

Press Release
For Immediate Release

KWIH Closes a Total of HK\$8 Billion 4-Year and 5-Year Sustainability-linked Loan

(Hong Kong, 25 October 2022) **K. Wah International Holdings Limited** ("KWIH" or "the Group") (stock code: 00173) announced today that it has signed a HK\$8 billion sustainability-linked revolving credit and term loan facility (the "Facility") with a consortium of 9 banks, which has been oversubscribed, representing the banking community's strong confidence in the Group's solid financial standing, prudent financial management and development prospects.

The Facility, being the Group's first sustainability-linked syndicated loan ("SLL"), marked an important milestone for the Group's advancement towards its sustainable development goals and its implementation of sustainability initiatives.

Guaranteed by KWIH, the Facility is borrowed by its wholly-owned subsidiary, K. Wah Financial Services Limited. The Facility consists of four tranches, including a 4-year HK\$800 million revolving credit and HK\$800 million term loan, as well as a 5-year HK\$3.2 billion revolving credit and HK\$3.2 billion term loan.

The Facility launched at an initial targeted amount of HK\$5 billion and the response from the market was strong, with more than two times oversubscription achieved versus the initial targeted amount. The proceeds of the Facility will be partially utilized to refinance the drawn portion of the existing syndicated loan facility maturing next year in January, with the balance applied for the Group's general corporate funding requirements.

The Facility has been structured in a SLL format, verified by the Hong Kong Quality Assurance Agency, and aligned with the Sustainability Linked Loan Principle 2022, to incentivise the Group to fulfil a set of sustainability metrics covering green building buildout, energy consumption, and carbon emissions.

Paddy Lui, Executive Director of KWIH, said, "I would like to thank the banking community for their tremendous support to KWIH. The Group was pleased to see the robust response from the banking community, resulting in the upsize of the Facility from the initial target of HK\$5 billion to HK\$8 billion ultimately."

"The business environment in Hong Kong and Mainland China remains challenging and the credit market in general experiences greater volatility amid the COVID-19 pandemic and global interest rate hikes generally. Despite these challenges, KWIH, back by its solid financial position, had won a

tender on its own for a prime residential site on Hospital Road, Hong Kong this July. The Group has also recently taken the lead in a consortium to acquire an integrated development project at Huajing Town, Xuhui District, Shanghai, this September. The Facility again shows the banking community's strong vote of confidence in the Group's development strategy and continuous growth," Lui said.

Lui continued: "The Facility is KWIH's first syndicated SLL and it will support our ambitions in developing green buildings, advocating green practices throughout our operations and guiding us to actively bring in more environmentally-friendly features in our future projects to mitigate climate change impacts on our communities. I am glad to cooperate with all the banks on this Facility to support the growth of sustainability finance, and to contribute positively to the environment and the community."

Jonathan Drew, Head of Global Banking Sustainability, Asia Pacific, HSBC, said, "KWIH's latest Sustainability-Linked Loan, in which HSBC is appointed as Coordinator and Sustainability Structuring Bank, serves as an effective measure to align company's financing activities with its sustainability strategy. KWIH has set out comprehensive environmental targets, showcasing its commitment to enhance further its operations and contribute to the development of Hong Kong's target of net zero carbon emissions by 2050."

Lu Ying, General Manager, Global Corporate Banking Department of Bank of China (Hong Kong) ("BOCHK"), said, "KWIH is fully committed to integrating sustainability considerations into its day-to-day operations to reduce environmental and social impacts whilst delivering quality properties to its customers and enhancing shareholders' value. BOCHK is delighted to be appointed as one of the Sustainability Structuring Banks for KWIH's first SLL, supporting its commitment to sustainable development. The overwhelming response to this Facility indicated market's affirmation and support for KWIH. Through offering innovative green finance solutions to its customers, BOCHK will continue to contribute to the development of green and sustainable finance in Hong Kong."

As KWIH drives business growth, the Group will continue to integrate sustainability measures in its business operations enhancing quality of life for residents in its projects and creating long-term positive value for its customers and the wider community.

The SLL Facility is provided by the following banks:

Coordinator

The Hongkong and Shanghai Banking Corporation Limited

Mandated Lead Arrangers and Bookrunners

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Oversea-Chinese Banking Corporation Limited
Bank of Communications (Hong Kong) Limited
The Bank of East Asia, Limited
China Construction Bank (Asia) Corporation Limited

Mandated Lead Arrangers

Mizuho Bank, Limited
Agricultural Bank of China Limited Hong Kong Branch

Lead Arranger

Industrial Bank Co., Limited, Hong Kong Branch

- End -

About K. Wah International Holdings Limited (stock code: 00173)

K. Wah International Holdings Limited (“KWIH”), listed in Hong Kong in 1987, is the property flagship of K. Wah Group. An integrated property developer and investor with a foothold in Hong Kong, the Yangtze River Delta and Pearl River Delta regions, KWIH encompasses a portfolio of large-scale residential communities and comprehensive development undertakings such as premium residential developments, Grade-A office towers, hotel and serviced apartments, and retail premises. Cresleigh Property, the property management arm of KWIH, 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. Driven by a keen market sense and a versatile strategy, and backed by strong financial capability, KWIH has built up a prime land reserve in major cities of China, and thus a strong foothold for future growth.

KWIH is a constituent stock of the Hang Seng Composite SmallCap Index, MSCI Hong Kong Small Cap Index and Hang Seng Stock Connect Greater Bay Area Composite Index as well as an eligible stock under the Shenzhen-Hong Kong Stock Connect programme. KWIH held a 3.73% stake in Galaxy Entertainment Group Limited (stock code: 00027) as of 30 June 2022.

Website: <http://www.kwih.com>



Media Enquiries :

K. Wah International Holdings Limited

Helen Cheung Tel: (852) 2960 3739
Keith Hon Tel: (852) 2960 3314
Andrea Chan Tel: (852) 2960 3359
Fax: (852) 2811 9710

Email: helencheung@kwah.com
Email: keithhon@kwah.com
Email: andreachan@kwah.com

Strategic Financial Relations Limited

Iris Lee Tel: (852) 2864 4829
Shelly Cheng Tel: (852) 2864 4857
Vivienne Leung Tel: (852) 2864 4862
Fax: (852) 2527 1196

Email: iris.lee@sprg.com.hk
Email: shelly.cheng@sprg.com.hk
Email: vivienne.leung@sprg.com.hk