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於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

(Stock Code: 00173)

CONNECTED TRANSACTION

THE SALES OF PROPERTY UNITS OF THE SUMMIT

The Board announces that on 15 January 2016, the Vendor entered into the Agreements with the Purchaser, pursuant to which, the Vendor agreed to sell and the Purchaser agreed to purchase the Property Units at the Total Consideration of RMB11,775,888 (equivalent to approximately HK\$13,883,400).

As the Purchaser is the Chairman and Managing Director of the Company and also a substantial shareholder of the Company, he is a connected person of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the Sales constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio (other than the profits ratio) calculated with reference to Rule 14.07 of the Listing Rules for the Total Consideration of the Sales exceeds 0.1% but is less than 5%, the Sales are subject to announcement and reporting requirements but is exempt from circular and independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

INTRODUCTION

The Board announces that on 15 January 2016, the Vendor entered into the Agreements with the Purchaser, pursuant to which, the Vendor agreed to sell and the Purchaser agreed to purchase the Property Units at the Total Consideration of RMB11,775,888 (equivalent to approximately HK\$13,883,400).

AGREEMENTS FOR THE SALES OF THE PROPERTY UNITS

- Date** : 15 January 2016
- The Vendor** : 江門市嘉豐房地產開發有限公司 (Jiangmen Jia Feng Real Estate Development Limited*)
- The Purchaser** : Dr. Lui Che-woo

Property Units:

The Property Units being sold under the Agreements at The Summit and the particulars of which are listed below:

1. House 101, No. 1, The Summit, being a four-storey semi-detached house including one level of basement (with gross floor area of 315.95 square metres) at a selling price of RMB2,943,972 (equivalent to approximately HK\$3,470,850);
2. House 102, No. 1, The Summit, being a four-storey semi-detached house including one level of basement (with gross floor area of 315.95 square metres) at a selling price of RMB2,943,972 (equivalent to approximately HK\$3,470,850);
3. House 101, No. 2, The Summit, being a four-storey semi-detached house including one level of basement (with gross floor area of 315.95 square metres) at a selling price of RMB2,943,972 (equivalent to approximately HK\$3,470,850); and
4. House 102, No. 2, The Summit, being a four-storey semi-detached house including one level of basement (with gross floor area of 315.95 square metres) at a selling price of RMB2,943,972 (equivalent to approximately HK\$3,470,850).

Total Consideration : the aggregate selling price of the Property Units is RMB11,775,888 (equivalent to approximately HK\$13,883,400)

Payment Term : the Total Consideration will be paid before 15 January 2016

Date of Completion : before 10 January 2017

The Total Consideration was determined following arm's length negotiation between the Vendor and the Purchaser with reference to the prevailing market prices of similar properties in the vicinity of the Property Units.

FINANCIAL EFFECT OF THE SALES

Subject to audit, it is expected that the Group will record a gain of not more than RMB2.5 million (equivalent to approximately HK\$2.9 million) as a result of the Sales. The proceeds generated from the Sales will be used as general working capital of the Group.

REASONS FOR AND BENEFITS OF THE SALES

The Company is an investment holding company and its subsidiaries are principally engaged in property development and property investment in Hong Kong, the PRC and Singapore.

The aggregate market value of the Property Units as valued by two independent international professional valuers as at 23 November 2015 and 26 November 2015 are RMB11,700,000 (equivalent to approximately HK\$13,793,900) and RMB11,600,000 (equivalent to

approximately HK\$13,676,100) respectively. The Directors consider that the Sales are a good opportunity to realise the development of Property Units in The Summit.

In consideration of the amount of the Total Consideration under the Sales and with reference to the valuation of the Property Units as valued by two independent international professional valuers, the Directors, including the independent non-executive Directors, are of the opinion that the terms of the Sales are fair and reasonable, and that the Sales is on normal commercial terms and in the ordinary and usual course of the business of the Group and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE VENDOR AND THE PURCHASER

The Vendor was incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in property development in the PRC and is the property developer of The Summit.

The Purchaser, Dr. Lui Che-woo, is the Chairman and Managing Director of the Company and also a substantial shareholder of the Company. He is the father of Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah (all are the executive Directors of the Company).

IMPLICATIONS UNDER THE LISTING RULES

As the Purchaser is the Chairman and Managing Director of the Company and also a substantial shareholder of the Company, he is a connected person of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the Sales constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio (other than the profit ratio) calculated with reference to Rule 14.07 of the Listing Rules for the Total Consideration of the Sales exceeds 0.1% but is less than 5%, the Sales are subject to announcement and reporting requirements but is exempt from circular and independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

As Dr. Lui Che-woo, being the Purchaser, has material interests in the Sales, he has abstained from voting on the resolutions of the Board approving the Sales. The other executive Directors, including Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah, being the Purchaser's associates, have voluntarily abstained from voting on those resolutions of the Board.

DIRECTORS

As at the date of this announcement, the executive Directors of the Company are Dr. Lui Che-woo (Chairman and Managing Director), Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah; the non-executive Director is Dr. Moses Cheng Mo Chi; and the independent non-executive Directors are Dr. Robin Chan Yau Hing, Dr. William Yip Shue Lam, Mr. Au Man Chu and Mr. Wong Kwai Lam.

DEFINITIONS

“Agreements”	four sale and purchase agreements written in Chinese language named “商品房買賣合同” entered into between the Vendor and the Purchaser in respect of the Sales dated 15 January 2016
“associate”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Company”	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 (stock code: 00173)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Date of Completion”	before 10 January 2017, being the date which the completion of the Sales pursuant to the terms of the Agreements takes place
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China
“Property Units”	four residential units in The Summit, particulars of which are set out under the heading “AGREEMENTS FOR THE SALES OF THE PROPERTY UNITS – Property Units” in this announcement

“Purchaser”	Dr. Lui Che-woo, the Chairman and Managing Director of the Company and also a substantial shareholder of the Company. He is the father of Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah (all are the executive Directors of the Company)
“RMB”	Renminbi, the lawfully currency of the PRC
“Sales”	the sales of the Property Units by the Vendor to the Purchaser pursuant to the terms of the Agreements
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“The Summit”	a residential property development named as “嘉豐匯豪庭 (The Summit)” which is situate at 廣東省江門市蓬江區 (Pengjiang District, Jiangmen City, Guangdong Province*) and developed by the Vendor
“Total Consideration”	RMB11,775,888 (equivalent to approximately HK\$13,883,400), being the aggregate selling price for the Sales under the Agreements
“Vendor”	江門市嘉豐房地產開發有限公司 (Jiangmen Jia Feng Real Estate Development Limited*), a company incorporated in the PRC with limited liability and is indirectly wholly-owned by the Company
“%”	per cent.

* For identification purpose only

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

Hong Kong, 15 January 2016

Website: www.kwih.com