



K. WAH INTERNATIONAL HOLDINGS LIMITED  
嘉華國際集團有限公司

(Incorporated in Bermuda with limited liability)  
(Stock Code: 173)

**DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES  
FINANCIAL ASSISTANCE TO AFFILIATED COMPANIES**

In accordance with the requirements under Rule 13.16 of the Listing Rules, the Company announces the details of such financial assistance and guarantees it has given to affiliated companies.

Reference is made to the announcement made by the Company dated 31 May 2007 pursuant to Chapter 14 of the Listing Rules (“**JV Announcement**”). Terms defined in JV Announcement have the same meaning when used in this announcement, unless otherwise stated. Nimble Limited is an affiliated company of the Company. On 5 June 2007, Union King (the wholly-owned subsidiary of Nimble Limited) will draw on the HK\$3,000,000,000 loan facilities under which the Company has provided corporate guarantee and entered into funding agreement and Golden Arrow (an indirect wholly-owned subsidiary of the Company) has entered into subordination agreement with lenders.

As at the date of this announcement and in addition to the financial assistance to affiliated company which the Company announced on 30 May 2007, the financial assistance given to, and guarantees given for facilities granted to affiliated companies of the Company, together, amount to HK\$1,963,950,500 in aggregate (representing (approximately) 13.2% of the total assets of the Company) as follows:

Name of affiliated companies	Company's % equity interest in the affiliated companies	Amount of loan facilities made available to the affiliated companies	Amount guaranteed by the Company	Amount of committed capital injection to the affiliated companies	Execution/ Drawdown dates of the loan facilities	Amount utilized by affiliated companies	Final maturity date of the loan facilities
		HK\$	HK\$	HK\$			
Full Raise International Limited	25%	3,100,000,000	775,000,000	437,500,000	23 May 2007 (execution) 30 May 2007 (drawdown)	1,750,000,000 (50% land premium) and 1,000,000 (part construction cost)	the earlier of (a) 23 May 2011 and (b) the date falling 6 months after the issuance of the Certificate of Compliance by the Director of Lands ("Certificate")
Nimble Limited	15%	3,000,000,000	450,000,000	301,450,500	31 May 2007 (execution) 5 June 2007 (drawdown)	2,000,000,000 (50% land premium) and 1,000,000 (part construction cost)	the earlier of (a) 31 May 2011 and (b) the date falling 6 months after the issuance of the Certificate
<b>Total</b>			<u>1,225,000,000</u>	<u>738,950,500</u>		<u>3,752,000,000</u>	

All the above loan facilities:

1. are secured by respective guarantees and funding agreements for project cost overrun (with completion guarantee) by the Company (on several basis and pro rata to the Company's equity interest in the relevant affiliated companies) and subordination agreements in respect of the indebtedness by the wholly-owned subsidiaries of the Company in favor of the relevant group of lenders; and
2. carry interest which is at normal commercial rate after arm's length negotiation with the relevant lenders.

The respective capital injections (unsecured and on several basis and pro rata to the Company's equity interest in the relevant affiliated companies) are funded from the internal resources of the Group by way of shareholder's advances.

The Company will continue to monitor the financial assistance to affiliated companies, and will comply with any further disclosure requirements (if necessary) and the relevant continuing disclosure requirements pursuant to Rules 13.20 and 13.22 of the Listing Rules for so long as the circumstances giving rise to such disclosure obligation continue to exist.

*As at the date of this announcement, the Executive Directors are Dr. Che-woo Lui (Chairman), Mr. Francis Lui Yiu Tung, Mr. Eddie Hui Ki On, Mr. Lennon Lun Tsan Kau and Ms. Paddy Tang Lui Wai Yu; the Non-executive Directors are Mr. Michael Leung Man Kin and Dr. Philip Wong Kin Hang; and the Independent Non-executive Directors are Sir David Akers-Jones, Dr. The Hon. Leo Lee Tung Hai, Dr. Robin Chan Yau Hing, Dr. Charles Cheung Wai Bun and Mr. Robert George Nield.*

By Order of the Board of  
**K. Wah International Holdings Limited**  
**Ricky Chan Ming Tak**  
*Company Secretary*

Hong Kong, 5 June 2007

Please also refer to the published version of this announcement in The Standard.