

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any of the contents of this announcement.



**K. WAH INTERNATIONAL
HOLDINGS LIMITED**

嘉華國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 173)



**K. WAH CONSTRUCTION
MATERIALS LIMITED**

嘉華建材有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 27)

**POSSIBLE ACQUISITION OF 88.1% OF THE VOTING SHARES CARRYING 97.9% OF
THE ECONOMIC INTEREST IN
GALAXY CASINO, S.A.**

**CONNECTED TRANSACTION AND VERY SUBSTANTIAL ACQUISITION FOR
K. WAH CONSTRUCTION MATERIALS LIMITED**

AND

**CONNECTED TRANSACTION, DEEMED VERY SUBSTANTIAL DISPOSAL
AND VERY SUBSTANTIAL ACQUISITION FOR
K. WAH INTERNATIONAL HOLDINGS LIMITED**

CLARIFICATION ANNOUNCEMENT

Reference is made to the circular issued by K. Wah International Holdings Limited (“KWIH”) and K. Wah Construction Materials Limited (“KWCM”) dated 30 June 2005 (the “Circular”).

Based on information provided by UBS AG, on page 564 of the Circular under the heading “Experts’ Interests” in relation to the shareholding interest of UBS AG in the KWIH Group (as defined in the Circular), it was stated that UBS AG did not hold any shareholding interest in any member of the KWIH Group as at the Latest Practicable Date (as defined in the Circular). However, KWIH and KWCM have been informed on 14 July 2005 by UBS AG that it has come to the attention of UBS AG that their London Branch had a shareholding interest in 26,165,000 shares in KWIH (representing approximately 1.1% of the issued share capital of KWIH) and holds on behalf of their clients an interest in bonds convertible to 3,555,552 shares in KWIH (representing approximately 0.15% of the issued share capital of KWIH) as at the Latest Practicable Date.

KWIH and KWCM were further informed by UBS AG that the misstatement arose due to communication error whereby the shareholding interests in KWIH were not picked up by the Hong Kong Branch of UBS AG.

At the date of this announcement, the executive directors of KWIH are Dr. Lui Che Woo, Mr. Francis Lui Yiu Tung, Mr. Lennon Lun Tsan Kau, Mr. Eddie Hui Ki On, Mr. William Lo Chi Chung and Ms. Paddy Tang Lui Wai Yu, the non-executive directors are Mr. Michael Leung Man Kin and Dr. Philip Wong Kin Hang, and the independent non-executive directors are Sir David Akers-Jones, Dr. Leo Lee Tung Hai, Dr. Robin Chan Yau Hing, Dr. Charles Cheung Wai Bun and Mr. Robert George Nield.

At the date of this announcement, the executive directors of KWCM are Dr. Lui Che Woo, Mr. Francis Lui Yiu Tung, Mr. Chan Kai Nang, Mr. Joseph Chee Ying Keung, Mr. William Lo Chi Chung and Ms. Paddy Tang Lui Wai Yu, the non-executive director is Mr. Moses Cheng Mo Chi, and the independent non-executive directors are Dr. Charles Cheung Wai Bun, Mr. James Ross Ancell and Dr. William Yip Shue Lam.

By Order of the Board of
K. Wah International Holdings Limited
Seaman KWOK Siu Man
Company Secretary

By Order of the Board of
K. Wah Construction Materials Limited
Kitty CHAN Lai Kit
Company Secretary

Hong Kong, 14 July 2005

* *For identification only*

*Please also refer to the published version of this announcement in the (**The Standard**)*