



## 2022 Annual Results

22 March 2023

# Delivering Value with Distinctive Quality

嘉華集團成員 A member of K. Wah Group

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*K. Summit, Hong Kong*



*Cavendish, Nanjing*

## Results highlights

# Financial Highlights

(HK\$ million)	For the year ended 31 Dec		Change
	2022	2021	
<b>Revenue</b>	<b>8,794</b>	<b>16,218</b>	<b>-46%</b>
<b>Attributable Revenue*</b>	<b>9,347</b>	<b>17,192</b>	<b>-46%</b>
<b>Profit Attributable to Equity Holders</b>	<b>1,372</b>	<b>3,355</b>	<b>-59%</b>
<b>Underlying Profit</b>	<b>1,452</b>	<b>2,927</b>	<b>-50%</b>
<b>Basic EPS (HK cents)</b>	<b>43.81</b>	<b>107.26</b>	<b>-59%</b>
<b>Dividend / share (HK cents)</b>	<b>21</b>	<b>21</b>	<b>-</b>
Final dividend / share (HK cents)	<b>14</b>	<b>14</b>	
Interim dividend / share (HK cents)	<b>7</b>	<b>7</b>	

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

# Financial Highlights - Solid Financial Position

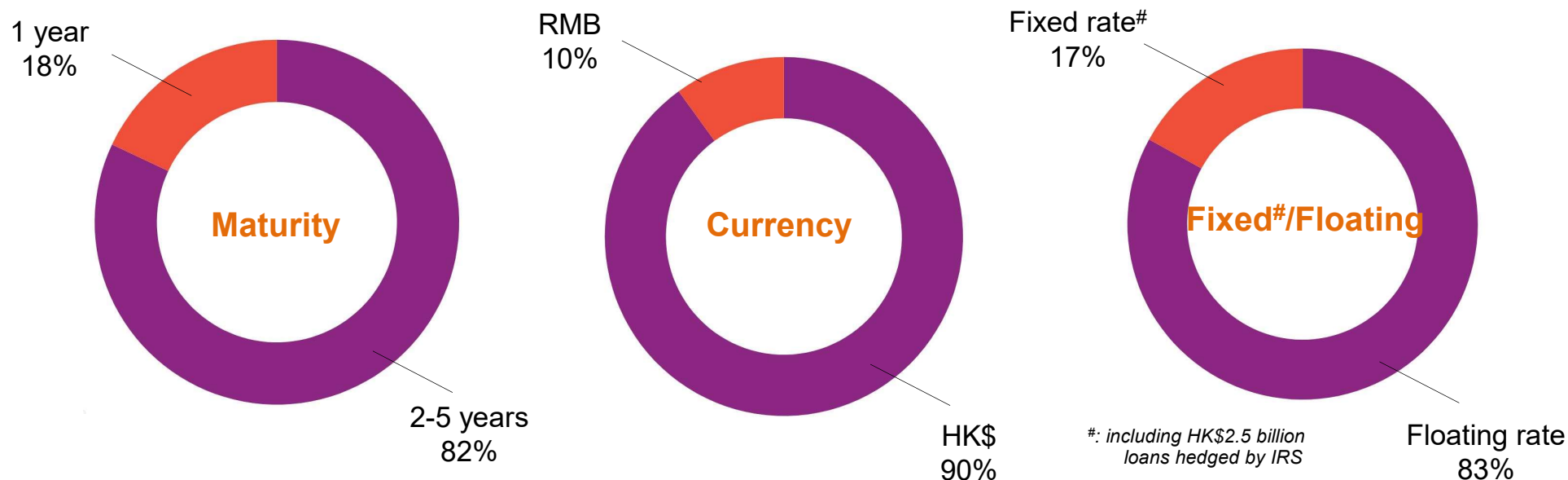
(HK\$ million)	As at 31 Dec 2022	As at 31 Dec 2021
<b>Total Assets</b>	<b>76,636</b>	<b>78,498</b>
<b>Cash and Cash Equivalents and Bank Deposits</b>	<b>8,660</b>	<b>8,137</b>
<b>Total Debts</b>	<b>14,939</b>	<b>18,984</b>
<b>Shareholders' Funds</b>	<b>43,856</b>	<b>43,899</b>
<b>NAV per Share (HK\$)</b>	<b>14.0</b>	<b>14.0</b>
<b>Gearing Ratio<sup>(1)</sup></b>	<b>13%</b>	<b>24%</b>
<b>EBITDA / Interest<sup>(2)</sup></b>	<b>12x</b>	<b>21x</b>

Remarks:

- 1) Gearing ratio = net debt / total equity
- 2) Interest being net interest before capitalization for the period under review

# Financial Highlights - Discipline in Financial Management

- Total debts dropped by HK\$4 billion to HK\$14.9 billion (Net debts: HK\$6.3 billion) as at 31 Dec 2022:



- The average interest rate increased to 2.6% in 2022 (1.6% in 2021) amid market rate hiking (1-month HIBOR surged from 0.16% as at 31 Dec 2021 to 4.35% as at 31 Dec 2022). Interest Rate Swap contracts for HK\$2.5 billion were arranged for managing interest rate risk
- Secured a HK\$8 billion revolving credit and term sustainability-linked loan facility in October 2022 for refinancing syndicated loan expired in Q1 2023, enhancing its financing flexibility and to support the Group's sustainable development

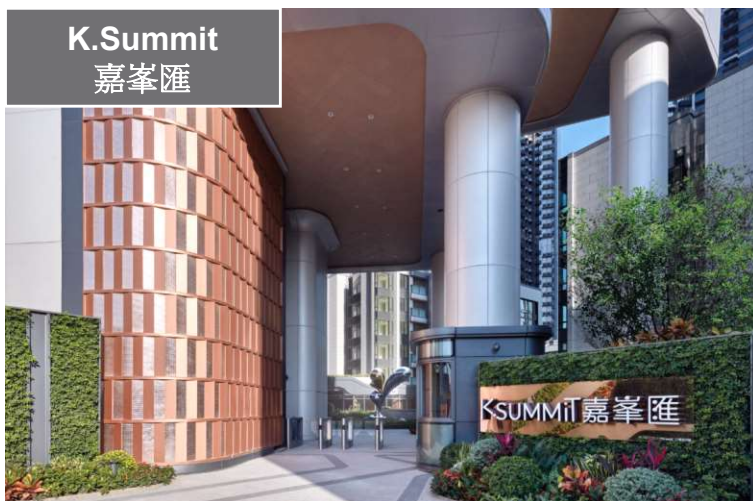


# Revenue for the Year – Quality Projects Engender Strong Performance

- Attributable revenue\* from sales of properties amounted to HK\$8.7 billion in 2022, mainly from the below projects:

Hong Kong

K.Summit  
嘉峯匯



Solaria  
嘉熙



Nanjing

Cavendish  
嘉宏峰



Dongguan

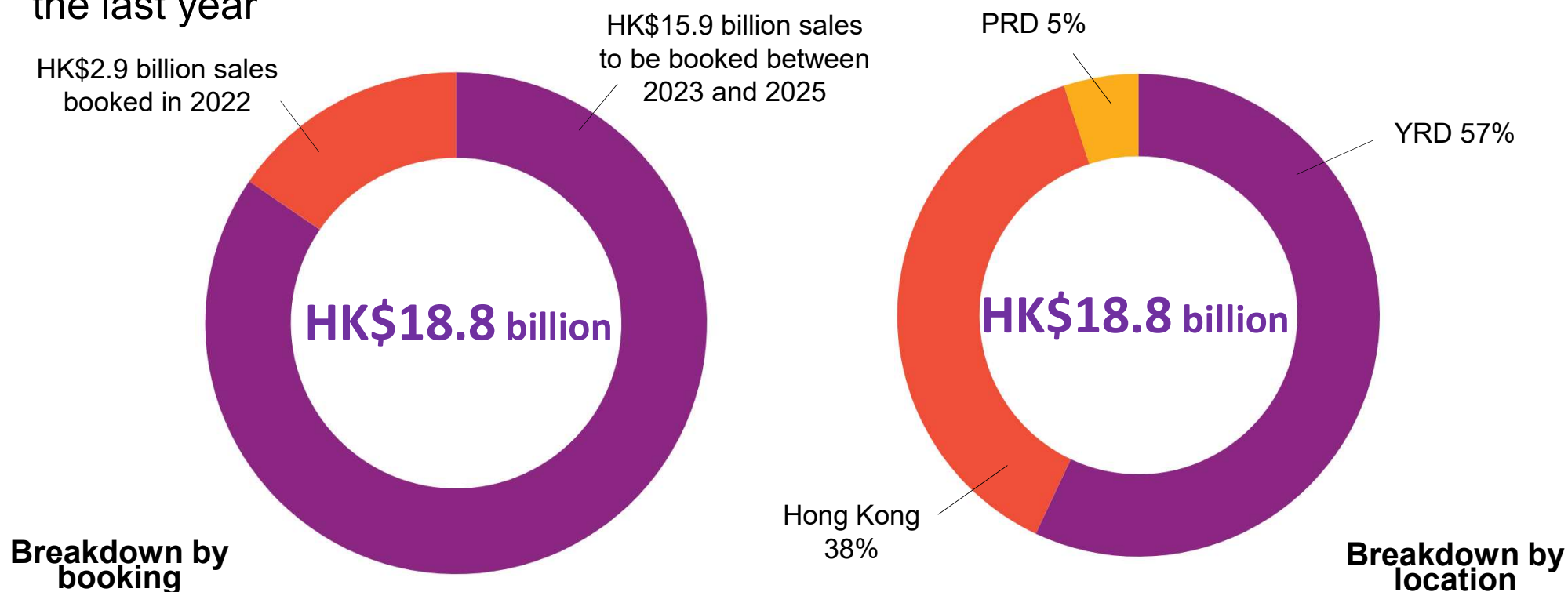
Bayview  
嘉譽灣



\* Attributable revenue comprises the revenue of the Group and contributions from joint ventures as well as associated companies

# Contracted Sales for the Year – Visible Contracted Sales Provide Sustainability

- Despite the volatility due to the pandemic and the slowing economy, the Group captured the windows to launch its quality projects, HK\$18.8 billion attributable contracted sales\* were achieved in 2022, another record high for the Group following the last year



- As of 31 December 2022, attributable contracted sales\* yet to be booked amounted to HK\$18.6 billion, paving the solid foundation for future profitability

\* Attributable contracted sales comprises the contracted sales of the Group and from joint ventures as well as associated companies



# Diversified Investment Portfolio

## Provides Recurring Income and Stable Cashflow

- Rental income, including hotel receipts, dropped 6% to HK\$696 million in 2022, primarily due to rental concessions provided to certain tenants with their operations adversely affected by the pandemic
- Diversified portfolio: office, commercial, serviced apartments and hotel with total attributable GFA ~280,000 sqm

Office



Shanghai K. Wah Centre  
上海嘉華中心



EDGE, Shanghai  
上海盈凱文創廣場

Serviced apartments



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

Hotel



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

Commercial



J SENSES, Hong Kong  
香港 J SENSES



Palace Lane, Shanghai  
上海嘉御里



Cove Gala, Dongguan  
東莞星際匯





*K. Summit, Hong Kong*



*Cosmo, Guangzhou*

## Strategy and Outlook



# Premium Assets in Prime Cities

## Hong Kong



Residential land parcel on sole basis

## Yangtze River Delta

### Shanghai



Navale

### Nanjing



Cavendish

### Suzhou



Avanti



Imperial Mansion



Sierra



VETTA

JV for comprehensive development project

## Pearl River Delta

### Guangzhou



K. Wah Plaza



Cosmo

### Jiangmen



J City



Jajun Garden

JV for urban redevelopment

### Dongguan



Bayview

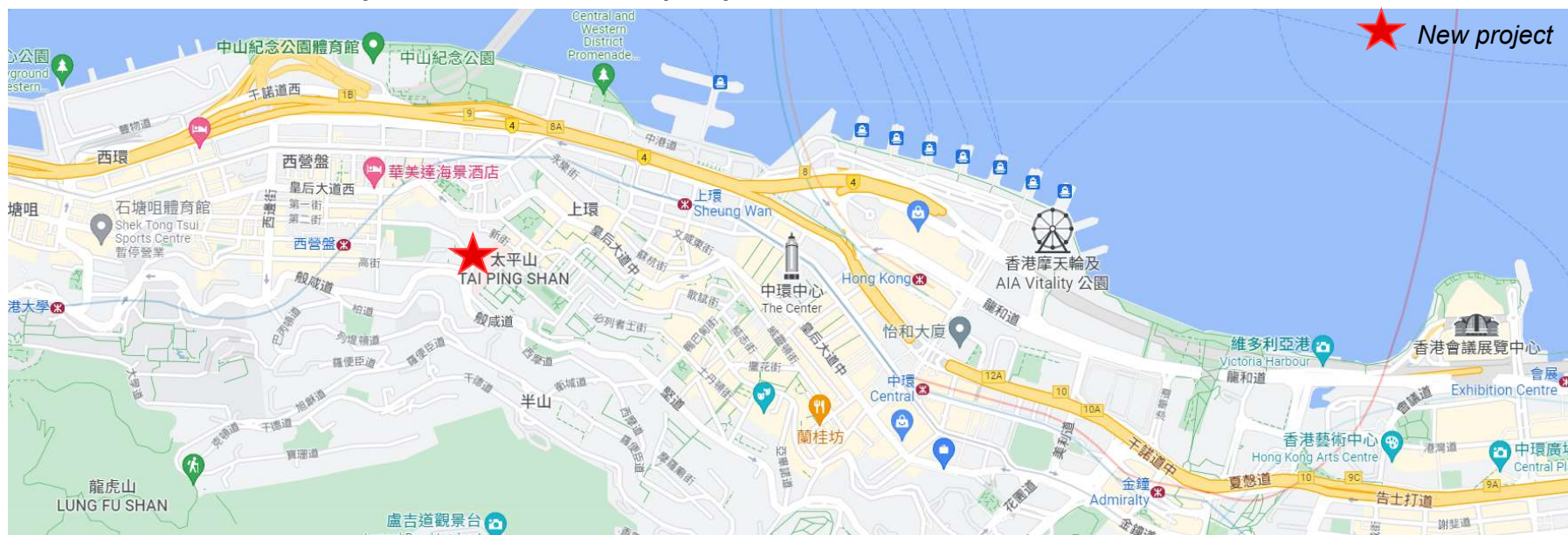
Projects newly acquired in 2022

- Continue to monitor the land market and to exercise discipline and sound judgment in evaluating land replenishment opportunities in Hong Kong and the Mainland, backed by its healthy balance sheet



# Various Ways in Landbanking

- Partnered with local government-owned company in a joint venture (70%), for an urban redevelopment project in Guangzhou in February 2022
  - ❑ Located in Huangpu District (黃埔區), close to Dashadi Station (大沙地站) and Yuzhu Station (魚珠站) of Metro Line No. 5
  - ❑ Site area for redevelopment: ~22,000 sqm
- In July 2022, the Group secured a new land parcel in Hong Kong on sole basis
  - ❑ Located on Hong Kong Island
  - ❑ GFA ~43,000 sqft for residential purpose



\* No warranty on accuracy and distance. Location shown on an approximate basis only.

# Acquisition in Shanghai

- Participated in a joint venture (60%) comprehensive development project in Shanghai in September 2022
  - ❑ Located in the south of Xuhui District, Shanghai, a core development zone planned for artificial intelligence and life health industries
  - ❑ Connected to Shanghai Metro Line No. 15 West Huajing Metro Station and in close proximity to a multiple railways interchange for, including, inter alia, Shanghai Metro Line No. 19 and No. 23 and Airport Link Line, under construction
  - ❑ GFA ~ 196,000 sqm for residential, office, commercial and hotel use
  - ❑ Residential portion is scheduled to be launched for sale in 2024 at the earliest

Shanghai  
Xuhui District



★ New project



# Sustainable land resources

## Hong Kong

- Attributable GFA: ~1.5 million sqft, covering, inter alia,
  - ❑ 2 projects in Kai Tak Area – Becoming a comprehensive community
  - ❑ 3 projects with rails connected – Convenient access to city centre and other cities in the GBA
  - ❑ 1 new project – Rare prime residential site on Island side

### Development projects

1	Solaria 嘉熙
2	K.Summit 嘉峯匯
3	2 Grampian Road 嘉琳
4	30 Po Shan Road 寶珊道30號
5	Grand Mayfair 柏瓏
6	Grand Victoria 維港滙
7	Villa Garda 凱柏峰
8	KT Marina 啟德海灣
9	LOHAS Park Package 13 日出康城第十三期
10	Kai Tak Area 4A Site 2 啟德發展區第4A區2號
11	Inland Lot No. 8872, Hospital Road 醫院道內地段第8872號





# Sustainable land resources

## Yangtze River Delta region

- Attributable GFA: ~630,000 sqm, covering, inter alia,
  - The comprehensive development projects in Shanghai and Nanjing for residential, apartment, office, retail and hotel



Development projects - Shanghai		Nanjing and Suzhou	
1	The Palace, Xuhui District 徐匯區嘉御庭	6	Cavendish, Jiangning District, Nanjing 南京江寧區嘉宏峰
2	Navale, Pudong New District 浦東新區嘉盈峰	7	Site 2020G72, Hexi New Town, Jianye District 南京建鄴區河西新城2020G72地塊
3	WYSH, Changning District 長寧區翡悅里	8	Avanti, National Hi-Tech District, Suzhou 蘇州高新區嘉駿峰
4	Imperial Mansion, Hongkou District 虹口區招商雲璽	9	VETTA, Xiangcheng District, Suzhou 蘇州相城區嘉致峰
5	Huajing Town project, Xuhui District 徐匯區華涇鎮項目		

# Sustainable land resources



## Pearl River Delta region

- Attributable GFA: ~820,000 sqm, covering, inter alia,
- ▣ J City in Jiangmen, a project completed in Q4 2021, and Cosmo in Guangzhou under development in phases, both launched

### Development projects

- |   |   |
|---|---|
| 1 | Integrated Project, Huadu District, Guangzhou<br>廣州花都大型綜合項目 |
| 2 | Huadu Jiahua Plaza, Guangzhou<br>廣州花都嘉華廣場                   |
| 3 | Silver Cove, Shilong Town, Dongguan<br>東莞石龍鎮星際灣             |
| 4 | Bayview, Chashan Town, Dongguan<br>東莞茶山鎮嘉譽灣                 |
| 5 | J City, Jianghai District, Jiangmen<br>江門江海區嘉華新都匯           |
| 6 | Jiajun Garden, Xinhui District, Jiangmen<br>江門新會區嘉駿花園       |
| 7 | Ziwei Gongguan, Xinhui District, Jiangmen<br>江門新會區紫薇公館      |



# Sales momentum continues in Hong Kong

	Project	Attri. GFA (sqft) (approx)
Large-scale joint ventures	KT Marina, Kai Tak	430,000
	Grand Mayfair, Yuen Long <i>(launched Grand Mayfair I &amp; II)</i>	411,000
	Villa Garda, Tseung Kwan O <i>(launched Villa Garda I &amp; II)</i>	287,000
Wholly-owned	2 Grampian Road, Kowloon	21,000



2 Grampian Road, Kowloon



Grand Mayfair, Yuen Long



Villa Garda, Tseung Kwan O

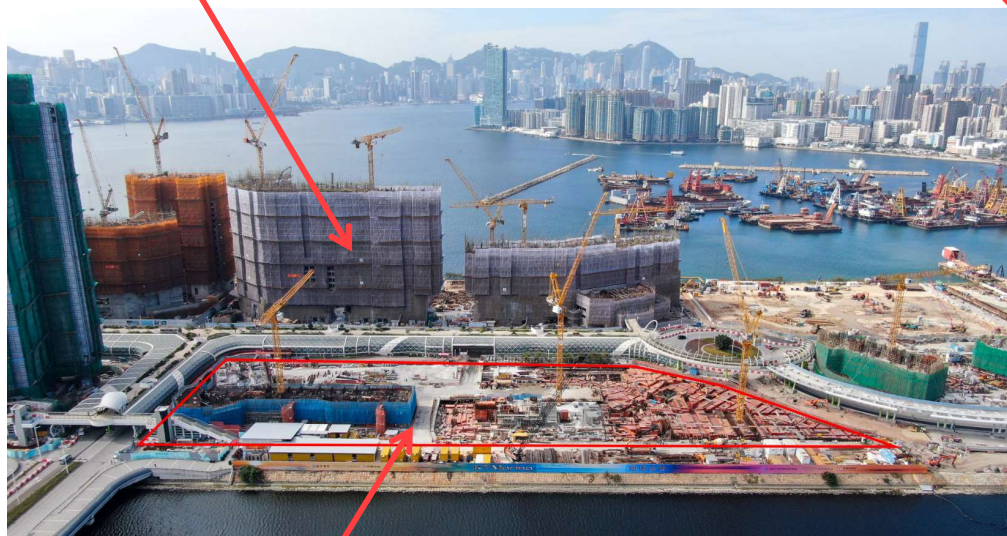


# Sales momentum continues in Hong Kong – cont'd

	Project	Attri. GFA (sqft) (approx)
Large-scale joint ventures	Kai Tak Area 4A Site 2 <i>(applying pre-sale consent)</i>	120,000
	LOHAS Park Package 13, Tseung Kwan O	387,000

- Villa Garda, Tseung Kwan O
- LOHAS Park Package 13, Tseung Kwan O

- Kai Tak Area 4A Site 2



KT Marina



# Sales momentum continues in the Mainland

Location	Project	Attri. GFA (sqm) (approx)
Nanjing	Sierra (嘉環峰), Jianye District (Phase I – residential portion of Site 2020G72, Hexi New Town) <i>(launched 10 out of 11 blocks)</i>	125,000
Suzhou	Avanti (嘉駿峰), National Hi-tech District <i>(launched)</i>	59,000



**Suzhou**  
Avanti, National Hi-tech District



**Nanjing**  
Sierra, Jianye District



# Launched projects momentum continues

- Continued sales momentum of the launched projects in Hong Kong and the Mainland such as
  - Hong Kong: K.Summit, Solaria
  - Shanghai: Grand Summit
  - Nanjing: Cavendish
  - Suzhou: VETTA
  - Guangzhou: Cosmo
  - Dongguan: Bayview
  - Jiangmen: J City
  - and joint ventures projects



Suzhou  
VETTA



Jiangmen  
J City



# Building up Investment Portfolio

- Commercial portion at Cavendish in Nanjing, with a GFA of 7,000 sqm, completed in Q4 2021, with ~50% leased
- WYSH(翡悅里), the Wuyi Road urban redevelopment commercial/office project in Shanghai with a GFA of 13,700 sqm is expected to be completed in 2023. Pre-leasing activities are underway
- Cosmo Avenue, the commercial portion at COSMO with a GFA of 23,000 sqm, was completed in Dec 2022. Pre-leasing activities are underway and operation is expected to begin in end 2023/early 2024.



**Nanjing**  
Cavendish (commercial portion)



**Shanghai**  
WYSH



**Guangzhou**  
Cosmo Avenue

## Building up Investment Portfolio – cont'd

- A total GFA of ~200,000 sqm for offices, hotel, serviced apartments and commercial premises, within the Nanjing comprehensive development, to be developed in phases, will be added from 2025
- Joint venture comprehensive development in Xuhui, Shanghai is at planning stage
- Commercial portions in various development projects to be added to our portfolio in the coming years, building a well-balanced diversified portfolio to ensure its sustainability

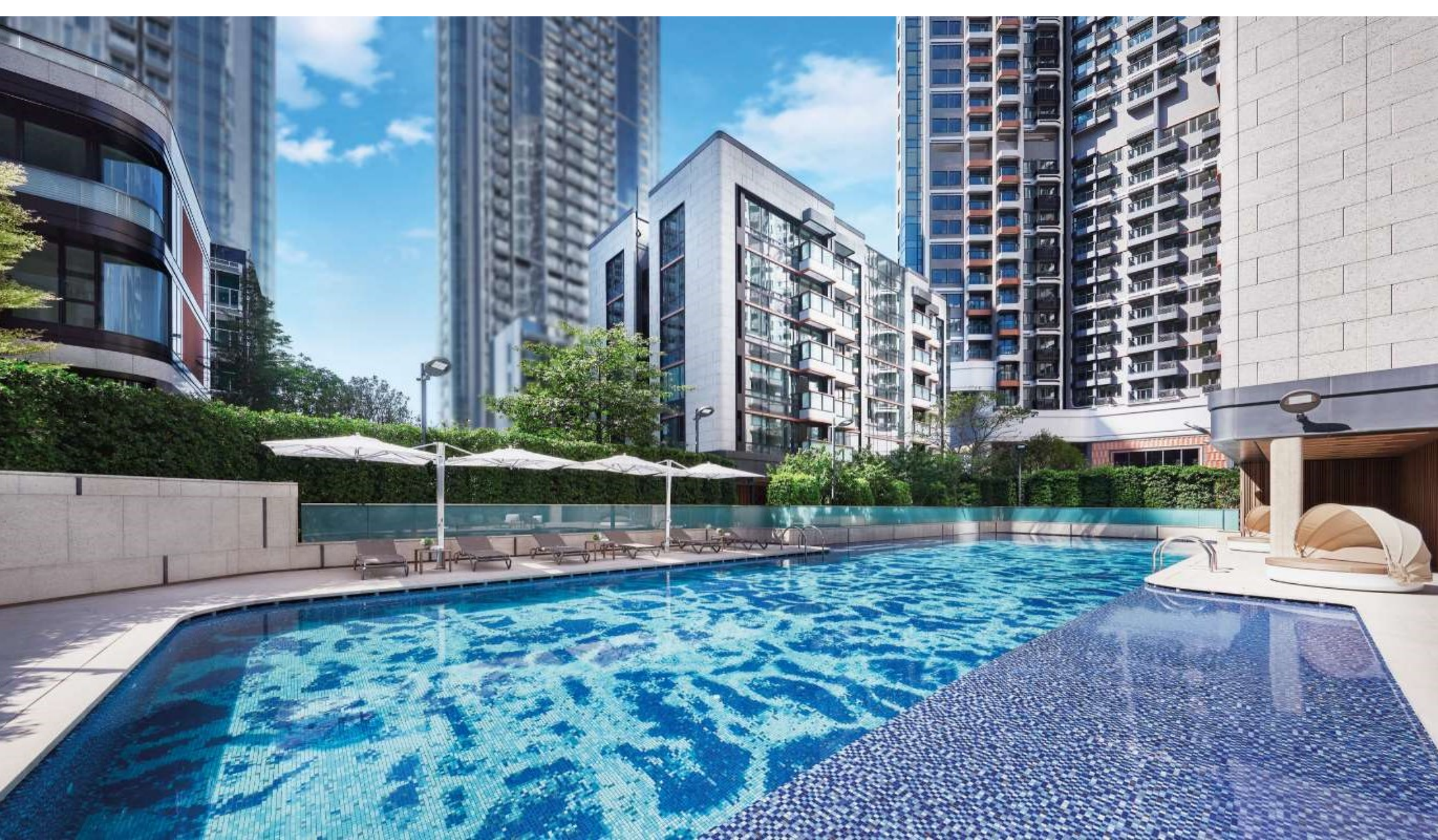
**Nanjing**  
Site 2020G72,  
Hexi New Town, Jianye District



# Solid Foundation for Long-term Sustainability







*K. Summit, Hong Kong*

## Appendix: Projects Summary



# Major Development Projects in Hong Kong

KWIH's Property Portfolio	Year of first sales launch		GFA# (sqm) (approx.)	% Sold as of Dec 2022	Group's Interest	Target completion
	2022 or before	2023 or beyond				
Solaria 嘉熙	✓		61,600	> 95%	100%	Completed
K.Summit 嘉峯匯	✓		53,000	~ 99%	100%	Completed
2 Grampian Road 嘉琳	✓		2,000	-	100%	Completed
30 Po Shan Road 寶珊道30號		✓	3,700	-	50%	TBC
Grand Mayfair 柏瓏	✓		114,800	> 60%	33 $\frac{1}{3}$ %	2024
Grand Victoria 維港滙	✓		91,800	> 55%	22.5%	2023
Villa Garda 凱柏峰	✓		88,800	~ 95%**	30%	2024
KT Marina 啟德海灣 <b>NEW</b>		✓	99,900	-	40%	2024/2025
The Remaining Portion of Tseung Kwan O Town Lot No.70, LOHAS Park Package Thirteen Property Development將軍澳市地段70號餘段, <b>NEW</b> 日出康城第十三期物業發展		✓	144,000	-	25%	2025/2026
New Kowloon Inland Lot No. 6554, Kai Tak Area 4A Site 2 <b>NEW</b> 新九龍內地段6554號, 啟德發展區第4A區2號		✓	111,900	-	10%	2024
Inland Lot No. 8872, Hospital Road 醫院道內地段第8872號		✓	4,000	-	100%	2026

# Major Development Projects in Yangtze River Delta region

KWIH's Property Portfolio		Year of first sales launch		GFA (sqm) (approx.)	% Sold as of Dec 2022	Group's Interest	Target completion
		2022 or before	2023 or beyond				
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% > 95% > 90%	100%	Completed
	Phase II	✓					
	Phase III	✓					
Navale, Pudong New District, Shanghai 上海浦東新區嘉盈峰		✓		14,200	~ 99%	100%	2023
Imperial Mansion, Hongkou District, Shanghai 上海虹口區招商雲璽		Residential	✓	36,000 11,000	100% -	49%	2024
		Commercial					
Huajing Town project, Xuhui District, Shanghai 上海徐匯區華涇鎮項目			✓	195,800	-	60%	TBC
Cavendish, Jiangning District, Nanjing 南京江寧區嘉宏峰			✓	49,700	~ 70%	100%	Completed
Site 2020G72, Hexi New Town, Jianye District 南京建鄴區河西新城2020G72地塊	Sierra 嘉璟峰	✓		125,000	~ 70%	100%	2024
	Others		✓	352,000	-		TBC
Avanti, National Hi-Tech District, Suzhou 蘇州高新區嘉駿峰			✓	59,000	~ 67%**	100%	Completed
VETTA, Xiangcheng District, Suzhou 蘇州相城區嘉致峰			✓	70,400	~ 60%	100%	Completed

\*\* % of launched units



# Major Development Projects in Pearl River Delta region

KWIH's Property Portfolio		Year of first sales launch		GFA (sqm) (approx.)	% Sold as of Dec 2022	Group's Interest	Target completion
		2022 or before	2023 or beyond				
<b>Integrated Project, Huadu District, Guagnzhou</b> 廣州花都大型綜合項目	Phase I Phase II Others	✓		Ph I: 187,000	~ 33%**	99%	Completed 2025 TBC
<b>Cosmo, Xinhuzhen West Site</b> 嘉云匯, 新華鎮西地塊			✓	Ph II: 215,000	-		
			✓	Others: 177,000	-		
<b>K. Wah Plaza, Huadu, Guangzhou (Apartments)</b> 廣州花都嘉華廣場 (公寓)		✓		44,000	~ 70%	100%	Completed
<b>Silver Cove, Silong Town, Dongguan</b> 東莞石龍鎮星際灣	Phase I, II & III	✓		236,000	~ 99%	100%	Completed
<b>Bayview, Songshan Lake District, Dongguan</b> 東莞松山湖片區嘉譽灣		✓		159,000	~ 75%**	100%	2022/2023
<b>J City, Jianghai District, Jiangmen</b> 江門江海區嘉華新都匯 - Jianghai Site No. 02 江海02地塊 - Jianghai Site No. 12 江海12地塊		✓		278,600	~ 67%**	100%	Completed
<b>Jiajun Garden, Xinhui District, Jiangmen</b> 江門新會區嘉駿花園		✓		100,000	~ 90%	50%	Completed
<b>Ziwei Gongguan, Xinhui District, Jiangmen</b> 江門新會區紫薇公館		✓		74,100	~ 40%**	30%	Completed

# 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 嘉悅商業項目	Commercial	3,500	100%	Completed
	Shops at K.Summit 嘉峯匯商舖	Commercial	1,200	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	26,000	100%	Completed
	Palace Lane, Shanghai 上海嘉御里	Commercial	8,000	100%	Completed
	EDGE, Shanghai 上海盈凱文創廣場	Office & Commercial	21,000	53.61%	Completed
	WYSH, Shanghai 上海翡悅里	Office & Commercial	14,300	100%	2023
	Commercial Complex at Cavendish, Nanjing 南京嘉宏峰商業項目	Commercial	7,000	100%	Completed
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
	K. Wah Plaza, Huadu, Guangzhou 廣州花都嘉華廣場	Office & Commercial	38,000	100%	Completed
	Cove Gala, Dongguan 東莞星際匯	Commercial	11,600	100%	Completed

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**Thank You!**