

KW 嘉華國際集團有限公司

K. WAH INTERNATIONAL HOLDINGS LIMITED

於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

Stock code 股份代號 00173

INTERIM REPORT 2019 中期報告

Delivering Value with
Distinctive Quality

建優創值 力臻恆遠





OUR MISSION

It is our mission to focus on customer needs and pursue the spirit of excellence with quality products and services through our commitment to research, design and value creation. With vision, perseverance and teamwork, we strive to provide shareholders with the best return on their investment.



CORPORATE PROFILE

K. Wah International Holdings Limited (“KWIH” or “the Group”, stock code: 00173) is the listed property arm of K. Wah Group. With a strong foothold established in Hong Kong, KWIH has grown and prospered into a leading integrated developer and investor of exquisite and niche projects, with a strategic focus on Hong Kong, the Yangtze River Delta and Pearl River Delta regions.

Committed to delivering premium projects built to an uncompromising standard of quality, our portfolio of residential developments, Grade A office towers, hotel, serviced apartments and retail complexes are truly one-of-a-kind. Each of our properties boasts a perfect interplay of superb design, delicate craftsmanship, top-notch facilities and innovative features, thanks to a team of seasoned professionals. That is also why we are honoured with a host of international accolades, besides earning a reputed name for impeccable living.

Cresleigh Property, the property management arm of the Group, delivers exceptional hotel serviced property management services guided by advanced and international standards in general to premium residential buildings, commercial facilities, office towers and real estate complexes.

Sharing the common vision of excellence and sustainability, we go beyond both in the projects we develop and the communities we help grow and cultivate. We have always been a trend-setter pioneering unique and sophisticated lifestyle, embracing customers’ needs and creating added value in the projects we undertake as a premiere brand.

Taking pride in our track record and strong financial capability, guided by the spirit of prudence and excellence, we will continue to adopt a progressive strategy with a disciplined approach in land acquisition, in strive for setting ever higher standards of quality living spaces and delivering long term shareholder value.

企業使命

秉承以客為本及追求卓越之精神，不斷透過研究、設計及創造價值，恪守不屈不撓、群策群力及具遠見之經營理念，為客戶提供優質產品及服務，並為股東帶來理想投資回報。

公司簡介

嘉華國際集團有限公司（「嘉華國際」或「集團」；股份代號：00173）為嘉華集團旗下之房地產業務旗艦，創立並紮根於香港，至今已發展成以香港、長三角及珠三角地區為策略據點之綜合發展商及投資者，所開發之項目均以品精質優見稱。

嘉華國際擅長於開發精品物業，由旗下專業團隊所拓展之項目涵蓋住宅、甲級商廈、酒店、服務式公寓及特色商舖，物業皆匠心獨運，揉合特色設計、精湛技術、頂尖設備及創新元素於一身，多年來物業質素備受市場認同，建築及設計屢獲國際殊榮。

集團旗下的嘉英物業以先進的管理理念和國際高端精品酒店的營運模式，為物業提供專業及優質的管理服務，其服務類型涵蓋主流及高端住宅、商業設施、寫字樓和房地產綜合體。

集團以締造理想和諧的生活國度為發展宗旨，因地制宜，不僅用心傳承「嘉華」的優質品牌內涵，更以臻善創新的意念打造別樹一幟的物業，塑造現代生活新標準，切合用家需要的同時，亦為物業注入長遠價值。

憑藉資深經驗及雄厚財政實力，嘉華國際將繼續以審慎進取的策略，物色具潛力的土地，竭誠為客戶打造優質的生活空間，為股東帶來長遠而持續的回報。



Company website

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WINDERMERE
SHANGHAI





Corporate Information

CHAIRMAN & MANAGING DIRECTOR

Dr. Lui Che-woo, *GBM, MBE, JP, LLD, DSSc, DBA*

EXECUTIVE DIRECTORS

Mr. Francis Lui Yiu Tung

Ms. Paddy Tang Lui Wai Yu, *BBS, JP*

Mr. Alexander Lui Yiu Wah

NON-EXECUTIVE DIRECTOR

Dr. Moses Cheng Mo Chi, *GBM, GBS, OBE, JP*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Robin Chan Yau Hing, *GBM, GBS, LLD, JP*
(retired on 5 June 2019)

Dr. William Yip Shue Lam, *LLD*

Mr. Au Man Chu

Mr. Wong Kwai Lam

Mr. Nip Yun Wing

(appointed on 12 July 2019)

AUDIT COMMITTEE

Dr. William Yip Shue Lam, *LLD (Chairman)*

Dr. Moses Cheng Mo Chi, *GBM, GBS, OBE, JP*

Mr. Au Man Chu

REMUNERATION COMMITTEE

Dr. William Yip Shue Lam, *LLD (Chairman)*

Dr. Lui Che-woo, *GBM, MBE, JP, LLD, DSSc, DBA*

Mr. Wong Kwai Lam

NOMINATION COMMITTEE

Dr. Lui Che-woo, *GBM, MBE, JP, LLD, DSSc, DBA (Chairman)*

Dr. William Yip Shue Lam, *LLD*

Mr. Wong Kwai Lam

COMPANY SECRETARY

Ms. Cecilia Lee Wai Kwan

INDEPENDENT AUDITOR

PricewaterhouseCoopers

REGISTERED OFFICE

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31 Victoria Street

Hamilton HM 10

Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

29th Floor, K. Wah Centre

191 Java Road

North Point

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited

4th floor North

Cedar House

41 Cedar Avenue

Hamilton HM 12

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712–1716

17th Floor, Hopewell Centre

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Wanchai

Hong Kong

WEBSITE ADDRESS

<http://www.kwih.com>

SHARE LISTING

The Stock Exchange of Hong Kong Limited

(“HK Stock Exchange”)

STOCK CODE

HK Stock Exchange : 00173

Bloomberg : 173 HK

Reuters : 0173.HK



Interim Results Highlights and Interim Dividend

INTERIM RESULTS HIGHLIGHTS

The board of directors ("Board") of K. Wah International Holdings Limited ("Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (together the "Group") as follows:

- Underlying profit of the Group increased substantially to HK\$1,480 million; profit attributable to equity holders increased to HK\$1,526 million.
- Revenue of the Group was HK\$5,124 million and total attributable revenue inclusive of attributable revenue from joint ventures and associated companies of the Group was HK\$5,311 million.
- Attributable contracted sales of the Group for the Period amounted to approximately HK\$6.4 billion.
- As of 30 June 2019, attributable contracted sales of the Group yet to be recognised amounted to approximately HK\$13.6 billion.
- Earnings per share was 48.82 HK cents, and an interim dividend per share of 6 HK cents was declared.
- As of 30 June 2019, net asset value per share was HK\$12.01 and cash and bank deposits amounted to HK\$6,163 million.
- Year to date, the Group has acquired two residential lands in Hong Kong via joint ventures and a commercial land site in Shanghai on its own. The Group will continue to seek opportunities to replenish its landbank on a disciplined basis in Hong Kong, The Pearl River and Yangtze River Deltas.

INTERIM DIVIDEND

The Board has declared an interim cash dividend for the six months ended 30 June 2019 of 6 HK cents per share, totaling HK\$187,510,000, payable on 21 October 2019 to the shareholders whose names appear on the registers of members of the Company at the close of business on 18 September 2019 (2018: an interim scrip dividend (with a cash option) of 6 HK cents per share, totaling HK\$187,034,000). It is expected that the dividend warrants will be posted to those entitled on 21 October 2019.



Management Discussion and Analysis

BUSINESS REVIEW

Operating Results

The revenue of the Group for the six months ended 30 June 2019 (“Period”) was HK\$5,124 million, primarily derived from the property sales of K. City in Hong Kong, The Peak in Nanjing, J Metropolis in Guangzhou, Silver Cove in Dongguan and from the rental income of Shanghai K. Wah Centre. The amount was substantially above that for the same period last year as certain sold units for K. City completed last year were handed over to the buyers with revenue recognised in the Period. The attributable revenue of the Group (comprising the revenue of the Group and attributable revenue from joint ventures and associated companies of HK\$187 million) was HK\$5,311 million for the Period.

Profit attributable to equity holders of the Company was HK\$1,526 million, while underlying profit of the Group (before fair value gain of investment properties) was HK\$1,480 million for the Period.

The total comprehensive income attributable to equity holders of the Company for the Period was HK\$1,893 million after accounting for the fair value change on the non-current investment of an approximately 3.8% interest in Galaxy Entertainment Group Limited (“GEG”) and exchange differences arising from translation of the Group’s RMB denominated net assets as of the Period end.

Attributable contracted sales of the Group (comprised of contracted sales of the Group and attributable contracted sales from joint ventures and associated companies) for the Period amounted to approximately HK\$6.4 billion, mainly derived from Solaria and K. City in Hong Kong, Phase III of The Palace and Windermere in Shanghai, The Peak in Nanjing, Huadu Jiahua Plaza in Guangzhou, Silver Cove in Dongguan and joint venture projects both in Hong Kong and Mainland China.

As of 30 June 2019, the Group had unrecognised attributable contracted sales amounted to approximately HK\$13.6 billion, expected to be accounted for in the second half of 2019 and 2020.

Property Development and Investment in Hong Kong

Despite the adjustment since August 2018, property market rebounded during the first half of the year. Home prices and primary transactions had been trending up since January and in March the US Federal Reserve indicated no rate hikes before year-end. A low interest rate environment in Hong Kong provided support to the residential market despite the ongoing trade tensions between China and the US.

The Group continued to market the remaining units of Solaria and K. City. New batches of Solaria launched for sale in the Period generated contracted sales of approximately HK\$920 million and as of the Period end, approximately 75% of the units of Solaria were sold. For K. City, the handover of sold units in 2018 continued in the Period with sales revenue recognised. On the other hand, new sales contracted for the Period amounted to approximately HK\$750 million, out of which, HK\$90 million were recognised in the Period. As of the Period end, only 5 units remained. Construction of all projects progressed well as scheduled, including Solaria and the Grampian Road project and joint venture projects of Kam Sheung Road and Cheung Sha Wan. The occupation permit for Solaria is expected to be granted in the third quarter.

The Group’s leasing performance continued to be satisfactory during the Period. Our premium dining and shopping arcade J SENSES and a commercial complex at Twin Peaks, were respectively 99% and 100% let as of the Period end and recorded satisfactory rental income.

The Group has actively participated in land bids. In April and July, the Group acquired in joint ventures with other property developers two plots of residential land at Tseung Kwan O and Kai Tak respectively with attributable GFA of approximately 26,700 square metres and 40,000 square metres.

Property Development and Investment in Mainland China

Despite ongoing restrictive measures on the residential market, overall property market sentiment remained firm. Home prices in Tier 1 cities experienced moderate increases while more price gains were seen in Tier 2 and lower-tier cities, supported by genuine underlying demand. Transaction volumes, particularly for Tier 1 and 2 cities, remained relatively stable. Market softened after government tightened measures in some cities from April.

Sales for Phase III of The Palace in Shanghai, a completed project, started in March after the sales consent was granted which received an overwhelming response with its prime location and premium quality. Contracted sales of approximately RMB2.2 billion were recorded as of the Period end. Sales are expected to be recognised by the year end upon delivery of sold units to buyers. The Group also continued to market the remaining units of its completed projects, Windermere in Shanghai, The Peak in Nanjing, J Metropolis, Le Palais, J Wings and the apartments in Phase III of Huadu Jiahua Plaza in Guangzhou, and Silver Cove in Dongguan. Handover of sold units of these projects progressed smoothly while construction of its developing projects, including joint venture projects, progressed as scheduled.

In July, the Group acquired a piece of commercial land located in Changning, Shanghai, which has a GFA of approximately 12,500 square metres.

The Group's investment properties continued to have satisfactory occupancy and received a good market response during the Period. Shanghai K. Wah Centre, achieved an average occupancy of approximately 99% while our serviced apartments achieved an average occupancy of around 90%. Palace Lane was almost fully let as of the Period end and other commercial facilities also achieved an average occupancy of about 80–90%.

Investment in GEG

The Group maintains the investment of 162 million shares, or an approximate 3.8% interest, in GEG carried at fair market value. As of 30 June 2019, the share price of GEG was HK\$52.65 compared with HK\$49.80 as of 31 December 2018. The change in fair value gain of approximately HK\$463 million was directly recorded in reserve.

OUTLOOK AND STRATEGY

Global and Mainland China

During the Period, global economic growth slowed down under the impact of the Sino-US trade war. The widespread trade conflicts among various countries, the uncertainties on Brexit, the geo-political risk in the North Asia and the Middle East all added more risk to global economic growth. Global stock markets were volatile, affected by the progress of the Sino-US trade talks and the news on the expected US interest rate movement. The RMB was also volatile during the Period, rising by 3% to peak in February with all the gains wiped off as of the Period end.

US GDP grew 3.1% and 2.1% in the first and second quarters of 2019 respectively while GDP growth for Mainland China slowed to 6.4% and 6.2%. In Hong Kong, GDP growth dropped substantially to 0.6% for the first quarter and further to 0.5% in the second quarter while the government's full year forecast was revised downward to 0–1% lately.



The property market in Hong Kong and Mainland China

It was generally expected from the second quarter that the US would cut its interest rate, marking the end of its interest rate hike cycle. Together with the liquidity in the banking market, the strong pent-up underlying demand from the second half of 2018 pushed residential property price and primary transactions up in the Period. Despite a possible economic slowdown, the supporting fundamentals remain and the property market is not expected to see significant adjustments in the near term.

On the other hand, the Mainland China property market continues to be affected by the government's restrictive measures which are not expected to be relieved soon. We however remain conservatively optimistic on the Mainland China property market in the medium and longer term, particularly in those cities within The Pearl River and Yangtze River Deltas where we have operations. The Group continues to look for further investment opportunities.

Project sales and progress

In Hong Kong, construction of Solaria in Tai Po progresses as scheduled. The occupation permit is expected to be granted soon. Approximately 75% of the total units had been sold at HK\$7.2 billion as of the Period end. The Group will continue to market the project's remaining units and sales will be recognised upon delivery of sold units to buyers. While handover of sold units and carparks of K. City for contracted sales of approximately HK\$660 million as of the Period end progresses as scheduled in this second half, the Group will continue to market the project's remaining 5 units and its carparks. The Group had submitted the application for pre-sale consent for its second project in Kai Tak, K. Summit, which will be launched for sale once the consent is granted.

In Mainland China, the Group will continue to launch further units for sale in Phase III of The Palace and Windermere in Shanghai, and the apartments in Phase III of Huadu Jiahua Plaza in Guangzhou. The handover of sold units in the abovementioned projects progresses as scheduled and is expected by the year end while that for the sold units of the last phase of The Peak in Nanjing has commenced from August. Development of the Group's wholly owned projects in Shanghai, Nanjing, Suzhou, Guangzhou, Dongguan and Jiangmen, and that of the joint venture projects in Kunshan, Suzhou, Jiaying and Jiangmen progresses as scheduled. Construction of Royal Creek, a 33% owned project in Nanjing with only a few units available, is expected to be completed with the sold units handed over to buyers in late 2019.

Land bank replenishment

The Group actively participated in land bids in Hong Kong and Mainland China in the Period, acquiring a residential land site in Hong Kong in April and another residential land site in July, both via joint ventures, as well as a commercial land site in Shanghai on its own in July. It will continue to exercise discipline and sound judgment in evaluating land replenishment opportunities, taking advantage of the softening land market in Hong Kong and Mainland China.

Recurring income

In Shanghai, Shanghai K. Wah Centre and the three serviced apartments under "Stanford Residences" brand, namely Jing An, Xu Hui and Jin Qiao and Palace Lane, and Cove Gala (formerly "J Town") in Dongguan are of satisfactory occupancy. Commercial portions and offices of Phases III and IV of Huadu Jiahua Plaza in Guangzhou of approximately 38,000 square metres were launched for leasing, following their completion in November 2018, with favourable response. As of the Period end, the Group's investment property portfolio had a GFA of approximately 240,000 square metres. With the commercial portions of The Peak in Nanjing of 8,000 square metres launched for leasing later the year, our office project with a GFA of approximately 20,000 square metres at Suhe Creek, Jingan, Shanghai, expected to be completed and operational in the first half of 2020, and the commercial portions of our projects under development to be held for rental, we are on track to enlarge our portfolio for recurring income.

Dividend derived from our approximately 3.8% interest in GEG increased by 10% compared to the same period of 2018 and remains a source of our recurring income.

Conclusion

Major developed countries, Mainland China and Hong Kong still maintained growth in the first half of 2019 while there are more concerns over the growth momentum and sustainability going forward. US just announced to impose a 10% tariff on another US\$300 billion of Chinese imports from September but then decided to defer levying the tariff on some of these imports to December. It is generally believed that the trade war between China and the US will not end soon. On the other hand, US cutting its interest rate by 0.25% in late July as the market expected will help to boost buyers' interest in the Hong Kong property market. Despite Chinese economic growth is slowing down, it continues to outperform many developed countries. While Hong Kong property market saw consolidation from June, its economy growth slows down and there are volatility and uncertainties recently, it will remain stable. We also prudently believe that the Mainland property market can also sustain its growth going forward with the government's stable policies.

The Group has secured considerable contracted sales to be recognised and will continue to develop our existing projects and launch those in our pipeline as scheduled, as well as further replenish our land bank in a disciplined manner. The Group remains well positioned to capture any opportunities in the recent softened land market in Hong Kong and Mainland China arising from the latest market development or restrictive property measures.

REVIEW OF FINANCE

Financial Position

The financial position of the Group remained healthy. As of 30 June 2019, total funds employed (being total equity and total borrowings and guaranteed notes) were HK\$56 billion (31 December 2018: HK\$56 billion). The number of issued shares of the Company increased to 3,125,174,615 as of 30 June 2019 (31 December 2018: 3,124,854,615) as a result of the exercise of share options during the Period.

Group Liquidity, Financial Resources and Gearing Ratio

The Group monitors its liquidity requirements on a short-to-medium-term basis and arranges refinancing of the Group's borrowings when appropriate. As of 30 June 2019, the Group's borrowings of bank loans and guaranteed notes were HK\$17,110 million, with a maturity profile spread over a period of up to five years except for HK\$175 million which is due after 5 years, 17% of the rest is repayable within one year and the remaining 83% repayable over one to five years. The average borrowing interest rate for the Group during the Period was approximately 2.8%.

In addition, the Group had available undrawn facilities totalling HK\$19,289 million, comprising HK\$13,601 million for working capital and HK\$5,688 million for project facility purposes.

As of 30 June 2019, cash and bank deposits stood at HK\$6,163 million, with approximately 56% held in Renminbi.

The gearing ratio, defined as the ratio of total borrowings and guaranteed notes less cash and bank deposits to total equity, decreased from 30% as of last year end to 28% as of 30 June 2019.



Treasury Policies

In order to minimise risk, the Group continues to adopt a prudent approach regarding foreign exchange exposure. Forward foreign exchange contracts are utilised when considered appropriate and when attractive pricing opportunities arise to mitigate foreign exchange exposures. Interest rate swap contracts are also utilised as appropriate to avoid the impact of any undue interest rate fluctuations on the Group's operations.

Of the Group's bank loans and guaranteed notes of HK\$17,110 million as of 30 June 2019, approximately 95% was denominated in Hong Kong dollars, with the remainder in Renminbi. Approximately 94% of such borrowings and notes was on a floating rate basis, with the remainder on a fixed rate basis. In July, the Group entered into interest rate contracts to swap floating rate loans for the amount of HK\$1 billion into fixed rate.

Charges on Group Assets

As of 30 June 2019, certain subsidiaries of the Group pledged assets (comprising investment properties, development properties, right-of-use assets, and buildings) with aggregate carrying values of HK\$17,866 million (31 December 2018: HK\$15,962 million, including leasehold land and land use rights) to banks in order to secure the Group's borrowing facilities.

Guarantees

As of 30 June 2019, the Company has executed guarantees in favour of banks and financial institutions, in respect of facilities granted to certain subsidiaries and joint ventures, amounting to HK\$32,178 million (31 December 2018: HK\$28,347 million) and HK\$3,609 million (31 December 2018: HK\$3,609 million) respectively. Of these, facilities totalling HK\$15,508 million (31 December 2018: HK\$16,953 million) and HK\$2,888 million (31 December 2018: HK\$2,880 million) respectively have been utilised.

In addition, certain subsidiaries of the Company provided guarantees amounting to HK\$859 million (31 December 2018: HK\$1,081 million) in respect of mortgage facilities granted by banks relating to mortgage loans arranged for purchasers of the Group's properties.

EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2019, the Group, excluding its associated companies and joint ventures, employs 926 employees in Hong Kong, Mainland China and Singapore. Employee costs, excluding Directors' emoluments, amounted to approximately HK\$231 million for the period under review.

The Group believes its long-term growth and success depend upon the quality, performance and commitment of its employees. The Group's remuneration policy aims to offer competitive remuneration packages to attract, retain and motivate talents. With result-driven incentive programmes which are built upon our established performance management framework, the Group believes the remuneration packages of its employees are fair, reasonable and competitive in relation to comparable organisations with similar business interests.

The Group has put in place a share option scheme for its executives and employees since 1989 for the purposes of providing competitive remuneration package as well as retaining talents in the long term. The Group puts emphasis on employees' training and development opportunities which form an important component of the Group's human resources strategy. Training and development programmes are provided through internal and external resources in each year to address the needs of our employees for the sustainable development of our businesses.



Report on Review of Interim Financial Information



羅兵咸永道

**TO THE BOARD OF DIRECTORS OF
K. WAH INTERNATIONAL HOLDINGS LIMITED**

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 10 to 28, which comprises the condensed consolidated balance sheet of K. Wah International Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2019 and the condensed consolidated profit and loss statement, the condensed consolidated statement of comprehensive income, the condensed consolidated cash flow statement and the condensed consolidated statement of changes in equity for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 20 August 2019



Condensed Consolidated Profit and Loss Statement (unaudited)

	Note	For the six months ended 30 June	
		2019 HK\$'000	2018 HK\$'000
Revenue	6	5,123,730	622,638
Cost of sales		(2,893,076)	(217,499)
Gross profit		2,230,654	405,139
Other operating income		153,133	132,220
Other net gains/(losses)		14,445	(29,141)
Fair value gain on transfer of development properties to investment properties	7	–	524,736
Change in fair value of investment properties		70,377	217,900
Other operating expenses		(207,815)	(117,766)
Administrative expenses		(273,333)	(248,130)
Finance costs	8	(7,027)	(18,709)
Share of profits of joint ventures		69,704	30,928
Share of profits of associated companies		37,360	11,794
Profit before taxation	9	2,087,498	908,971
Taxation charge	10	(513,432)	(282,336)
Profit for the period		1,574,066	626,635
Attributable to:			
Equity holders of the Company		1,525,583	577,737
Non-controlling interests		48,483	48,898
		1,574,066	626,635
Earnings per share	11	HK cents	HK cents
Basic		48.82	18.88
Diluted		48.76	18.83



Condensed Consolidated Statement of Comprehensive Income (unaudited)

	For the six months ended 30 June	
	2019 HK\$'000	2018 HK\$'000
Profit for the period	1,574,066	626,635
Other comprehensive income/(loss):		
<i>Item that will not be reclassified to profit and loss:</i>		
Change in fair value of financial assets at fair value through other comprehensive income	463,079	(316,844)
<i>Item that may be reclassified to profit and loss:</i>		
Exchange differences arising from translation	(103,689)	(224,045)
Other comprehensive income/(loss) for the period	359,390	(540,889)
Total comprehensive income for the period	1,933,456	85,746
Total comprehensive income attributable to:		
Equity holders of the Company	1,893,443	46,508
Non-controlling interests	40,013	39,238
	1,933,456	85,746



Condensed Consolidated Balance Sheet

As at 30 June 2019

	Note	(unaudited) 30 June 2019 HK\$'000	(audited) 31 December 2018 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		471,196	485,296
Investment properties		14,162,379	14,138,018
Right-of-use assets		28,534	–
Leasehold land and land use rights		–	17,149
Joint ventures		8,403,340	6,436,888
Associated companies		987,664	1,105,550
Financial assets at fair value through other comprehensive income		8,554,785	8,091,706
Deferred taxation assets		100,782	97,646
Other non-current assets		593,155	569,899
		33,301,835	30,942,152
Current assets			
Development properties		28,554,607	29,952,900
Inventories		1,733	2,226
Amounts due from associated companies		18,070	5,165
Debtors and prepayments	14	536,205	562,070
Land and tender deposits		79,700	25,000
Financial assets at fair value through profit or loss		1,398,780	498,915
Taxes recoverable		559,398	416,884
Cash and bank deposits	15	6,162,977	7,488,536
		37,311,470	38,951,696
Total assets		70,613,305	69,893,848
EQUITY			
Share capital	16	312,517	312,485
Reserves		37,230,298	35,328,008
Shareholders' funds		37,542,815	35,640,493
Non-controlling interests		1,369,529	1,361,232
Total equity		38,912,344	37,001,725
LIABILITIES			
Non-current liabilities			
Borrowings	17	13,247,831	16,609,816
Guaranteed notes	18	1,000,702	1,000,127
Lease liabilities		8,940	–
Deferred taxation liabilities		2,478,697	2,449,047
		16,736,170	20,058,990
Current liabilities			
Amounts due to joint ventures		1,425,811	1,243,750
Amounts due to associated companies		366,223	372,909
Creditors, accruals and other liabilities	19	1,379,376	1,669,632
Pre-sales deposits		7,107,798	6,261,399
Current portion of borrowings	17	2,861,512	1,100,803
Taxes payable		1,824,071	2,184,640
		14,964,791	12,833,133
Total liabilities		31,700,961	32,892,123
Total equity and liabilities		70,613,305	69,893,848
Net current assets		22,346,679	26,118,563
Total assets less current liabilities		55,648,514	57,060,715

Condensed Consolidated Cash Flow Statement (unaudited)

	For the six months ended 30 June	
	2019 HK\$'000	2018 HK\$'000
Net cash generated from/(used in) operating activities	2,695,303	(1,665,556)
Cash flows from investing activities		
Net changes in balances with joint ventures	(1,717,218)	301,182
Net changes in balances with associated companies	55,215	(101,948)
Increase in investment in an associated company	–	(92,096)
Increase in financial assets at fair value through profit or loss	(888,939)	(398,626)
Dividends received from associated companies	80,000	160,000
Increase in bank deposits	(1,401)	(312,435)
Others	126,345	99,937
Net cash used in investing activities	(2,345,998)	(343,986)
Cash flows from financing activities		
New bank loans	5,026,380	12,827,106
Repayment of bank loans and guaranteed notes	(6,648,814)	(10,416,174)
Principal elements of lease liabilities	(1,849)	–
Repayment of capital to non-controlling interests	(31,716)	(375,259)
Issues of new shares	1,482	12,589
Net cash (used in)/from financing activities	(1,654,517)	2,048,262
Net (decrease)/increase in cash and cash equivalents	(1,305,212)	38,720
Cash and cash equivalents at beginning of the period	7,426,074	5,489,914
Changes in exchange rates	(21,499)	(3,158)
Cash and cash equivalents at end of the period	6,099,363	5,525,476



Condensed Consolidated Statement of Changes in Equity (unaudited)

For the six months ended 30 June 2019

	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Shareholders' funds HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
At 1 January 2019	312,485	8,991,277	26,336,731	35,640,493	1,361,232	37,001,725
Comprehensive income						
Profit for the period	-	-	1,525,583	1,525,583	48,483	1,574,066
Other comprehensive income						
Other comprehensive income/(loss) for the period	-	367,860	-	367,860	(8,470)	359,390
Transactions with equity holders						
Issue of shares upon exercise of share options	32	1,450	-	1,482	-	1,482
Fair value of share options	-	7,397	-	7,397	-	7,397
Lapse of share options	-	(17,151)	17,151	-	-	-
Repayment of capital to non-controlling interests	-	-	-	-	(31,716)	(31,716)
At 30 June 2019	312,517	9,350,833	27,879,465	37,542,815	1,369,529	38,912,344
At 1 January 2018	305,546	12,106,601	22,590,501	35,002,648	2,014,039	37,016,687
Comprehensive income						
Profit for the period	-	-	577,737	577,737	48,898	626,635
Other comprehensive loss						
Other comprehensive loss for the period	-	(531,229)	-	(531,229)	(9,660)	(540,889)
Transactions with equity holders						
Issue of shares upon exercise of shares options	495	12,094	-	12,589	-	12,589
Fair value of share options	-	8,208	-	8,208	-	8,208
Lapse of share options	-	(1,666)	1,666	-	-	-
Repayment of capital to non-controlling interests	-	-	-	-	(375,259)	(375,259)
At 30 June 2018	306,041	11,594,008	23,169,904	35,069,953	1,678,018	36,747,971



Notes to the Interim Financial Information

1 GENERAL INFORMATION

K. Wah International Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda and has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is changed to Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, with effect from 15 July 2019, and its principal place of business in Hong Kong is 29th Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong.

The principal activities of the Company and its subsidiaries (together the “Group”) are property development and investment in Hong Kong and Mainland China.

This interim financial information is presented in Hong Kong dollars, unless otherwise stated. This interim financial information was approved for issue by the Board of Directors on 20 August 2019.

This interim financial information has not been audited.

2 BASIS OF PREPARATION

The interim financial information for the six months ended 30 June 2019 has been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which are carried at fair values and in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018 which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2018, except as stated below.

The adoption of new standards and amendments and interpretation to standards

In 2019, the Group adopted the following new standards and amendments and interpretation to standards, which are relevant to its operations.

HKAS 19 (Amendment)	Employee Benefits – Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendment)	Long-term Interests in Associates and Joint Ventures
HKFRS 9 (Amendment)	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Annual Improvements to HKFRSs 2015–2017 Cycle	

The impact of the adoption of HKFRS 16 are disclosed in Note (i) below while the adoption of the other amendments and interpretation to standards did not have significant impact on the Group’s accounting policies and did not require retrospective adjustments.

**2 BASIS OF PREPARATION (cont'd)****New standard and amendments to standards that are not yet effective**

		Effective for accounting periods beginning on or after
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 January 2020
HKFRS 3 (Amendment)	Definition of a Business	1 January 2020
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	No mandatory effective date
HKFRS 17	Insurance Contracts	1 January 2021

The Group will adopt the above new standard and amendments to standards as and when they become effective. The Group has commenced a preliminary assessment of the impact of these new standard and amendments to standards, certain of which may be relevant to the Group's operations. The Group is not yet in a position to ascertain their impact on its results of operations and financial position.

(i) Changes in accounting policies

The changes in accounting policies upon the adoption of HKFRS 16 'Leases' are set out below:

The Group has adopted HKFRS 16 from 1 January 2019, but has not restated the comparatives for the prior years as permitted under the specific transitional provisions in the standard. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening condensed consolidated balance sheet on 1 January 2019 and summarised as follows:

	As at 1 January 2019		
	As previously stated HK\$'000	Effects of the adoption HK\$'000	As restated HK\$'000
Condensed consolidated balance sheet (extract)			
Right-of-use assets	–	30,617	30,617
Leasehold land and land use rights	17,149	(17,149)	–
Lease liabilities	–	10,473	10,473
Creditors, accruals and other liabilities	1,669,632	2,995	1,672,627

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 'Leases'. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019.

2 BASIS OF PREPARATION (cont'd)

(i) Changes in accounting policies (cont'd)

Lease payments include fixed payments less any lease incentives receivable. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to condensed consolidated profit and loss statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

As a result, the total obligations under the operating lease commitments of HK\$21,688,000 disclosed at 31 December 2018, adjusted by the effect of discounting and exclusion of short-term leases and low-value asset leases, amounted to lease liabilities of HK\$13,468,000, were recognised on 1 January 2019. The amount was split into current and non-current portion of HK\$2,995,000 and HK\$10,473,000 respectively.

The associated right-of-use assets were measured at the amount equal to the initial measurement of lease liabilities on a present value basis, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated balance sheet as at 31 December 2018. Together with the reclassification of leasehold land and land use rights, right-of-use assets of HK\$30,617,000 were recognised in the condensed consolidated balance sheet as of 1 January 2019. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as lease expenses in the condensed consolidated profit and loss statement.

Cash payments for the settlement of lease liabilities are reclassified from operating activities to financing activities according to HKFRS 16 in the condensed consolidated cash flow statement.

In applying HKFRS 16 for the first time, the Group has accounted for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases as permitted under the practical expedients in the standard.

There is no material impact to the Group's financial performance due to the adoption of this new accounting standard.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the interim financial information, the critical accounting estimates and judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those used in the annual financial statements for the year ended 31 December 2018.



4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2018.

There have been no material changes in the Group's financial risk management structure, policies and procedures since year ended 31 December 2018.

(b) Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

(c) Estimates of fair value of financial instruments

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities.

The disclosure of fair value measurements of financial instruments carried at fair value by level in the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

At 30 June 2019 and 31 December 2018, the Group had no Level 3 financial instruments, the only Level 1 financial instrument that is measured at fair value represented the financial assets at fair value through other comprehensive income and Level 2 financial instruments that are measured at fair value represented the financial assets at fair value through profit or loss.

During the period, there were no transfers of financial assets or financial liabilities between the levels in the hierarchy.

During the period, there were no reclassifications of financial assets.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

In assessing the fair value of non-trading securities and other financial assets that are not traded in an active market, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at the balance sheet date.

5 SEGMENT INFORMATION

The Group is principally engaged in property development and investment in Hong Kong and Mainland China. In accordance with the internal financial reporting of the Group provided to the chief operating decision-maker for the purposes of allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are property development and property investment. The Group regards the Board of Directors as the chief operating decision-maker.

The results of the operating segments represent the adjusted earnings before interest, tax, depreciation, amortisation and certain items (the "Adjusted EBITDA"). Certain items include other operating income/expenses, other net gains/losses, fair value gain on transfer of development properties to investment properties and change in fair value of investment properties. Also the Adjusted EBITDA excludes the share of results of joint ventures and associated companies. There are no sales or trading transactions between the operating segments. Others represent corporate level activities including central treasury management, hotel operation and administrative function.

Segment assets represent total assets excluding joint ventures and associated companies and other assets. Other assets include financial assets at fair value through other comprehensive income, hotel building, inventories and other non-operating assets held by the corporate office.



5 SEGMENT INFORMATION (cont'd)

	Property development			Property investment	Others	Total
	Hong Kong HK\$'000	Mainland China HK\$'000	Others HK\$'000	HK\$'000	HK\$'000	HK\$'000
Six months ended 30 June 2019						
Revenue from contracts with customers:						
– Recognised at a point in time	2,710,683	2,064,832	–	–	–	4,775,515
– Recognised over time	–	–	–	–	55,527	55,527
Revenue from other sources – Rental income	–	–	–	292,688	–	292,688
Revenue	2,710,683	2,064,832	–	292,688	55,527	5,123,730
Adjusted EBITDA	1,322,860	534,388	(725)	241,088	(124,784)	1,972,827
Other income and expenses/gains, net						(40,237)
Depreciation and amortisation						(15,506)
Change in fair value of investment properties				70,377		70,377
Finance costs						(7,027)
Share of profits/(losses) of joint ventures	81,398	(11,694)				69,704
Share of profits/(losses) of associated companies	41,800	(4,440)				37,360
Profit before taxation						2,087,498
Taxation charge						(513,432)
Profit for the period						1,574,066
As at 30 June 2019						
Segment assets	16,002,404	20,643,803	8,554	14,551,168	–	51,205,929
Other assets	–	–	–	–	9,998,302	9,998,302
Joint ventures	7,447,806	955,534	–	–	–	8,403,340
Associated companies	936,601	69,133	–	–	–	1,005,734
Total assets	24,386,811	21,668,470	8,554	14,551,168	9,998,302	70,613,305
Total liabilities	14,857,530	14,132,552	254	2,658,480	52,145	31,700,961
Six months ended 30 June 2018						
Revenue from contracts with customers:						
– Recognised at a point in time	59,789	237,628	–	–	–	297,417
– Recognised over time	–	–	–	–	56,771	56,771
Revenue from other sources – Rental income	–	–	–	268,450	–	268,450
Revenue	59,789	237,628	–	268,450	56,771	622,638
Adjusted EBITDA	24,429	43,763	(1,360)	219,855	(113,829)	172,858
Other income and expenses/losses, net						(14,687)
Depreciation and amortisation						(15,849)
Fair value gain on transfer of development properties to investment properties				524,736		524,736
Change in fair value of investment properties				217,900		217,900
Finance costs						(18,709)
Share of profits/(losses) of joint ventures	34,851	(3,923)				30,928
Share of profits of associated companies	11,794	–				11,794
Profit before taxation						908,971
Taxation charge						(282,336)
Profit for the period						626,635
As at 31 December 2018						
Segment assets	18,848,005	19,965,683	9,555	14,489,103	–	53,312,346
Other assets	–	–	–	–	9,033,899	9,033,899
Joint ventures	5,319,488	1,117,400	–	–	–	6,436,888
Associated companies	979,719	130,996	–	–	–	1,110,715
Total assets	25,147,212	21,214,079	9,555	14,489,103	9,033,899	69,893,848
Total liabilities	16,519,036	13,672,551	446	2,634,444	65,646	32,892,123
Six months ended 30 June 2019						
Additions to non-current assets	–	12,968	2	108	250	13,328
Six months ended 30 June 2018						
Additions to non-current assets	–	1,217	8	6	300	1,531

5 SEGMENT INFORMATION (cont'd)

Geographical segment information

The Group operates in two (2018: two) main geographical areas, including Hong Kong and Mainland China. The revenue for the six months ended 30 June 2019 and 2018 and total non-current assets (other than joint ventures, associated companies, financial assets at fair value through other comprehensive income, deferred taxation assets and other non-current assets) as at 30 June 2019 and 31 December 2018 by geographical area are as follows:

Revenue

	2019 HK\$'000	2018 HK\$'000
Hong Kong	2,747,483	96,967
Mainland China	2,376,247	525,671
	5,123,730	622,638

Non-current assets

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Hong Kong	2,996,650	3,003,484
Mainland China	11,665,321	11,636,826
Other	138	153
	14,662,109	14,640,463

6 REVENUE

	2019 HK\$'000	2018 HK\$'000
Sales of properties	4,775,515	297,417
Rental income	292,688	268,450
Hotel operations	55,527	56,771
	5,123,730	622,638

7 FAIR VALUE GAIN ON TRANSFER OF DEVELOPMENT PROPERTIES TO INVESTMENT PROPERTIES

The amount represented fair value gain on transfer of certain development properties to investment properties for the six months ended 30 June 2018 in pursuance of the Group's strategy to increase the recurring income.



8 FINANCE COSTS

	2019 HK\$'000	2018 HK\$'000
Interest expenses		
Bank loans, guaranteed notes, overdrafts and others	266,584	255,308
Lease liabilities	329	–
	266,913	255,308
Capitalised as cost of properties under development	(259,886)	(236,599)
	7,027	18,709

9 PROFIT BEFORE TAXATION

	2019 HK\$'000	2018 HK\$'000
Profit before taxation is stated after crediting:		
Interest income	52,679	39,567
Dividend income from financial assets at fair value through other comprehensive income	73,118	66,618
Net fair value gains on derivative financial instruments	–	1,080
Net fair value gains on financial assets at fair value through profit or loss	13,151	5,025
Net exchange gains	1,532	–
and after charging:		
Cost of properties sold	2,830,522	156,462
Selling and marketing expenses	193,143	108,110
Depreciation for property, plant and equipment (net of amount capitalised under properties under development of HK\$201,000 (2018: HK\$210,000))	13,509	15,785
Depreciation for right-of-use assets	1,997	–
Amortisation for leasehold land and land use rights	–	64
Lease expenses	2,296	–
Operating lease rental for land and buildings	–	4,978
Loss on disposal of property, plant and equipment	238	94
Net exchange losses	–	35,152

10 TAXATION CHARGE

	2019 HK\$'000	2018 HK\$'000
Current		
Hong Kong profits tax	204,770	2,520
Mainland China		
– Income tax	139,992	42,780
– Land appreciation tax	133,290	23,978
Over-provision in previous years	(50)	(18)
Deferred	35,430	213,076
	513,432	282,336

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits for the period after setting off available tax losses brought forward. Taxation assessable on profits generated in Mainland China and overseas has been provided at the rates of taxation prevailing in the countries in which the Group operates. There is no income tax provided on other comprehensive income.

Land appreciation tax in Mainland China is normally provided at statutory progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including lease charges of land use rights and all property development expenditures, which is included in the profit and loss statement as taxation charge.

11 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share for the period is based on the following:

	2019 HK\$'000	2018 HK\$'000
Profit attributable to equity holders of the Company	1,525,583	577,737

	Number of shares	
	2019	2018
Weighted average number of shares for calculating basic earnings per share	3,124,908,000	3,059,922,000
Effect of dilutive potential ordinary shares – Share options	3,926,000	8,699,000
Weighted average number of shares for calculating diluted earnings per share	3,128,834,000	3,068,621,000



12 DIVIDEND

The Board of Directors has declared an interim cash dividend of HK\$187,510,000 (being 6 HK cents per share) (2018: an interim scrip dividend (with a cash option) of 6 HK cents per share, totaling HK\$187,034,000). This dividend will be accounted for as an appropriation of retained earnings in the year ending 31 December 2019.

13 CAPITAL EXPENDITURE

For the six months ended 30 June 2019, the Group incurred HK\$1.6 million (2018: HK\$1.5 million) on property, plant and equipment.

14 DEBTORS AND PREPAYMENTS

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Trade debtors	6,854	5,324
Other debtors	202,459	258,529
Amounts due from non-controlling interests	28,987	11,984
Prepayments and other deposits	55,196	49,041
Sales commissions	128,409	91,109
Sales taxes	114,300	146,083
	536,205	562,070

Trade debtors mainly comprise rental receivable. Rental from tenants is due and payable in advance.

The aging analysis of the trade debtors of the Group based on the date of invoices and net of provision for bad and doubtful debts is as follows:

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Within one month	5,149	4,525
Two to three months	333	180
Four to six months	68	75
Over six months	1,304	544
	6,854	5,324

15 CASH AND BANK DEPOSITS

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Cash at bank and in hand	2,955,597	2,591,073
Short-term and other bank deposits	3,143,766	4,835,001
Cash and cash equivalents	6,099,363	7,426,074
Short-term bank deposits maturing after three months	63,614	62,462
Cash and bank deposits	6,162,977	7,488,536

16 SHARE CAPITAL

	2019		2018	
	Shares of HK\$0.10 each Number of shares	HK\$'000	Shares of HK\$0.10 each Number of shares	HK\$'000
Authorised:				
At 1 January and 30 June	5,000,000,000	500,000	5,000,000,000	500,000
Issued and fully paid:				
At 1 January	3,124,854,615	312,485	3,055,461,052	305,546
Share options exercised	320,000	32	4,948,000	495
At 30 June	3,125,174,615	312,517	3,060,409,052	306,041

The Company operates a share option scheme under which options to subscribe for shares in the Company may be granted to Directors, employees and consultants of the Company and its affiliates and other qualifying grantees. During the period, share options to subscribe for 320,000 shares (2018: 4,948,000 shares) were exercised.

**16 SHARE CAPITAL (cont'd)**

The outstanding share options have the following exercise periods and exercise prices per share:

Exercise period	Exercise price HK\$	Number of share options	
		30 June 2019	31 December 2018
21 January 2014 to 20 January 2019	4.610	–	12,410,000
30 September 2015 to 29 September 2020	4.500	13,640,000	13,800,000
21 January 2017 to 20 January 2022	2.796	11,090,000	11,090,000
17 July 2018 to 16 July 2023	4.760	17,530,000	17,840,000
18 July 2019 to 17 July 2024	4.520	19,466,000	19,826,000
		61,726,000	74,966,000

17 BORROWINGS

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Long-term bank loans		
Secured	3,155,087	3,221,139
Unsecured	11,154,256	13,804,700
	14,309,343	17,025,839
Unsecured short-term bank loans	1,800,000	684,780
	16,109,343	17,710,619
Current portion included in current liabilities	(2,861,512)	(1,100,803)
	13,247,831	16,609,816

18 GUARANTEED NOTES

K. Wah International Financial Services Limited, a wholly-owned subsidiary of the Company, issued guaranteed notes of HK\$1 billion at 100% of face value through private placement in 2014. The notes are guaranteed by the Company and carry a coupon rate of 4.25% to 4.73% per annum and have a maturity of 7 years. The fair value of these guaranteed notes as at 30 June 2019 was HK\$1,032 million (31 December 2018: HK\$1,029 million).

19 CREDITORS, ACCRUALS AND OTHER LIABILITIES

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Trade creditors	925,127	1,264,651
Other creditors	88,332	62,536
Accrued operating expenses	155,280	147,201
Rental and other deposits received	207,654	195,244
Lease liabilities – current portion	2,983	–
	1,379,376	1,669,632

The aging analysis of the trade creditors of the Group based on the date of the invoices is as follows:

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Within one month	908,637	1,239,733
Two to three months	3,167	2,336
Four to six months	294	380
Over six months	13,029	22,202
	925,127	1,264,651

20 COMMITMENTS

	30 June 2019 HK\$'000	31 December 2018 HK\$'000
Contracted but not provided for commitments in respect of		
– property investment	–	–
– property development	3,624,198	2,467,465
– joint venture and associated company	1,898,308	514,345
	5,522,506	2,981,810

21 GUARANTEES

The Group has executed the following guarantees in respect of loan facilities granted by banks and financial institutions:

	30 June 2019		31 December 2018	
	Outstanding HK\$'000	Utilised HK\$'000	Outstanding HK\$'000	Utilised HK\$'000
Joint ventures	3,609,134	2,887,579	3,609,134	2,879,579
Properties buyers	859,054	859,054	1,081,096	1,081,096
	4,468,188	3,746,633	4,690,230	3,960,675

The Group has provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties in Mainland China. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. Such guarantees shall terminate upon issuance of the relevant property ownership certificates.

The Group monitors the net realisable values of the relevant properties which are subject to the fluctuation of the property market. As at 30 June 2019, no provision on the above guarantees was made (31 December 2018: nil).

As at 30 June 2019, the Company has executed guarantees in favour of banks, in respect of loan facilities granted to certain subsidiaries, amounting to HK\$32,178 million (31 December 2018: HK\$28,347 million). Of these, facilities of HK\$15,508 million (31 December 2018: HK\$16,953 million) were utilised.

22 RELATED PARTY TRANSACTIONS

The following is a summary of significant transactions between the Group and related parties, in addition to those disclosed elsewhere in the interim financial information which in the opinion of the Directors, were carried out in the normal course of business during the period:

- Key management personnel comprise Executive Directors of the Company and their emoluments are amounted to HK\$32,711,000 (2018: HK\$32,737,000).
- Rental income from an investee company amounted to HK\$739,000 (2018: HK\$738,000) based on the terms of rental agreement between the parties.
- Rental expenses to related companies amounted to HK\$7,733,000 (2018: HK\$7,049,000) based on the terms of master lease agreement executed between the parties.

Other Information

DIRECTORS' INTERESTS IN SECURITIES AND UNDERLYING SHARES

As of 30 June 2019, the interests and short positions of each director of the Company ("Director") in the ordinary shares of the Company ("Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), if any, and the details of any right to subscribe for Shares and of the exercise of such rights, as required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("HK Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise required to be notified to the Company and the HK Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities ("Listing Rules") on the HK Stock Exchange, were as follows:

(a) Shares

Name of Directors	Number of Shares (including Underlying Shares)				Total	Approximate % of Issued Share Capital
	Personal Interests	Family Interests	Corporate Interests	Other Interests		
Lui Che-woo	30,605,941	8,317,120 ⁽¹⁾	300,814,213 ⁽²⁾	1,633,497,769 ⁽³⁾	1,973,235,043	63.14
Francis Lui Yiu Tung	11,138,035	–	–	1,633,497,769 ⁽³⁾	1,644,635,804	52.63
Paddy Tang Lui Wai Yu	27,557,605	–	–	1,633,497,769 ⁽³⁾	1,661,055,374	53.15
Alexander Lui Yiu Wah	19,751,428	–	4,005,183 ⁽⁴⁾	1,633,497,769 ⁽³⁾	1,657,254,380	53.03
Moses Cheng Mo Chi	849,175	–	–	–	849,175	0.03
William Yip Shue Lam	1,052,726	–	–	–	1,052,726	0.03
Au Man Chu	847,568	–	–	–	847,568	0.03
Wong Kwai Lam	1,040,000	–	–	–	1,040,000	0.03

Unless otherwise stated, all personal interests stated above were held by the respective Directors in the capacity of beneficial owners.

Notes:

- (1) Dr. Lui Che-woo is deemed to be interested in 8,317,120 Shares through the interests of his spouse.
- (2) Such Shares are held by companies which are controlled by Dr. Lui Che-woo.
- (3) Such interests in the Shares are indirectly held by a company which is the trustee of a discretionary family trust established by Dr. Lui Che-woo as settlor. Dr. Lui Che-woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah are deemed to be interested in those Shares by virtue of being the discretionary beneficiaries of the discretionary family trust.
- (4) Such Shares are held by a company controlled by Mr. Alexander Lui Yiu Wah.

(b) Underlying Shares — Share Options

Share options, which are unlisted and physically settled, to subscribe for Shares were beneficially held by certain Directors.



Other Information

Particulars of the movement of the options held by each of the Directors, the employees and consultants of the Company and its affiliates and other qualifying grantees in aggregate under the Share Option Scheme of the Company during the period of six months ended 30 June 2019 were as follows:

Holders	Date of grant	Number of options			Held at 30 June 2019	Exercise price per Share (HK\$)	Exercise period
		Held at 1 January 2019	Exercised during the period	Lapsed during the period			
Lui Che-woo	21 Jan 2013	2,630,000	–	2,630,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	2,700,000	–	–	2,700,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	2,800,000	–	–	2,800,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	2,900,000	–	–	2,900,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	3,000,000	–	–	3,000,000	4.520	18 Jul 2019–17 Jul 2024
Francis Lui Yiu Tung	21 Jan 2013	1,500,000	–	1,500,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	1,300,000	–	–	1,300,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	1,300,000	–	–	1,300,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	1,300,000	–	–	1,300,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	1,300,000	–	–	1,300,000	4.520	18 Jul 2019–17 Jul 2024
Paddy Tang Lui Wai Yu	21 Jan 2013	2,630,000	–	2,630,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	2,700,000	–	–	2,700,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	2,800,000	–	–	2,800,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	2,900,000	–	–	2,900,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	3,000,000	–	–	3,000,000	4.520	18 Jul 2019–17 Jul 2024
Alexander Lui Yiu Wah	21 Jan 2013	2,630,000	–	2,630,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	2,700,000	–	–	2,700,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	2,800,000	–	–	2,800,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	2,900,000	–	–	2,900,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	3,000,000	–	–	3,000,000	4.520	18 Jul 2019–17 Jul 2024
Moses Cheng Mo Chi	21 Jan 2013	200,000	–	200,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	160,000	–	–	160,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	160,000	–	–	160,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	160,000	–	–	160,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	160,000	–	–	160,000	4.520	18 Jul 2019–17 Jul 2024
William Yip Shue Lam	30 Sep 2014	160,000	–	–	160,000	4.500	30 Sep 2015–29 Sep 2020
	17 Jul 2017	160,000	–	–	160,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	160,000	–	–	160,000	4.520	18 Jul 2019–17 Jul 2024
Au Man Chu	21 Jan 2013	200,000	–	200,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	160,000	–	–	160,000	4.500	30 Sep 2015–29 Sep 2020
	17 Jul 2017	160,000	–	–	160,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	160,000	–	–	160,000	4.520	18 Jul 2019–17 Jul 2024
Wong Kwai Lam	21 Jan 2013	200,000	–	200,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	160,000	–	–	160,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	160,000	–	–	160,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	160,000	–	–	160,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	160,000	–	–	160,000	4.520	18 Jul 2019–17 Jul 2024
Employees ^(a) (in aggregate)	21 Jan 2013	2,120,000	–	2,120,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	2,860,000	–	–	2,860,000	4.500	30 Sep 2015–29 Sep 2020
	21 Jan 2016	1,070,000	–	–	1,070,000	2.796	21 Jan 2017–20 Jan 2022
	17 Jul 2017	6,060,000	–	150,000	5,910,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	7,996,000	–	200,000	7,796,000	4.520	18 Jul 2019–17 Jul 2024
Consultants ^(b) (in aggregate)	21 Jan 2013	300,000	–	300,000	–	4.610	21 Jan 2014–20 Jan 2019
	30 Sep 2014	740,000	–	–	740,000	4.500	30 Sep 2015–29 Sep 2020
	17 Jul 2017	980,000	–	–	980,000	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	730,000	–	–	730,000	4.520	18 Jul 2019–17 Jul 2024
Other ^(c)	30 Sep 2014	160,000	160,000 ^(d)	–	–	4.500	30 Sep 2015–29 Sep 2020
	17 Jul 2017	160,000	160,000 ^(e)	–	–	4.760	17 Jul 2018–16 Jul 2023
	18 Jul 2018	160,000	–	160,000 ^(f)	–	4.520	18 Jul 2019–17 Jul 2024

Notes:

- (a) Employees include associates of Directors and the movements in the options held by each of the associates of Directors during the period shown above were as follows:

Name	Date of grant	Held at 1 January 2019	Exercised during the period	Lapsed during the period	Held at 30 June 2019	Exercise price per Share (HK\$)	Exercise period
Tang Eugene	30 Sep 2014	50,000	-	-	50,000	4.500	30 Sep 2015-29 Sep 2020
Justin Yue	17 Jul 2017	120,000	-	-	120,000	4.760	17 Jul 2018-16 Jul 2023
Chung	18 Jul 2018	130,000	-	-	130,000	4.520	18 Jul 2019-17 Jul 2024

- (b) Options were re-categorized from "Employees and others (in aggregate)" to "Consultants (in aggregate)" during the period of six months ended 30 June 2019.
- (c) Following the retirement of Dr. Robin Chan Yau Hing as the Independent Non-executive Director of the Company on 5 June 2019, all outstanding options granted to him were re-categorized from "Director" to "Other" during the period of six months ended 30 June 2019.
- (d) The weighted average closing price of the Shares immediately before the date on which the options were exercised during the period was HK\$4.620 per share.
- (e) The weighted average closing price of the Shares immediately before the date on which the options were exercised during the period was HK\$4.620 per share.
- (f) Upon the retirement of Dr. Robin Chan Yau Hing as the Independent Non-executive Director of the Company on 5 June 2019, the unvested options were lapsed immediately.

All the options granted were subject to a one-year vesting period.

No option was granted and cancelled during the period of six months ended 30 June 2019.

All the interests stated above represent long positions.

Dr. Lui Che-woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah, by virtue of their deemed interests in the Shares as described in Note (3) above and as Directors of the Company, are deemed to be interested in the issued share capital of every subsidiary, joint venture and associated company of the Company held through the Company under the provision of the SFO.

Save as disclosed above, as of 30 June 2019, none of the Directors had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As of 30 June 2019, the interests of every person (not being a Director or chief executive of the Company) in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO or as otherwise notified to the Company and the HK Stock Exchange were as follows:

Name of Shareholders	Capacity	Number of Shares (Long Position)	Approximate % of Issued Share Capital
CWL Assets (PTC) Limited	Trustee	1,633,497,769	52.27
HSBC International Trustee Limited	Trustee	1,625,792,737 ⁽¹⁾	52.02
Super Focus Company Limited	Beneficial owner	1,108,910,673	35.48
Star II Limited	Interest of controlled corporation	264,752,460	8.47
Favor Right Investments Limited	Beneficial owner	211,594,444	6.77
Premium Capital Profits Limited	Beneficial owner	184,229,079	5.90
Lui Che Woo Foundation Limited	Beneficial owner	172,487,639	5.52

Note:

- (1) HSBC International Trustee Limited is the trustee of the trust established by Dr. Lui Che-woo as the settlor, was interested in 1,633,497,769 Shares of the Company.

There was duplication of interests of 1,633,497,769 Shares among Dr. Lui Che-woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu, Mr. Alexander Lui Yiu Wah, HSBC International Trustee Limited and CWL Assets (PTC) Limited. Of these Shares, 1,108,910,673 Shares were interested by Super Focus Company Limited, 48,240,192 Shares were interested by Best Chance Investments Ltd., 211,594,444 Shares were interested by Favor Right Investments Limited, 184,229,079 Shares were interested between Premium Capital Profits Limited and Star II Limited and 80,523,381 Shares were interested between Mark Liaison Limited and Star II Limited.

Save as disclosed above, as of 30 June 2019, the Company had not been notified by any persons who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

DISCLOSURE UNDER RULE 13.22 OF THE LISTING RULES

As of 30 June 2019, the Group had given financial assistance and guarantees to financial institutions for the benefit of its affiliated companies. In compliance with the requirements of Rule 13.22 of the Listing Rules, the combined balance sheet of the affiliated companies as at the balance sheet date is disclosed as follows:

	Combined Balance Sheet HK\$'000	Group's Attributable Interest HK\$'000
Non-current assets	2,873,200	708,695
Current assets	52,999,717	14,636,631
Current liabilities	(8,972,998)	(2,571,579)
	46,899,919	12,773,747
Share capital	1,754,092	708,096
Reserves	7,717,615	1,886,459
Amounts due to shareholders	25,092,100	6,814,519
Non-current liabilities	12,336,112	3,364,673
	46,899,919	12,773,747

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the period of six months ended 30 June 2019.

AUDIT COMMITTEE

The Audit Committee of the Company met on 13 August 2019 and reviewed the Company's accounting principles and practices and discussed audit strategy, risk management and internal control and financial reporting matters. The Group's unaudited interim results for the six months ended 30 June 2019 have been reviewed by the Audit Committee of the Company and by the Company's Independent Auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The report on review of interim financial information by the Auditor has been included in this interim report.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the Company's Code of Conduct for Securities Transactions by Directors. Having made specific enquiries with all its Directors, the Company confirms that during the period of six months ended 30 June 2019 all its Directors have complied with the required standards as set out in the Model Code.



CORPORATE GOVERNANCE

The Board and management of the Company are committed to the principles of observing good corporate governance consistent with prudent management and enhancement of shareholders' value. The full Board is entrusted with the overall responsibility of developing and ensuring adherence to the Company's Corporate Governance Policy and the Shareholders Communication Policy. The Company is committed to maintaining high standards of corporate governance and enhancing corporate transparency and accountability.

During the period of six months ended 30 June 2019, the Company has complied with the code provisions ("CPs") of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, apart from the deviations from (i) CP A.2.1, namely, the roles of chairman and managing director have not been separated; and (ii) CP A.4.2, namely, the chairman and the managing director are not subject to retirement by rotation.

The Board believes that the underlying rationale to deal with such deviations as mentioned under the section headed "COMPLIANCE WITH APPENDIX 14 OF THE LISTING RULES" in the Corporate Governance Report of its 2018 Annual Report still holds. The Board has taken alternative steps to address such deviations. The Board will continue to review and recommend such steps and actions as appropriate in the circumstances of such deviations.

UPDATE ON DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Subsequent to the publication of the 2018 Annual Report, the Company was informed of the following changes in Directors' information:

Dr. Moses Cheng Mo Chi, *GBM, GBS, OBE, JP (Non-executive Director)*

Dr. Moses Cheng Mo Chi had retired as a non-executive director of Kader Holdings Company Limited (a public listed company on the Main Board of the HK Stock Exchange) with effect from 1 May 2019. He had ceased as an independent non-executive director of OTC Clearing Hong Kong Limited (a subsidiary of Hong Kong Exchanges and Clearing Limited) with effect from 1 July 2019.

Dr. Robin Chan Yau Hing, *GBM, GBS, LLD, JP (Independent Non-executive Director)*

Dr. Robin Chan Yau Hing had retired as an independent non-executive director of the Company with effect from 5 June 2019.

Mr. Wong Kwai Lam *(Independent Non-executive Director)*

Mr. Wong Kwai Lam has been appointed as the Chairman of the Chamber of Hong Kong Listed Companies with effect from 4 June 2019.

Mr. Nip Yun Wing *(Independent Non-executive Director)*

Mr. Nip Yun Wing has been appointed as an independent non-executive Director of the Company with effect from 12 July 2019.

CLOSURE OF REGISTERS OF MEMBERS

The registers of members will be closed from 13 September 2019 to 18 September 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 12 September 2019.

By Order of the Board

K. Wah International Holdings Limited

Lee Wai Kwan, Cecilia

Company Secretary

Hong Kong, 20 August 2019

The information, drawings and/or photos of the developments in Hong Kong (inclusive of the developments under construction) as provided in this Interim Report are for the purpose of the Interim Report of K. Wah International Holdings Limited ("KWIH") (please refer to the sales brochures for details of the respective developments) and are not and do not form part of any advertisement purporting to promote the sale of any residential property, and do not constitute and shall not be construed as constituting any offer, representation, warranty, covenant or contractual term whether expressed or implied (whether related to view or surrounding environment or not). No publishing or transfer to any third party is allowed without the prior written consent of KWIH and the respective vendors as stated in the sales brochures of the respective developments (each a "Vendor"). KWIH and the respective Vendors shall not be liable for any reliance of these information, drawings and/or photos by any party for his/her decision on purchase of any residential property in the respective developments or otherwise. All photos, images, drawings or sketches in this Interim Report represent artists' impressions of the respective developments or the part of the respective developments concerned only. They are not drawn to scale and/or may have been edited and processed with computerized imaging techniques.

本中期報告中關於香港的發展項目(包括在建中的發展項目)的資訊、繪圖及/或相片乃嘉華國際集團有限公司(「嘉華國際」)為其中期報告而提供的(各該等發展項目的詳情請參閱各該等發展項目的售樓說明書),其本意並非促銷任何住宅物業的廣告或組成廣告的部分,也不構成亦不得詮釋作構成任何不論明示或隱含之要約、陳述、保證、承諾或合約條款(不論是否與景觀或周邊地區環境有關)。未得嘉華國際及該等發展項目的售樓書中所列明的賣方(「賣方」)的書面同意不可向第三方發布或轉發。嘉華國際及各相關賣方對任何人士依賴本資訊、繪圖及/或相片而作出購買各該等發展項目中的任何住宅物業或其他的決定不承擔任何責任。本中期報告中所有相片、圖像、繪圖及素描純屬畫家對各該等發展項目或各該等發展項目相關部分之想像。有關相片、圖像、繪圖或素描並非按照比例繪畫及/或可能經過電腦修飾處理。

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