



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

(incorporated in Bermuda with limited liability)

(Stock Code: 173)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("AGM") of the shareholders of K. Wah International Holdings Limited ("Company") will be held at Picasso Room, Basement 1, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 20 June 2007 at 11:00 a.m. for the following purposes:

1. To receive and consider the financial statements and reports of the directors and auditors for the year ended 31 December 2006;
2. To declare a final dividend for the year ended 31 December 2006;
3. To elect directors and fix the directors' remuneration;
4. To re-appoint auditors and authorise the directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

5.1 **"THAT**

(a) a general mandate be and is hereby given unconditionally to the directors of the Company ("Directors") during the Relevant Period to exercise all the powers of the Company to repurchase or otherwise acquire shares of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") provided that the aggregate nominal amount of shares so repurchased or otherwise acquired pursuant to the approval in this paragraph 5.1(a) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said mandate shall be limited accordingly; and

(b) for the purpose of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM of the Company;
- (ii) the expiration of the period within which the next AGM of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda (as amended from time to time) to be held; and
- (iii) the revocation or variation of the authority given by this Resolution by an ordinary resolution of the shareholders in general meeting."

5.2 **"THAT**

(a) subject to paragraph 5.2(c) below and subject to the consent of the Bermuda Monetary Authority, a general mandate be and is hereby granted unconditionally to the Directors to exercise during the Relevant Period all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, warrants and options which would require the exercise of such power;

- (b) the mandate in paragraph 5.2(a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, warrants and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph 5.2(a) above — otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; or (iii) any share option scheme or similar arrangement for the time being adopted by the Company in accordance with the Listing Rules for the grant or issue of shares or rights to acquire shares of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws — shall not exceed the aggregate of:

- (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution 5.2; and

- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the share capital of the Company in issue at the date of passing this Resolution),

and the said mandate shall be limited accordingly; and

- (d) for the purpose of this Resolution 5.2:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM of the Company;
- (ii) the expiration of the period within which the next AGM of the Company is required by the Bye-laws or the Companies Act 1981 of Bermuda (as amended from time to time) to be held; and
- (iii) the revocation or variation of the authority given by this Resolution by an ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to shareholders on the Company’s registers on a fixed record date in proportion to their then shareholdings (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5.3 “**THAT** the Directors be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as Resolution 5.2 in the notice of the AGM of which this Resolution forms a part in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

- 6. As special business, to consider and, if thought fit, pass the following resolution as Special Resolution:

“**THAT** the existing Bye-laws of the Company (“*Bye-laws*”) be and are hereby amended in the following manners:

- (i) (a) Bye-law 107(A)(vii)

By deleting the words “a special resolution” and substituting therefor the words “an ordinary resolution” in the first line; and

(b) Bye-law 115

By deleting the words “special resolution” and substituting therefor the words “ordinary resolution” in the first line,

and that any Director be and is hereby authorized to take such further action as he may, in his sole and absolute discretion, think fit for and on behalf of the Company to implement the aforesaid amendments to the existing Bye-laws; and

- (ii) the new Bye-laws, consolidating all of the proposed amendments referred to in Resolution 6(i) and all previous amendments made in compliance with applicable laws, be and are hereby adopted with immediate effect in replacement of the existing Bye-laws.”

By Order of the Board  
**Ricky Chan Ming Tak**  
Company Secretary

Hong Kong, 30 April 2007

**Notes**

1. Shareholder entitled to attend and vote at the AGM to be held on 20 June 2007 is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a shareholder of the Company.
2. Proxy form for use at the AGM is sent to the shareholders together with the 2006 Annual Report on 30 April 2007. The proxy form will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited. To be valid, proxy forms must be completed, signed and deposited at the principal place of business of the Company in Hong Kong at 29/F., K. Wah Centre, 191 Java Road, North Point, Hong Kong (for the attention of the Company Secretary) not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. The Board has recommended a final dividend (scrip with cash option) of 2.5 HK cents per share.
4. The registers of members will be closed from 13 June 2007 to 20 June 2007 (both days inclusive) during which period no share transfer will be effected. To rank for the final dividend, all share transfers shall be lodged with the Company's Branch Share Registrars in Hong Kong — Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong — not later than 4:30 p.m. on 12 June 2007.
5. On agenda item 3 of this Notice, Mr. Lennon Lun Tsan Kau, Ms. Paddy Tang Lui Wai Yu and Dr. Robin Chan Yau Hing will retire at the AGM by rotation in accordance with the Bye-laws of the Company and they, being eligible, offer themselves for re-election as such by the shareholders of the Company. Biographical details of these three Directors are set out in Appendix I to the circular of the Company dated 30 April 2007 (“Circular”). Details of submitting the proposal by a shareholder for nomination of a person for election as a Director at the AGM are set out under the section headed “Re-election of Directors” in the Circular. Shareholders will vote on the re-election of these retiring Directors individually by separate resolutions.
6. The remuneration payable to Directors who serve on the Board, the Audit Committee and the Remuneration Committee for financial year ended 31 December 2006, and for each financial year afterwards until the Company in next or subsequent general meeting otherwise determines will be at the levels as shown in this table. Such remuneration to Directors is to take effect from the date of their respective first meeting in the relevant financial year and if necessary, be apportioned pro rata to the number of days lapsed since the relevant appointment to the year-end in question:

**Fee for Director acting as such  
for the year ended 31 December 2006  
(and for subsequent financial years  
until otherwise determined)**

|                        | <b>Chairman</b> | <b>Member</b> |
|------------------------|-----------------|---------------|
|                        | <i>HK\$</i>     | <i>HK\$</i>   |
| The Board              | 100,000         | 80,000        |
| Audit Committee        | 100,000         | 80,000        |
| Remuneration Committee | 50,000          | 40,000        |

7. On agenda item 4 of this Notice regarding the authorisation for the Board to fix auditors' remuneration, shareholders should note that, in practice, auditors' remuneration for 2007 cannot be fixed at the beginning of 2007 because such remuneration varies by reference to the scope and extent of audit work and other work which the auditors are being called upon to undertake in any given year. In order to be able to charge the amount of auditors' remuneration as operating expenses for year ending 31 December 2007, shareholders' approval to delegate the authority to the Board to fix the auditors' remuneration for financial year 2007 is required, and is hereby sought, at the AGM.
8. In relation to the two general mandates referred to in Resolutions 5.1 and 5.2, two Ordinary Resolutions granting mandates to Directors to the same effect were passed at the 2006 Annual General Meeting of the Company held on 29 May 2006. No share has since been issued, or repurchased, pursuant to those previous mandates, both of which will lapse at the conclusion of the forthcoming AGM, unless that they are

renewed. While, at present, the Directors do not have any present intention to issue any new shares or repurchase any existing shares, they believe that it is in the best interest of the Company and the shareholders to have a general authority from shareholders to enable them to issue and repurchase shares. Shareholders' attention is also drawn to the explanatory statement on the proposed repurchase mandate in Appendix II to the Circular.

9. On agenda item 6 of this Notice regarding the amendments to the Bye-laws in order to bring the Bye-laws in line with paragraph 4(3) of Appendix 3 to the Listing Rules relating to the procedure for the removal of Directors, the Board proposes to pass Special Resolution 6 at the AGM to amend the relevant provisions of the Bye-laws. The Bye-laws are written in English and there is no official Chinese translation thereof. The Chinese version of Special Resolution 6 on amendments to the Bye-laws is purely a translation only. Should there be any discrepancies between the English and Chinese version, the English version shall prevail.

*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.*

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