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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)

FACILITY AGREEMENT WITH SPECIFIC PERFORMANCE COVENANTS

This announcement is made by the Company pursuant to Rule 13.18 of the Listing Rules.

On 23 December 2020, the Company, as the borrower, and certain of the subsidiaries of the Company, as the original guarantors, entered into a facility agreement with, among others, the Original Lenders, the Mandated Lead Arrangers and Bookrunners and the Agent in relation to a transferrable HKD and USD dual currency term loan facility (with a greenshoe option) of up to US\$400 million, which includes a term imposing a specific performance obligation on the controlling shareholder of the Company.

This announcement is made by KWG Group Holdings Limited (the “**Company**”) pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Unless otherwise defined, capitalized terms used in the paragraphs below shall have the same meanings as defined in the Facility Agreement (as defined below).

On 23 December 2020, the Company, as the borrower, and certain of the subsidiaries of the Company, as the original guarantors, entered into a facility agreement (the “**Facility Agreement**”) with, among others, The Bank of East Asia, Limited, China CITIC Bank International Limited, Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Nanyang Commercial Bank (China), Limited Guangzhou Branch and Standard Chartered Bank (Hong Kong) Limited as the original lenders (the “**Original Lenders**”), The Bank of East Asia, Limited, China CITIC Bank International Limited, Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Nanyang Commercial Bank (China), Limited Guangzhou Branch and Standard

Chartered Bank (Hong Kong) Limited as mandated lead arrangers and bookrunners (the “**Mandated Lead Arrangers and Bookrunners**”) and Standard Chartered Bank (Hong Kong) Limited, as the agent (the “**Agent**”), pursuant to which the Original Lenders have agreed to make available a transferrable HKD and USD dual currency term loan facility (with a greenshoe option) of up to US\$400 million (the “**Loans**”) to the Company for a term of 48 months commencing from the date of the Facility Agreement. The Loans to be obtained under the Facility Agreement shall be applied by the Company to refinance its existing indebtedness and to finance its corporate funding requirements.

SPECIFIC PERFORMANCE OBLIGATIONS

Pursuant to the terms of the Facility Agreement, among others, the Company has undertaken to procure that Mr. Kong Jianmin, being the controlling shareholder of the Company, at all times: (i) beneficially owns not less than 35% of the entire issued share capital, voting rights and control of the Company; (ii) is the single largest shareholder of the Company; and (iii) is the chairman of the board of directors of the Company (the “**Board**”).

Failure to comply with any of the above undertakings will constitute as an Event of Default under the Facility Agreement. In case of an occurrence of an Event of Default which is continuing, the Agent may, and shall if so directed by the Majority Lenders, by notice to the Company: (a) without prejudice to the participations of any Lenders in any Loans then outstanding: (i) cancel the Commitments (and reduce them to zero), whereupon they shall immediately be cancelled (and reduced to zero); or (ii) cancel any part of any Commitment (and reduce such Commitment accordingly), whereupon the relevant part shall immediately be cancelled (and the relevant Commitment shall be immediately reduced accordingly); and/or (b) declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or (c) declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders; and/or (d) notify the Shared Security Agent of the occurrence of such Event of Default and/or instruct the Shared Security Agent to enforce the Security created by the Shared Security Documents pursuant to the terms and conditions contained in the Intercreditor Agreement.

The Company will continue to make relevant disclosure under its subsequent interim and annual reports pursuant to Rule 13.21 of the Listing Rules as long as circumstances giving rise to the obligations under Rule 13.18 of the Listing Rules continue to exist.

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

Hong Kong, 24 December 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.