board
KWG Group Holdings Limited
KONG Jianmin
Chairman

Hong Kong, 22 September 2020

As at the date of this announcement, the Board comprises seven Directors, of whom Mr. KONG Jianmin (Chairman), Mr. KONG Jiantao (Chief Executive Officer), Mr. KONG Jiannan and Mr. CAI Fengjia are Executive Directors; and Mr. LEE Ka Sze, Carmelo JP, Mr. TAM Chun Fai and Mr. LI Binhai are Independent Non-executive Directors.