
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 your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular should be read in conjunction with the accompanying Annual Report for the year ended 31 December 2018. The English text of this circular shall prevail the Chinese text in case of any inconsistency.



**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 Wednesday, 5 June 2019 at 11:00 a.m. is set out on pages 13 to 17 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 Company's principal place of business 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.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
INTRODUCTION	3
RE-ELECTION OF DIRECTORS	4
GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES	5
ANNUAL GENERAL MEETING	6
RECOMMENDATION	6
GENERAL INFORMATION	6
APPENDIX I — DIRECTORS PROPOSED TO BE RE-ELECTED	7
APPENDIX II — EXPLANATORY STATEMENT	10
NOTICE OF ANNUAL GENERAL MEETING	13

DEFINITIONS

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

“2019 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 Wednesday, 5 June 2019 at 11:00 a.m.
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended from time to time, and “Bye-laws” construes any bye-laws thereof
“CG Code”	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules on the HK Stock Exchange
“close associate”	has the meaning ascribed to the expression under the Listing Rules
“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 HK Stock Exchange
“Company’s Branch Share Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“controlling shareholder(s)”	has the meaning ascribed to the expression under the Listing Rules
“CP(s)”	code provision(s) of the CG Code
“core connected person(s)”	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
“HKEx”	Hong Kong Exchanges and Clearing Limited
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	12 April 2019, 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 HK Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Buy-backs Code”	the Code on Share Buy-backs
“Share Option(s)”	share option(s) granted pursuant to the share option scheme adopted by the Company on 20 June 2011
“Shareholder(s)”	holder(s) of the Share(s)
“substantial shareholder”	has the meaning ascribed to the expression under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent



於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

(Stock Code: 00173)

Executive Directors:

Dr. Lui Che-woo, *GBM, 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

Non-executive Director:

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

Independent Non-executive Directors:

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

Dr. William Yip Shue Lam, *LLD*

Mr. Au Man Chu

Mr. Wong Kwai Lam

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

18 April 2019

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 2019 AGM, and the information regarding the resolutions to be proposed at the 2019 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-laws 109(A) and 189(viii) of the Bye-laws, Dr. Moses Cheng Mo Chi (“**Dr. Cheng**”), Dr. Robin Chan Yau Hing (“**Dr. Chan**”) and Dr. William Yip Shue Lam (“**Dr. Yip**”) will retire by rotation at the 2019 AGM. Dr. Cheng and Dr. Yip, being eligible, will offer themselves for re-election at the 2019 AGM.

Dr. Chan has tendered his intention, to retire as Independent Non-executive Director of the Company upon completion of his service contract with the Company in June 2019 and at the conclusion of the 2019 AGM. The Board would like to express sincere appreciation to Dr. Chan for his invaluable contribution to the Company during his tenure.

Dr. Chan and Dr. Yip, both being the Independent Non-executive Director, have given to the Company their annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Dr. Chan and Dr. Yip meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

The nominations of directors were made in accordance with the Nomination Policy of the Company. In March 2019, the Nomination Committee of the Company (“**Nomination Committee**”) after having reviewed the profile of the retiring directors who have offered themselves for re-election at the 2019 AGM to consider the suitability in light of the structure, size and composition (including the skills, knowledge and experience) of the Board. The Nomination Committee also considered Dr. Cheng and Dr. Yip could contribute to the diversity of the Board, in particular with their diverse business and professional background. The Nomination Committee reviewed overall contribution and services of Dr. Cheng and Dr. Yip to the Company. The Nomination Committee at its meeting in March 2019 resolved to recommend the Board to put forward two separate resolutions at the 2019 AGM to re-elect Dr. Cheng and Dr. Yip as Directors. Dr. Yip, who is a member of the Nomination Committee and present at the meeting, abstained from voting at the meeting when his respective nomination was being considered.

Pursuant to CP A.4.3 of the CG Code, any re-appointment of Independent Non-executive Director who served more than 9 years shall be subject to a separate resolution to be approved by the shareholders. Dr. Yip has served the Company for more than 9 years and is due to retire at the 2019 AGM. During his years of appointment, Dr. Yip has expressed objective views and given independent guidance to the Company over the years. Notwithstanding his years of service as Independent Non-executive Director, the Board is of the view that Dr. Yip is able to continue to fulfill his role as required with in-depth understanding of the Company’s operations and business and with professional qualifications. Dr. Yip has the required character, integrity and experience to continue fulfilling the role of Independent Non-executive Director and thus recommends him for re-election at the 2019 AGM. The Board is satisfied that Dr. Yip remains independent, and there is no evidence that his tenure has had an impact on his independence.

At the Board Meeting held in March 2019, the Board considered that Dr. Cheng and Dr. Yip would bring to the Board their own perspectives, skills and experience. The Board also considered the re-election of Dr. Cheng and Dr. Yip as Directors are in the best interest of the Company and Shareholders as a whole. The Board therefore resolved to put forward two separate resolutions at the 2019 AGM to re-elect Dr. Cheng and Dr. Yip as Directors of the Company.

Biographical details of the Directors proposed to be re-elected at the 2019 AGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

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 2019 AGM must lodge with the Company's registered office or the Company's Branch Share Registrar at least seven (7) days before the date of the 2019 AGM: (i) a written notice of nomination of candidate duly signed by the Shareholder who is qualified to attend and vote at the general meeting; (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 a valid nomination and/or information is received less than ten (10) business days prior to the date of the 2019 AGM, the Company will need to consider the adjournment of the 2019 AGM in order to allow Shareholders have 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 6 June 2018, 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 2019 AGM.

The Directors consider that granting of 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 2019 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
- (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 2019 AGM appearing on pages 13 to 17 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 2019 AGM is set out in Appendix II to this circular.

LETTER FROM THE BOARD

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 2019 AGM, the maximum number of Shares which may be issued and allotted by the Company pursuant to the Share Issue Mandate is 624,970,923 Shares, based on 3,124,854,615 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 2019 AGM.

ANNUAL GENERAL MEETING

A notice convening the 2019 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 Wednesday, 5 June 2019 at 11:00 a.m. is set out on pages 13 to 17 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 2019 AGM will therefore demand a poll on each of the resolutions to be proposed at the 2019 AGM pursuant to Bye-law 78 of the Bye-laws.

Proxy form for use at the 2019 AGM is enclosed with this circular. Whether or not you are able to attend the 2019 AGM, you are reminded to complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's principal place of business 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 2019 AGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the 2019 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 HKEx after the conclusion of the 2019 AGM to inform the Shareholders of the voting results of the 2019 AGM.

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 all those resolutions to be proposed at the 2019 AGM.

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. Lui Che-woo
Chairman and Managing Director

The biographical details of the Directors proposed to be re-elected at the 2019 AGM are set out below.

Dr. Moses Cheng Mo Chi (“Dr. Cheng”), *GBM, GBS, OBE, JP*, (non-executive Director) aged 69, has been a non-executive Director of the Company since August 2009. He has been appointed as a member of the audit committee of the Company with effect from 31 July 2015. Dr. Cheng is a practising solicitor and a consultant of P.C. Woo & Co., a Hong Kong firm of solicitors, after serving as its senior partner from 1994 to 2015. 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. 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 HK Stock Exchange and a remuneration committee member of The Financial Reporting Council in Hong Kong. Dr. Cheng is currently an independent non-executive director in China Mobile Limited, China Resources Beer (Holdings) Company Limited, Guangdong Investment Limited, Liu Chong Hing Investment Limited, The Hong Kong and China Gas Company Limited and Towngas China Company Limited, all being public listed companies on the Main Board of the HK Stock Exchange. He is also a non-executive director in Kader Holdings Company Limited and Tian An China Investments Company Limited, all being public listed companies on the Main Board of the HK Stock Exchange. Dr. Cheng is also the chairman of the Insurance Authority. On 1 July 2013, he was appointed as an independent non-executive director of OTC Clearing Hong Kong Limited (a subsidiary of Hong Kong Exchanges and Clearing Limited). Dr. Cheng had ceased as an independent non-executive director of ARA Asset Management Limited (a company formerly listed in Singapore) with effect from 20 April 2017. Dr. Cheng was awarded the Grand Bauhinia Medal by the Government of the HKSAR in July 2016.

Save as disclosed herein, Dr. Cheng did not hold any directorship in the past three years preceding the Latest Practicable Date 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. Cheng does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Dr. Cheng has entered into a service contract with the Company pursuant to which his appointment is 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 of the Company in accordance with the Bye-laws and the corporate governance practices of the Company. His emoluments comprise an annual director’s fee and audit committee member’s fee (both of which will be proposed by the Board for approval by the Shareholders at the subsequent year’s annual general meeting of the Company) and discretionary share options. An annual director’s fee of HK\$200,000 and an annual fee of HK\$125,000 for acting as a member of the audit committee will be payable to Dr. Cheng for the year ended 31 December 2018 upon approval by the Shareholders at the 2019 AGM. All these director’s fees (including Dr. Cheng) for the year ending 31 December 2019 will be proposed by the Board for approval by the Shareholders at the annual general meeting of the Company in 2020. 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. Cheng has interests in 209,175 Shares and 640,000 Share Options of the Company. Save as disclosed herein, Dr. Cheng has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Dr. Cheng which is discloseable nor is he involved in any of the matters which falls 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. William Yip Shue Lam (“Dr. Yip”), *LLD*, (independent non-executive Director) aged 81, has been an independent non-executive Director and the chairman of the audit committee since June 2008 as well as the chairman of the remuneration committee and a member of the nomination committee (both appointed on 22 March 2012) of the Company. He holds a Bachelor of Arts degree and an honorary Doctor of Laws degree from the Concordia University, Canada. He is the founder and the chairman of Canada Land Limited (“**Canada Land**”) since 1972. Canada Land engaged in real estate development and tourist attraction business, listed in 1994 on the Australian Stock Exchange and was privatized in May 2013. He remains as the chairman of Canada Land. Dr. Yip is also an independent non-executive director of Galaxy Entertainment Group Limited. He was also the chairman of Cantravel Limited, Guangzhou since 1996 and became a director in October 2013. Dr. Yip has been active in public services and has been appointed as an honorary standing committee member of The Chinese General Chamber of Commerce (November 2012 to October 2022) and the president of Concordia University Hong Kong Foundation Limited and chairman of Board of Governors, Canadian University Association in Hong Kong. He had been the president (1998 to 2000) and currently the member of the Board of Governors of The Canadian Chamber of Commerce in Hong Kong, and the fellow member of The Hong Kong Institute of Directors. In addition, Dr. Yip has been elected a Guangzhou Municipal Honorable Citizen.

Save as disclosed herein, Dr. Yip did not hold any directorship in the past three years preceding the Latest Practicable Date 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. Yip does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Dr. Yip has entered into a service contract with the Company pursuant to which his appointment is 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 of the Company in accordance with the Bye-laws and the corporate governance practices of the Company. His emoluments comprise an annual director’s fee and, audit committee chairman’s fee, remuneration committee chairman’s fee and nomination committee member’s fee (all of which will be proposed by the Board for approval by the Shareholders at the subsequent year’s annual general meeting of the Company) and discretionary share options. An annual director’s fee of HK\$200,000, an annual fee of HK\$146,000 for acting as the chairman of the audit committee, an annual fee of HK\$60,000 for acting as the chairman of the remuneration committee and an annual fee of HK\$50,000 for acting as a member of the nomination committee will be payable to Dr. Yip for the year ended 31 December 2018 upon approval by the Shareholders at the 2019 AGM. All these director’s fees (including Dr. Yip) for the year ending 31 December 2019 will be proposed by the Board for

approval by the Shareholders at the annual general meeting of the Company in 2020. 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. Yip has interests in 572,726 Shares and 480,000 Share Options of the Company. Save as disclosed herein, Dr. Yip has no interest in the Shares within the meaning of Part XV of the SFO.

There is no other information relating to Dr. Yip which is discloseable nor is he involved in any of the matters which falls 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.

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 2019 AGM.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$312,485,461.50 comprising 3,124,854,615 fully paid Shares, and there were also outstanding share options in respect of 62,206,000 Shares.

Subject to the passing of the ordinary resolution no. 5.1 set out in the notice of 2019 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 2019 AGM, the Company would be allowed to repurchase a maximum of 312,485,461 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 HK 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 2018, 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 not 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 Buy-backs Code. Accordingly, a Shareholder, or a group of

Shareholders acting in concert (within the meanings of the Takeovers Code), 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, 1,633,497,769 Shares, representing approximately 52.27% of the issued share capital of the Company, were held by a discretionary family trust established by Dr. Lui Che-woo as settlor. Dr. Lui Che-woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah, as either direct or indirect beneficiaries of the discretionary family trust, are deemed to be interested in those Shares held by the trust. Besides, apart from the shareholding interest disclosed hereinabove, these four Directors had an aggregate equity interest (including family interests and corporate interests) in 362,789,525 Shares representing approximately 11.61% 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 aggregate interest held by Dr. Lui Che-woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu and Mr. Alexander Lui Yiu Wah and their close associates in the Company will increase to approximately 70.98% 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 HK Stock Exchange in each of the past twelve months preceding and up to the Latest Practicable Date:

Month	Highest HK\$	Lowest HK\$
2018		
April	5.25	4.67
May	5.37	4.68
June	5.41	4.41
July	4.63	4.27
August	4.58	4.24
September	4.36	3.67
October	3.73	3.13
November	3.88	3.49
December	4.04	3.64
2019		
January	4.36	3.63
February	4.35	4.15
March	4.86	4.06
April (up to the Latest Practicable Date)	5.07	4.83

REPURCHASE OF SHARES

The Company had not purchased any of the Shares (whether on the HK 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 close associates currently intend to sell Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No core connected persons 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 HK 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



於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

(Stock Code: 00173)

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 Wednesday, 5 June 2019 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 2018 of the Company;
2. To declare a final dividend for the year ended 31 December 2018;
3. To re-elect directors and fix the directors’ remuneration;
4. To re-appoint auditor and authorise the directors to fix its remuneration; and
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 (“**HK 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 HK 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 HK 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 percent (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 (“**Bye-laws**”) 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 and otherwise dealt with, or agreed conditionally or unconditionally to be allotted, issued and 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 percent (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 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).”; and

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 percent (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. 5.3.”

By Order of the Board of
K. Wah International Holdings Limited
Lee Wai Kwan, Cecilia
Company Secretary

Hong Kong, 18 April 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) 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/she 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) The registers of members of the Company will be closed from 31 May 2019 to 5 June 2019 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all shares transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong ("**Company's Branch Share Registrar**") for registration not later than 4:30 p.m. on 30 May 2019.
- (v) With regard to agenda item 2 above, the board of directors of the Company ("**Board**") has recommended a final cash dividend of 14 HK cents per share. The registers of members will be closed from 14 June 2019 to 19 June 2019 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all shares transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar for registration not later than 4:30 p.m. on 13 June 2019.
- (vi) With regard to agenda item 3 above, Dr. Moses Cheng Mo Chi and Dr. William Yip Shue Lam will retire and stand for re-election at the AGM. Their biographical details are set out in Appendix I to this circular. 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, the audit committee ("**Audit Committee**"), the remuneration committee ("**Remuneration Committee**") and the nomination committee ("**Nomination Committee**") of the Company for the year ended 31 December 2018, 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.

**Fees for Directors acting as such for
the year ended 31 December 2018
(and for subsequent financial years
until otherwise determined)**

	Chairman HK\$	Member HK\$
Board	232,000	200,000
Audit Committee	146,000	125,000
Remuneration Committee	60,000	50,000
Nomination Committee	60,000	50,000

NOTICE OF ANNUAL GENERAL MEETING

- (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 2019 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 2019, shareholders' approval to delegate the authority to the Directors to fix the auditor's remuneration is required, and is hereby sought, at the AGM.

- (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 this circular.