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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 GLOBAL OFFERING AND FINAL OFFER PRICE

APPLICATION AND ALLOCATION OF THE GLOBAL OFFERING

Please refer to the announcement published by KWG Living on its website (www.kwgliving.com) and the website of the Stock Exchange (www.hkexnews.hk) on 29 October 2020 for information in respect of, among other things, the application and allocation of the Global Offering.

THE FINAL OFFER PRICE

The final offer price per KWG Living Share in the Global Offering is HK\$7.89 (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Shareholders and potential investors should be aware that there is no assurance that the Proposed Spin-off, the Global Offering (including the Preferential Offering) and the Conditional Distribution will proceed. Shareholders and potential investors should therefore 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.

INTRODUCTION

Reference is made to the announcements of the Company dated 24 June 2020, 22 September 2020, 7 October 2020, 11 October 2020 and 19 October 2020 (the “Announcements”) in relation to the Proposed Spin-off. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

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INTERNATIONAL UNDERWRITING AGREEMENT

On 23 October 2020, the International Underwriting Agreement was entered into by, among others, KWG Living and the International Underwriters.

Under the International Underwriting Agreement, the International Underwriters have agreed, subject to certain conditions set out therein, to subscribe for or purchase, or procure subscribers or purchasers to subscribe for or purchase, the KWG Living Shares being offered pursuant to the International Offering at the final offer price of HK\$7.89 per KWG Living Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

In addition, under the International Underwriting Agreement, KWG Living has granted to the International Underwriters the Over-allotment Option pursuant to which KWG Living may be required to allot and issue up to 57,507,000 additional KWG Living Shares, representing approximately 15.0% of the KWG Living Shares initially available under the Global Offering, at the final offer price to cover over-allocations in the International Offering, if any.

LISTING DATE

Assuming completion of the Global Offering occurs in accordance with the current timetable, (i) KWG Living is expected to be listed on the Main Board of the Stock Exchange on 30 October 2020 and (ii) the KWG Living Shares are expected to commence dealing on the Main Board of the Stock Exchange at 9:00 a.m. on 30 October 2020. The KWG Living Shares will be traded in board lots of 1,000 KWG Living Shares each and the stock code is 3913.

GENERAL

The Global Offering (including the Preferential Offering) is conditional upon, among others, (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the KWG Living Shares; and (ii) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the International Underwriters under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the Hong Kong Underwriting Agreement and the International Underwriting Agreement, respectively.

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Further announcement(s) will be made by the Company in relation to the Proposed Spin-off, the Global Offering (including Preferential Offering) and the Conditional Distribution as and when appropriate.

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

Hong Kong, 29 October 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.