

## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 2002 annual general meeting of shareholders of K. Wah International Holdings Limited will be held at Academy Rooms, Grand Stanford Inter-Continental Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on 30th May 2002 at 11:30 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 31st December 2001;
2. To declare a final dividend for the year ended 31st December 2001;
3. To elect directors and fix the directors' remuneration;
4. To 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) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase shares of the Company be and it is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) above 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 approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda (as amended) 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 (c) below and subject to the consent of the Bermuda Monetary Authority, the exercise by the directors of the Company during the Relevant Period of 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 and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements 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 of the Company pursuant to the approval in paragraph (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 option scheme or similar arrangement for the time being adopted by the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 of the Company, 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; 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 approval shall be limited accordingly; and

- (d) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or The Companies Act 1981 of Bermuda (as amended) to be held;
- (iii) the revocation or variation of the approval 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 of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company 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 of the Company 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 meeting 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 resolutions as Ordinary Resolutions:

6.1 **“THAT** conditionally on The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular dispatched to members on the same day as this Notice, the terms of which are set out in the printed document marked “A” now produced to the Meeting and for the purpose of identification signed by the Chairman hereof (the “Share Option Scheme”), the Share Option Scheme be approved and adopted to be the share option scheme for the Company and that the Directors of the Company be authorised to grant options thereunder and to allot and issue shares pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme.”

6.2 **“THAT** conditionally on the resolution referred to as 6.1 of this Notice being passed and becoming unconditional, the existing share option scheme for the employees, senior executives and directors of the Company and its subsidiaries which was adopted by the Company at its general meeting on 23rd June 2000 be terminated with effect from the date on which such resolution shall become unconditional.”

7. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

**“THAT** the new share option scheme of K. Wah Construction Materials Limited, a subsidiary of the Company, referred to in the circular dispatched to members on the same day as this Notice, the terms of which are set out in the printed document marked “B” now produced to the Meeting and for the purpose of identification signed by the Chairman hereof (the “KWCM Share Option Scheme”), be approved and that the Directors of the Company be authorised to do all such acts and enter into all such transactions and arrangements as may be necessary or expedient to give effect to the KWCM Share Option Scheme.”

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

**“THAT** the Bye-laws of the Company be amended as follows:

(a) By deleting the words “legible and non-transitory form” in the definition of “writing” or “printing” in Bye-law 1 and substituting therefor the following:

“visible form, and including where the representation takes the form of electronic means, provided that the member concerned (where the relevant provision of these Bye-laws require the delivery or service of any document or notice on him in his capacity as member) has elected for the receipt of the relevant document or notice through electronic means and both the mode of service of the relevant document or notice and the member’s election comply with all applicable Statutes, rules and regulations”

(b) By inserting immediately after the following paragraph in Bye-law 1 :

“References to any Bye-laws by number are to the particular Bye-law of these Bye-laws.”

the following additional paragraph:

“References to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”

(c) By inserting between the words “Auditors’ report” and “, shall” in the first sentence of paragraph (B) of Bye-law 172 the following phrase: “(collectively the “Relevant Financial Documents”)”.

(d) By inserting the following as Bye-laws 172(C) and 172(D):

“(C) To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force and to obtaining all necessary consents, if any, required thereunder, the requirements in paragraph (B) of this Bye-law shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes and instead of a copy of the Relevant Financial Documents, a summary financial report derived from the Relevant Financial Documents which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the Relevant Financial Documents may, if he so requires and in accordance with all applicable Statutes, rules and regulations (including, without limitation, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force), by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial report, a complete printed copy of the Relevant Financial Documents.

(D) The requirement to send to a person referred to in paragraph (B) of this Bye-law the Relevant Financial Documents or a summary financial report in accordance with paragraph (C) of this Bye-law shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force, the Company publishes copies of the Relevant Financial Documents and, if applicable, a summary financial report complying with paragraph (C) of this Bye-law, on the Company’s computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of the Relevant Financial Documents.”

(e) By deleting Bye-law 176 in its entirety and substituting therefor the followings:

“176. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force), to be given or issued from the Company to a member, whether or not under these Bye-laws, shall be given in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member (1) personally or (2) by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register or by delivering it or leaving it at such registered address as aforesaid or (3) as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice or document to him or (4) (in the case of a notice) may be by advertisement in English in a leading English language daily newspaper and (if the Relevant Territory is Hong Kong) in Chinese in a leading Chinese language daily newspaper circulating in the Relevant Territory (where the Relevant Territory is Hong Kong, the aforesaid newspapers shall be included in the list of newspapers issued and published in the Hong Kong Government Gazette for the purposes of section 71A of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong)) or (5) subject to due compliance with all applicable Statutes, rules and regulations, by publishing it on the Company’s computer network, giving access to such network to the member and giving to the member a notice stating that the notice or other

document is available there (a “notice of availability”). In the case of joint holders of a share, all notices or documents shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient service to all the joint holders.”

- (f) By deleting Bye-law 178 in its entirety and substituting therefor the following:

“178. Any notice or other document (including any “corporate communication” within the meaning ascribed thereto under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force) given or issued by the Company:

- (i) if served by post, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and posted and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
  - (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice or document placed on the Company’s website is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member;
  - (iii) if served or delivered in any other manner contemplated by these Bye-laws other than by advertisement in newspapers in accordance with this Bye-law, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof;
  - (iv) if served by advertisement in newspapers in accordance with this Bye-law, shall be deemed to have been served on the day on which the notice is first published; and
  - (v) may be given to a member either in the English language or the Chinese language only or in both the English language and Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”
- (g) By inserting in the first sentence of Bye-law 181 after the words “registered address of any member” the following words:

“or served by any means permitted by and”.

9 As special business, to consider and, if thought fit, pass the following resolution as a Special Resolution:

“**THAT** “嘉華國際集團有限公司” be adopted as the Company’s Chinese name for the purpose of the Company’s registration in Hong Kong.”

By Order of the Board  
**Steven Tong Kui Nam**  
*Company Secretary*

Hong Kong, 26th April 2002

**Notes:**

1. The registers of members will be closed from 24th May 2002 to 30th May 2002, both days inclusive, during which period no transfer of shares will be effected.
2. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote, on a poll, on his behalf. A proxy need not be a member of the Company.
3. A form of proxy for use in connection with the annual general meeting is enclosed. The form of proxy shall be deposited at the principal office of the Company in Hong Kong not less than 48 hours before the time for holding the meeting.
4. Concerning agenda item 5.1 above, approval is being sought from members for increasing flexibility and providing discretion to the directors in the event that it becomes desirable to repurchase shares representing up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the resolution on The Stock Exchange of Hong Kong Limited. An explanatory statement to provide relevant information in respect of the proposed granting of the repurchase mandate to the directors is set out in a separate letter from the Company enclosed with this Annual Report. The directors have no present intention to issue any additional shares.
5. Concerning agenda item 5.2 above, approval is being sought from members for a general mandate to the directors to allot, issue and deal with additional shares in the capital of the Company.
6. Concerning agenda item 6 above, the directors wish to draw the attention of members to the circular enclosed with this Annual Report which contains, inter alia, reasons for adopting the Share Option Scheme and a summary of the principal terms of the Share Option Scheme.
7. Concerning agenda item 7 above, the directors wish to draw the attention of members to the circular enclosed with this Annual Report, which contains, inter alia, reasons for the need to approve the new share option scheme of K. Wah Construction Materials Limited and a summary of its principal terms.
8. Concerning agenda item 8 above, the directors wish to draw the attention of members to the circular enclosed with this Annual Report which contains, inter alia, reasons for amending the Bye-laws.
9. Concerning agenda item 9 above, the directors wish to draw the attention of members to the circular enclosed with this Annual Report which contains, inter alia, details of the proposal for the adoption of a Chinese name.