

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Stock Code: 173)

Building homes: value through quality and innovation

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

ANNUAL RESULTS HIGHLIGHTS

The Board of Directors (“*Board*”) of K. Wah International Holdings Limited (“*Company*”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (together the “*Group*”) as follows:

- Revenue of the Group was HK\$2,394 million; taking into account joint ventures and associated companies, total attributable revenue of the Group was HK\$2,816 million.
- Profit attributable to equity holders increased 11% to HK\$1,830 million.
- Earnings per share was 65.69 HK cents, and the full year dividend per share (including final dividend per share of 10 HK cents) was 15 HK cents.
- As of 31 December 2014, net asset value per share was HK\$9.02 and cash and bank deposits amounted to HK\$6,039 million.
- During the year, the Group further enhanced its funding capability by successfully securing a HK\$3.98 billion syndicated loan and issued HK\$1 billion in 7-year Fixed Rate Notes through private placements at attractive interest rates. We also completed another syndicated loan of HK\$3.3 billion on 9 March 2015 by taking advantage of the favourable terms available in the market.
- The Group successfully acquired a new site at Kai Tak as well as a site adjacent to our existing project in Dongguan and will continue to augment its landbank on a disciplined basis.

CONSOLIDATED PROFIT AND LOSS STATEMENT
For the year ended 31 December 2014

	<i>Note</i>	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Revenue	3	2,393,967	7,288,415
Cost of sales		(984,946)	(4,141,848)
Gross profit		1,409,021	3,146,567
Other operating income		288,536	125,941
Other net (losses)/gains		(11,671)	75,473
Other operating expenses		(172,099)	(244,422)
Administrative expenses		(442,473)	(440,531)
Fair value gain on transfer of development properties to investment properties	4	1,358,197	71,071
Change in fair value of investment properties		143,253	224,154
Finance costs	5	(21,799)	(93,861)
Share of profits of joint ventures		167,540	78,451
Share of (losses)/profits of associated companies		(11,212)	61,107
Profit before taxation	6	2,707,293	3,003,950
Taxation charge	7	(815,250)	(1,301,940)
Profit for the year		1,892,043	1,702,010
Attributable to:			
Equity holders of the Company		1,829,960	1,646,773
Non-controlling interests		62,083	55,237
		1,892,043	1,702,010
Earnings per share	8	<i>HK cents</i>	<i>HK cents</i>
Basic		65.69	60.95
Diluted		65.45	60.60
Dividends	9	<i>HK\$'000</i>	<i>HK\$'000</i>
Interim paid		137,923	134,117
Proposed final		278,715	271,709
		416,638	405,826

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2014

	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	1,892,043	1,702,010
Other comprehensive (loss)/income:		
<i>Items that may be reclassified to profit and loss:</i>		
Change in fair value of non-current investment	(4,192,088)	6,369,374
Exchange differences	(59,192)	440,747
Other comprehensive (loss)/income for the year	(4,251,280)	6,810,121
Total comprehensive (loss)/income for the year	(2,359,237)	8,512,131
Total comprehensive (loss)/income attributable to:		
Equity holders of the Company	(2,417,722)	8,417,492
Non-controlling interests	58,485	94,639
	(2,359,237)	8,512,131

CONSOLIDATED BALANCE SHEET
As at 31 December 2014

	Note	2014 HK\$ '000	2013 HK\$ '000
ASSETS			
Non-current assets			
Property, plant and equipment		553,866	593,184
Investment properties		8,127,845	5,135,518
Leasehold land and land use rights		17,555	17,558
Joint ventures		2,477,823	2,308,065
Associated companies		974,675	2,242,215
Non-current investment		7,100,553	11,292,641
Deferred taxation assets		36,455	52,079
Derivative financial instruments		2,644	12,313
Other non-current assets		41,886	24,468
		<u>19,333,302</u>	<u>21,678,041</u>
Current assets			
Development properties		22,547,104	15,595,216
Inventories		2,790	1,899
Amount due from a joint venture		228,260	228,260
Amounts due from associated companies		788,782	235,315
Debtors and prepayments	10	1,118,335	1,218,856
Taxes recoverable		112,763	68,067
Cash and bank deposits		6,038,760	5,623,962
		<u>30,836,794</u>	<u>22,971,575</u>
Total assets		<u>50,170,096</u>	<u>44,649,616</u>
EQUITY			
Share capital		278,715	271,215
Reserves		24,866,467	27,347,538
Shareholders' funds		<u>25,145,182</u>	<u>27,618,753</u>
Non-controlling interests		1,545,781	1,475,193
Total equity		<u>26,690,963</u>	<u>29,093,946</u>
LIABILITIES			
Non-current liabilities			
Borrowings		13,244,026	5,274,179
Guaranteed notes		2,703,597	1,704,088
Derivative financial instruments		2,911	1,896
Deferred taxation liabilities		1,626,042	1,223,227
		<u>17,576,576</u>	<u>8,203,390</u>
Current liabilities			
Amounts due to joint ventures		1,789,263	1,558,289
Amount due to an associated company		27,085	402,685
Creditors and accruals	11	1,351,614	1,676,211
Current portion of borrowings		1,824,578	2,619,982
Taxes payable		910,017	1,095,113
		<u>5,902,557</u>	<u>7,352,280</u>
Total liabilities		<u>23,479,133</u>	<u>15,555,670</u>
Total equity and liabilities		<u>50,170,096</u>	<u>44,649,616</u>
Net current assets		<u>24,934,237</u>	<u>15,619,295</u>
Total assets less current liabilities		<u>44,267,539</u>	<u>37,297,336</u>

NOTES

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants under the historical cost convention as modified by the revaluation of investment properties and non-current investments and derivative financial instruments, which are carried at fair values.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap.32) for this financial year and the comparative period.

The accounting policies and methods of computation used in the preparation of the financial statements are consistent with those used in the financial statements for the year ended 31 December 2013, except as stated below.

The adoption of revised HKFRSs

In 2014, the Group adopted the following amendments to standards and interpretation to existing standards, which are relevant to its operations.

HKAS 32 (Amendment)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Impairment of Assets
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HK (IFRIC) – Int 21	Levies

The Group has assessed the impact of the adoption of these amendments to standards and interpretation and considered that there was no significant impact on the Group’s results and financial position or any substantial changes in the Group’s accounting policies and presentation of the consolidated financial statements.

New standards and amendments to existing standards that are not yet effective

		Effective for accounting periods <u>beginning on or after</u>
HKAS 1 (Amendment)	Presentation of Financial Statements – Disclosure Initiative	1 January 2016
HKAS 16 and HKAS 38 (Amendments)	Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
HKAS 19 (Amendment)	Defined Benefit Plan: Employee Benefits – Employee Contributions	1 July 2014
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities – Applying the consolidation exception	1 January 2016
HKFRS 11 (Amendment)	Joint Arrangement - Accounting for Acquisitions of Interests in Joint Operation	1 January 2016
HKFRS 15	Revenue from Contracts with Customers	1 January 2017
Annual Improvements to HKFRSs 2010-2012 Cycle		1 July 2014
Annual Improvements to HKFRSs 2011-2013 Cycle		1 July 2014
Annual Improvements to HKFRSs 2012-2014 Cycle		1 January 2016

1. Basis of preparation (cont'd)

The Group is not yet in a position to state whether the adoption of the above new standards and amendments to standards will result in substantial changes to the Group's accounting policies and presentation of the consolidated financial statements.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

2. Segment information

The Group is principally engaged in property development and investment in Hong Kong, Mainland China and Singapore. 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 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 losses/gains, 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 primarily consist of property, plant and equipment, leasehold land and land use rights, deferred taxation assets, other non-current assets, development and investment properties, debtors and prepayments, taxes recoverable, cash and bank deposits and other assets mainly include non-current investment, derivative financial instruments, hotel building, inventories and other non-operating assets held by the corporate office. Segment liabilities comprise mainly creditors and accruals, amounts due to joint ventures and an associated company, borrowings, guaranteed notes, derivative financial instruments, taxes payable and deferred taxation liabilities. Other liabilities include liabilities not arising from the operation of the operating segments.

2. 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
Year ended 31 December 2014						
Revenue	295,029	1,673,238	-	315,276	110,424	2,393,967
Adjusted EBITDA	180,478	733,808	(3,575)	290,996	(191,710)	1,009,997
Other income and expenses/losses, net						104,766
Depreciation and amortisation						(43,449)
Fair value gain on transfer of development properties to investment properties				1,358,197		1,358,197
Change in fair value of investment properties				143,253		143,253
Finance costs						(21,799)
Share of profits/(losses) of joint ventures	169,935	(2,395)				167,540
Share of losses of associated companies	(11,212)					(11,212)
Profit before taxation						2,707,293
Taxation charge						(815,250)
Profit for the year						1,892,043
As at 31 December 2014						
Segment assets	9,878,556	18,909,485	333,099	8,470,559	-	37,591,699
Other assets	-	-	-	-	8,108,857	8,108,857
Joint ventures	2,709,139	(3,056)	-	-	-	2,706,083
Associated companies	1,763,457	-	-	-	-	1,763,457
Total assets	14,351,152	18,906,429	333,099	8,470,559	8,108,857	50,170,096
Total liabilities	9,922,964	11,944,568	281	1,541,504	69,816	23,479,133
Year ended 31 December 2013						
Revenue	7,403	6,744,302	172,555	274,367	89,788	7,288,415
Adjusted EBITDA	2,201	2,613,309	112,112	249,672	(224,301)	2,752,993
Other income and expenses/gains, net						(43,008)
Depreciation and amortisation						(46,957)
Fair value gain on transfer of development properties to investment properties				71,071		71,071
Change in fair value of investment properties				224,154		224,154
Finance costs						(93,861)
Share of profits/(losses) of joint ventures	82,644	(4,193)				78,451
Share of profits of associated companies	61,107					61,107
Profit before taxation						3,003,950
Taxation charge						(1,301,940)
Profit for the year						1,702,010
As at 31 December 2013						
Segment assets	4,349,817	17,642,659	370,793	5,371,939	-	27,735,208
Other assets	-	-	-	-	11,900,553	11,900,553
Joint ventures	2,536,325	-	-	-	-	2,536,325
Associated companies	2,477,530	-	-	-	-	2,477,530
Total assets	9,363,672	17,642,659	370,793	5,371,939	11,900,553	44,649,616
Total liabilities	6,145,410	7,577,515	21,046	1,471,533	340,166	15,555,670

2. 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
Year ended 31 December 2014						
Additions to non-current assets	-	3,264	713	429,136	2,477	435,590
Year ended 31 December 2013						
Additions to non-current assets	759	6,705	-	47	4,174	11,685

Geographical segment information

The Group operates in three (2013: three) main geographical areas, including Hong Kong, Mainland China and Singapore.

The revenue for the years ended 31 December 2014 and 2013 and total non-current assets (other than joint ventures, associated companies, non-current investment, deferred taxation assets, derivative financial instruments and other non-current assets) as at 31 December 2014 and 2013 by geographical area are as follows:

Revenue

	2014 HK\$'000	2013 HK\$'000
Hong Kong	327,519	22,246
Mainland China	2,066,448	7,077,693
Singapore	-	188,476
	2,393,967	7,288,415

Non-current assets

	2014 HK\$'000	2013 HK\$'000
Hong Kong	1,257,365	747,125
Mainland China	7,441,380	4,999,133
Singapore	521	2
	8,699,266	5,746,260

3. Revenue

	2014 HK\$'000	2013 HK\$'000
Sale of properties	1,968,267	6,924,260
Rental income	315,276	274,367
Hotel operations	110,424	89,788
	2,393,967	7,288,415

4. Fair value gain on transfer of development properties to investment properties

The amount for the year ended 31 December 2014 represents fair value gain on transfer of Stanford Residences from development properties to investment properties. In pursuance of the Group's strategy to increase the recurring income, a tower of Grand Summit has been retained as service apartments for long term rental purpose. Following the completion of construction of Grand Summit in December 2014, the Group has engaged an independent professional service provider to conduct leasing and marketing activities. Accordingly, the Group has reclassified Stanford Residences from development properties to investment properties and a fair value gain of HK\$1,358,197,000 (HK\$1,018,648,000 net of tax) was recognised in the consolidated financial statements of the Group for the year ended 31 December 2014.

5. Finance costs

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Interest expenses		
Bank loans, guaranteed notes, overdrafts and others	526,734	530,205
Capitalised as cost of properties under development	<u>(504,935)</u>	<u>(436,344)</u>
	<u>21,799</u>	<u>93,861</u>

6. Profit before taxation

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Profit before taxation is stated after crediting:		
Interest income from banks	88,501	98,396
Interest income from mortgage loans	151	175
Dividend income	186,857	-
Gain on disposal of an investment property	-	69,906
Net fair value gains on derivative financial instruments	-	17,833
and after charging:		
Cost of properties sold	915,062	4,077,525
Cost of inventories consumed/sold	23,243	18,365
Selling and marketing expenses	131,408	194,979
Depreciation (net of capitalisation)	43,318	46,825
Amortisation for leasehold land and land use rights	131	132
Net fair value losses on derivative financial instruments	10,684	-
Net exchange losses	<u>1,105</u>	<u>17,471</u>

7. Taxation charge

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Current		
Hong Kong profits tax	6,845	13,523
Mainland China		
- Income tax	198,389	548,346
- Land appreciation tax	191,492	661,502
Overseas	32	20,577
Over-provision in previous years	(2,722)	(1,693)
Deferred	<u>421,214</u>	<u>59,685</u>
	<u>815,250</u>	<u>1,301,940</u>

7. Taxation charge (Cont'd)

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits for the year 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 Mainland China and overseas in which the Group operates.

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.

There is no income tax provided on other comprehensive income.

8. Earnings per share

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

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Profit attributable to equity holders of the Company	1,829,960	1,646,773
	Number of shares	
	2014	2013
Weighted average number of shares for calculating basic earnings per share	2,785,931,000	2,701,937,000
Effect of dilutive potential ordinary shares - Share options	9,910,000	15,486,000
Weighted average number of shares for calculating diluted earnings per share	2,795,841,000	2,717,423,000

9. Dividends

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Interim scrip dividend (with a cash option) of 5 HK cents (2013: interim scrip dividend (with a cash option) of 5 HK cents) per share	137,923	134,117
Proposed final scrip dividend (with a cash option) of 10 HK cents (2013: final scrip dividend (with a cash option) of 10 HK cents) per share	278,715	271,709
	416,638	405,826
The dividends have been settled by cash as follows:		
Interim	18,037	55,324
Final	-	67,138
	18,037	122,462

The Board recommended the payment of a final scrip dividend (with a cash option) in respect of 2014 of 10 HK cents (2013: final scrip dividend (with a cash option) of 10 HK cents) per share. This dividend will be accounted for as an appropriation of revenue reserves in the year ending 31 December 2015.

10. Debtors and prepayments

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Trade debtors, net of provision	839,924	601,984
Other debtors, net of provision	191,001	197,709
Amounts due from non-controlling interests	9,380	7,759
Land deposits	9,706	337,226
Prepayments and other deposits	68,324	74,178
	<u>1,118,335</u>	<u>1,218,856</u>

Trade debtors mainly comprise proceeds receivables in respect of sales of properties and rental receivable. Proceeds receivables in respect of sales of properties are settled in accordance with the terms stipulated in the sales and purchase agreements. 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:

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Within one month	798,151	502,319
Two to three months	188	45,548
Four to six months	21,842	32,614
Over six months	19,743	21,503
	<u>839,924</u>	<u>601,984</u>

11. Creditors and accruals

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Trade creditors	914,919	838,501
Other creditors	39,140	54,200
Amounts due to non-controlling interests	5,847	377,624
Accrued operating expenses	173,720	191,816
Advanced proceeds on sale of properties	95,869	114,652
Rental and other deposits received	122,119	99,418
	<u>1,351,614</u>	<u>1,676,211</u>

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

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Within one month	910,032	835,651
Two to three months	3,305	2,322
Four to six months	946	95
Over six months	636	433
	<u>914,919</u>	<u>838,501</u>

12. Guarantees

As of 31 December 2014, the Group and the Company have executed the following guarantees in favour of the following parties:

	2014		2013	
	Outstanding	Utilised	Outstanding	Utilised
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<u>Group</u>				
Banks and financial institutions in respect of loan facilities granted to:				
- joint ventures	117,000	117,000	117,000	117,000
- associated companies	1,000,000	440,400	641,250	393,900
- properties buyers	123,332	123,332	158,276	158,276
	1,240,332	680,732	916,526	669,176
<u>Company</u>				
Banks and financial institutions in respect of loan facilities granted to:				
- subsidiaries	23,345,508	12,937,606	12,747,900	6,183,900
- joint ventures	117,000	117,000	117,000	117,000
- associated companies	1,000,000	440,400	641,250	393,900
	24,462,508	13,495,006	13,506,150	6,694,800

The Company has executed a guarantee in favour of the HKSAR Government in respect of the performance obligation of an investee company under a contract with the HKSAR Government.

The Group 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. 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.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The revenue of the Group for the year ended 31 December 2014 was HK\$2,394 million, which was mainly derived from property sales of Grand Summit, The Palace and Upstream Park in Shanghai, The Summit in Jiangmen and Chantilly in Hong Kong, as well as from the rental income of Shanghai K. Wah Centre. The attributable revenue of the Group (comprising the revenue of the Group and attributable revenue from joint ventures and associated companies of HK\$422 million) was HK\$2,816 million in 2014, down from HK\$7,662 million last year.

Attributable Contracted Sales of the Group (being contracted sales of the Group and attributable sales contributions from joint ventures and associated companies) in 2014 amounted to approximately HK\$3,300 million, mainly derived from Grand Summit, The Palace and Upstream Park in Shanghai, The Summit in Jiangmen and Chantilly in Hong Kong as well as joint venture projects in Hong Kong. Approximately HK\$2,400 million of the above Attributable Contracted Sales of the Group was recognised in the accounts of the Group in 2014.

Profit attributable to equity holders of the Company was HK\$1,830 million while underlying profit of the Group was HK\$676 million for the year ended 31 December 2014.

Total comprehensive loss attributable to equity holders of the Company was HK\$2,418 million for the year ended 31 December 2014. The total comprehensive loss mainly came from the decrease in fair value of HK\$4,192 million on the non-current investment of an approximately 3.8% interest in Galaxy Entertainment Group Limited.

Hong Kong

As the market became acclimatised to the property market cooling measures, pent up demand was gradually released during the year. This resulted in a 26% increase in the residential property transaction volume in Hong Kong in 2014. The property price index issued by the Hong Kong SAR Government was up 13% in 2014 and properties less than 40 square metres in size increased 15% owing to the first-time home buyers mostly purchasing affordable small units. The per unit price of small units consequently increased faster than that of the market as a whole.

Most of the property development projects in Hong Kong were under construction or in development during the year and works were progressing well.

(A) Current Major Development Properties

(i) Twin Peaks, Tseung Kwan O (100% owned)

The Group plans to develop this project into a premium residential development comprising mainly small-sized to medium-sized units with a total GFA of approximately 28,000 square metres. Pre-sale consent has recently been obtained for the launch of the project which enables us to commence the marketing activities. Work on the superstructure is under way, and completion of the project is expected by 2016.

(ii) Corinthia By The Sea, Tseung Kwan O (40% owned)

This is a premium residential development that is being carried out with another property developer. Total GFA is approximately 45,000 square metres. Pre-sales are expected to start in the first half of 2015. Superstructure work is under way, with an expected completion by 2016.

(iii) Yuen Long Town Lot No.513 (60% owned)

This is a premium residential development that has been undertaken together with another property developer. Total GFA is approximately 49,000 square metres. Pre-sales are expected to start in the second half of 2015. Foundation work is under way, and the project is expected to be completed by 2017.

(iv) New Kowloon Inland Lot No. 6526, Kai Tak Area II Site 2 (100% owned)

This site is located in the heart of the Kai Tak Development Area near the future Kai Tak station of the Shatin to Central Link, with a total GFA of approximately 51,000 square metres. Planning and design work is currently in progress.

(v) Chantilly, 6 Shiu Fai Terrace, Stubbs Road (100% owned)

This exclusive low-rise luxury residential project with a total GFA of approximately 8,100 square metres has 24 luxury apartments on 12 storeys, an exclusive clubhouse and a swimming pool. The project was completed, and nearly 40% of the residential units have been sold.

(vi) Marinella, Aberdeen, Hong Kong (35% owned)

Marinella is a luxury residential development in cooperation with other property developers, with the Group as lead partner and project manager. Total GFA is approximately 69,300 square metres comprising 411 units. The development has been completed, and over 95% of the residential units have been sold.

(vii) Providence Bay, Tai Po (15% owned)

This luxury residential development has been undertaken with other property developers. Total GFA is approximately 78,400 square metres comprising 482 units. The development has been completed, and over 70% of the residential units have been sold.

(viii) Providence Peak, Tai Po (25% owned)

This is a luxury residential development in cooperation with other developers. Total GFA is approximately 83,600 square metres comprising 548 units. The development has been completed, and over 80% of the residential units have been sold.

(ix) Mayfair By The Sea I, Tai Po (15% owned)

This luxury residential development is being undertaken with another property developer. Total GFA is approximately 67,000 square metres comprising 546 units. Pre-sales began in June 2014, and over 85% of the residential units have been sold. Superstructure work is under way with an expected completion by 2015.

(x) 2 Grampian Road, Kowloon (100% owned)

The Group plans to develop this project into a premium residential development with a total GFA of approximately 3,200 square metres. Foundation work has been completed with a targeted completion in 2017.

(xi) 30 Po Shan Road, Mid-Levels, Hong Kong (50% owned)

This is a luxury residential development in cooperation with another property developer. Total GFA is approximately 3,700 square metres. Planning and design work is currently in progress.

(B) Other properties in Hong Kong

J SENSES at J Residence, Johnston Road, Wan Chai (100% owned)

J SENSES is a premium dining and shopping arcade located in the heart of Hong Kong Island, with a GFA of approximately 3,400 square metres. It is fully occupied and continues to deliver stable rental income for the Group. In March 2014, the Group completed the acquisition of the remaining 40% interest in J SENSES from the Urban Renewal Authority.

Mainland China

In Mainland China, the property market was generally steady with the first tier cities benefiting from the more balanced supply and demand situation as compared with the second and third tier cities. In Shanghai, for example, residential prices increased 13% overall but the transaction floor area was down 24% in 2014. In addition to supply and demand, other factors also contributed to the increase in property prices such as the type of the units transacted and whether the units were decorated. The transaction volume was mainly affected by the tight mortgage policy, particularly in the first nine months of the year when new mortgage policy facilitated more lending and lowered interest costs.

(A) Current Major Development Properties

Shanghai and Nanjing

(i) Grand Summit, Wulumuqi Road, Jingan District (100% owned)

Situated in an upmarket area of Jingan District close to the vibrant central retail and business district of Nanjing West Road, this luxury residential project has a total GFA of approximately 100,000 square metres. Grand Summit went on sale in September 2014 and was completed in December 2014. It received a good response from the market and sales were encouraging. Furthermore, a tower has been retained as serviced apartments named Stanford Residences for long term investment in line with the Group's strategy to increase its recurring income portfolio.

(ii) The Palace, Jianguoxi Road, Xuhui District (100% owned)

This unique luxury development is located in a traditional affluent residential area of Shanghai. The total GFA of this project is approximately 140,000 square metres, featuring 14 blocks of luxury residential buildings and upscale commercial facilities. The first phase of the project covering approximately 36,000 square metres GFA was completed, and over 95% of the units have been sold. The second phase of the project covering approximately 35,000 square metres GFA is expected to be completed in 2017. The balance is approximately 69,000 square metres of which approximately 26,000 square metres will be retained as serviced apartments.

(iii) Upstream Park, Minhang District (100% owned)

Located in Wujing, Minhang District, this project has been developed into an integrated residential and commercial complex with a total GFA of approximately 172,000 square metres comprising 1,424 units. The project was completed, and over 95% of the residential units have been sold.

(iv) Windermere, Qingpu District (100% owned)

Located in Zhujiajiao Town in Qingpu District, the development comprises low-rise residential buildings with ancillary commercial facilities offering 256 units with a total GFA of approximately 71,000 square metres. The project was completed in the second quarter of 2014, and sales of this project will commence at an opportune time.

(v) Lot 19-04, Puxing, Pudong District (100% owned)

This project is located in Puxing of Pudong District, with a total GFA of approximately 31,000 square metres. It is within a well-developed residential area with good transportation links to the Pudong CBD. Superstructure work will commence soon, and the project is expected to be completed in 2017.

(vi) Site 7-7, Unit E18, Weifang Village Street, Pudong District (100% owned)

This project is located by the Huangpu River in Pudong, with a total GFA of approximately 14,200 square metres. It is situated in a prime location between the Lujiazui Financial Centre and the convention, exhibition and business zone of the World Expo headquarters. The project is in the planning and design stage and expected to reach completion in 2018.

(vii) Site G68, Maigao Qiao, Qixia District, Nanjing (100% owned)

This project covering a total GFA of approximately 142,800 square metres is located in a well developed community with a wide range of facilities. The project, which enjoys panoramic views due to its elevated position, is in the planning and design stage and expected to reach completion in 2018.

Guangzhou and Dongguan

(viii) Huadu Jiahua Plaza, Yingbin Road, Huadu District (100% owned)

This site is close to the New Baiyun International Airport and has a total GFA of approximately 225,000 square metres. The project is a composite development with hotel, offices and premium residential towers. The first phase, including the hotel and an office tower, has been completed. Construction of the second phase residential development is targeted for completion in 2015, while the final phase is currently under planning.

(ix) Le Palais, Jianshebei Road, Huadu District (100% owned)

Located in the downtown area of Huadu, this residential development covers a total GFA of approximately 46,000 square metres and is about a 20-minute drive from the New Baiyun International Airport. Now completed, the project has sold over half of the residential units.

(x) J Metropolis, Xinhuaazhen, Huadu District, Guangzhou (99.99% owned)

The total GFA of this project is approximately 793,000 square metres, with development to be undertaken in phases. The first phase is approximately 77,000 square metres providing 564 units which was completed in 2013, and over 80% of the residential units have been sold. The second phase covering approximately 75,000 square metres is under construction with a targeted completion in 2016. Pre-sales started in January 2015 and over 20% of the residential units have been sold. The third phase covering approximately 40,000 square metres is also under construction with a targeted completion in 2016.

(xi) Silver Cove, Shilong Town, Dongguan (99% owned)

Located in the Xihu Village of Shilong Town, this project has a total GFA of approximately 202,000 square metres. It enjoys an expansive river frontage and is within walking distance of the new Dongguan station. Pre-sales started in November 2014 and over 20% of the residential units have been sold. Superstructure work is under way on this residential development, which is scheduled for completion in 2016.

(xii) North side of Wan Long Road, Xihu Village, Shilong Town, Dongguan (99% owned)

This project is located at Xihu Middle Road, Shilong, Dongguan with a total GFA of 34,210 square metres. The Group plans to develop this site together with an adjacent site in (xi) into a large-scale residential and commercial complex.

(B) Investment Property

(i) Shanghai K. Wah Centre, Huaihai Zhong Road, Shanghai (69.6% effective interest)

This prime investment property with a total GFA of approximately 72,000 square metres continued to maintain a high occupancy rate throughout the year, achieving satisfactory rental income.

(ii) Stanford Residences, Wulumuqi Road, Jingan District (100% owned)

It is our first serviced apartment project in Shanghai located within the Group's luxurious residential project Grand Summit with a total GFA of approximately 29,000 square metres. From five-star management services, heartwarming interior decorations to stylish furniture, the Group is dedicated to create a privileged lifestyle for prestigious customers in pursuit of enchanted modern living. It offers a total of 113 units, mainly 3-bedroom as well as duplexes and penthouses.

Investment in Galaxy Entertainment Group Limited ("GEG")

The Group maintains a non-current investment of 162 million shares, or an approximately 3.8% interest, in GEG carried at fair market value. As of 31 December 2014, the share price of GEG was HK\$43.7 compared with HK\$69.5 as of 31 December 2013. The decrease in fair value of approximately HK\$4,192 million was directly recorded as a decrease in reserve.

OUTLOOK AND STRATEGY

Global and Asian economy

The US continued to be the bright spot in the global economic scene and the US Fed appears to be on course to raise interest rates this year. The Eurozone, however, struggled to remain on its recovery course and has recently adopted further quantitative easing alongside Japan. The unexpectedly low oil prices will have stimulus effect on net oil importer economies, but it will also produce deflationary pressure that threatens domestic consumption.

Mainland China is now in a “new normal” phase of slower economic growth with 7.4% GDP growth registered in 2014 and around 7% forecast for 2015. Although the consensus is that Hong Kong’s GDP will grow at a faster rate of 2.7% in 2015 (versus 2.3% in 2014), the absolute level is still below the annual average of 3.9% over the past decade.

The property market in Hong Kong and the Mainland

The underlying fundamentals of the Hong Kong residential property market remain strong, with pent up demand particularly evident in the small size segment. The unit price of small flats continued to increase in 2014, resulting in further mortgage tightening measures announced by the Hong Kong Monetary Authority in late February 2015. This was on top of the various tax and mortgage tightening measures implemented in the past few years. The new measures are expected to have some impact on both prices and transaction volumes in the local residential property market.

The property market in the Mainland has been generally steady with first tier cities better positioned on the back of their balanced supply and demand situation. Purchase restrictions have mostly been relaxed in cities other than the four first tier cities. Monetary policy has recently been loosened via interest rate reductions and the lowering of bank reserve requirements.

As we operate predominantly in key cities such as Hong Kong, Shanghai and Guangzhou, we expect steady development in these markets on the back of their sound fundamentals.

Project sales and progress

In Hong Kong, the Group has recently obtained the pre-sale consent for the launch of Twin Peaks in Tseung Kwan O which enables us to commence the marketing activities. Depending on project progress, the Group also plans to launch the 40%-owned Corinthia by the Sea in the first half of 2015 and 60%-owned Yuen Long Town Lot No. 513 adjacent to Long Ping MTR station towards the end of the year or early next year. The revenue generated from these three projects will not be booked in 2015. We will also continue to market the available units in Chantilly and joint venture projects Marinella, Providence Bay, Providence Peak and Mayfair by the Sea I.

In Shanghai, depending on project progress, the Group plans to launch phase 2 of The Palace in the second half of 2015 and the revenue generated will not be booked this year. We will continue to market Grand Summit which was launched in September last year and existing stocks in Upstream Park.

In Guangzhou, phase 2 of J Metropolis was launched in January 2015 and depending on project progress, we plan to launch phase 3 of J Metropolis in the second half of this year. The J Wings project (phases 2 of Huadu Jiahua Plaza) has just been launched. The revenue from The J Wings will be booked in 2015 while that of J Metropolis phases 2 and 3 will not. We will continue to market the available units in Le Palais and J Metropolis phase 1 in Guangzhou, Silver Cove in Dongguan and The Summit in Jiangmen.

Land-bank replenishment

We successfully won the tender for the Kai Tak site in Hong Kong and the auction of the site adjacent to our existing project Silver Cove in Dongguan in 2014. We will continue to exercise discipline in our land banking approach in our core cities of Hong Kong, Shanghai and Guangzhou.

Recurring income

It has been our stated strategy to increase the recurring income of the Group by expanding our investment property portfolio. We acquired the remaining interest owned by the Urban Renewal Authority in J SENSES in Hong Kong in 2014 while serviced apartment Stanford Residences (Tower 3 of Grand Summit) in Shanghai is ready for marketing to potential customers. These bring the gross floor area of the recurring income portfolio from around 100,000 square metres to around 130,000 square metres. We plan to add approximately 70,000 square metres or so to take the gross floor area of the recurring income portfolio to around 200,000 square metres in the next two to three years. The dividend income derived from our 3.8% interest in Galaxy Entertainment Group Limited will further augment our recurring income.

Conclusion

The pace of interest hikes in the US and their impact on the global economy remains uncertain this year. The Group will focus on the sales pipeline outlined above and closely monitor project construction progress and land-banking opportunities as and when they arise. Our mission remains to create shareholder value through diligent property development and investment activities as well as careful management of the various risks involved.

REVIEW OF FINANCE

Financial Position

The financial position of the Group remained robust. Total funds employed were increased to HK\$44 billion as of 31 December 2014 (2013: HK\$39 billion). The number of issued shares of the Company increased to 2,787,154,270 as of 31 December 2014 (2013: 2,712,152,918) as a result of certain share options being exercised and the issue of a scrip dividend during the year.

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 31 December 2014, cash and bank deposits stood at HK\$6,039 million, and total borrowings amounted to HK\$17,772 million. Of the long-term bank borrowings, around 90% had maturities over a period of one year and above.

In addition, the Group had available undrawn facilities totaling HK\$5,241 million and HK\$8,605 million for working capital and project facility purposes respectively.

The gearing ratio, defined as the ratio of total borrowings less cash and bank deposits to total equity, increased to 44% as of 31 December 2014 (2013: 14%), which was an acceptable level.

In March 2014, the Group successfully arranged a syndicated loan of HK\$3.98 billion, and also completed another syndicated loan of HK\$3.3 billion on 9 March 2015, with a well-diversified consortium of banks. Part of the proceeds has been used for refinancing, while the remaining will serve as general working capital to enhance the Group's liquidity.

We also issued HK\$1 billion 7-year Fixed Rate Notes at attractive costs under our MTN programme through private placements during 2014. These private placements have lengthened the average duration of our debt profile.

Treasury Policies

The Group continues to adopt a conservative approach regarding foreign exchange exposure to minimise risk. The majority of the Group's borrowings are in Hong Kong dollars. Forward foreign exchange contracts are utilised when suitable opportunities arise and when considered appropriate to mitigate foreign exchange exposures. Interest rate swap contracts are also utilised when considered appropriate to avoid the impact of any undue interest rate fluctuations on the Group's operations.

During the year, the Group engaged in the use of foreign exchange contracts to mitigate US dollar exposure in respect of the US dollar guaranteed notes. The Group has also engaged in the use of interest rate swap contracts to avoid the impact of any undue interest rate fluctuations on the Hong Kong dollar guaranteed notes and a certain portion of the 5-year syndicated loan raised in 2013.

Charges on Group Assets

As of 31 December 2014, certain subsidiaries of the Group pledged assets (comprising investment properties, development properties, leasehold land and land use rights, and buildings) with aggregate carrying values of HK\$20,028 million (2013: HK\$11,560 million) to banks in order to secure the Group's borrowing facilities.

Guarantees

As of 31 December 2014, the Company has executed guarantees, in favour of banks and financial institutions in respect of facilities granted to certain subsidiaries, joint ventures and associated companies, amounting to HK\$23,346 million (2013: HK\$12,748 million), HK\$117 million (2013: HK\$117 million) and HK\$1,000 million (2013: HK\$641 million), of which facilities totaling HK\$12,938 million (2013: HK\$6,184 million), HK\$117 million (2013: HK\$117 million) and HK\$440 million (2013: HK\$394 million) have been utilised respectively.

In addition, a subsidiary of the Company provided guarantees amounting to HK\$123 million (2013: HK\$158 million) in respect of mortgage facilities granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties.

The Company has executed a guarantee in favour of the HKSAR Government in respect of the performance obligation of an investee company under a contract with the HKSAR Government.

EMPLOYEES AND REMUNERATION POLICY

The Group believes its success, long-term growth and development 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 competent individuals. The Group believes the remuneration packages of its employees are fair, reasonable and competitive in relation to comparable organisations with similar business interests.

Following approval by the shareholders in 1989, the Group has put in place a share option scheme for its executives and employees 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 and regards it as an important component of the Group's human resources strategy.

SUSTAINABLE DEVELOPMENT

Guided by the principles of sustainable development as well as our mission and values, the Group is committed to reducing our environmental impact, improving the safety and ambience of our workplace, whilst continuing to deliver quality properties.

Pivotal to our continued development and success is the well-being and prosperity of our employees. Through the provision of a harmonious and conducive work atmosphere, we hope to develop and retain talent capable of achieving tomorrow's needs, today.

The Group understands the value in creating a competent and capable workforce to rise up to this task. Through its training and development activities, the Group strives to instill the foresight and ability required in its human capital to continue to deliver high quality products and services in an ever changing and increasingly competitive landscape.

Health and safety is of utmost concern to the Group. The approach taken by the Group takes into consideration the security of its employees, contractors, and any others who may be affected by our operations. The Group goes well beyond minimum compliance, priding itself on the holistic approach it employs toward health and safety, promoting well-being and emphasizing proper nutrition, physical activity and stress management.

We are committed to improving the sustainability of our buildings, and are testing sustainable building materials and technologies at selected sites such as our award winning luxury development Marinella, which was awarded the Platinum Rating of Final Assessment under the BEAM Plus NB V1.1 of the Hong Kong Green Building Council in March 2014.

With a mission to deliver excellence through quality products and services the Group aims to understand our customers' motivations and attitudes, striving to satisfy their needs and expectations. As part of this continued service to our customers, we aim to create products that exemplify the highest standards of health and safety while being transparent and open within our advertising material.

The Group is committed to being a good corporate citizen. We seek to be a positive force in every community in which we operate, and pursue positive involvement through numerous channels. We recognize that when communities thrive then so does business. By working cooperatively with a number of community partners, we can have a tremendous impact on the sustainable development and vitality of communities in which we operate.

Volunteerism, philanthropy and community service is ingrained in the DNA of our organization. We use sponsorship and employee volunteering as vehicles to support various initiatives such as arts and culture, environmental protection and community work.

The Group undertakes to maintain a high level of transparency to and effective communication with investors. The Group organizes press conferences, site visits, roadshows and investor presentations from time to time, as well as takes part in major investor conferences and one-on-one meetings to maintain close liaison with investors, while information on the Group are also made available on our company website.

CORPORATE GOVERNANCE

The Board and management of the Company are committed to principles of good corporate governance consistent with prudent enhancement and management of shareholders value. The full Board is entrusted with the overall responsibility of developing, monitoring and performing the Corporate Governance Policy and the Shareholders Communication Policy as adopted by the Board. The Company will continue putting effort in maintaining high standards of corporate governance and enhancing corporate transparency, accountability and independence.

Throughout the year under review, the Company has complied with the code provisions (“*CPs*”) of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities (“*Listing Rules*”) on The Stock Exchange of Hong Kong Limited (“*HK Stock Exchange*”) at that time, except the deviations from (i) CP A.2.1, namely, the roles of chairman and managing director have not been separated; (ii) CP A.4.2, namely, the chairman and the managing director are not subject to retirement by rotation; and (iii) CP A.6.7, namely, Mr. Au Man Chu, an Independent Non-executive Director, was unable to attend the annual general meeting of the Company held on 12 June 2014 due to other commitment.

The Board believes that the Company has strong 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 2013 Annual Report and as alluded to in the section headed “CORPORATE GOVERNANCE” in its 2014 Interim Report. Detailed information of the Company’s corporate governance practices will be disclosed in the Corporate Governance Report contained in the Company’s 2014 Annual Report. 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.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“*Model Code*”) as set out in Appendix 10 of the Listing Rules. Having made specific enquiries with all its Directors, the Company confirms that during the year ended 31 December 2014 all of its Directors have complied with the required standards as set out in the Model Code.

REVIEW OF ANNUAL RESULTS

The Group’s annual results for the year ended 31 December 2014 have been reviewed by the Audit Committee of the Company. The figures in this preliminary announcement of the results of the Group for the year ended 31 December 2014 have been agreed to the amounts set out in the Group’s draft consolidated financial statements for the year by the auditor of the Company, PricewaterhouseCoopers. The work of PricewaterhouseCoopers in this respect, did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants.

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 securities during the year ended 31 December 2014.

FINAL DIVIDEND

The Board has resolved to recommend at the forthcoming annual general meeting to be held on 9 June 2015 (“**2015 AGM**”) a final scrip dividend (with a cash option) for the year ended 31 December 2014 of 10 HK cents per share, totaling HK\$278,715,000, payable on 22 July 2015 to the shareholders whose names appear on the registers of members of the Company at the close of business on 19 June 2015 (2013: a final scrip dividend (with a cash option) of 10 HK cents per share totaling HK\$271,709,000). Together with the interim scrip dividend (with a cash option) of 5 HK cents per share (2013: interim scrip dividend (with a cash option) of 5 HK cents per share), total dividends per share for the year ended 31 December 2014 is 15 HK cents (2013 total: 15 HK cents).

Payment of the final dividend is conditional upon the passing of an ordinary resolution at the 2015 AGM and the HK Stock Exchange granting the listing of and permission to deal in the new shares to be issued as the scrip dividend. It is expected that the share certificates in respect of such shares and dividend warrants will be posted on 22 July 2015 to those entitled. The Company will send a circular to the shareholders containing, among others, details of the proposed scrip dividend.

CLOSURE OF REGISTERS OF MEMBERS

Entitlement to attend and vote at the 2015 AGM

The registers of members will be closed from 4 June 2015 to 9 June 2015, both dates inclusive, during which period no transfer of shares will be registered in order to ascertain shareholders’ eligibility to attend and vote at the 2015 AGM, all transfers documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar 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 not later than 4:30p.m. on 3 June 2015.

Entitlement to Final Dividend

The registers of members will be closed from 17 June 2015 to 19 June 2015, both dates inclusive, during which period no transfer of shares will be registered in order to ascertain shareholders’ entitlement to the proposed final dividend, all transfers documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar 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 not later than 4:30p.m. on 16 June 2015.

PUBLICATION OF FURTHER INFORMATION

This announcement will be published on the websites of the Company (www.kwih.com) and Hong Kong Exchanges and Clearing Limited (“**HKEx**”) (www.hkexnews.hk). The Company’s 2014 Annual Report containing all the applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Company and HKEx in late April 2015.

DIRECTORS

As at the date of this announcement, the Executive Directors are Dr. Lui Che-woo (Chairman & Managing Director), Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah; the Non-executive Director is Dr. Moses Cheng Mo Chi; and the Independent Non-executive Directors are Dr. Robin Chan Yau Hing, Dr. William Yip Shue Lam, Professor Poon Chung Kwong, Mr. Au Man Chu and Mr. Wong Kwai Lam.

By Order of the Board of
K. Wah International Holdings Limited
Lee Wai Kwan, Cecilia
Company Secretary

Hong Kong, 26 March 2015