

INTERIM RESULTS

The Directors of K. Wah International Holdings Limited (the “Company”) are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30th June 2005 as follows:

The Group’s turnover for the six months ended 30th June 2005 was HK\$719,827,000, a decrease of HK\$180,858,000 over the corresponding period last year.

The Group’s unaudited profit attributable to shareholders for the six months ended 30th June 2005 amounted to HK\$631,585,000, an increase of HK\$475,948,000 over the corresponding period last year.

INTERIM DIVIDEND

The Board of Directors has resolved to pay an interim cash dividend of 1 HK cent per share, totalling HK\$23,491,000 for the six months ended 30th June 2005 to shareholders whose names appear on the register and branch register of members of the Company at the close of business on 21st October 2005 (six months ended 30th June 2004: an interim scrip dividend with a cash option of 2 HK cents per share, totalling HK\$40,195,000).

The Board of Directors has also declared a special interim dividend for the six months ended 30th June 2005 to be effected by way of distribution (the “Distribution”) in specie of the shares of K. Wah Construction Materials Limited (“KWCM”) to the shareholders of the Company whose names appear on the register and branch register of members of the Company at the close of business on 21st October 2005 (the “Record Date”), on the basis of one KWCM share for every ten shares of the Company then held. Fractional entitlements will be disregarded.

The aggregate market value of the KWCM shares to be distributed under the Distribution (the “Distribution Shares”) as at 14th September 2005 was HK\$1,268,519,000, which equates to a dividend of approximately HK\$0.54 per share before the Distribution (on the assumption that there is no change in the issued share capital of the Company from 14th September 2005 up to the Record Date).

4 Interim Results and Interim Dividend

The Distribution will not be made to the shareholders of the Company whose addresses as shown in the register of members in Bermuda and the Hong Kong Branch register of members of the Company at the close of business on the Record Date are outside of Hong Kong (the "Overseas Shareholders") in the event that the Directors, upon making enquiry, consider such exclusion to be necessary or expedient on account of either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places and accordingly, such Overseas Shareholders will not receive the KWCM shares pursuant to the Distribution. Instead, arrangements will be made for the KWCM shares which would otherwise have been distributed to such Overseas Shareholders to be sold in the market as soon as practicable after the posting of the share certificates of the Distribution Shares and any proceeds of sale will be distributed in Hong Kong dollars to such persons pro rata to their entitlements (except that amounts of less than HK\$100 payable to the respective shareholders of the Company will be retained for the benefit of the Company).

Further details of the Distribution are included in the announcement of the Company dated 14th September 2005.

It is expected that the dividend warrants for the interim cash dividend and the share certificates of the Distribution Shares for the special interim dividend will be sent to shareholders of the Company on or about 4th November 2005.