

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CLARIFICATION ANNOUNCEMENT

This announcement relates to the joint announcement of KWIH and Galaxy dated 11 October 2007 (the "Announcement"). Terms defined in the Announcement are used in this announcement.

Due to a clerical error, the version of the Announcement posted on the website of KWIH incorrectly stated that trading in Galaxy Shares on the Stock Exchange will remain suspended today, 12 October 2007. In fact it was intended at the time of the Announcement that trading in Galaxy Shares on the Stock Exchange would resume today. Subsequently Galaxy has requested that trading in Galaxy Shares remain suspended.

The same error did not appear in the Chinese version of the Announcement posted on the website of KWIH and on the website of the Stock Exchange.

At the date of this announcement, the executive directors of KWIH 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, 12 October, 2007