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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)

CONTINUING CONNECTED TRANSACTIONS REVISION OF ANNUAL CAPS UNDER THE FRAMEWORK AGREEMENTS

REVISION OF ANNUAL CAPS FOR 2021 — 2022 UNDER THE FRAMEWORK AGREEMENTS

The Board announces that on 29 September 2021, the Company has entered into the Supplemental Agreements to revise the existing annual caps for the two years ending 31 December 2022 in respect of the transactions contemplated under the (i) Property Lease Framework Agreement; (ii) Residential Property Management Services Framework Agreement; (iii) Property Agency Services Framework Agreement; and (iv) Commercial Property Management Services Framework Agreement.

LISTING RULES IMPLICATIONS

Pursuant to a shareholders' agreement dated 14 October 2020 entered into between Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind, each of them is deemed to be interested in the shares and/or underlying shares in KWG Living held by the other parties under Section 317(1)(a) of the SFO. Thus, as at the date of this announcement, Mr. Kong Jianmin, Mr. Kong Jiantao and Mr. Kong Jiannan are deemed to be interested in approximately 52.96%, 52.85% and 52.92% of the issued share capital of KWG Living, respectively. Therefore, KWG Living is an associate of Mr. Kong Jianmin, Mr. Kong Jiantao and Mr. Kong Jiannan, all being executive Directors and controlling shareholders of the Company, and thus a connected person of the Company. Accordingly, the transactions contemplated under the Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will be required to re-comply with the announcement and shareholders' approval requirements.

As one or more of the applicable percentage ratios in respect of the proposed revised annual caps for each of the Supplemental Agreements, on an annual basis, is expected to exceed 0.1% but all of which are less than 5%, the Supplemental Agreements and the transactions contemplated thereunder (including the proposed revised annual caps therefor) are subject to the reporting, annual review and announcement requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

REVISION OF ANNUAL CAPS FOR 2021 — 2022 UNDER THE FRAMEWORK AGREEMENTS

Reference is made to the announcement of the Company dated 5 November 2020 in relation to, among other things, the Framework Agreements entered into between the Company and KWG Living, and the annual caps thereunder.

Due to the demand on the area for office and staff quarters uses from KWG Living Group under the Property Lease Framework Agreement resulting from its business expansion, the Board expects that the transaction amount in respect of the lease of the Properties by the Group under the Property Lease Framework Agreement will increase and the existing annual caps for the two years ending 31 December 2022 may not be sufficient to cover the same.

Further, due to the business expansion of the Group, KWG Living Group has been providing additional services to the Group. The Board found that the respective transaction amounts under the Residential Property Management Services Framework Agreement, the Property Agency Services Framework Agreement and the Commercial Property Management Services Framework Agreement are approaching their respective existing annual caps for the year ending 31 December 2021.

Therefore, the Board announces that on 29 September 2021, the Company has entered into the Supplemental Agreements with KWG Living to revise the existing annual caps under each of the Framework Agreements for the two years ending 31 December 2022.

PROPERTY LEASE FRAMEWORK AGREEMENT

Under the Property Lease Framework Agreement, the Group has agreed to, among others, lease the relevant Properties (as office and staff quarters) to KWG Living Group. In respect of such lease, the approximate historical aggregate transaction amounts for the year ended 31 December 2020 and the six months ended 30 June 2021 are as follows:

	Year ended 31 December 2020	Six months ended 30 June 2021
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Unaudited)
	<i>(Note)</i>	
Historical aggregate transaction amount		
Properties	1,270	689

Note: The historical transaction amount for the year ended 31 December 2020 was audited but unadjusted as the shares of KWG Living were separately listed on the Main Board of the Stock Exchange on 30 October 2020 and its accounts were no longer consolidated into the financial statements of the Group.

The existing annual caps in respect of leasing of the Properties for the two years ending 31 December 2022 under the Property Lease Framework Agreement are revised as per below:

	Year ending 31 December	
	2021	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Original annual cap under the Property Lease Framework Agreement		
Properties	1,700	1,700
Revised annual cap under the Supplemental Property Lease Framework Agreement		
Properties	3,000	6,000

Save for such revision in the annual caps in respect of leasing of the Properties only, the scope of services and other terms of the Property Lease Framework Agreement shall remain valid and in full force and effect.

Based on the Company's management accounts for the six months ended 30 June 2021, the actual transaction amount in respect of leasing of the Properties under the Property Lease Framework Agreement amounted to approximately RMB0.689 million, representing approximately 40.53% of the existing annual cap for the year ending 31 December 2021. The Board confirms that as at the date of this announcement, the transaction amount (including both leasing of the Properties and car parking lots) for the Property Lease Framework Agreement has not exceeded the original annual cap for the year ending 31 December 2021.

The revised annual caps under the Supplemental Property Lease Framework Agreement were determined after taking into consideration the following principal factors:

- (1) the actual transaction amount in respect of leasing of the Properties under the Property Lease Framework Agreement in the amount of approximately RMB0.689 million for the six months ended 30 June 2021;
- (2) additional office area of approximately 2,400 square metres has been leased to KWG Living Group during 2021; and
- (3) the expected increase in the number of Properties which KWG Living Group anticipates to lease from the Group with reference to the future business development plan of KWG Living Group.

Reasons for and benefits of entering into the Supplemental Property Lease Framework Agreement

Based on the current estimation by the Group, the original caps for the two years ending 31 December 2022 are not sufficient. In order to cope with the demand in respect of office area from KWG Living Group due to its business needs, the Company has entered into the Supplemental Property Lease Framework Agreement to revise the annual caps for the two years ending 31 December 2022 under the Property Lease Framework Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Property Lease Framework Agreement and the transactions contemplated thereunder (including the proposed revised annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

RESIDENTIAL PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT

Under the Residential Property Management Services Framework Agreement, KWG Living Group has agreed to provide residential property management services, including, but not limited to, Residential Pre-sale Management Services and Residential Property Management Services, to the Group. The approximate historical aggregate transaction amounts for the year ended 31 December 2020 and the six months ended 30 June 2021 are as follows:

	Year ended 31 December 2020	Six months ended 30 June 2021
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Unaudited)
	<i>(Note)</i>	
Historical aggregate transaction amount		
Residential Pre-sale Management Services	153,568	112,847
Residential Property Management Services	<u>46,982</u>	<u>46,600</u>
Total	<u>200,550</u>	<u>159,447</u>

Note: The historical transaction amount for the year ended 31 December 2020 was audited but unadjusted as the shares of KWG Living were separately listed on the Main Board of the Stock Exchange on 30 October 2020 and its accounts were no longer consolidated into the financial statements of the Group.

The existing annual caps for the two years ending 31 December 2022 under the Residential Property Management Services Framework Agreement are revised as per below:

	Year ending 31 December	
	2021	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Original annual caps under the Residential Property Management Services Framework Agreement		
Residential Pre-sale Management Services	195,300	244,200
Residential Property Management Services	<u>64,200</u>	<u>80,300</u>
Total	<u>259,500</u>	<u>324,500</u>
Revised annual cap under the Supplemental Residential Property Management Services Framework Agreement		
Residential Pre-sale Management Services	248,300	298,000
Residential Property Management Services	<u>111,900</u>	<u>134,300</u>
Total	<u>360,200</u>	<u>432,300</u>

Save for such revision in the annual caps, the scope of services and other terms of the Residential Property Management Services Framework Agreement shall remain valid and in full force and effect.

Based on the Company's management accounts for the six months ended 30 June 2021, the total actual transaction amount in respect of the Residential Pre-sale Management Services and Residential Property Management Services amounted to approximately RMB112.847 million and RMB46.600 million respectively, representing approximately 57.78% and 72.59% of the respective existing annual caps for the year ending 31 December 2021. The Board confirms that as at the date of this announcement, the transaction amount for the Residential Property Management Services Framework Agreement has not exceeded the original annual cap for the year ending 31 December 2021.

The revised annual caps under the Supplemental Residential Property Management Services Framework Agreement were determined after taking into consideration the following principal factors:

- (1) the actual transaction amount in respect of the Residential Pre-sale Management Services and Residential Property Management Services in the respective amount of approximately RMB112.847 million and RMB46.600 million for the six months ended 30 June 2021;
- (2) the existing contracts under which KWG Living Group has been engaged by the Group to provide the Residential Pre-sale Management Services and Residential Property Management Services; and
- (3) the estimated number of projects and increase in GFA and the projected transaction amounts in respect of the residential properties developed by the Group for which KWG Living Group anticipates to be engaged to provide the Residential Pre-sale Management Services and Residential Property Management Services based on the property development plan and delivery schedule of the Group.

Reasons for and benefits of entering into the Supplemental Residential Property Management Services Framework Agreement

The Group has engaged KWG Living Group to provide additional residential property management services. As the scale of sale, GFA and number of the residential properties developed by the Group has increased due to the business expansion, KWG Living Group was requested to provide more Residential Pre-sale Management Services and Residential Property Management Services to the Group since the first half of 2021. Based on the current estimation by the Group, the original caps for the two years ending 31 December 2022 in respect of the Residential Pre-sale Management Services and Residential Property Management Services are not sufficient. In order for KWG Living Group to provide residential property management services to the Group continuously, the Company has entered into the Supplemental Residential Property Management

Services Framework Agreement to revise the annual caps for the two years ending 31 December 2022 under the Residential Property Management Services Framework Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Residential Property Management Services Framework Agreement and the transactions contemplated thereunder (including the revised annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

PROPERTY AGENCY SERVICES FRAMEWORK AGREEMENT

Under the Property Agency Services Framework Agreement, KWG Living Group has agreed to provide Property Agency Services to the Group for properties developed by the Group. The approximate historical aggregate transaction amounts for the year ended 31 December 2020 and the six months ended 30 June 2021 are as follows:

	Year ended 31 December 2020 RMB'000 (Audited) <i>(Note)</i>	Six months ended 30 June 2021 RMB'000 (Unaudited)
Historical aggregate transaction amount		
Property Agency Services	171,363	225,325

Note: The historical transaction amount for the year ended 31 December 2020 was audited but unadjusted as the shares of KWG Living were separately listed on the Main Board of the Stock Exchange on 30 October 2020 and its accounts were no longer consolidated into the financial statements of the Group.

The existing annual caps for the two years ending 31 December 2022 under the Property Agency Services Framework Agreement are revised as per below:

	Year ending 31 December 2021 RMB'000	2022 RMB'000
Original annual cap under the Property Agency Services Framework Agreement		
Property Agency Services	284,400	375,100
Revised annual cap under the Supplemental Property Agency Services Framework Agreement		
Property Agency Services	540,800	649,000

Save for such revision in the annual caps, the scope of services and other terms of the Property Agency Services Framework Agreement shall remain valid and in full force and effect.

Based on the Company's management accounts for the six months ended 30 June 2021, the total actual transaction amount under the Property Agency Services Framework Agreement amounted to approximately RMB225.325 million, representing approximately 79.23% of the existing annual cap for the year ending 31 December 2021. The Board confirms that as at the date of this announcement, the transaction amount for the Property Agency Services Framework Agreement has not exceeded the original annual cap for the year ending 31 December 2021.

The revised annual caps under the Supplemental Property Agency Services Framework Agreement were determined after taking into consideration the following principal factors:

- (1) the actual transaction amount under the Property Agency Services Framework Agreement in the amount of approximately RMB225.325 million for the six months ended 30 June 2021;
- (2) the existing contracts under which KWG Living Group has been engaged by the Group to provide the Property Agency Services; and
- (3) the expected increase in the number of projects for which the Group anticipates that it may engage KWG Living Group to provide the Property Agency Services based on the property development plan and delivery schedule of the Group for the two years ending 31 December 2022.

Reasons for and benefits of entering into the Supplemental Property Agency Services Framework Agreement

The Supplemental Property Agency Services Framework Agreement would allow the Group to continue to benefit from KWG Living Group's expertise in Property Agency Services. Based on the current estimation by the Group, the original caps for the two years ending 31 December 2022 are not sufficient. In order for KWG Living Group to provide Property Agency Services to the Group continuously, the Company has entered into the Supplemental Property Agency Services Framework Agreement to revise the annual caps for the two years ending 31 December 2022 under the Property Agency Services Framework Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Property Agency Services Framework Agreement and the transactions contemplated thereunder (including the revised annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

COMMERCIAL PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT

Under the Commercial Property Management Services Framework Agreement, KWG Living Group has agreed to provide commercial property management services, including, but not limited to, Commercial Pre-sale Management Services and Commercial Property Management Services, to the Group. The approximate historical aggregate transaction amounts in respect of the Commercial Property Management Services for the year ended 31 December 2020 and the six months ended 30 June 2021 are as follows:

	Year ended 31 December 2020 RMB'000 (Audited) <i>(Note)</i>	Six months ended 30 June 2021 RMB'000 (Unaudited)
Historical aggregate transaction amount		
Commercial Property Management Services	92,461	64,013

Note: The historical transaction amount for the year ended 31 December 2020 was audited but unadjusted as the shares of KWG Living were separately listed on the Main Board of the Stock Exchange on 30 October 2020 and its accounts were no longer consolidated into the financial statements of the Group.

The existing annual caps in respect of Commercial Property Management Services for the two years ending 31 December 2022 under the Commercial Property Management Services Framework Agreement are revised as per below:

	Year ending 31 December	
	2021 RMB'000	2022 RMB'000
Original annual caps under the Commercial Property Management Services Framework Agreement		
Commercial Property Management Services	119,700	140,200
Revised annual cap under the Supplemental Commercial Property Management Services Framework Agreement		
Commercial Property Management Services	153,700	184,500

Save for such revision in the annual caps in respect of Commercial Property Management Services only, the scope of services and other terms of the Commercial Property Management Services Framework Agreement shall remain valid and in full force and effect.

Based on the Company's management accounts for the six months ended 30 June 2021, the total actual transaction amount in respect of the Commercial Property Management Services under the Commercial Property Management Services Framework Agreement amounted to approximately RMB64.013 million, representing approximately 53.48% of the existing annual cap for the year ending 31 December 2021. The Board confirms that as at the date of this announcement, the transaction amount (including both Commercial Pre-sale Management Services and Commercial Property Management Services) for the Commercial Property Management Services Framework Agreement has not exceeded the original annual cap for the year ending 31 December 2021.

The revised annual caps under the Supplemental Commercial Property Management Services Framework Agreement were determined after taking into consideration the following principal factors:

- (1) the actual transaction amount in respect of the Commercial Property Management Services in the amount of approximately RMB64.013 million for the six months ended 30 June 2021;
- (2) the existing contracts under which KWG Living Group has been engaged by the Group to provide the Commercial Property Management Services; and
- (3) the estimated increase in GFA and the projected transaction amounts in respect of the commercial properties developed by the Group for which KWG Living Group anticipates to be engaged to provide the Commercial Property Management Services based on the property development plan and delivery schedule of the Group for the two years ending 31 December 2022.

Reasons for and benefits of entering into the Supplemental Commercial Property Management Services Framework Agreement

The Group has engaged KWG Living Group to provide additional commercial property management services. As the scale of sale, area and number of the commercial properties developed by the Group has increased due to the business expansion, more Commercial Property Management Services have been provided by KWG Living Group to the Group since the first half of 2021. Based on the current estimation by the Group, the original caps for the two years ending 31 December 2022 in respect of the Commercial Property Management Services under the Commercial Property Management Services Framework Agreement is not sufficient. In order for KWG Living Group to provide management services to the Group continuously, the Company has entered into the Supplemental

Commercial Property Management Services Framework Agreement to revise the annual caps for the two years ending 31 December 2022 under the Commercial Property Management Services Framework Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Commercial Property Management Services Framework Agreement and the transactions contemplated thereunder (including the revised annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

The pricing policy for all the continuing connected transactions of the Group will be supervised and monitored by the relevant personnel and management of the Group in charge to ensure the relevant continuing connected transaction is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole.

The relevant personnel and management of the Group will review and assess the terms before entering into each individual agreement to ensure they are consistent with the principles and provisions set out in the Framework Agreements.

In order to ensure the price terms are in accordance with the Framework Agreements and with reference to prevailing market prices of similar services, before entering into any individual agreement for:

- (i) the Property Lease Framework Agreement, the lease management department of the Group will make reference to the prevailing market rates for comparable properties and the rental valuation conducted by an independent professional valuer based on comparison to transacted rental fees or asking rental fees for comparable properties (if applicable).
- (ii) the Property Agency Services Framework Agreement and the Commercial Property Management Services Framework Agreement (for contracts which are not awarded through standard public tender procedures), the sales department of the Group will collect the following information:
 - (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties or quoted by Independent Third Parties; and
 - (b) prices charged by other property management companies in the PRC of comparable transactions with Independent Third Parties.

(iii) contract which is not awarded through standard public tender procedures under the Residential Property Management Services Framework Agreement, the sales department of the Group will collect the following information:

- (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties or quoted by Independent Third Parties;
- (b) prices charged by other property management companies in the PRC of comparable transactions with Independent Third Parties; and
- (c) standard fees designated by the relevant government authorities (if applicable).

After collecting the relevant information, except for the Property Lease Framework Agreement, the sales department of the Group would determine a price to be offered to KWG Living Group which will not be less than the prices offered to the Group by Independent Third Parties. In addition, for the Residential Property Management Services Framework Agreement, the price offered to KWG Living Group shall not be higher than the standard fees designated by the relevant government authorities (if applicable). For the Property Lease Framework Agreement, the rent charged to KWG Living Group will not be less than the market rent for comparable transactions and the rental valuation (if applicable).

For contracts under the Residential Property Management Services Framework Agreement which are awarded through standard public tender procedures regulated by applicable PRC laws and regulations, whereby the tenders would be evaluated by a tender evaluation committee established by the Group in accordance with the Interim Measures for the Administration of Tendering and Bidding for Preliminary Property Management (前期物業管理招標投標管理暫行辦法). The tender evaluation committee shall consist of an odd number of no less than five members, including (i) at least a two-thirds majority of property management experts who are independent of the Group and are selected on a random basis from a list of experts compiled by the local real estate administrative department; and (ii) the representative members from the Group. In evaluating the candidates, the tender valuation committee would consider a range of factors, such as reputation, quality of service, management system, human resources management and the proposed management plan.

For contracts under the Commercial Property Management Services Framework Agreement which are chosen by the Group to award through public tender procedures, the Group will follow the same tender procedures as to the Residential Property Management Services Framework Agreement.

Regular checks will be conducted on a quarterly basis to review and assess whether the transactions contemplated under the relevant continuing connected transaction are conducted in accordance with the terms of its respective agreement and the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy.

The independent non-executive Directors will continue to review the transactions contemplated under the relevant continuing connected transaction and the independent auditor of the Company will also conduct an annual review on the pricing terms and annual caps thereof.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under each of the Framework Agreements (as amended and supplemented by the Supplemental Agreements) will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP AND KWG LIVING GROUP

The Group is a large-scale property developer in the PRC with a leading position in the Greater Bay Area and is principally engaged in property development, property investment and hotel operation.

KWG Living Group is a comprehensive property management service provider in the PRC, providing comprehensive property management services for both residential properties and non-residential properties.

LISTING RULES IMPLICATIONS

Pursuant to a shareholders' agreement dated 14 October 2020 entered into between Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind, each of them is deemed to be interested in the shares and/or underlying shares in KWG Living held by the other parties under Section 317(1)(a) of the SFO. Thus, as at the date of this announcement, Mr. Kong Jianmin, Mr. Kong Jiantao and Mr. Kong Jiannan are deemed to be interested in approximately 52.96%, 52.85% and 52.92% of the issued share capital of KWG Living, respectively. Therefore, KWG Living is an associate of Mr. Kong Jianmin, Mr. Kong Jiantao and Mr. Kong Jiannan, all being executive Directors and controlling shareholders of the Company, and thus a connected person of the Company. Accordingly, the transactions contemplated under the Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will be required to re-comply with the announcement and shareholders' approval requirements.

As one or more of the applicable percentage ratios in respect of the proposed revised annual caps for each of the Supplemental Agreement, on an annual basis, is expected to exceed 0.1% but all of which are less than 5%, the Supplemental Agreements and the transactions contemplated thereunder (including the proposed revised annual caps therefor) are subject to the reporting, annual review and announcement requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since Mr. Kong Jianmin, Mr. Kong Jiantao and Mr. Kong Jiannan are the controlling shareholders of KWG Living and Mr. Kong Jiannan and Mr. Kong Jianmin are also directors of KWG Living, all of them, being executive Directors and controlling shareholders of the Company, are considered to be interested in the Supplemental Agreements and the transactions contemplated thereunder. Therefore, they have abstained from voting on the relevant board resolutions.

DEFINITIONS

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

“associate(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Commercial Pre-sale Management Services”	the pre-sale management services to be provided by KWG Living Group to the Group under the Commercial Property Management Services Framework Agreement, such as cleaning, security and maintenance services for pre-sale display units and sales offices of commercial properties owned by the Group
“Commercial Property Management Services”	the commercial property management services to be provided by KWG Living Group to the Group under the Commercial Property Management Services Framework Agreement, such as file management, cleaning, security, gardening, and repair and maintenance services for commercial properties developed by the Group which are (a) unsold or sold but not yet delivered to the new owners; (b) pending to be leased out; or (c) owned by the Group for its own use

“Commercial Property Management Services Framework Agreement”	the commercial property management services framework agreement entered into between the Company and KWG Living on 14 October 2020
“Company”	KWG Group Holdings Limited (合景泰富集團控股有限公司) (stock code: 1813), a limited liability company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	shall have the meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Excel Wave”	Excel Wave Investments Limited (卓濤投資有限公司), a company incorporated in the BVI with limited liability on 10 April 2008, which is wholly owned by Mr. Kong Jiantao, the chief executive officer of the Company, an executive Director and a controlling shareholder of the Company
“Framework Agreements”	refers to the (i) Property Lease Framework Agreement, (ii) Residential Property Management Services Framework Agreement, (iii) Property Agency Services Framework Agreement and (iv) Commercial Property Management Services Framework Agreement collectively
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hero Fine”	Hero Fine Group Limited (英明集團有限公司), a company incorporated in the BVI with limited liability on 25 October 2007, which is wholly owned by Mr. Kong Jianmin, chairman of the Company, an executive Director and a controlling shareholder of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not connected with the Company or its connected persons as defined under the Listing Rules
“KWG Living”	KWG Living Group Holdings Limited (合景悠活集團控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 3913)
“KWG Living Group”	KWG Living and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Peace Kind”	Peace Kind Investments Limited (和康投資有限公司), a company incorporated in the BVI with limited liability on 10 October 2018, which is wholly owned by Mr. Kong Jiannan, an executive Director and a controlling shareholder of the Company
“Plus Earn”	Plus Earn Consultants Limited (晉得顧問有限公司), a company incorporated in the BVI with limited liability on 18 May 2006, which is wholly owned by Mr. Kong Jianmin, chairman of the Company, an executive Director and a controlling shareholder of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Properties”	the properties leased by the Group to KWG Living Group as office and staff quarters under the Property Lease Framework Agreement
“Property Agency Services”	the property agency services to be provided by KWG Living Group to the Group under the Property Agency Services Framework Agreement for properties developed by the Group
“Property Agency Services Framework Agreement”	the property agency services framework agreement entered into between the Company and KWG Living on 14 October 2020

“Property Lease Framework Agreement”	the property lease framework agreement entered into between the Company and KWG Living on 14 October 2020
“Residential Pre-sale Management Services”	the pre-sale management services to be provided by KWG Living Group to the Group under the Residential Property Management Services Framework Agreement, such as cleaning, security and maintenance services for pre-sale display units and sales offices owned by the Group
“Residential Property Management Services”	the property management services to be provided by KWG Living Group to the Group and its associates under the Residential Property Management Services Framework Agreement, such as cleaning, security, gardening and repair and maintenance services for residential properties developed by the Group which are unsold or sold but not yet delivered to the property owners
“Residential Property Management Services Framework Agreement”	the residential property management services framework agreement entered into between the Company and KWG Living on 14 October 2020
“Right Rich”	Right Rich Consultants Limited (正富顧問有限公司), a company incorporated in the BVI with limited liability on 21 April 2006, which is wholly owned by Mr. Kong Jiantao, the chief executive officer of the Company, an executive Director and a controlling shareholder of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplemental Agreements”	refers to the (i) Supplemental Property Lease Framework Agreement; (ii) Supplemental Residential Property Management Services Framework Agreement; (iii) Supplemental Property Agency Services Framework Agreement; and (iv) Supplemental Commercial Property Management Services Framework Agreement collectively
“Supplemental Commercial Property Management Services Framework Agreement”	the supplemental agreement to the Commercial Property Management Services Framework Agreement dated 29 September 2021 and entered into between the Company and KWG Living, which amended and supplemented the Commercial Property Management Services Framework Agreement
“Supplemental Property Agency Services Framework Agreement”	the supplemental agreement to the Property Agency Services Framework Agreement dated 29 September 2021 and entered into between the Company and KWG Living, which amended and supplemented the Property Agency Services Framework Agreement
“Supplemental Property Lease Framework Agreement”	the supplemental agreement to the Property Lease Framework Agreement dated 29 September 2021 and entered into between the Company and KWG Living, which amended and supplemented the Property Lease Framework Agreement
“Supplemental Residential Property Management Services Framework Agreement”	the supplemental agreement to the Residential Property Management Services Framework Agreement dated 29 September 2021 and entered into between the Company and KWG Living, which amended and supplemented the Residential Property Management Services Framework Agreement
“Wealth Express”	Wealth Express Investments Limited (富迅投資有限公司), a company incorporated in the BVI with limited liability on 3 October 2012, which is wholly owned by Mr. Kong Jiantao, the chief executive officer of the Company, an executive Director and a controlling shareholder of the Company

“%”

per cent

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

Hong Kong, 29 September 2021

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.