



2018 Interim Results

22 August 2018

Delivering Value with Distinctive Quality



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- Solid foundation for long-term sustainability

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K. City, Hong Kong



Palace Lane, Shanghai

Results highlights

Financial Highlights

(HK\$ million)	<i>For the six months ended 30 Jun</i>	
	2018	2017
Revenue	623	4,918
Attributable Revenue*	679	5,207
Profit Attributable to Equity Holders	578	2,162
Underlying Profit	32	1,293
Basic EPS (HK cents)	18.88	73.06
Interim Dividend (HK cents)	6	5

* Attributable Revenue comprises the revenue of the Group and contributions from jointly controlled entities as well as associated companies

Solid Financial Position

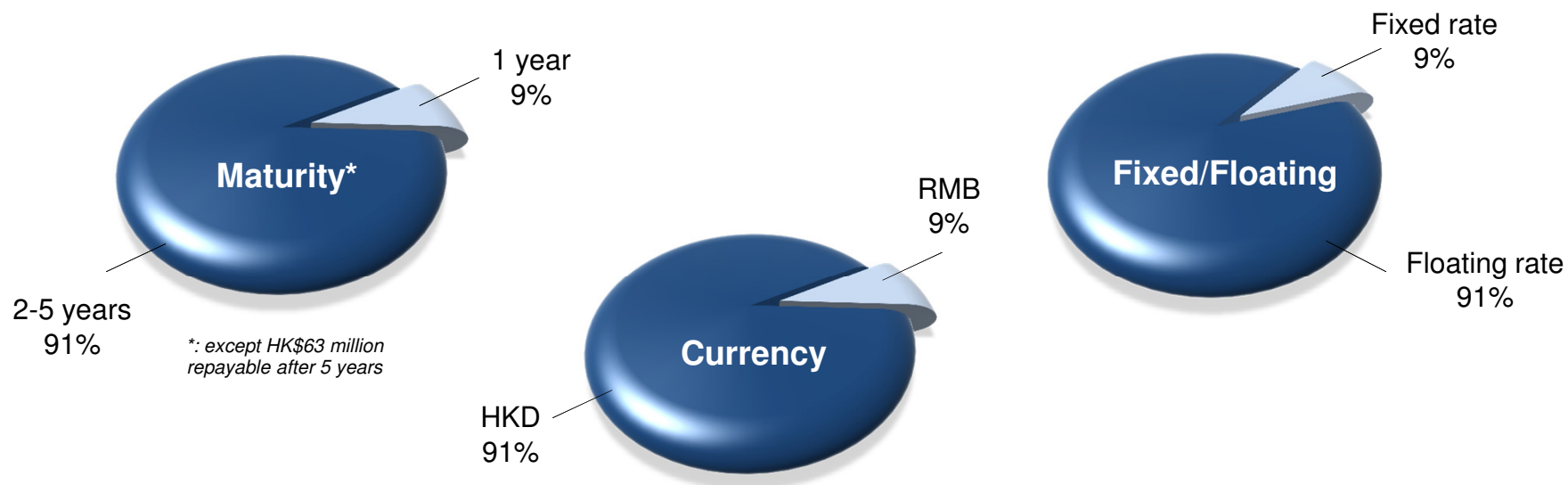
(HK\$ million)	As at 30 Jun 2018	As at 31 Dec 2017
Total Assets	74,267	72,507
Cash and Cash Equivalents⁽¹⁾	6,183	5,849
Total Debts	20,867	18,479
Shareholders' Funds	35,070	35,003
NAV per Share (HK\$)	11.5	11.5
Gearing Ratio⁽²⁾	40%	34%
EBITDA / Interest⁽³⁾	1x	12x

Remarks:

- 1) Includes bank balances as well as short-term and structured bank deposits
- 2) Gearing ratio = net debt / total equity
- 3) Interest being net interest before capitalization for the period under review

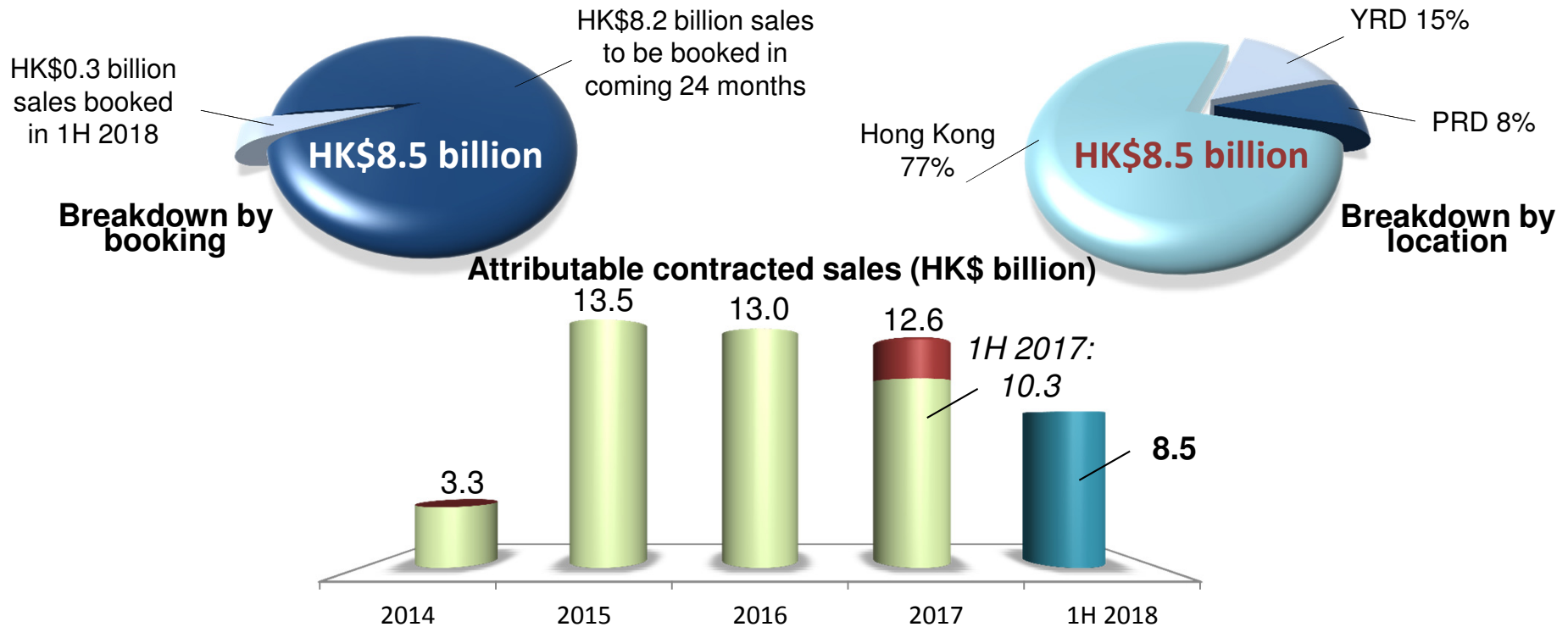
Well-managed Debt Profile with Low Borrowing Cost

- 5-year revolving credit and term loan facility of HK\$7 billion closed in Jan 2018 at lower cost to extend the debt maturity profile, thus enhancing the financing flexibility and funding capability
- Managed to maintain the average interest rate at 2.3% in 1H 2018 in a rising interest-rate environment (2.0% in 2017)
- Total debts as at 30 Jun 2018: HK\$20.9 billion



Foreseeable Results Provide Sustainability

- In 1H 2018, attributable contracted sales* amounted to HK\$8.5 billion



- As at June 2018, attributable contracted sales* yet to be booked amounted to HK\$18.5 billion (including HK\$9.2 billion for K. City), paving the solid foundation for the future
- Occupation permit for K. City obtained in August and contracted sales to be recognised upon execution of assignments

Foreseeable Results Provide Sustainability

- Major projects with contracted sales to be recognized in 2H 2018 and beyond:
K. City and Solaria in Hong Kong, The Peak and Royal Creek in Nanjing,
J Metropolis (UpTown), Le Palais in Guangzhou and Silver Cove ph III in Dongguan

Hong Kong



K. City
嘉匯

OP obtained
2H 2018 expected



Solaria
嘉熙

2020
expected

Nanjing



The Peak
嘉譽山

Expected from
2H 2018

Nanjing



Royal Creek
御瀾府

2019
expected

Guangzhou



UpTown
嘉匯城·上品

Completed

Dongguan



Silver Cove
星際灣

Completed

Recurring Income from Diversified Investment Portfolio

- Rental income up 25% to HK\$325 million in 1H 2018
- Diversified portfolio: office, commercial, serviced apartment and hotel with total attributable GFA ~210,000 sqm

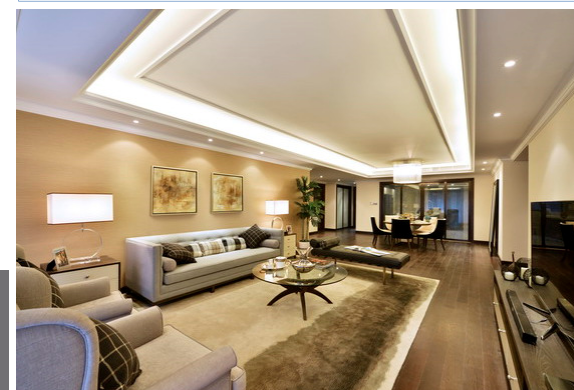
Office



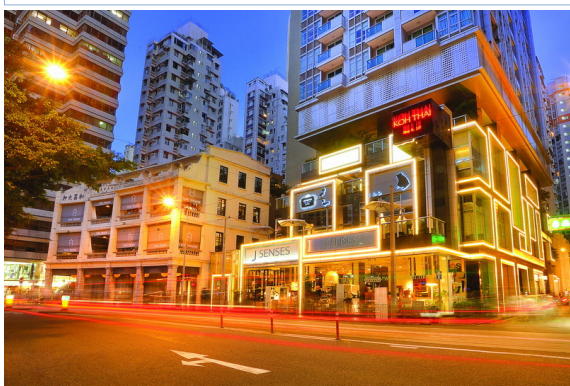
Shanghai K. Wah Centre
上海嘉華中心

Stanford Residences Jing An,
Shanghai
上海尚臻靜安服務式公寓

Serviced apartment



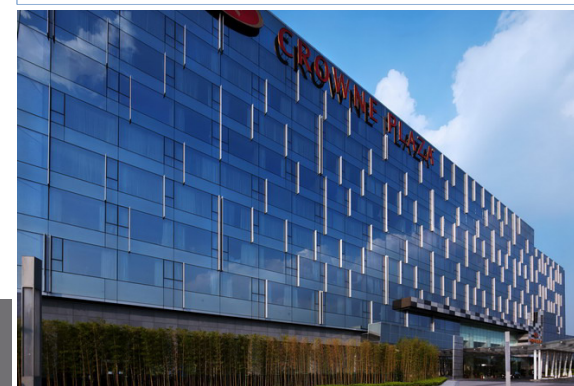
Commercial



J SENSES, Hong Kong
香港 J SENSES

Crowne Plaza Guangzhou Huadu
廣州花都皇冠假日酒店

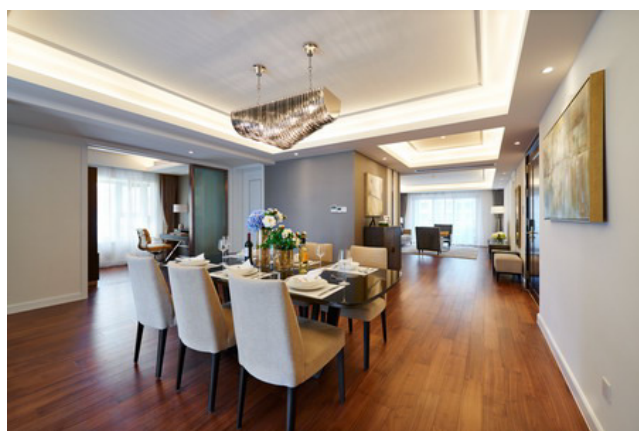
Hotel



Recurring Income from Diversified Investment Portfolio

- Launched new serviced apartment in Stanford Residences Xu Hui in Shanghai during 1H 2018
- Palace Lane, in The Palace in Shanghai, and J Town, in Silver Cove in Dongguan fully opened, with satisfactory occupancy

Serviced apartment



Stanford Residences
Xu Hui
尚臻徐滙

Commercial



Palace Lane
嘉御里



J Town
星際匯



G89, Nanjing



Solaria, Hong Kong

Strategy and Outlook

Premium Assets in Prime Cities

- Continue to focus on Hong Kong and prime cities in Mainland China, especially in the Yangtze River Delta and Pearl River Delta regions while proactively exploring opportunities in the nearby cities where the Group is yet to have presence



Diversified Land Acquisition Channels

- Formed strategic partnerships to tackle the competitive market condition under various austerity measures

Location	Project	Total GFA (sqm)	Interest
Kunshan (崑山)	Lot 12-2 in Economic & Technological Development Zone (經濟技術開發區12-2地塊)	66,000	16.6%
Suzhou (蘇州)	Lot 58 in National Hi-Tech District (高新區58地塊)	76,000	33%
Jiangmen (江門)	Site No. 03 in Xinhui District (新會區03地塊)	100,000	50%

- Acquired new project in Dongguan (東莞)
 - Site 2018WG12, Chashan (茶山鎮2018WG12地塊) with GFA ~159,000 sqm
- Added an attributable GFA ~246,000 sqm at an aggregate attributable land premium RMB 2.6 billion
- Widen the ways for the landbank replenishment for sustaining future development

Enhancing Investment in the Greater Bay Area

- Obtained a new land site in Dongguan (東莞) in early August 2018
 - Continue to capture the opportunities in the Greater Bay Area



Visible Pipeline in Hong Kong and Mainland China

- Pre-sale for Solaria in Hong Kong in Jun 2018 received an overwhelming response with nearly 700 units sold for more than HK\$6 billion (up to 15 Aug 2018)



Solaria
嘉熙

- Launched UpTown in Guangzhou in Apr 2018, ~75% of units sold (up to 15 Aug 2018)



UpTown
嘉匯城·上品

Visible Pipeline in Hong Kong and Mainland China

- New projects ready to be launched in 2018/2019

Location	Project	Attri. GFA (sqm)	Units
Hong Kong	Kai Tak Area 1K Site 2	53,000	TBC
Shanghai	Windermere (嘉濤灣)	71,000	256
	Azure (嘉瀧匯)	16,000	126
	The Palace III (嘉御庭三期)	43,000	106

- Projects under partnerships
 - Kunshan, Suzhou & Jiangmen
- Plus continued sales momentum of the launched projects in Hong Kong and Mainland China such as
 - Hong Kong: Solaria, K. City and The Spectra
 - Nanjing: The Peak and Royal Creek
 - Guangzhou: J Metropolis (UpTown)
 - Dongguan: Silver Cove

New projects ready to be launched in 2018/19

Hong Kong



**Kai Tak
Area 1K Site 2
(啟德發展區
第1K區2號)**

- Located in the heart of the Kai Tak Area
- Synergy with K. City

Shanghai



**Windermere
(嘉濤灣)**

- Located in Zhujiajiao Town in Qingpu District
- Low-rise residential buildings with ancillary commercial facilities

Shanghai



**Azure
(嘉瀾匯)**

- Within well-developed residential area with good transportation links to the Pudong CBD

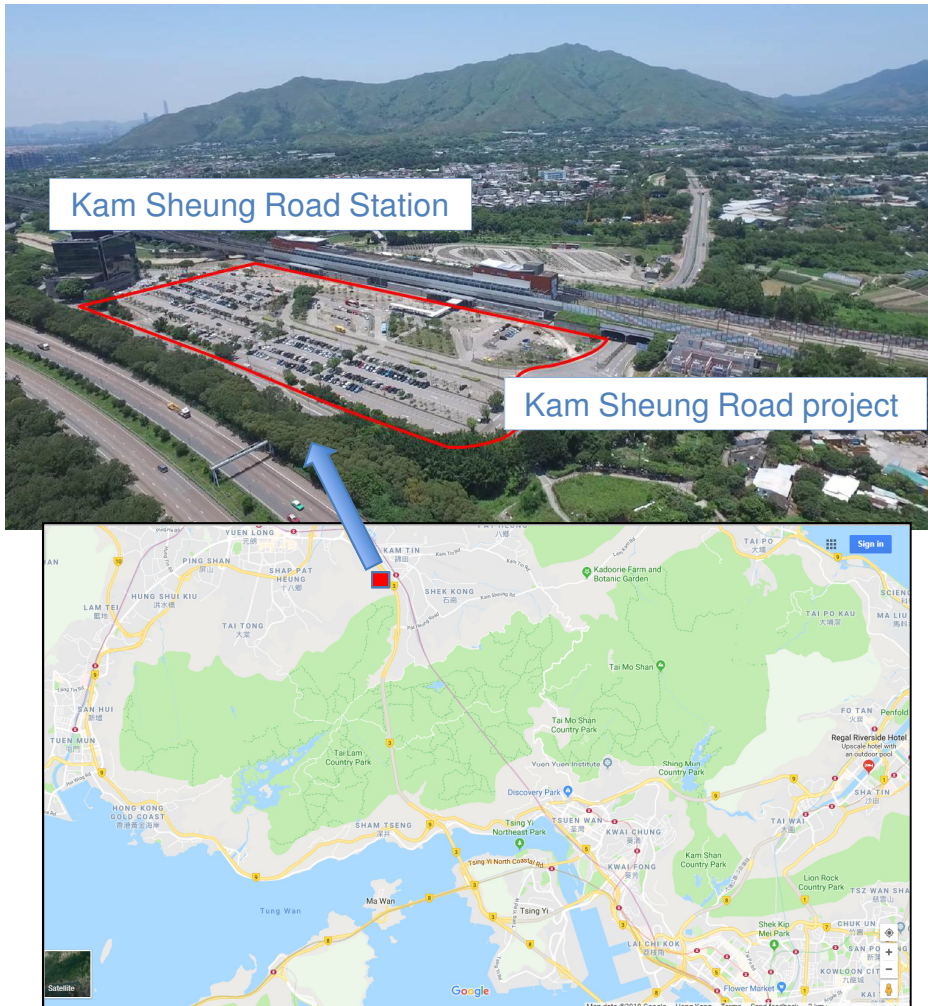


**The Palace III
(嘉御庭三期)**

- Located in an affluent, traditional residential area of Xuhui District

Sustainable Pipeline in Hong Kong and Mainland China

- Projects to be launched beyond 2019



Sustainable Pipeline in Hong Kong and Mainland China

- Projects to be launched beyond 2019



Shanghai
Weifang Village Street
project, Pudong District



Suzhou
Lot 42, National Hi-Tech District



Nanjing
G89, Jiangning District

Sustainable Pipeline in Hong Kong and Mainland China

- Projects to be launched beyond 2019



Guangzhou
Xinhuzhen West Site,
Huadu District



Jiangmen East Station

Jianghai Site No. 12

Jiangmen
Jianghai Site No. 02 & 12,
Jianghai District

Jianghai Site No. 02

Building up Investment Portfolio

- Expanding the portfolio with various types of property:
 - K. WAH Plaza, Guangzhou are planned for SOHO offices, office premises, hotel and retail facilities, with GFA 86,000 sqm to be completed in 2019
 - Office building at Suhe Creek, Jingan District, Shanghai, with GFA 20,000 sqm, commenced the construction in 2017 and completion is expected to be in 2020
- Well-balanced diversified portfolio to enhance the recurring income

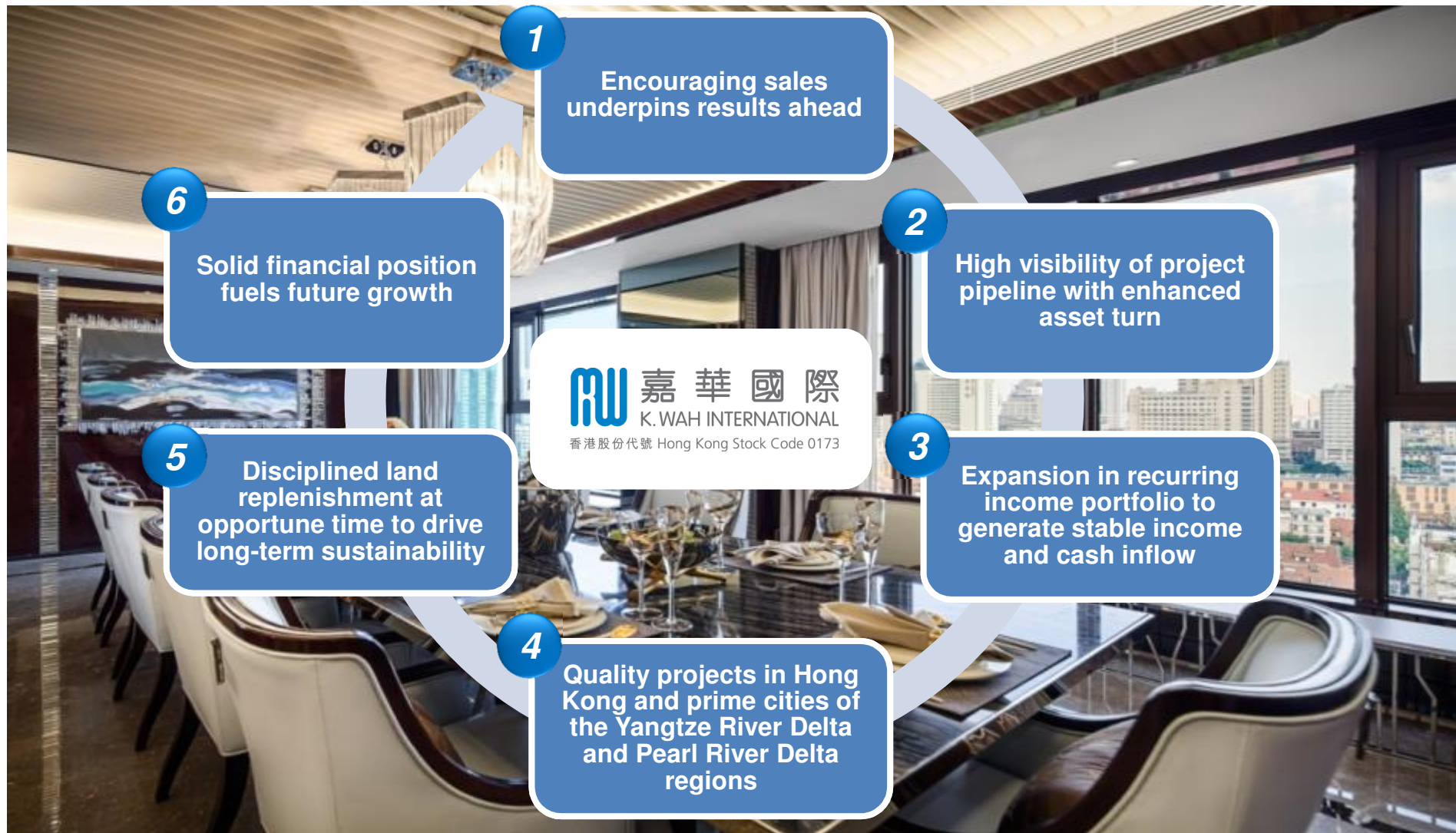


Office project,
Jingan District, Shanghai

K. WAH Plaza,
Guangzhou



Solid Foundation for Long-term Sustainability



Appendix: Projects Summary

Major Projects in Hong Kong



Development projects

1	Marinella 深灣9號	7	Kai Tak Area 1K Site 2 啟德發展區第1K區2號
2	Providence Bay 天賦海灣	8	2 Grampian Road 嘉林邊道2號
3	Providence Peak 溘玥·天賦海灣	9	30 Po Shan Road 寶珊道30號
4	The Spectra 朗屏8號	10	Kam Sheung Road Station Project (ph 1) 錦上路站項目 (一期)
5	K. City 嘉匯	11	New Kowloon Inland Lot No. 6549, Cheung Sha Wan 長沙灣新九龍內地段第6549號
6	Solaria 嘉熙		

Development Projects in Hong Kong

KWIH's Property Portfolio	Year of first sales launch			GFA# (sqm) (approx.)	% Sold as of Jun 2018	Group's Interest	Target completion
	2017 or before	2018 or 2019	Beyond 2019				
Marinella 深灣9號	✓			69,300	~ 99%	35%	Completed
Providence Bay 天賦海灣 Providence Peak 溢玥·天賦海灣	✓			78,400 83,600	~ 99% ~ 99%	15% 25%	Completed Completed
The Spectra 朗屏8號	✓			49,000	~ 99%	60%	Completed
K. City 嘉匯	✓			51,000	~ 99%	100%	2018
Solaria 嘉熙		✓		61,600	~ 60%	100%	2020
Kai Tak Area 1K Site 2 啟德發展區第1K區2號		✓		53,000	-	100%	2021
2 Grampian Road 嘉林邊道2號			✓	2,000	-	100%	2020
30 Po Shan Road 寶珊道30號			✓	3,700	-	50%	TBC
Kam Sheung Road Station Project (ph 1) 錦上路站項目(一期)			✓	114,800	-	33 $\frac{1}{3}$ %	TBC
New Kowloon Inland Lot No. 6549, Cheung Sha Wan, Kowloon 九龍長沙灣新九龍內地段第6549號			✓	91,800	-	22.5%	TBC

GFA includes covered area of all saleable units and their respective share of common area as referred to or to be referred to in sales brochures

Major Projects in Yangtze River Delta



- 外環線
Outer Ring Road
- 中環線
Middle Ring Road
- 市中心商業區
CBD

Development projects

1	Grand Summit, Jingan District, Shanghai 上海靜安區嘉天匯	5	Weifang Village Street project, Pudong District, Shanghai 上海浦東區滌坊新村街道項目	9	Lot 42 in National Hi-Tech District, Suzhou 蘇州高新區42地塊
2	The Palace, Xuhui District, Shanghai 上海徐匯區嘉御庭	6	The Peak, Qixia District, Nanjing 南京棲霞區嘉譽山	10	Lot 58 in National Hi-Tech District, Suzhou 蘇州高新區58地塊
3	Windermere, Qingpu District, Shanghai 上海青浦區嘉濤灣	7	Royal Creek, Pukou District, Nanjing 南京浦口區御瀾府	11	Lot 12-2 in Kunshan Economic & Technological Development Zone 崑山經濟技術開發區12-2地塊
4	Azure, Pudong District, Shanghai 上海浦東區嘉瀧匯	8	Site G89 in Jiangning District, Nanjing 南京江寧區G89地塊		

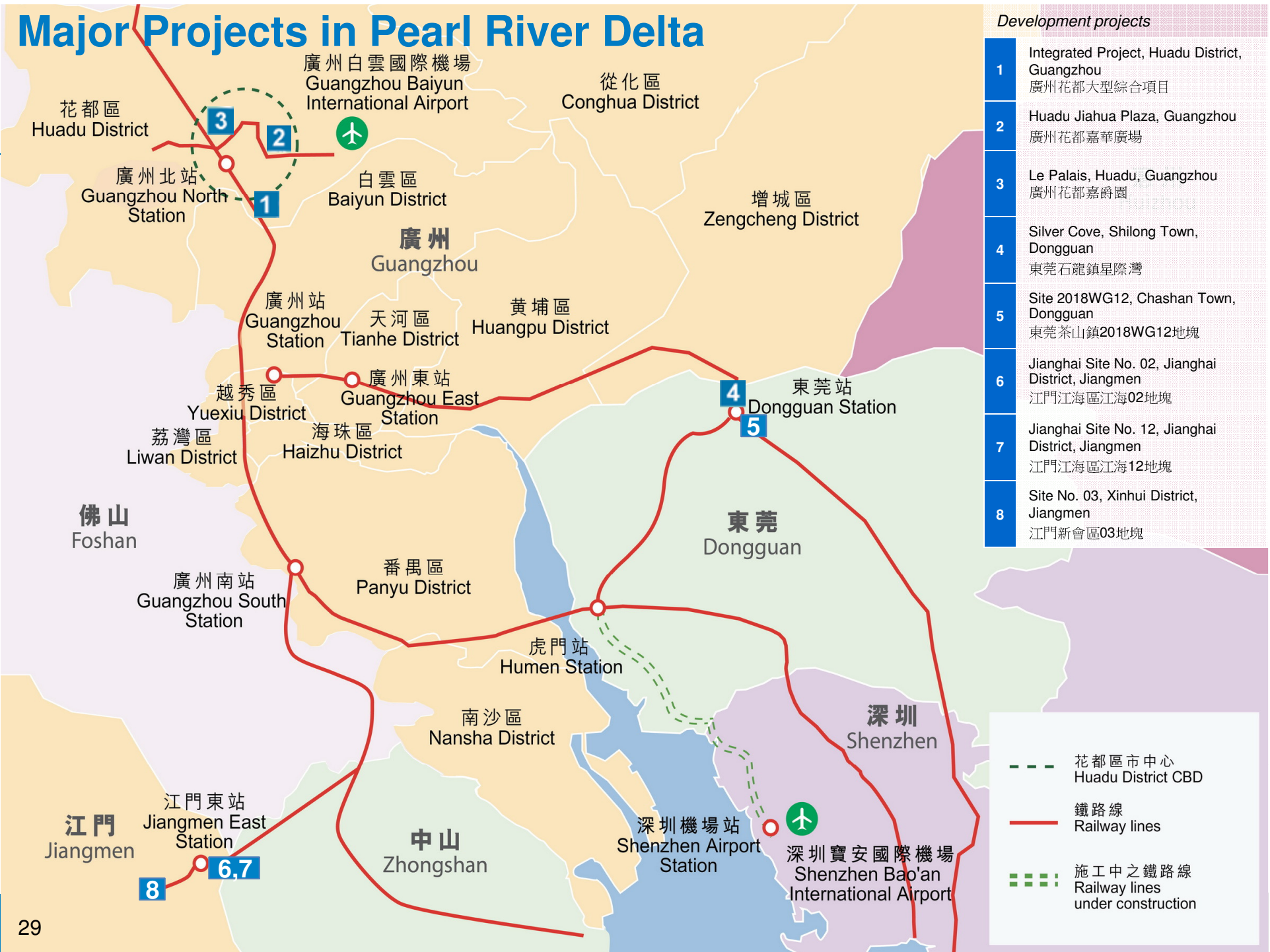
Development Projects in Yangtze River Delta region

KWIH's Property Portfolio		Year of first sales launch			GFA (sqm) (approx.)	% Sold as of Jun 2018	Group's Interest	Target completion
		2017 or before	2018 or 2019	Beyond 2019				
Grand Summit, Jingan District, Shanghai 上海靜安區嘉天匯		✓			68,000	~ 99%	100%	Completed
The Palace, Xuhui District, Shanghai 上海徐匯區嘉御庭	Phase I	✓			Ph I: 33,000 Ph II: 30,000 Ph III: 43,000	~ 99%	100%	Completed
	Phase II	✓				> 90%		
	Phase III <i>NEW</i>		✓			-		
Windermere, Qingpu District, Shanghai 上海青浦區嘉濤灣			✓		71,000	-	100%	Completed
Azure, Pudong District, Shanghai 上海浦東區嘉瀧匯			✓		16,000	-	100%	Completed
Weifang Village Street project, Pudong District, Shanghai 上海浦東區滌坊新村街道項目				✓	14,200	-	100%	2020
The Peak, Qixia District, Nanjing 南京棲霞區嘉譽山		✓			132,000	> 50%	100%	2H 2018
Royal Creek, Pukou District, Nanjing 南京浦口區御瀾府		✓			98,500	> 70%	33%	2019
Site G89 in Jiangning District, Nanjing 南京江寧區G89地塊				✓	49,700	-	100%	2020
Lot 42 in National Hi-Tech District, Suzhou 蘇州高新區42地塊				✓	59,000	-	100%	TBC
Lot 58 in National Hi-Tech District, Suzhou 蘇州高新區58地塊			✓		76,000	-	33%	TBC
Lot 12-2 in Kunshan Economic & Technological Development Zone 崑山經濟技術開發區12-2地塊			✓		66,000	-	16.6%	TBC

Major Projects in Pearl River Delta

Development projects

- 1 Integrated Project, Huadu District, Guangzhou
廣州花都大型綜合項目
- 2 Huadu Jiahua Plaza, Guangzhou
廣州花都嘉華廣場
- 3 Le Palais, Huadu, Guangzhou
廣州花都嘉爵園
- 4 Silver Cove, Shilong Town, Dongguan
東莞石龍鎮星際灣
- 5 Site 2018WG12, Chashan Town, Dongguan
東莞茶山鎮2018WG12地塊
- 6 Jianghai Site No. 02, Jianghai District, Jiangmen
江門江海區江海02地塊
- 7 Jianghai Site No. 12, Jianghai District, Jiangmen
江門江海區江海12地塊
- 8 Site No. 03, Xinhui District, Jiangmen
江門新會區03地塊



- 花都區市中心
Huadu District CBD
- 鐵路線
Railway lines
- 施工中之鐵路線
Railway lines under construction

Development Projects in Pearl River Delta region

KWIH's Property Portfolio		Year of first sales launch			GFA (sqm) (approx.)	% Sold as of Jun 2018	Group's Interest	Target completion
		2017 or before	2018 or 2019	Beyond 2019				
Integrated Project, Huadu District, GZ 廣州花都大型綜合項目 J Metropolis, Xinhuzhen East Site 嘉匯城, 新華鎮東地塊	Phase I Phase II Phase III Phase IV	✓ ✓ ✓	✓		Ph I: 77,000 Ph II: 75,000 Ph III: 40,000 Ph IV: 34,000	~ 99% > 95% > 95% ~ 40%	99%	Ph I - IV: Completed
Xinhuzhen West Site 新華鎮西地塊	Phase I Others			✓	Ph I: 187,000 Others: 392,000	- -		TBC
Huadu Jiahua Plaza, Guangzhou 廣州花都嘉華廣場 J Wings 嘉都匯 K. WAH Plaza 嘉華廣場	Phase II Phase III & IV	✓	✓		Ph II: 100,000 Ph III & IV: 86,000	> 95% -	100%	Ph II: Completed Ph III & IV: 2019
Le Palais, Huadu District, Guangzhou 廣州花都嘉爵園		✓			46,000	> 95%	100%	Completed
Silver Cove, Shilong Town, Dongguan 東莞石龍鎮星際灣	Phase I & II Phase III	✓ ✓			Ph I & II: 192,400 Ph III: 32,000	~ 90% > 30%	100%	Completed
Site 2018WG12, Chashan Town, Dongguan 東莞茶山鎮2018WG12地塊				✓	159,000	-	100%	TBC
Jianghai Site No. 02, Jianghai District, Jiangmen 江門江海區江海02地塊				✓	133,700	-	100%	TBC
Jianghai Site No. 12, Jianghai District, Jiangmen 江門江海區江海12地塊				✓	144,900	-	100%	TBC
Site No. 03, Xinhui District, Jiangmen 江門新會區03地塊				✓	100,000	-	50%	TBC

Major Investment Properties

KWIH's Investment Properties		Type	GFA (sqm) (approx.)	Group's Interest	Status / Target completion
Hong Kong	J SENSES	Commercial	3,400	100%	Completed
	Chantilly 肇輝臺6號	Residential	5,100	100%	Completed
	Commercial Complex at Twin Peaks 嘉悅商業部份	Commercial	3,500	100%	Completed
Yangtze River Delta	Shanghai K. Wah Centre 上海嘉華中心	Office	72,000	69.6%	Completed
	Stanford Residences Jing An, Shanghai 上海尚臻靜安服務式公寓	Serviced Apartment	32,000	100%	Completed
	Stanford Residences Xu Hui, Shanghai 上海尚臻徐匯服務式公寓	Serviced Apartment	27,000	100%	Completed
	Stanford Residences Jin Qiao Shanghai 上海尚臻金橋服務式公寓	Serviced Apartment	13,000	100%	Completed
	Palace Lane, Shanghai 上海嘉御里	Commercial	9,000	100%	Completed
	Office project , Suhe Creek, Jingan District, Shanghai 上海靜安區蘇河灣寫字樓項目	Office	20,000	53.61%	2020
Pearl River Delta	Crowne Plaza Guangzhou Huadu and office 廣州花都皇冠假日酒店及寫字樓	Hotel Office	32,000 13,000	100%	Completed
	J Town, Dongguan 東莞星際匯	Commercial	11,400	100%	Completed

Thank You!