

The Company

The predecessor of **K. Wah Construction Materials Limited** was first listed on the Hong Kong Stock Exchange in 1991 as International Pipe Limited, a leading company in the manufacture, sale and distribution of concrete pipes and other precast concrete products. Currently, the Company's numerous subsidiary and associated companies supply various types of construction materials and products to both private and public sectors in Hong Kong and the Mainland. It is the most integrated construction materials company listed on the Hong Kong Stock Exchange and is also one of the five major construction materials suppliers in Hong Kong.

The founder and Chairman of the Company, Dr. Lui Che Woo, MBE, JP, LLD, DSSc embarked on the business in construction materials in 1955 when the first K. Wah company was established. Dr. Lui foresaw that the demand for construction materials would increase dramatically to cope with the rapid growth of population and economy of Hong Kong. Such prescience was fully borne out by the expansive evolution of the Company in the past decades.

The Company was restructured and renamed as K. Wah Construction Materials Limited in May 1997 after the acquisition of substantial construction materials businesses in Hong Kong and the Mainland from its holding company, K. Wah International Holdings Limited. At that time its business portfolio included quarrying, ready-mixed concrete, cement, other concrete products and asphalt. More recently it has further expanded into the slag business and the manufacture of PHC piles to enhance the vertical integration of the construction materials operations.

Besides the solid business foundation in Hong Kong, the Company is also progressive in strategic business developments in the Mainland. Operations have been set up in Beijing, Shanghai, Guangzhou, Shenzhen, Nanjing, Maanshan, Huzhou, Zhuhai and Huidong. To match the expansion it has undergone organizational restructuring to enhance operational and cost efficiency. A localisation policy has also been implemented as part of this exercise.