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**DISCLOSEABLE TRANSACTION
AND
FORMATION OF A JOINT VENTURE FOR DEVELOPMENT OF
TAI PO TOWN LOT NO.201, HONG KONG**

The Board announces that on 8 January 2010, Wealthy Vision (an indirect wholly-owned subsidiary of the Company) formed the Joint Venture with King Chance. The principal purpose of the Joint Venture is to own and develop the Land. Wealthy Vision holds a 15% interest in the JV Company and the remaining 85% interest is held by King Chance.

One or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the pro-rata contribution of Wealthy Vision towards the Joint Venture and the total commitment of the JV Company and/or King Regent in the acquisition and development of the Land exceed 5% but are less than 25%. Accordingly, the formation of the Joint Venture constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The Board announces that on 8 January 2010, Wealthy Vision (an indirect wholly-owned subsidiary of the Company) formed the Joint Venture with King Chance, a wholly-owned subsidiary of Sino Land Company Limited, brief details of which are as follows:

(I) DATE OF THE FORMATION OF JOINT VENTURE:

8 January 2010

(II) PARTIES TO THE JOINT VENTURE:

1. Wealthy Vision, an indirect wholly-owned subsidiary of the Company.
2. King Chance, a wholly-owned subsidiary of Sino Land Company Limited.

To the best of the Directors' information, knowledge and belief (upon making reasonable enquiries), King Chance and Sino Land Company Limited and their respective ultimate beneficial owners are independent third parties and are not connected persons of the Company.

(III) KEY ISSUES OF THE JOINT VENTURE:

Purpose of the Joint Venture

The JV Company has been formed for the principal purpose of owning and developing the Land. The JV Company owns King Regent, a newly incorporated company and a wholly-owned subsidiary of the JV Company, the business of which will be to construct properties on and develop the Land.

The Land covers a total site area of approximately 225,237 square feet. The permissible total gross floor area for construction is approximately 720,757 square feet, comprising approximately 675,710 square feet for residential use and approximately 45,047 square feet for commercial use. It is intended that the Land will be developed into a luxury residential and commercial complex with full fledged club-house, amenity facilities and car park spaces.

Formation and Ownership of King Regent and the JV Company

The JV Company has allotted 15 shares (for US\$15) to Wealthy Vision and 85 shares (for US\$85) to King Chance. The JV Company is owned as to 15% by Wealthy Vision and as to 85% by King Chance. King Regent has allotted one share at a par value of HK\$1.00 each to the JV Company. Accordingly, King Regent is a direct wholly-owned subsidiary of the JV Company.

The board of directors of the JV Company and King Regent will comprise, in both cases, five directors, four of whom will be nominated by King Chance and one of whom will be nominated by Wealthy Vision.

The project manager in respect of the development of the Land will be King Chance (or a company nominated by King Chance).

Financing of the JV Company & King Regent

Wealthy Vision and King Chance will finance the acquisition and development of the Land according to their respective interests in the JV Company. The contribution towards the land premium payable for the Land will be in proportion to each JV party's respective interest in the JV Company. The JV Company and/or King Regent may be financed by way of shareholders' loans on a several and pro-rata basis, by reference to the respective interests in the JV Company held by Wealthy Vision and King Chance and project financing as deemed appropriate by the board of the JV Company and/or King Regent from time to time. Corporate guarantees from the JV parties (or their respective holding companies) on a several and pro-rata basis, by reference to the respective interests in the JV Company held by Wealthy Vision and King Chance, may be required should project financing be obtained by the JV Company and/or King Regent. The Company may finance its portion of the funding requirements by internal resources, corporate banking facilities and project financing or from other sources as deemed appropriate by its board from time to time.

Profit Sharing

Wealthy Vision and King Chance have agreed that any profit derived from the development of the Land will be apportioned between Wealthy Vision and King Chance on a pro-rata basis, by reference to their respective interests in the JV Company.

(IV) CONSIDERATION & COMMITMENT OF THE GROUP UNDER THE JOINT VENTURE

The total commitment of the JV Company and King Regent for the acquisition and development of the Land is approximately HK\$6,900 million. This comprises the land premium payable by King Regent for the Land of approximately HK\$5,250 million and the total construction cost for the development of the Land, which is presently estimated to be approximately HK\$1,650 million.

On this basis, the total commitment of the Group in the Joint Venture is approximately HK\$1,035 million (subject to such changes as Wealthy Vision and King Chance may from time to time agree).

ABOUT WEALTHY VISION

Wealthy Vision is a wholly-owned subsidiary of the Company and is an investment holding company. The principal subsidiaries of the Company are mainly engaged in property development and investment in Mainland China, Hong Kong and Singapore.

ABOUT KING CHANCE

The Company has been informed that King Chance is an investment holding company and a wholly-owned subsidiary of Sino Land Company Limited, which is principally engaged in property development and investment in Hong Kong and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 83).

REASONS FOR THE FORMATION OF THE JOINT VENTURE

The principal activity of the Company is investment holding. The principal subsidiaries of the Group are primarily engaged in property development and investment in Hong Kong, Mainland China and Singapore. The acquisition and development of the Land is in line with the current activities of the Group. The Directors are optimistic about the property market in Hong Kong, especially the luxury residential sector. The Board believes that the acquisition of the interest in the Land through the Joint Venture will enhance not only the Group's asset portfolio but also strengthen the position of the Group in the luxury residential market in Hong Kong. The Directors consider that the terms of the Joint Venture are on normal commercial terms, and are fair and reasonable so far as the Company and the Shareholders are concerned, and that the Joint Venture is in the interest of the Company and the Shareholders as a whole.

The Board does not expect the Joint Venture to have any significant effect on the earnings and assets and liabilities of the Group.

GENERAL

One or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the pro-rata contribution of Wealthy Vision towards the Joint Venture and the total commitment of the JV Company and/or King Regent in the acquisition and development of the Land exceed 5% but are less than 25%. Accordingly, the formation of the Joint Venture constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

<i>“associates”</i>	the meaning ascribed thereto in the Listing Rules
<i>“Board”</i>	the board of directors of the Company
<i>“Company”</i>	K. Wah International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
<i>“connected person”</i>	the meaning ascribed thereto in the Listing Rules
<i>“Director(s)”</i>	the director(s) of the Company
<i>“Group”</i>	the Company and its subsidiaries
<i>“Hong Kong” and “HK\$”</i>	respectively, the Hong Kong Special Administrative Region of the People’s Republic of China and Hong Kong dollars (the lawful currency of Hong Kong)
<i>“independent third party”</i>	a third party independent of the Company and the connected persons of the Company (being a director, chief executive, or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them)
<i>“Joint Venture”</i>	the joint venture between Wealthy Vision and King Chance formed principally for the development of the Land through the JV Company and King Regent
<i>“JV Company”</i>	Vantage Plus Investments Limited, a company incorporated in British Virgin Islands and acquired for the purpose of the Joint Venture
<i>“King Chance”</i>	King Chance Development Limited, a company incorporated in Hong Kong, a direct wholly-owned subsidiary of Sino Land Company Limited and an independent third party
<i>“King Regent”</i>	King Regent Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the JV Company
<i>“Land”</i>	that piece of land registered in the Land Registry as Tai Po Town Lot No.201 which King Regent has successfully bid for at a land auction conducted by the Government of Hong Kong on 28 December 2009
<i>“Listing Rules”</i>	the Rules Governing the Listing of Securities on the Stock Exchange

“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US Dollars, the lawful currency of the United States of America
“Wealthy Vision”	Wealthy Vision Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	percentage

As at the date of this announcement, the Executive Directors are Dr. Che-woo Lui (Chairman & Managing Director), Mr. Francis Lui Yiu Tung and Ms. Paddy Tang Lui Wai Yu; the Non-executive Directors are Mr. Michael Leung Man Kin and Dr. Moses Cheng Mo Chi; and the Independent Non-executive Directors are Sir David Akers-Jones, Dr. The Hon. Leo Lee Tung Hai, Dr. Robin Chan Yau Hing, Mr. Robert George Nield, Dr. William Yip Shue Lam and Prof. Poon Chung Kwong.

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

Hong Kong, 11 January 2010

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