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If you have sold or transferred all your shares in K. Wah International Holdings Limited ("Company"), you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 173)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Picasso Room, Basement 1, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Monday, 21 June 2010 at 11:00 a.m. is set out on pages 16 to 20 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the principal place of business of the Company in Hong Kong at 29th Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong as soon as possible and, in any event, so as to be received by the Company not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so wish.

29 April 2010

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	2
INTRODUCTION	2
RE-ELECTION OF DIRECTORS	3
GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES	3
ANNUAL GENERAL MEETING	4
RECOMMENDATION	5
GENERAL INFORMATION	5
APPENDIX I — DIRECTORS PROPOSED TO BE RE-ELECTED	6
APPENDIX II — EXPLANATORY STATEMENT	13
NOTICE OF ANNUAL GENERAL MEETING	16

DEFINITIONS

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

“2010 AGM”	the annual general meeting of the Company to be held at Picasso Room, Basement 1, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Monday, 21 June 2010 at 11:00 a.m.;
“associate”	has the meaning ascribed to the expression under the Listing Rules;
“Board”	the board of Directors;
“Bye-laws”	the bye-laws of the Company as amended from time to time, and “Bye-law” construes any bye-law thereof;
“Company”	K. Wah International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“controlling shareholder”	has the meaning ascribed to the expression under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of The People’s Republic of China;
“Latest Practicable Date”	24 April 2010, 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;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Option(s)”	share option(s) granted pursuant to the share option scheme adopted by the Company on 30 May 2002;
“Share Repurchase Code”	the Hong Kong Code on Share Repurchases;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to the expression under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 173)

Executive Directors:

Dr. Che-woo Lui, GBS, MBE, JP, LLD, DSSc, DBA

(Chairman and Managing Director)

Mr. Francis Lui Yiu Tung

Ms. Paddy Tang Lui Wai Yu, BBS, JP

Mr. Alexander Lui Yiu Wah

Ms. Claudia Cheung Man Wan

Non-executive Directors:

Sir David Akers-Jones*, KBE, GBM, CMG, Hon. RICS, JP

Mr. Michael Leung Man Kin, CBE, JP

Dr. Moses Cheng Mo Chi, GBS, OBE, JP

Dr. The Hon. Leo Lee Tung Hai*, GBM, GBS, LLD, JP

Dr. Robin Chan Yau Hing*, GBS, LLD, JP

Mr. Robert George Nield*

Dr. William Yip Shue Lam*, LLD

Professor Poon Chung Kwong*, GBS, PhD, DSc, JP

* Independent Non-executive Directors

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**Principal Place of Business
in Hong Kong:**

29th Floor
K. Wah Centre
191 Java Road
North Point
Hong Kong

29 April 2010

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice of 2010 AGM, and the information regarding the resolutions to be proposed at the 2010 AGM relating to (i) the re-election of Directors; and (ii) the grant to the Directors of general mandates to repurchase Shares and to issue new Shares.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 109(A) of the Bye-laws, Ms. Paddy Tang Lui Wai Yu, Mr. Michael Leung Man Kin and Dr. Robin Chan Yau Hing will retire by rotation at the 2010 AGM, and being eligible, will offer themselves for re-election. In accordance with Bye-law 100 of the Bye-laws, Dr. Moses Cheng Mo Chi, Professor Poon Chung Kwong, Mr. Alexander Lui Yiu Wah and Ms. Claudia Cheung Man Wan will hold office until the 2010 AGM and being eligible, will offer themselves for re-election.

Biographical details of the Directors proposed to be re-elected at the 2010 AGM are set out in Appendix I to this circular.

Each of Dr. Robin Chan Yau Hing and Professor Poon Chung Kwong, being an independent non-executive Director, has given to the Company his annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that each of Dr. Robin Chan Yau Hing and Professor Poon Chung Kwong meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

Pursuant to Bye-law 114 of the Bye-laws, any Shareholder who wishes to nominate a person to stand for election as a Director at the 2010 AGM must lodge with the Company at its principal place of business in Hong Kong at 29th Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong during the period from Friday, 30 April 2010 to Friday, 7 May 2010 (both days inclusive) and in any event by Wednesday, 12 May 2010 the latest (i) a written notice of nomination of candidate; (ii) a written confirmation from such nominated candidate of his/her willingness to be elected as a Director; and (iii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company. If valid nomination and/or information is received less than 20 clear business days before the 2010 AGM, the Company may adjourn the 2010 AGM to allow Shareholders sufficient time to consider the nomination.

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

At the last annual general meeting of the Company held on 3 June 2009, ordinary resolutions were passed granting to the Directors general mandates to repurchase Shares not exceeding 10% and to issue and allot new Shares not exceeding 20% of the issued share capital of the Company as at that date. These general mandates will both expire upon the conclusion of the 2010 AGM.

The Directors consider that granting general mandates for the Directors to repurchase Shares and to issue new Shares increases the flexibility of the Board in managing the Company's financial affairs and capital base and is in the interest of the Shareholders. Therefore, ordinary resolutions will be proposed at the 2010 AGM to refresh the general mandates as follows:

- (i) to grant to the Directors a general and unconditional mandate to repurchase issued Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant ordinary resolution ("**Repurchase Mandate**");
- (ii) to grant to the Directors a general and unconditional mandate to issue and allot new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant ordinary resolution ("**Share Issue Mandate**"); and

LETTER FROM THE BOARD

- (iii) conditional upon the passing of the ordinary resolutions to grant the Repurchase Mandate and the Share Issue Mandate, to extend the Share Issue Mandate by the addition thereto the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

Full text of each of the relevant ordinary resolutions in relation to the general mandates described in (i), (ii) and (iii) above is set out as resolution numbered 5.1, 5.2 and 5.3 respectively in the notice of 2010 AGM appearing on pages 16 to 20 of this circular.

With respect to the proposed Repurchase Mandate, the Directors wish to state that they have no immediate plans to repurchase any Shares. An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against ordinary resolution numbered 5.1 approving the Repurchase Mandate at the 2010 AGM is set out in Appendix II to this circular.

With respect to the proposed Share Issue Mandate, on the assumption that there is no variation to the issued share capital of the Company during the period from the Latest Practicable Date up to and including the date of the passing of ordinary resolution numbered 5.2 approving the Share Issue Mandate at the 2010 AGM, the maximum number of Shares which may be issued and allotted by the Company pursuant to the Share Issue Mandate is 495,121,739 Shares, based on 2,475,608,696 Shares in issue as at the Latest Practicable Date and not taking into account any additional new Shares which may be issued and allotted pursuant to the extension of the Share Issue Mandate referred to in ordinary resolution numbered 5.3 set out in the notice of 2010 AGM.

ANNUAL GENERAL MEETING

A notice convening the 2010 AGM to be held at Picasso Room, Basement 1, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Monday, 21 June 2010 at 11:00 a.m. is set out on pages 16 to 20 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. The chairman of the 2010 AGM will therefore demand a poll on each of the resolutions to be proposed at the 2010 AGM pursuant to Bye-law 78 of the Bye-laws.

Proxy form for use at the 2010 AGM is enclosed with this circular. Whether or not you are able to attend the 2010 AGM, you are reminded to complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the principal place of business of the Company in Hong Kong at 29th Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong as soon as possible, and in any event, so as to be received by the Company not less than 48 hours before the time appointed for holding the 2010 AGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the 2010 AGM or any adjourned meeting thereof should you so wish.

An announcement will be published by the Company on the websites of the Company and the Stock Exchange after the conclusion of the 2010 AGM to inform Shareholders of the voting results of the 2010 AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the re-election of Directors, the Repurchase Mandate and the Share Issue Mandate are in the interests of the Company and the Shareholders, and accordingly, the Board recommends the Shareholders to vote in favour of such resolutions.

GENERAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Dr. Che-woo Lui
Chairman and Managing Director

The biographical details of the Directors proposed to be re-elected at the 2010 AGM are set out below.

Ms. Paddy Tang Lui Wai Yu, BBS, JP, (executive Director) aged 56, joined the K. Wah group in 1980 and has been an executive Director since June 1989. She is also an executive director of Galaxy Entertainment Group Limited. She holds a bachelor of commerce degree from McGill University, Canada and is a member of The Institute of Chartered Accountants in England and Wales. Ms. Lui was a member of the Election Committee of the HKSAR. She is also a member of various public and social service organizations, including the Board of Ocean Park Corporation and the Chairman of the board of Opera Hong Kong Limited. Ms. Lui was appointed as a member of the Hong Kong Arts Development Council, the Statistic Advisory Board, the Standing Committee on Company Law Reform and Tourism Strategy Group in 2007 and a member of the General Committee of The Chamber of Hong Kong Listed Companies on 31 July 2009. Ms. Lui has been again elected as a member of the Election Committee of the HKSAR in December 2006. Ms. Lui is the daughter of Dr. Che-woo Lui, Chairman & Managing Director and controlling shareholder of the Company, and the elder sister of Mr. Francis Lui Yiu Tung and Mr. Alexandra Lai Yiu Wah, both of them are executive Directors of the Company.

Save as disclosed herein, Ms. Paddy Lui did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and she does not hold any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from her directorship in the Company, Ms. Paddy Lui does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Ms. Paddy Lui's service contract does not provide for a specified length of service with the Company. The term of her service as an executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. Her emoluments comprise an annual salary (including allowances), an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. Ms. Paddy Lui has received an emolument of HK\$3,142,351 including salary, allowances and benefits in kind, discretionary bonus, pension scheme contribution and share options for the year ended 31 December 2009. An annual director's fee of HK\$120,000 will be payable to Ms. Paddy Lui for the year ended 31 December 2009 upon approval by the Shareholders at the 2010 AGM. The director's fee (including Ms. Paddy Lui) for the year ending 31 December 2010 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. Her emoluments are determined by reference to her duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Ms. Paddy Lui has interests in 7,410,371 shares of the Company and 5,803,400 share options of the Company. Save as disclosed herein, Ms. Paddy Lui has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Ms. Paddy Lui which is discloseable nor is she involved in any of the matters which falls to be disclosed pursuant to any of the provision under Rules 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.

Mr. Michael Leung Man Kin, CBE, JP, (non-executive Director) aged 71, served the Group in 1998 as Deputy Chairman (Administration) until 2001, and then as an Adviser until 2006. He was an executive Director in September 1998 and has become a non-executive Director since March 2001. Mr. Michael Leung has been a member of the audit committee of the Company since March 2005. Mr. Michael Leung holds a BA (Hons) from the University of Hong Kong and a certificate in government and development from Oxford University, UK. He has served the Hong Kong Government for 32 years in a wide range of top level positions, including Secretary for Transport, Secretary for Education and Manpower and Commissioner of the Independent Commission Against Corruption. He also served as an Official Member of the Legislative Council.

Save as disclosed herein, Mr. Michael Leung did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and he does not have any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from his directorship in the Company, Mr. Michael Leung does not have any relationships with any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no service contract between the Company and Mr. Michael Leung. The term of his services as a non-executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws. His emoluments comprise an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. An annual director's fee of HK\$120,000 and an annual fee of HK\$100,000 for acting as a member of the Audit Committee will be payable to Mr. Michael Leung for the year ended 31 December 2009 upon approval by the Shareholders at the 2010 AGM. The Director's fee and Audit Committee member's fee for the year ending 31 December 2010 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Mr. Michael Leung has interests in 500,000 share options of the Company. Save as disclosed herein, Mr. Michael Leung has no interest in the Shares within the meaning of Part XV of the SFO.

There is no information relating to Mr. Michael Leung which is discloseable nor is he involved in any of the matters which fall to be disclosed pursuant to any of the provisions under Rules 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.

Dr. Robin Chan Yau Hing, GBS, LLD, JP, (independent non-executive Director) aged 77, has been a Director since June 1989 and has become an independent non-executive Director since 1998. A banker with over 40 years of experience, Dr. Robin Chan holds different positions in publicly listed companies on the Main Board of the Stock Exchange in Hong Kong, including the Chairman of Asia Financial Holdings Limited (the holding company of Asia Insurance Company Limited) and the independent non-executive director of both Chong Hing Bank Limited and Keck Seng Investments (Hong Kong) Limited. In addition, he is the Vice Chairman of All-China Federation of Returned Overseas Chinese, and the Ex-officio Life Honorary Chairman of The Chinese General Chamber of Commerce, Hong Kong. Dr. Robin Chan had been a Deputy to The National People's Congress of the People's Republic of China from March 1988 to February 2008.

Save as disclosed herein, Dr. Robin Chan did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and he does not have any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from his directorship in the Company, Dr. Robin Chan does not have any relationships with any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no service contract between the Company and Dr. Robin Chan. The term of his services as an independent non-executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws. His emoluments comprise an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. An annual director's fee of HK\$120,000 will be payable to Dr. Robin Chan for the year ended 31 December 2009 upon approval by the Shareholders at the 2010 AGM. The Director's fee for the year ending 31 December 2010 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Dr. Robin Chan has interests in 436,563 Shares and 1,000,000 share options of the Company. Save as disclosed herein, Dr. Robin Chan has no interest in the Shares within the meaning of Part XV of the SFO.

There is no information relating to Dr. Robin Chan which is discloseable nor is he involved in any of the matters which fall to be disclosed pursuant to any of the provisions under Rules 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.

Dr. Moses Cheng Mo Chi, GBS, OBE, JP, (non-executive Director) aged 60, has been a non-executive Director since 1 August 2009. He is a practicing solicitor and a senior partner of P.C. Woo & Co., a Hong Kong firm of solicitors. He was also the founding chairman of The Hong Kong Institute of Directors of which he is now the Honorary President and Chairman Emeritus. Dr. Moses Cheng was a member of the Legislative Council of Hong Kong and the chairman of the Main Board Listing Committee and the Growth Enterprise Market Listing Committee of The Stock Exchange of Hong Kong Limited. Dr. Moses Cheng is currently an independent non-executive director in China COSCO Holdings Company Limited, China Mobile Limited, China Resources Enterprise, Limited, Hong Kong Exchanges and Clearing Limited, Liu Chong Hing Investment Limited and Towngas China Company Limited, all being public listed companies in Hong Kong. He is also a non-executive director in City Telecom (H.K.) Limited, Guangdong Investment Limited, Kader Holdings Company Limited and Tian An China Investments Company Limited, all being public listed companies in Hong Kong. He is also an independent non-executive director of ARA Asset Management (Singapore) Limited and ARA Asset Management Limited, both of which are listed companies in Singapore. His other directorships in public listed companies in Hong Kong in the last three years include Beijing Capital International Airport Company Limited, Galaxy Entertainment Group Limited and Shui On Construction and Materials Limited.

Save as disclosed herein, Dr. Moses Cheng did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and he does not hold any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from his directorship in the Company, Dr. Moses Cheng does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Dr. Moses Cheng's service contract provides for a fixed term of 3 years. The term of his service as a Non-Executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. His emoluments comprise an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. An annual director's fee of HK\$50,301 (on a pro-rata basis by reference to the actual number of days in office in the relevant financial year) will be payable to Dr. Moses Cheng for the year ended 31 December 2009 upon approval by the Shareholders at the 2010 AGM. The Director's fee for the year ending 31 December 2001 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Dr. Moses Cheng has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Dr. Moses Cheng which is discloseable nor is he involved in any of the matters which falls to be disclosed pursuant to any of the provision under Rules 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.

Professor Poon Chung Kwong, GBS, PhD, DSc, JP, (independent non-executive Director) aged 70, has been an independent non-executive Director since 1 August 2009. Professor Poon, President Emeritus of The Hong Kong Polytechnic University, had devoted 40 years of his life to advancing university education in Hong Kong before he retired in January 2009 from his 18-year presidency at The Hong Kong Polytechnic University. He was previously Professor of Chemistry and Dean of the Faculty of Science at The University of Hong Kong. Professor Poon graduated from The University of Hong Kong with the degrees of Bachelor of Science (General) and Bachelor of Science (Special), both with first class honours. He obtained his degree of Doctor of Philosophy from the University of London in 1967 and worked as a post-doctoral research fellow at the California Institute of Technology. He then served as Lecturer at The University of Hong Kong. During the period when Professor Poon was serving as Lecturer at The University of Hong Kong, he was also Visiting Research Associate of the California Institute of Technology and the University of Southern California, as well as Visiting Professor at the University of Toronto in Canada. He was later awarded the degree of Doctor of Science, which is a higher doctorate, by the University of London in 1979.

Professor Poon is a Fellow of the University College of the University of London and Foreign Member of the Russian Academy of Engineering. He was honoured as one of the “Ten Outstanding Young Persons in Hong Kong in 1979” and was appointed a Non-official Justice of the Peace (JP) in 1989. Professor Poon received the OBE award in 1991, the Gold Bauhinia Star (GBS) award in 2002 and also the “Leader of the Year Awards 2008 (Education)”.

Professor Poon has chaired and was appointed a member of numerous committees of the Hong Kong Government and of the industrial, business and educational sectors including member of the Legislative Council (1985–1991); the Founding Chairman of the Government’s Committee on Science and Technology (1988–1991); and Chairman of Veterinary Surgeons Board (2000–2004). He also served as Member of the Basic Law Consultative Committee (1985–1990), Advisor on Hong Kong Affairs (1994–1997), Member of the Preparatory Committee for the HKSAR (1995–1997) and Member of the Selection Committee for the First (1996), Second (2001) and Third (2007) Government of HKSAR. In addition, Professor Poon has been a member of the National Committee of the Chinese People’s Political Consultative Conference since 1998. He is also the Honorary Professor of a number of top-rated universities in the Mainland China. Professor Poon currently serves as Consultant of Science and Technology Consulting Committee of Shenzhen Municipal People’s Government and Member of Policy Consultative Committee of Shaanxi Province in the Mainland China.

Professor Poon is a non-executive director of Lee & Man Paper Manufacturing Limited, an independent non-executive director of Hopewell Highway Infrastructure Limited and an independent non-executive director of The Hong Kong and China Gas Company Limited, all of which shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Save as disclosed herein, Professor Poon did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and he does not hold any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from his directorship in the Company, Professor Poon does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Professor Poon's service contract provides for a fixed term of 3 years. The term of his service as an Independent non-executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. His emoluments comprise an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. An annual director's fee of HK\$50,301 (on a pro-rata basis by reference to the actual number of days in office in the relevant financial year) will be payable to Professor Poon for the year ended 31 December 2009 upon approval by the Shareholders at the 2010 AGM. The Director's fee for the year ending 31 December 2001 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Professor Poon has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Professor Poon which is discloseable nor is he involved in any of the matters which falls to be disclosed pursuant to any of the provision under Rules 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.

Mr. Alexander Lui Yiu Wah, (executive Director) aged 47, joined the K. Wah group in 1984 and is presently the Managing Director of Hong Kong Properties of the Group. He has been an executive Director since 12 April 2010. Mr. Alexander Lui is also a director of a number of affiliated companies of the Group. He holds a bachelor of science degree in Industrial and Systems Engineering from the University of Southern California, USA. He is a committee member of Guangzhou Committee of the 11th Chinese People's Political Consultative Conference and a member of Estate Agents Authority (EAA). Mr. Alexander Lui is also the vice president of The Hong Kong Association for the Advancement of Real Estate and Construction Technology Limited. He has been a member of the board of directors of The Real Estate Developers Association of Hong Kong since 1999. Mr. Alexander Lui has been appointed as a Director of Business & Professionals Federation of Hong Kong since 27 September 2002 and has become a director of the executive committee since 2003. He was a member of The Appeal Panel on Housing, Hong Kong during the period from 1 July 2002 to 31 March 2008. Mr. Alexander Lui is the son of Dr. Che-woo Lui, Chairman & Managing Director and controlling shareholder of the Company, and the younger brother of Mr. Francis Lui Yiu Tung and Ms. Paddy Tang Lui Wai Yu, both of them are Executive Directors of the Company.

Save as disclosed herein, Mr. Alexander Lui did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and he does not hold any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from his directorship in the Company, Mr. Alexander Lui does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Alexander Lui's service contract does not provide for a specified length of service with the Company. The term of his service as an executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. His emoluments comprise an annual salary (including allowances), an annual director's fee (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share

options. Mr. Alexander Lui has received an emolument of HK\$5,806,770 including salary, allowances and benefits in kind, discretionary bonus, pension scheme contribution and share options for the year ended 31 December 2009. The director's fee (including Mr. Alexander Lui) for the year ending 31 December 2010 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. His emoluments are determined by reference to his duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date. Mr. Alexander Lui has interests in 3,939,967 Shares and 6,050,000 share options of the Company. Save as disclosed herein, Mr. Alexander Lui has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Mr. Alexander Lui which is discloseable nor is he involved in any of the matters which falls to be disclosed pursuant to any of the provision under Rules 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.

Ms. Claudia Cheung Man Wan, (executive Director) aged 48, joined the Group in 1993 and is presently the Director of Corporate Affairs and Human Resource Department of the Group. She has been an executive Director since 12 April 2010. She holds a bachelor of social science degree in Mass Communication from the University of Texas at Austin, USA.

Save as disclosed herein, Ms. Claudia Cheung did not hold any directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas or any major appointments and professional qualifications and she does not hold any other positions with the Company or any of its subsidiaries.

Save as disclosed herein and except for the relationship arising from her directorship in the Company, Ms. Claudia Cheung does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Ms. Claudia Cheung's service contract does not provide for a specified length of service with the Company. The term of her service as an executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. Her emoluments comprise an annual salary (including allowances), an annual director's fee, (which will be proposed by the Board for approval by the Shareholders at the subsequent year's annual general meeting) and discretionary share options. Ms. Claudia Cheung has received an emolument of HK\$3,093,713 including salary, allowances and benefits in kind, discretionary bonus, pension scheme contribution and share options for the year ended 31 December 2009. The director's fee (including Ms. Claudia Cheung) for the year ending 31 December 2010 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2011. Her emoluments are determined by reference to her duties and responsibilities with the Company, the Company's performance and profitability, the Company's remuneration policy and the market pay-level for same position.

As at the Latest Practicable Date, Ms. Claudia Cheung has interests in 1,726,359 Shares and 1,992,000 share options of the Company. Save as disclosed herein, Ms. Claudia Cheung has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Ms. Claudia Cheung which is discloseable nor is she involved in any of the matters which falls to be disclosed pursuant to any of the provision under Rules 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.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate to be proposed at the 2010 AGM.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$247,560,869.6 comprising 2,475,608,696 fully paid Shares, and there were also outstanding Share Options in respect of 45,596,210 Shares.

Subject to the passing of the ordinary resolution no. 5.1 set out in the notice of 2010 AGM approving the proposed Repurchase Mandate and on the assumption that no further Shares will be issued (whether generally or pursuant to the exercise of the outstanding Share Options) and no Shares will be repurchased prior to the 2010 AGM, the Company would be allowed to repurchase a maximum of 247,560,869 Shares during the period, as referred to in the said ordinary resolution no. 5.1, in which the Repurchase Mandate is in force.

REASONS FOR REPURCHASES

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

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in the circumstances where they consider that the repurchase would be in the best interest of the Company and in the circumstances where they consider that the Shares can be repurchased on terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31 December 2009, being the date to which the latest published audited financial statements of the Company were made up, the Directors consider that if the Repurchase Mandate were to be exercised in full under the prevailing market value, there might be a material adverse impact on the working capital position and gearing position of the Company. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital requirement or the gearing level of the Company which in their opinion is from time to time appropriate for the Company.

FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Bye-laws and the applicable laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code and Rule 6 of the Share Repurchase Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could 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, Dr. Che-woo Lui and his associates beneficially owned 1,438,016,494 Shares representing approximately 58.09% of the issued share capital of the Company. Based on such shareholding interests and in the event that the powers to repurchase Shares pursuant to the Repurchase Mandate were to be exercised in full and taking no account of the exercise of the outstanding Share Options, the respective interests held by Dr. Che-woo Lui and his associates in the Company will increase to approximately 64.54% of the issued share capital of the Company and the Shares held by the public will not fall below 25% of the total number of Shares in issue. The Directors are not aware of any consequence which would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate in such a way as will result in an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the past twelve months preceding and up to the Latest Practicable Date:

Month	Highest (HK\$)	Lowest (HK\$)
2009		
April	1.36	1.04
May	2.60	1.22
June	3.01	2.28
July	3.20	2.75
August	3.48	2.08
September	2.97	2.12
October	2.89	2.38
November	2.99	2.53
December	3.04	2.75
2010		
January	3.35	2.50
February	2.75	2.30
March	2.96	2.61
April (up to the Latest Practicable Date)	3.19	2.73

REPURCHASE OF SHARES

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates currently intend to sell Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have 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 powers of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

NOTICE OF ANNUAL GENERAL MEETING



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 IS HEREBY GIVEN that the annual general meeting (“**AGM**”) 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 Monday, 21 June 2010 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors and the independent auditor for the year ended 31 December 2009 of the Company;
2. To declare a final dividend for the year ended 31 December 2009;
3. To elect directors and fix the directors’ remuneration;
4. To re-appoint auditor and authorise the directors to fix its remuneration;
5. As special business, to consider and, if thought fit, pass with or without modifications the following resolutions as ordinary resolutions of the Company:

5.1 “**THAT**

- (a) subject to paragraph (b) of this resolution no. 5.1, a general and unconditional mandate be and is hereby granted to the directors of the Company (“**Directors**”) to exercise all the powers of the Company to repurchase or otherwise acquire, on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which the securities of the Company are or may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, shares in the capital of the Company including any form of depositary receipt representing the right to receive such shares issued by the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased or otherwise acquired by the Company pursuant to the approval in paragraph (a) of this resolution no. 5.1 above during the Relevant Period (as hereinafter defined) shall not exceed ten per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution no. 5.1, and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution no. 5.1,

“Relevant Period” means the period from (and including) the date of the passing of this resolution no. 5.1 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 any applicable law to be held; or
- (iii) the revocation or variation of the authority given by this resolution no. 5.1 by the passing of an ordinary resolution by the shareholders of the Company in general meeting.”

5.2 “**THAT**

- (a) subject to paragraphs (b) and (c) of this resolution no. 5.2, a general and unconditional mandate be and is hereby granted to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and otherwise 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 powers;
- (b) the mandate in paragraph (a) of this resolution no. 5.2 above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, warrants and options which might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal amount of shares of the Company allotted, issued or otherwise dealt with, or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with, (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution no. 5.2 above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); 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 for the grant or issue of shares of the Company or rights to acquire shares of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment and issue 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; or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution no. 5.2, and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution no. 5.2:

“Relevant Period” means the period from (and including) the date of the passing of this resolution no. 5.2 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution no. 5.2 by the passing of an ordinary resolution by the shareholders of the Company in general meeting, and

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities which carry the rights to subscribe for or purchase shares of the Company, open for a period fixed by the Directors to holders of shares of the Company on the registers of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities) (subject in all cases 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** conditional upon the passing of resolutions no. 5.1 and no. 5.2 set out in the notice of this meeting, the general mandate granted to the Directors pursuant to resolution no. 5.2 set out in the notice of this meeting and for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements, warrants and options be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares of the Company repurchased or otherwise acquired by the Company under the authority granted pursuant to resolution no. 5.1 set out in the notice of this meeting, provided that such extended amount shall not exceed ten per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution.”

By order of the Board
Lee Wai Kwan, Cecilia
Company Secretary

Hong Kong, 29 April 2010

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy needs not be a shareholder of the Company.
- (ii) Where there are joint holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, then one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) To be valid, the proxy form and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority must be deposited at the principal place of business of the Company in Hong Kong at 29th Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong (for the attention of the company secretary of the Company) not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form shall not preclude a shareholder from attending and voting in person at the AGM or any adjourned meeting thereof should he/she so wish.
- (iv) With regard to agenda item 2 above, the board of directors of the Company ("**Board**") has recommended a final scrip dividend (with a cash option) of 10 HK cents per share.
- (v) The registers of members of the Company will be closed from 14 June 2010 to 21 June 2010 (both days inclusive) during which period no share transfer will be effected. In order to qualify for the proposed final scrip dividend (with a cash option), all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 11 June 2010 for registration.
- (vi) With regard to agenda item 3 above, Ms. Paddy Tang Lui Wai Yu, Mr. Michael Leung Man Kin, Dr. Robin Chan Yau Hing, Dr. Moses Cheng Mo Chi, Professor Poon Chung Kwong, Mr. Alexander Lui Yiu Wah and Ms. Claudia Cheung Man Wan, will retire and stand for re-election at the AGM. Their biographical details are set out in Appendix I to the circular dated 29 April 2010 issued by the Company to shareholders. The Board recommends the re-election of all the retiring Directors, and re-election of each of the retiring Directors will be voted on individually by a separate resolution.
- (vii) Also, with regard to agenda item 3 above, the remuneration payable to the Directors who serve on the Board and the audit committee ("**Audit Committee**") and the remuneration committee ("**Remuneration Committee**") of the Company for year ended 31 December 2009, 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 the table below. Such remuneration payable to the Directors will be calculated, if applicable, on a pro rata basis by reference to the actual number of days in office in the relevant financial year.

**Fee for Director acting as such
for the year ended 31 December 2009
(and for subsequent financial years
until otherwise determined)**

	Chairman	Member
	<i>HK\$</i>	<i>HK\$</i>
The Board	150,000	120,000
Audit Committee	120,000	100,000
Remuneration Committee	60,000	50,000

- (viii) With regard to agenda item 4 above regarding the authorisation for the Directors to fix auditor's remuneration, shareholders are advised that, in practice, auditor's remuneration for the year ending 31 December 2010 cannot be determined at the beginning of the year because such remuneration will vary by reference to the scope and extent of audit and other work performed in the year. In order to be able to charge the amount of auditor's remuneration as operating expenses for the year ending 31 December 2010, shareholders' approval to delegate the authority to the Directors to fix the auditor's remuneration is required, and is hereby sought, at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

- (ix) With regard to agenda item 5 above, shareholders are advised that, at present, the Directors do not have any immediate plans to issue any new shares or repurchase any existing shares of the Company pursuant to the general mandates referred therein. However, the Directors believe that it is in the interest of the Company and its shareholders to grant such general mandates to the Directors 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 dated 29 April 2010 issued by the Company to shareholders.