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KWG Living Group Holdings Limited

合景悠活集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3913)

PROFIT WARNING

This announcement is made by KWG Living Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (the “**Year**”) and information currently available to the Board, the Group is expected to record a significant decrease in the unaudited profits from approximately RMB684.3 million for the year ended 31 December 2021 to not more than RMB70.0 million for the Year (a decrease of not less than 90%), while the unaudited core net profit^(Note 1) was expected to decrease from approximately RMB697.5 million for the year ended 31 December 2021 to not more than RMB580.0 million for the Year (a decrease of not less than 15%). During the Year, due to the COVID-19 pandemic lockdown, the continuous downturn of the real estate industry and the significant changes in the market environment, it resulted in difficulty for certain businesses and commercial activities of the Group to be carried out normally and the Group considered to provide appropriate impairment losses on account receivables and goodwill.

Note 1: It refers to the core net profit, excluding the impairment provision for financial assets, fair value gains or losses on financial liabilities at fair value through profit or loss, and impairment provision for goodwill.

The Company is still in the process of preparing and finalizing the annual results of the Group for the Year, the information contained in this announcement is only a preliminary assessment by the Board with reference to the draft unaudited consolidated management accounts of the Group for the Year and the information currently available to the Board, which has not been audited by the Company's auditors or reviewed by the audit committee of the Company, and therefore may be subject to adjustments as appropriate. Shareholders and potential investors are advised to read carefully the annual results announcement for the Year of the Group, which is expected to be published in March 2023.

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.

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

Hong Kong, 28 March 2023

As at the date of this announcement, the Board of the Company comprises Mr. KONG Jianmin (Chairman) as Non-executive Director; Mr. KONG Jiannan (Chief Executive Officer) and Ms. YANG Jingbo as Executive Directors; and Ms. LIU Xiaolan, Mr. FUNG Che Wai, Anthony and Ms. NG Yi Kum as Independent Non-executive Directors.