



2016 Annual Results

21 March 2017

Sustaining Success through Excellence and Quality

嘉華集團成員 A member of K. Wah Group

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The Palace III, Shanghai



K. City, Hong Kong



Twin Peaks, Hong Kong



Grand Summit, Shanghai

Results highlights

Financial Highlights

(HK\$ million)	<i>For the year ended 31 Dec</i>		Change
	2016	2015	
Revenue	9,620	4,720	104%
Attributable Revenue*	12,570	6,436	95%
Profit Attributable to Equity Holders	3,182	1,367	133%
Underlying Profit	2,808	1,317	113%
Basic EPS (HK cents)	107.62	48.13	124%
Dividend (HK cents)	18	17	6%
Final Dividend (HK cents)	13	12	
Interim Dividend (HK cents)	5	5	

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

Solid Financial Position

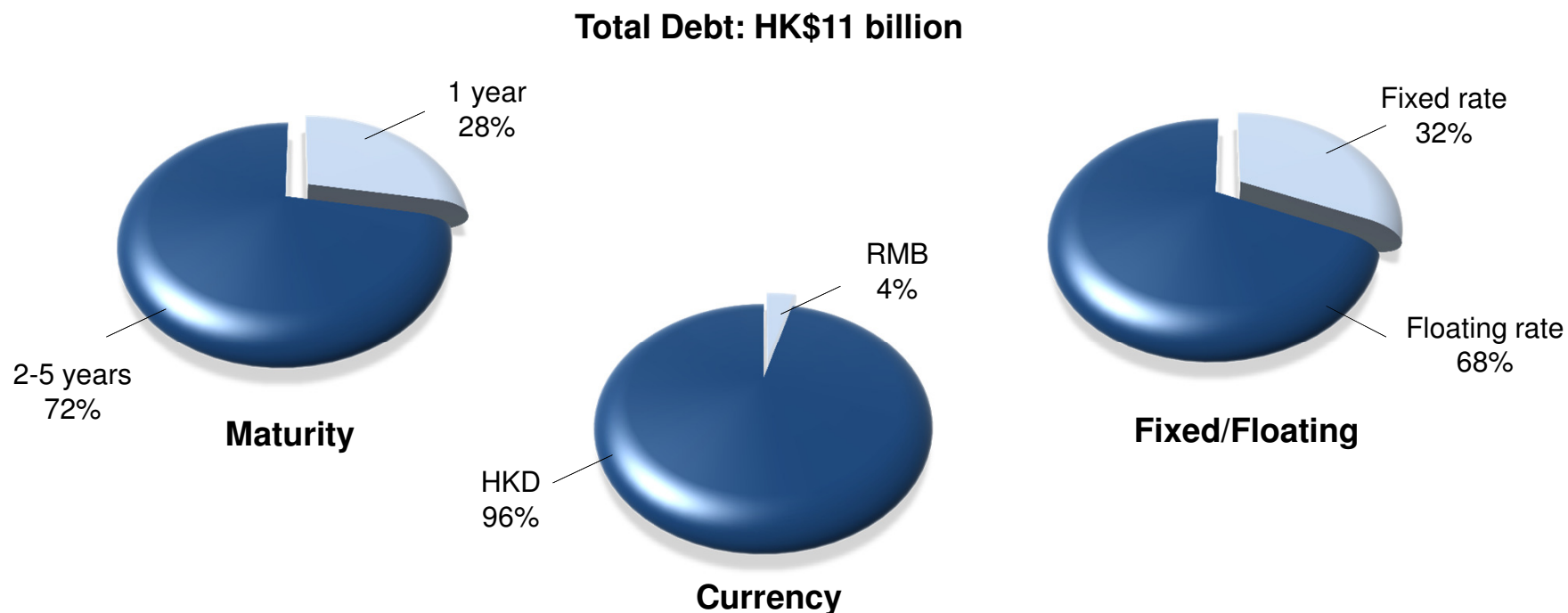
(HK\$ million)	As at 31 Dec 2016	As at 31 Dec 2015
Total Assets	50,473	46,564
Cash and Cash Equivalents⁽¹⁾	7,248	4,337
Total Debts	11,013	12,585
Shareholders' Funds	25,360	21,825
NAV per Share (HK\$)	8.6	7.7
Gearing Ratio⁽²⁾	14%	35%
EBITDA / Interest⁽³⁾	9x	5x

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

Sound Debt Profile with Low Borrowing Cost

- Maintained the average interest rate at low level: 2.7% in 2016
- Debt profile as at 31 Dec 2016 (after hedging)








- A HK\$8 billion 5-year revolving credit and term loan facility closed in Jan 2017

Quality Projects Engender Strong Performance

- Attributable revenue* from sales of properties increased by 102% to HK\$12.1 billion in 2016

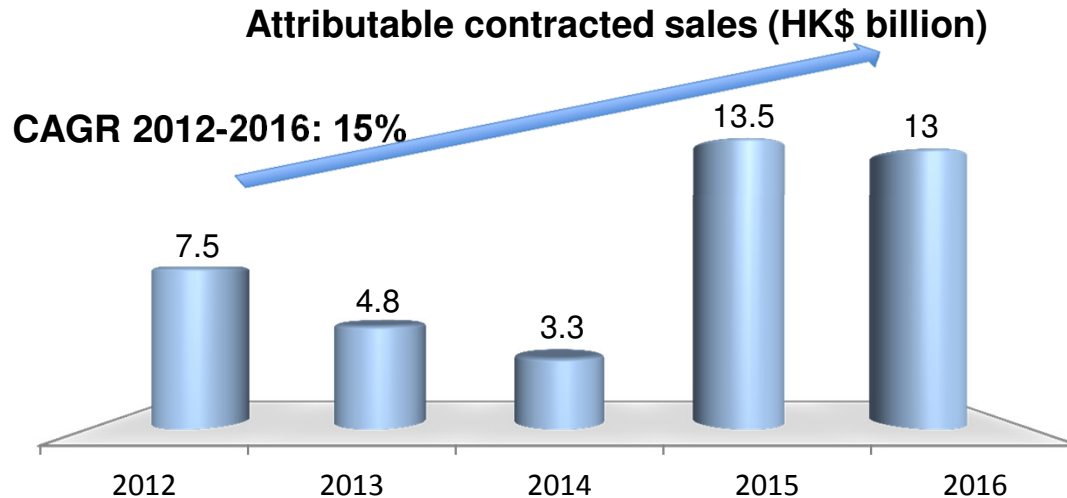
Contributing Projects

Hong Kong	Twin Peaks 嘉悅 	Yangtze River Delta	SH Grand Summit 嘉天匯 	Pearl River Delta	GZ J Metropolis Ph II 嘉匯城二期 
	Corinthia By The Sea 帝景灣 		Pearl River Delta		GZ J Wings 嘉都匯 

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

High Visibility Drives Business Momentum

- In 2016, attributable contracted sales* amounted to HK\$13 billion



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

High Visibility Drives Business Momentum

- Projects with contracted sales to be recognized: The Spectra in Hong Kong, The Palace II in Shanghai, The Peak in Nanjing, J Metropolis Phase III in Guangzhou, etc



The Spectra
朗屏8號



The Palace II
嘉御庭二期



The Peak
嘉譽山



J Metropolis Ph III
嘉匯城三期

Recurring Income from Diversified Portfolio

- Rental income from 130,000 sqm GFA portfolio up 8% to over HK\$490 million in 2016

Office



Commercial



Serviced apartment



Hotel





The Palace, Shanghai



The Peak, Nanjing

Strategy and Outlook

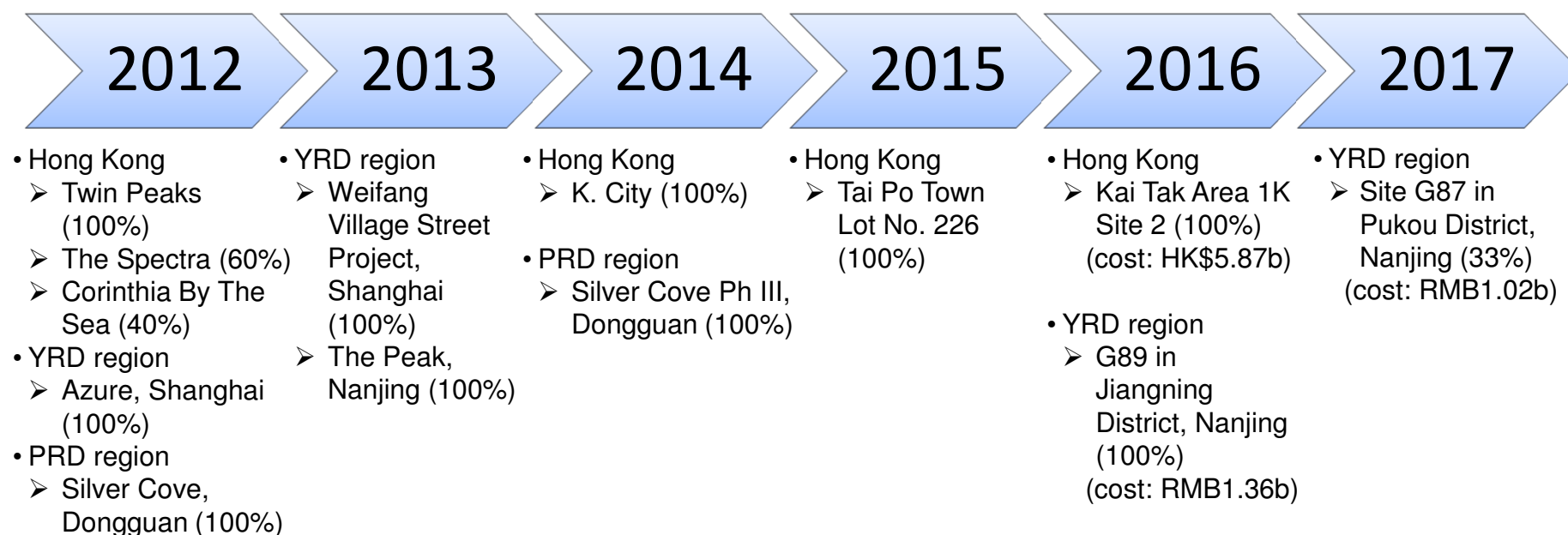
Prime Assets in First-tier Cities

- Focus on Hong Kong and prime cities in Mainland China, especially in the Yangtze River Delta and Pearl River Delta regions



Replenishment of landbank in disciplined manner

- Proven track record in landbanking, particularly in Hong Kong, the Yangtze River Delta and Pearl River Delta regions
- Secured a residential plot in the Kai Tak Development Area, Hong Kong, and a prime land parcel in Nanjing in Dec 2016
- Participated in a joint venture project for a residential site in Nanjing in Jan 2017



Sustainable Pipeline in Hong Kong and Mainland China

- HK\$9.1 billion to be booked from the pre-sales in 2016 or before
- Pre-sale for K. City in Hong Kong in Feb 2017 received an overwhelming response with over 600 units sold for more than HK\$6 billion (up to 18 March 2017)



K. City (嘉匯)

- Located in Kai Tak Development Area
- Near future Kai Tak MTR Station of the Shatin to Central Link

Sustainable Pipeline in Hong Kong and Mainland China

- New projects to be launched in 2017

Location	Project	Attri. GFA (sqm)	Units
Hong Kong	K. City (嘉匯)^	51,000	900
Shanghai	The Palace III (嘉御庭三期)*	43,000	106
	Windermere (嘉濤灣)*	71,000	256
	Azure (嘉瀧匯)*	16,000	129
Guangzhou	Huadu Jiahua Plaza Phase III (花都嘉華廣場三期)	60,000	930
	J Metropolis Phase IV (嘉匯城四期)*	34,000	348
Dongguan	Silver Cove Phase III (星際灣三期)	34,000	320

- Plus sales momentum of the launched projects in Hong Kong and Mainland China

^ Launched in February 2017

** Contracted sales are expected to be booked in 2017 upon project completion*

New projects to be launched in 2017

Shanghai



The Palace III (嘉御庭三期)

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



Azure (嘉瀧匯)

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



Windermere (嘉濤灣)

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

New projects to be launched in 2017

Guangzhou



J Metropolis Phase IV (嘉匯城四期)

- Close to Baiyun District and poised to be benefitted from the build up of new transportation network



Huadu Jiahua Plaza Phase III (花都嘉華廣場三期)

- Close to the New Baiyun International Airport
- Next to Qingtang Station, Guangzhou Metro Line 9 (to be completed in 2017)

Dongguan



Silver Cove Phase III (星際灣三期)

- Located in Shilong Town, Dongguan
- Enjoy an expansive river frontage and close to the new Dongguan station

Sustainable Pipeline in Hong Kong and Mainland China

- Projects to be launched beyond 2017

Hong Kong
■ Tai Po Town Lot No. 226
■ Kai Tak Area 1K Site 2
■ 2 Grampian Road, Kowloon



Shanghai
■ Weifang Village Street project, Pudong District



Nanjing
■ Lot G89, Jiangning District
■ Lot G87, Pukou District



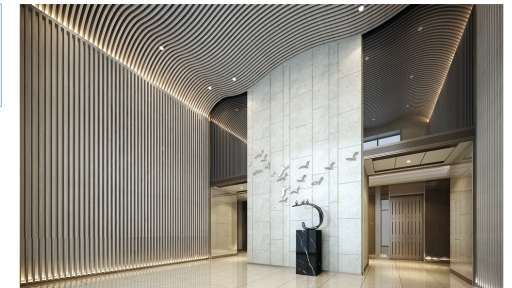
Building up Investment Portfolio

- Stanford Residences Xu Hui with GFA 26,000 sqm and Stanford Residences Jin Qiao with GFA 13,000 sqm in Shanghai will be launched respectively to market in Q2 & Q4 2017
- J Town (Silver Cove commercial portion) with GFA 9,600 sqm will be opened in Q2 2017

Stanford Residences
Xu Hui



Stanford Residences
Jin Qiao



J Town (Silver Cove commercial portion)

Building up Investment Portfolio

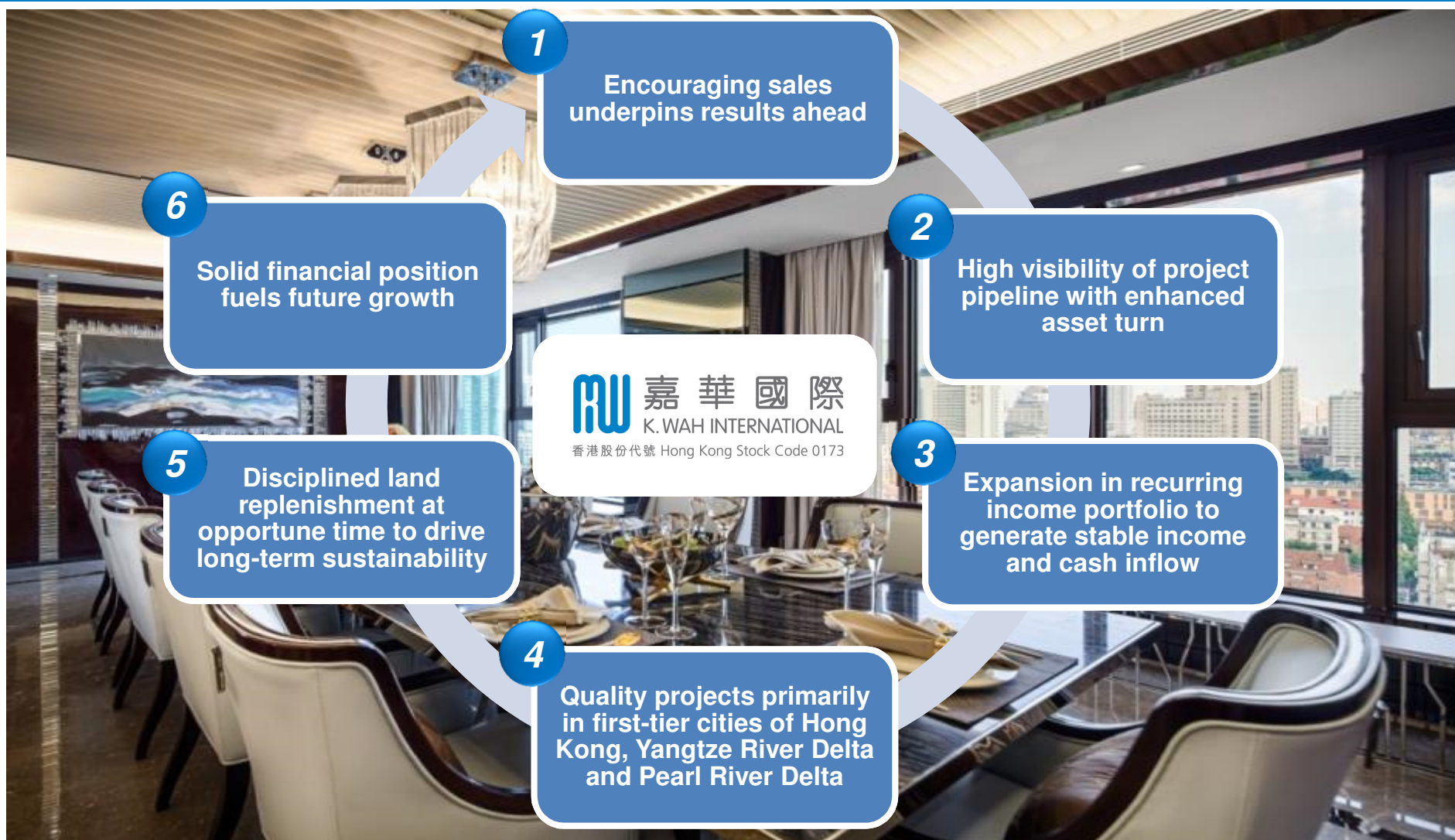
- Construction of an office building at Suhe Creek, Jingan District, Shanghai, with GFA 20,000 sqm, will be commenced in 2017

Office project at Suhe Creek,
Jingan District



- Investment portfolio will be ramped up to ~200,000 sqm

Solid Foundation for Long-term Sustainability





K. City, Hong Kong

Appendix: Projects Summary

Projects in Hong Kong



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

Projects in Hong Kong

KWIH's Property Portfolio		Year of launch			GFA# (sqm) (approx.)	% Sold as of Dec 2016	Group's Interest	Target completion
		2016*	2017	2018 or beyond				
HK	Marinella 深灣9號	Launched			69,000	> 95%	35%	Completed
	Chantilly 肇輝臺6號	Launched			8,000	> 35%^	100%	Completed
	Providence Bay 天賦海灣	Launched			78,000	> 90%	15%	Completed
	Providence Peak 溢玥·天賦海灣	Launched			84,000	> 95%	25%	Completed
	Mayfair by the Sea I 逸瓏灣 I	Launched			67,000	> 99%	15%	Completed
	Twin Peaks 嘉悅	Launched			28,000	> 99%	100%	Completed
	Corinthia By The Sea 帝景灣	Launched			45,000	> 99%	40%	Completed
	The Spectra 朗屏8號	Launched			49,000	> 85%	60%	2017
	K. City 嘉匯	<i>NEW</i>	✓		51,000	-	100%	2018
	Tai Po Town Lot No. 226 大埔市地段第226號			✓	61,000	-	100%	2019
2 Grampian Road 嘉林邊道2號			✓	2,000	-	100%	2019	
Kai Tak Area 1K Site 2 啟德發展區第1K區2號			✓	53,000	-	100%	2021	

* For the projects that are marked as "Launched", it was launched in or before 2016

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

^ Certain units were leased out

Projects in Yangtze River Delta



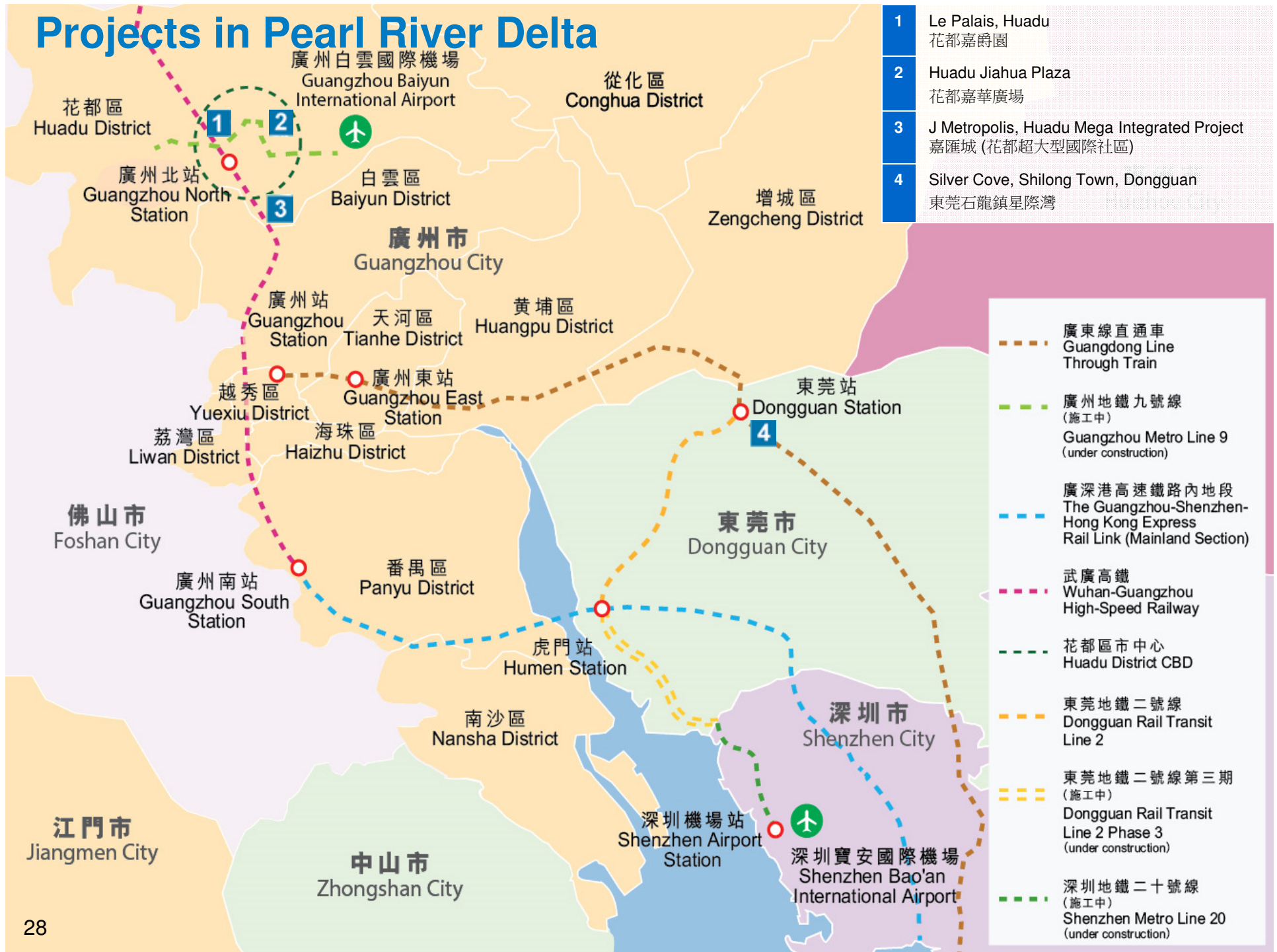
<ul style="list-style-type: none"> 外環線 Outer Ring Road 中環線 Middle Ring Road 市中心商業區 CBD 	<p>1 The Palace, Xuhui District 徐匯區嘉御庭</p>	<p>5 Upstream Park, Minhang District 閔行區嘉怡水岸</p>	<p>9 The Peak, Qixia District, Nanjing 南京棲霞區嘉譽山</p>
	<p>2 Shanghai K. Wah Centre Xuhui District 上海嘉華中心</p>	<p>6 Windermere, Qingpu District 青浦區嘉濤灣</p>	<p>10 Lot G89 in Jiangning District, Nanjing 南京江寧區G89地塊</p>
	<p>3 Grand Summit, Jingan District 靜安區嘉天匯</p>	<p>7 Weifang Village Street project, Pudong District 浦東區維坊新村街道項目</p>	
	<p>4 Office project, Suhe Creek, Jingan District 靜安區蘇河灣寫字樓項目</p>	<p>8 Azure, Pudong District 浦東區嘉瀧匯</p>	<p>11 Lot G87 in Pukou District, Nanjing 南京浦口區G87地塊</p>

Projects in Yangtze River Delta region

KWIH's Property Portfolio			Year of launch			GFA (sqm) (approximately)	% Sold as of Dec 2016	Group's Interest	Target completion
			2016*	2017	2018 or beyond				
Yangtze River Delta	Grand Summit, Jingan District, SH 上海靜安區嘉天匯	Sale Serviced Apart.	Launched Operational			100,000 (Sale: 71,000) (SA: 29,000)	> 90%	100%	Completed
	The Palace, Xuhui District, SH 上海徐匯區嘉御庭	Phase I Phase II Serviced Apart. Phase III <i>NEW</i>	Launched Launched		✓ ✓	140,000 (Ph I: 36,000) (Ph II: 35,000) (SA: 26,000) (Ph III: 43,000)	> 95% > 85% -	100%	Ph I: Completed Ph II: 2017 SA: 2017 Ph III: 2017
	Windermere, Qingpu District, SH 上海青浦區嘉濤灣	<i>NEW</i>		✓		71,000	-	100%	Completed
	Azure, Pudong District, SH 上海浦東區嘉瀧匯	Sale Serviced Apart. <i>NEW</i>		✓ ✓		29,000 (Sale: 16,000) (SA: 13,000)	-	100%	2017
	Weifang Village Street project, Pudong District, SH 上海浦東區維坊新村街道項目				✓	14,000	-	100%	2020
	Office project, Suhe Creek, Jingan District, SH 上海靜安區蘇河灣寫字樓項目				✓	20,000	-	53.61%	2020
	The Peak, Qixia District, NJ 南京棲霞區嘉譽山		Launched			132,000	~ 15%	100%	2018
	Lot G89 in Jiangning District, NJ 南京江寧區G89地塊				✓	50,000	-	100%	2020
	Lot G87 in Pukou District, NJ 南京浦口區G87地塊				✓	99,000	-	33%	TBC

* For the projects that are marked as "Launched", it was launched in or before 2016

Projects in Pearl River Delta



Projects in Pearl River Delta region

KWIH's Property Portfolio			Year of launch			GFA (sqm) (approximately)	% Sold as of Dec 2016	Group's Interest	Target completion	
			2016*	2017	2018 or beyond					
Pearl River Delta	J Metropolis, Huadu Mega Integrated Project, GZ 廣州嘉匯城 (花都新華鎮超大型國際社區)	Phase I Phase II Phase III Phase IV NEW Others	Launched Launched Launched	✓	✓	793,000 (Ph I: 77,000) (Ph II: 75,000) (Ph III: 40,000) (Ph IV: 34,000) (Others: 567,000)	> 90% > 90% > 95% - -	99.9%	Ph I: Completed Ph II: Completed Ph III: 2017 Ph IV: 2017	
	Huadu Jiahua Plaza, GZ 廣州花都嘉華廣場	● Phase I: Crowne Plaza Guangzhou Huadu and office 第一期：廣州花都皇冠假日酒店及寫字樓 ● Phase II: J Wings 第二期：嘉都匯 ● Phase III – for sales ● Phase IV – for rental	Phase I Phase II Phase III NEW Phase IV	Operational Launched	✓	✓	231,000 (Ph I: 45,000) (Ph II: 100,000) (Ph III: 60,000) (Ph IV: 26,000)	> 95% - -	100%	Ph I: Completed Ph II: Completed Ph III: 2018 Ph IV: 2018
	Le Palais, Huadu District, GZ 廣州花都嘉爵園		Launched			46,000	> 70%	100%	Completed	
	Silver Cove, Shilong Town, DG 東莞石龍鎮星際灣	Phases I & II Phase III NEW	Launched	✓		236,000 (Ph I&II: 202,000) (Sales:192,400) (Rental:9,600) (Ph III: 34,000)	> 75% - -	100%	Ph I&II: 2016 Ph III: 2017	

* For the projects that are marked as "Launched", it was launched in or before 2016



Twin Peaks, Hong Kong

Thank You!