
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ka Shui International Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank manager, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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KaShui¹⁹⁸⁰

KA SHUI INTERNATIONAL HOLDINGS LIMITED

嘉瑞國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 822)

**PROPOSALS FOR GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
PROPOSED DISTRIBUTION OF FINAL DIVIDEND,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of Ka Shui International Holdings Limited (the “**Company**”) to be held at The Xiamen Suites, 3rd Floor, Prince Hotel, Harbour City, 23 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 28 May 2018, at 10:00 a.m. is set out on pages 11 to 14 of this circular. A form of proxy for use at the AGM is enclosed.

Whether or not you are able to attend the AGM, you are requested to complete the form of proxy accompanying the notice of the AGM in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so desire.

19 April 2018

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
1. Introduction	2
2. General Mandates to Issue and Repurchase Shares	2
3. Proposed Distribution of Final Dividend	3
4. Re-election of Retiring Directors	4
5. AGM	4
6. Voting by way of Poll	4
7. Recommendation	4
8. General Information	4
APPENDIX I — Explanatory Statement	5
APPENDIX II — Details of the Retiring Directors Proposed to be Re-elected at the AGM	8
NOTICE OF AGM	11

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at The Xiamen Suites, 3rd Floor, Prince Hotel, Harbour City, 23 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 28 May 2018 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Ka Shui International Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Final Dividend”	the proposed final dividend of HK1.0 cent per Share for the year ended 31 December 2017
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	as defined in paragraph 2(a) of the Letter from the Board in this circular
“Latest Practicable Date”	10 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Repurchase Mandate”	as defined in paragraph 2(b) of the Letter from the Board in this circular
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission as amended from time to time
“%”	percent



KA SHUI INTERNATIONAL HOLDINGS LIMITED

嘉瑞國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 822)

Executive Directors:

Mr. Lee Yuen Fat (*Chairman*)
Mr. Wong Wing Chuen (*Vice Chairman*)
Dr. Wong Cheong Yiu
(*Chief Executive Officer*)

Registered Office:

Clifton House, 75 Fort Street
P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands

Independent Non-executive Directors:

Professor Sun Kai Lit, Cliff *BBS, JP*
Ir Dr. Lo Wai Kwok *SBS, MH, JP*
Mr. Andrew Look
Mr. Kong Kai Chuen, Frankie

Principal place of business in Hong Kong:

Room A, 29/F, Tower B
Billion Centre
1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

19 April 2018

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
PROPOSED DISTRIBUTION OF FINAL DIVIDEND,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and the relevant information regarding the proposals to be put forward at the AGM: (i) the proposed granting of the Issue Mandate and the Repurchase Mandate; (ii) the proposed distribution of Final Dividend; and (iii) the re-election of retiring Directors.

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The general mandates previously granted to the Directors to issue and repurchase Shares at the annual general meeting of the Company held on 19 May 2017 will expire at the conclusion of the forthcoming AGM. In order to give the Company the flexibility to issue

LETTER FROM THE BOARD

and repurchase Shares if and when appropriate, ordinary resolutions will be proposed at the AGM to approve the granting of general mandates to the Directors to exercise the power of the Company:

- (a) to allot, issue and deal with the Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution (the “**Issue Mandate**”);
- (b) to purchase the Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution (the “**Repurchase Mandate**”); and
- (c) to extend the Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Issue Mandate and Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in ordinary resolutions numbered 5A and 5B as set out in the notice of AGM. As at the Latest Practicable Date, a total of 893,761,400 Shares were in issue. Subject to the passing of the ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or purchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to issue up to a maximum of 178,752,280 Shares under the Issue Mandate and to repurchase up to a maximum 89,376,140 Shares under the Repurchase Mandate.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in the Appendix I to this circular.

3. PROPOSED DISTRIBUTION OF FINAL DIVIDEND

As disclosed in the annual results announcement of the Company dated 26 March 2018, the Board recommended the payment of a final dividend of HK1.0 cent per Share for the year ended 31 December 2017 to Shareholders whose names appear on the register of members of the Company on Friday, 8 June 2018. Subject to approval by Shareholders at the AGM, the Final Dividend shall be payable to entitled Shareholders on or around Friday, 15 June 2018.

For the purpose of determining the entitlement of Shareholders to receive the Final Dividend, the register of members of the Company will be closed from Tuesday, 5 June 2018 to Friday, 8 June 2018, both days inclusive, during which period no transfer of Shares will be registered. For the purpose of ascertaining Shareholders' entitlement to the Final Dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 4 June 2018. Shareholders whose names appear on the register of members of the Company on the record date, i.e. Friday, 8 June 2018, will be entitled to the Final Dividend.

LETTER FROM THE BOARD

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Articles of Association, Mr. Lee Yuen Fat, Mr. Wong Wing Chuen and Mr. Kong Kai Chuen, Frankie will retire from office by rotation and being eligible, have agreed to offer themselves for re-election at the AGM. Details of the retiring Directors to be re-elected at the AGM are set out in Appendix II to this circular.

5. AGM

The notice of the AGM is set out on page 11 to 14 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending the meeting or any adjournment thereof and voting in person if you so wish and in such event, the form of proxy will be deemed to be revoked.

6. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM pursuant to Article 72 of the Articles of Association.

7. RECOMMENDATION

The Directors consider that the proposals in relation to the granting and the extension of the Issue Mandate, the granting of the Repurchase Mandate, the distribution of the Final Dividend and the re-election of retiring Directors, are in the best interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions set out in the notice of AGM.

8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

In the event of inconsistency, the English texts of this circular, the Appendices and the enclosed form of proxy shall prevail over the Chinese texts.

Yours faithfully,
For and on behalf of the Board
Ka Shui International Holdings Limited
Lee Yuen Fat
Chairman

This is an explanatory statement required under the Listing Rules to be given to the Shareholders in relation to the granting of the Repurchase Mandate to the Directors.

1. EXERCISE OF THE REPURCHASE MANDATE

It is proposed that the Directors may exercise the powers of the Company to repurchase up to 10% of the Shares in issue as at the date of passing the resolution to approve the granting of the Repurchase Mandate to the Directors. As at the Latest Practicable Date, the number of Shares in issue was 893,761,400 Shares. Subject to the passing of the proposed resolution in respect of the granting of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a limit of 89,376,140 Shares.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to repurchase Shares on the Stock Exchange at any appropriate time. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purchase in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. Repurchases pursuant to the Repurchase Mandate will be made out of the profits of the Company or the proceeds of a fresh issue of Shares made for such purpose or, subject to the Articles of Association and the laws of the Cayman Islands, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided from out of the profits of the Company or out of sums standing to the credit of the share premium account of the Company or, subject to the Articles of Association and the laws of the Cayman Islands, out of capital.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2017 in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or gearing position of the Company.

4. SHARE PRICES

During each of the previous 12 months preceding the Latest Practicable Date, the highest and lowest prices at which the Shares trading on the Stock Exchange were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
March	0.640	0.570
April	0.600	0.560
May	0.600	0.550
June	0.570	0.520
July	0.550	0.510
August	0.580	0.510
September	0.600	0.520
October	0.680	0.530
November	0.670	0.550
December	0.590	0.530
2018		
January	0.590	0.540
February	0.600	0.440
March	0.455	0.385
April (up to the Latest Practicable Date)	0.415	0.385

5. EFFECT OF THE TAKEOVERS CODE

If, as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such interest will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could, depending upon the level of increase in shareholding, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Lee Yuen Fat ("Mr. Lee"), being the ultimate controlling Shareholder, the Chairman and an executive Director of the Company, held 607,980,000 Shares representing 68.03% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, assuming that the present shareholdings and capital structure of the Company remains the same, the interests of Mr. Lee in the issued Shares would be increased to approximately 75.58% of the total issued share capital of the Company. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of exercising power under the Repurchase Mandate.

The Directors have no present intention to repurchase any Shares to the extent that it will trigger the obligations under the Takeovers Code to make a mandatory offer or which will result in the amount of Shares held by the public being reduced to less than 25% of the total issued shares of the Company.

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No repurchase of Shares has been made by the Company during the six months immediately prior to the Latest Practicable Date.

Pursuant to the Listing Rules, the details of the retiring Directors, who, being eligible, will offer themselves for re-election at the AGM are set out below:

Mr. Lee Yuen Fat

Mr. Lee Yuen Fat, aged 62, founded the Group in 1980 and is the Chairman of the Group. Mr. Lee was appointed as an executive Director of the Company since 2 June 2007 and is a director of certain subsidiaries of the Company. He is also a director of Precisefull Limited, which is the controlling shareholder of the Company. Mr. Lee is responsible for the formulation of the overall business strategies of the Group. He has over 35 years of experience in the die casting industry. Mr. Lee holds a Master of Science Degree in Materials Engineering from the Yanshan University. He was conferred an award of Honorary Fellowship and Fellowship of Management and Business Administration by the Professional Validation Council of Hong Kong Industries and is the Vice Chairman of the Professional Validation Council of Hong Kong Industries. Mr. Lee has been appointed by the Foundry Industry Association, Guangdong Province as an Expert of the Casting Industry and is selected for its Expert Database.

Mr. Lee was one of the founding members and was the Chairman of the Hong Kong Diecasting Association (now become the Hong Kong Foundry Association (the “HKFA”)) in 1989. He was elected as the first Chairman of the HKFA and Hong Kong Federation of Innovative Technologies and Manufacturing Industries (formerly known as Federation of Hong Kong Machinery and Metal Industries) in 2008 and 2011 respectively. Mr. Lee is currently the Chairman of Hong Kong Federation of Innovation Technologies and Manufacturing Industries, Vice Chairman of the PRD Council of Federation of Hong Kong Industries, Shenzhen Division, a member of the Fourth Industry Training Advisory Committee of Manufacturing Technology (Tooling, Metals & Plastics) and a member of Vocational Training Council Manufacturing Technology Training Board. Mr. Lee is the Rotating Chairman of Die Casting Branch of the China Foundry Association, Executive Director of the China Foundry Association, Deputy Director of Semi-Solid Processing Technologies Specialties Committee, Technology of Plasticity Branch of Chinese Mechanical Engineering Society, Vice-Director General of the Guangdong Foundry Industry Association, the Vice-Director General of the Guangdong Mechanical Engineering Association Die Casting Branch. Mr. Lee is currently the Deputy Director of Sub-committee 4 on Die Casting of National Technical Committee 54 on Foundry of Standardization Administration of China, the Deputy Secretary General and member of Sub-committee 2 on Metal Hot-forming Branch of National Technical Committee 186 on Foundry Machinery of Standardization Administration of China, the Deputy Director of the Fifth Die Casting Technical Committee, Foundry Institution, Chinese Mechanical Engineering Society and a member of the Light Alloy Industry Technology Innovative Alliance Expert Committee of Guangdong Province. Save as disclosed above, Mr. Lee did not hold any directorships in any other listed companies in the last three years immediately prior to the Latest Practicable Date.

Pursuant to Part XV of the SFO, as at the Latest Practicable Date, Mr. Lee was deemed to be interested in 607,980,000 Shares, which represents approximately 68.03% of the issued share capital of the Company. Among the 607,980,000 Shares, (i) 480,000,000 Shares were held by Precise Full Limited, a corporation which Mr. Lee holds the entire issued share capital; and (ii) 77,980,000 shares and 50,000,000 Shares are held by Beautiful Crystal Development Limited and Beautiful Colour Assets Limited respectively (both companies are wholly owned by YF Lee Family Trust). The YF Lee Family Trust is a discretionary trust set up by Mr. Lee as settlor and UBS TC as trustee on 20 February 2014.

Mr. Lee has entered into a service contract with the Company for a term of three years commencing on 2 June 2016. Mr. Lee is entitled to a monthly salary of HK\$234,150 on a 13-month basis and a discretionary year-end bonus as determined by the remuneration committee of the Company provided that the total amount of bonuses payable to all executive Directors in respect of any financial year shall not exceed 3% of the audited consolidated net profits of the Group after taxation and minority interests of the relevant financial year. The emoluments of Mr. Lee are determined with reference to his duties and responsibilities with the Company and are subject to review by the remuneration committee of the Company from time to time.

Mr. Lee is the brother-in-law of Ms. Chan So Wah, the director of operations of the Group. Save as disclosed above, Mr. Lee does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

Mr. Wong Wing Chuen

Mr. Wong Wing Chuen, aged 56, joined the Group in 1988 and was appointed as an Executive Director and Vice Chairman of the Company on 2 June 2007 and 1 January 2017 respectively. He is a director of certain subsidiaries of the Company. Mr. Wong is also the Director of Manufacturing of the Group currently and is responsible for the Group's manufacturing activities. Mr. Wong has over 30 years' experience in die design and manufacturing and the die casting industry. He is an Associate of the Professional Validation Council of Hong Kong Industries. Save as disclosed above, Mr. Wong did not hold any directorships in any other listed companies in the last three years immediately prior to the Latest Practicable Date.

Pursuant to Part XV of the SFO, as at the Latest Practicable Date, Mr. Wong was interested in 11,050,000 Shares, which represents approximately 1.24% of the issued share capital of the Company.

Mr. Wong has entered into a service contract with the Company for a term of three years commencing on 2 June 2016. Mr. Wong is entitled to a monthly salary of HK\$126,000 on a 13-month basis and a discretionary year-end bonus as determined by the remuneration committee of the Company provided that the total amount of bonuses payable to all executive Directors in respect of any financial year shall not exceed 3% of the audited consolidated net profits of the Group after taxation and minority interests of the relevant

financial year. The emoluments of Mr. Wong are determined with reference to his duties and responsibilities with the Company and are subject to review by the remuneration committee of the Company from time to time.

Mr. Wong does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

Mr. Kong Kai Chuen, Frankie

Mr. Kong Kai Chuen, Frankie, aged 54, was appointed as an independent non-executive Director of the Company on 11 May 2015. He is the chairman of the audit committee of the Company. Mr. Kong is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants (the United Kingdom). He is currently the Chief Financial Officer and Joint Company Secretary of Futong Technology Development Holdings Limited (Stock code: 465), a company listed on the Stock Exchange and has accumulated over 26 years' experience in accounting, auditing, corporate finance and project administration mostly from Hong Kong listed companies and multinational business conglomerates. Mr. Kong is also currently an independent non-executive director of Auto Italia Holdings Limited (Stock Code: 720), a company listed on the Stock Exchange. Save as disclosed above, Mr. Kong did not hold any directorships in any other listed companies in the last three years immediately prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Kong did not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Kong has entered into a service contract with the Company for a term of two years commencing from 11 May 2017 to 10 May 2019. Mr. Kong is entitled to receive a director fee of HK\$180,000 per annum. The emoluments of Mr. Kong are determined with reference to his duties and responsibilities with the Company and are subject to review by the remuneration committee of the Company from time to time.

Mr. Kong does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

In relation to the proposed re-election of the above three retiring Directors, there is no information which is discloseable nor is/was any of the three retiring Directors involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.



KA SHUI INTERNATIONAL HOLDINGS LIMITED

嘉瑞國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 822)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Ka Shui International Holdings Limited (the “**Company**”) will be held at The Xiamen Suites, 3rd Floor, Prince Hotel, Harbour City, 23 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 28 May 2018 at 10:00 a.m. to transact the following businesses:

1. By way of ordinary business, to receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) of the Company and auditors for the year ended 31 December 2017;
2. By way of ordinary business, to declare a final dividend of HK 1.0 cent per share in respect of the year ended 31 December 2017 (the “**Final Dividend**”);
3. By way of ordinary business, to re-elect the retiring Directors and to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
4. By way of ordinary business, to re-appoint RSM Hong Kong as auditors of the Company and to authorise the Board to fix their remuneration;
5. By way of special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

A. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) 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, options and rights of exchange or conversion, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

(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 approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) exercise of any share option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or rights to acquire Shares; (iii) the exercise of the subscription rights or conversion rights under the terms of any warrants issued by the Company or any securities which are convertible into Shares; and (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 articles of association of the Company, shall not exceed 20% 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

(d) for the purposes 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 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 any applicable law or the articles of association of the Company to be held; and
- (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions 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 applicable to the Company).”

B. “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission and the Stock

NOTICE OF AGM

Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of shares authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period 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 purposes 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 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 any applicable law or the articles of association of the Company to be held; and

(iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.”

C. “**THAT** subject to the passing of the resolutions set out in paragraphs 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares pursuant to the resolution set out in paragraph 5A of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in paragraph 5B of the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

By Order of the Board
Ka Shui International Holdings Limited
Yam Suk Yee, Celia
Company Secretary

Hong Kong, 19 April 2018

NOTICE OF AGM

Principal place of business in Hong Kong:

Room A, 29/F, Tower B
Billion Centre, 1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person(s) as his/her proxy to attend and vote instead of him/her. In the case of a recognized clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the meeting and vote in its stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy, together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof if he/she so desires and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
4. In the case of joint registered holders of any shares, any one of such persons may vote at the meeting (or at any adjournment thereof), either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto; but if more than one joint registered holder is present at the meeting, whether in person or by proxy, that one of the joint registered holders whose name stands first on the register of members in respect of the relevant joint holding shall, to the exclusion of other joint holders, be entitled to vote in respect thereof.
5. The register of members of the Company will be closed from Wednesday, 23 May 2018 to Monday, 28 May 2018, both days inclusive, during which no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all share transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 21 May 2018.

The register of members of the Company will be closed from Tuesday, 5 June 2018 to Friday, 8 June 2018, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the Final Dividend, all share transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 June 2018.

As at the date hereof, the Board comprises three executive directors, namely Mr. Lee Yuen Fat, Mr. Wong Wing Chuen, Dr. Wong Cheong Yiu and four independent non-executive directors, namely Professor Sun Kai Lit, Cliff BBS, JP, Ir Dr. Lo Wai Kwok SBS, MH, JP, Mr. Andrew Look and Mr. Kong Kai Chuen, Frankie.