
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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China State Construction International Holdings Limited 中國建築國際集團有限公司, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中國建築國際集團有限公司
CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3311)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
OF THE SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the Annual General Meeting to be held at Salon 1-3, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 5 June 2007 at 3:30 p.m. is set out on pages 15 to 18 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

25 April 2007

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I — Details of the Directors to be Re-elected	9
Appendix II — Explanatory Statement for the Repurchase Mandate	12
Notice of Annual General Meeting	15

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Salon 1-3, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 5 June 2007 at 3:30 p.m., or any adjournment thereof
“Articles”	the Articles of Association of the Company as may be amended from time to time
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	China State Construction International Holdings Limited 中國建築國際集團有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Companies Law”	the Companies Law of the Cayman Islands for the time being in force
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	a general mandate to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of approval of the mandate
“Latest Practicable Date”	19 April 2007, 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

DEFINITIONS

“Repurchase Mandate”	the general and unconditional mandate to repurchase the fully paid up Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution in relation thereof
“Proposed Refreshment”	the 10% limit under the Share Option Scheme proposed to be refreshed by the Shareholders at the Annual General Meeting pursuant to which the Board may grant share options to eligible participants to subscribe up to 10% of the Shares in issue as at the date of the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all the share options to be granted under the Share Option Scheme and such other schemes of the Company which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of the approval of the Share Option Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company dated 9 June 2005
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) whether incorporated in Hong Kong or elsewhere and “subsidiaries” shall be construed accordingly
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3311)

Non-executive Director:

Kong Qingping (*Chairman*)

Executive Directors:

Zhou Yong (*Vice-chairman and Chief Executive Officer*)

Yip Chung Nam

Fu He

Zhou Hancheng

Cheong Chit Sun

Independent Non-executive Directors:

Raymond Ho Chung Tai

Adrian David Li Man Kiu

Raymond Leung Hai Ming

Lee Shing See

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head Office and Principal place of
business in Hong Kong:*

28th Floor, China Overseas Building

139 Hennessy Road

Wanchai

Hong Kong

25 April 2007

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
OF THE SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to (i) the granting to the Directors the Repurchase Mandate; (ii) the granting to the Directors the Issue Mandate; (iii) the extension of the Issue Mandate to include shares repurchased pursuant to the Repurchase Mandate; (iv) the proposed refreshment of the Scheme Mandate Limit of the Share Option Scheme; and (v) the re-election of retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued shares in the share capital of the Company subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution subject to the Listing Rules. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or the Articles, and the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement which is set out in the Appendix II of this circular.

GENERAL MANDATES TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue further shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and Issue Mandate, an ordinary resolution will also be proposed to authorise the Directors to issue shares in the capital of the Company in an amount not exceeding the aggregate nominal amount of the shares in the capital of the Company purchased pursuant to the Repurchase Mandate.

PROPOSED REFRESHMENT TO THE SCHEME MANDATE LIMIT

Proposed Refreshment

The Share Option Scheme was adopted by the Company on 9 June 2005. At the time of the adoption of the Share Option Scheme, the Company had 492,108,002 Shares in issue. The Company has granted 49,200,000 share options to eligible participants on 14 September 2005 at an exercise price of HK\$1.03. As at the Latest Practicable Date, 7,416,000 share options have been exercised, 470,000 share options have been cancelled and 41,314,000 share options remain outstanding. The Company has thus only 108,002 share options available to be granted under the Scheme Mandate Limit to eligible participants, representing approximately 0.022% of the 499,524,002 Shares in issue as at the Latest Practicable Date.

The Share Option Scheme was adopted to recognise and acknowledge the contributions of the Group's employees and other selected grantees made or may have made to the Group. The Share Option Scheme will provide the grantees with an opportunity to have a personal stake in the Company

LETTER FROM THE BOARD

with the view to achieving the objectives of motivating the grantees to optimise their performance efficiency for the benefit of the Company, and to attract and retain or otherwise maintain on-going relationships with the grantees whose contributions are or will be beneficial to the long-term growth of the Group.

As the existing Scheme Mandate Limit available to be granted to eligible participants represents only approximately 0.022% of the total number of Shares in issue, the Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit to the 10% provided under Chapter 17 of the Listing Rules so as to provide the Company with the flexibility of granting further share options under the Share Option Scheme and to provide incentives to, and recognise the contributions of, the Group's employees and other selected grantees. With the recovery in Hong Kong's economy since 2005, companies in Hong Kong are hiring new employees to meet their business requirements and keen competition exists between companies for qualified recruits. The Directors consider that the additional flexibility to be able to offer more share options is an important factor for the Company to attract potential recruits and to retain existing employees and officers of the Company.

It is proposed that subject to the approval of the Shareholders at the Annual General Meeting and such other requirements prescribed under the Listing Rules, the Scheme Mandate Limit will be refreshed so that the total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all other schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting and share options previously granted under the Share Option Scheme and/or any other share option scheme(s) of the Company, including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other schemes of the Company will not be counted for the purpose of the Proposed Refreshment.

Pursuant to the Listing Rules, the Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time will not exceed 30% of the Shares in issue from time to time. No share options will be granted under any scheme(s) of the Company if it will result in the 30% limit being exceeded.

As at the Latest Practicable Date, there were 499,524,002 Shares in issue. Assuming that no further Shares will be issued or repurchased prior to the date of approving the Proposed Refreshment by the Shareholders, the maximum number of Shares which fall to be issued upon the exercise of all share options that may be granted by the Company under the Proposed Refreshment would be 49,952,400 Shares, representing 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

Conditions

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to approve the Proposed Refreshment.

The adoption of the Proposed Refreshment is conditional upon:

- (i) the Shareholders passing an ordinary resolution to approve the Proposed Refreshment at the Annual General Meeting; and
- (ii) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of any share options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment not exceeding 10% of the number of Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders.

Application for Listing

Application will be made to the Stock Exchange for the listing of, and the permission to deal in, the Shares which fall to be issued upon the exercise of any share options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment.

RE-ELECTION OF DIRECTORS

Pursuant to the Articles, Mr. Kong Qingping, Mr. Zhou Yong and Mr. Zhou Hancheng will retire and, being eligible, will offer themselves for re-election at the Annual General Meeting. Information on the retiring Directors is set out in Appendix I to this circular.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 15 to 18 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve general mandates for the repurchase and issue by the Company of its own Shares and the Proposed Refreshment respectively.

Pursuant to Article 66, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (a) by the chairman of the meeting; or
- (b) at least three members present in person or in the case of a member being a corporation, by its duly authorised representative or by proxy for the time being, entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (c) by a member or members present in person or in the case of a member being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (e) if required by the rules of the designated stock exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent (5%) or more of the total voting rights at such meeting.

A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event no later than 48 hours before the time appointed for holding the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

RECOMMENDATION

The Directors consider that the re-election of Directors, the proposed granting of the Repurchase Mandate and the Issue Mandate to the Directors and the Proposed Refreshment are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular the omission of which would make any statement herein misleading insofar as it relates to the Company.

Yours faithfully,

By Order of the Board

**CHINA STATE CONSTRUCTION INTERNATIONAL
HOLDINGS LIMITED**

Kong Qingping

Chairman and Non-executive Director

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. KONG Qingping

Chairman and Non-executive Director

Aged 51, was appointed as a Director of the Company on 21 April 2004 and subsequently appointed as Chairman and designated as Non-executive Director of the Company on 1 June 2005. Mr. Kong also is the Chairman of the Company's Remuneration Committee and Nomination Committee.

Mr. Kong holds a bachelor degree in Engineering from Harbin University of Civil Engineering and Architecture, a degree of Executive Master of Business Administration from Harbin Institute of Technology and is a member of the Chartered Institute of Building (UK). Mr. Kong is a guest professor at Harbin Institute of Technology and at Hong Kong Polytechnic University. Mr. Kong joined China State Construction Engineering Corporation ("CSCEC") in 1982 and was seconded to Hong Kong in 1987. He became a general manager of China Overseas (Hong Kong) Limited ("COHK") in 1997, was appointed as a director of China State Construction Engineering (Hong Kong) Limited ("CSCEHK") in 1999, and was appointed as chairman of CSCEHK and COHK in 2002. Mr. Kong has more than 25 years' extensive experience in management of corporate affairs and construction projects. In 2006, Mr. Kong was appointed as a member of the Expert Committee of the Ministry of Construction in Residential Development and Industrial Modernization Technology, and was awarded the "Director of the Year Award — Executive Director of Listed Companies (SEHK - Non Hang Seng Index Constituents)" by The Hong Kong Institute of Directors.

Mr. Kong does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company, apart from being a director of CSCEC and China Overseas Holdings Limited and certain of its subsidiaries.

Currently, Mr. Kong is the Chairman and Chief Executive of China Overseas Land & Investment Ltd. ("COLI"), associated corporation of the Company. COLI is a company listed on the main board of the Stock Exchange, other than that he does not hold any directorship in listed public company in the last three year.

As at the Latest Practicable Date, Mr. Kong was interested in 200,000 shares in the Company and 17,316,000 shares in COLI. He has share options to subscribe for a total 1,200,000 shares of the Company and 2,344,000 shares of COLI. He has 1,876,500 warrants to subscribe shares of COLI.

Mr. Kong has signed a letter of employment with the Company for a term of 3 years and be subject to retirement by rotation and election in accordance with the Company's Articles. He is entitled to receive a director's fee of HK\$1,000,000 per annum which was determined with reference to his duties and responsibilities with the Group.

Mr. Kong has not been involved in any of the events under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters in relation to Mr. Kong that need to be brought to the attention of the shareholders of the Company.

Mr. ZHOU Yong*Vice-chairman and Chief Executive Officer*

Aged 36, was appointed as a Director of the Company on 21 April 2004 and subsequently be designated as an Executive Director and Vice-chairman of the Board of Directors of the Company on 1 June 2005 and 9 June 2005 respectively. Mr. Zhou also is a member of the Company's Nomination Committee.

Mr. Zhou graduated from Changsha National University of Defense Technology and University of South Australia. He is a Fellow of the Chartered Institute of Building (UK). Mr. Zhou joined CSCEC in 1994 and was seconded to Hong Kong in 1996. He was appointed as a director of CSCEHK and an executive director of COHK in 2001. Mr. Zhou has more than 14 years' construction, project and corporate management experience in Mainland China and Hong Kong, in particular, specializes in investment and development new business start-up, formulating and executing business strategies for companies. He oversaw the overall operation of the Group.

As at the Latest Practicable Date, Mr. Zhou was interested in 210,000 shares in the Company and 1,178,000 shares in COLI. He has share options to subscribe for a total 840,000 shares of the Company and 1,152,000 shares of COLI. He has 81,750 warrants to subscribe shares of COLI.

Mr. Zhou has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$180,000 per month and entitled to have discretionary bonus determined by the Board or the remuneration committee. Mr. Zhou's emolument is determined by reference to his individual performance and contribution, the overall performance of the Company and the prevailing economic situation and market practice. Mr. Zhou's service agreement does not provide for a specified length of service period and he will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Articles.

Mr. Zhou does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company. Mr. Zhou has not been involved in any of the events under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters in relation to Mr. Zhou that need to be brought to the attention of the shareholders of the Company.

Mr. ZHOU Hancheng*Executive Director and Financial Controller*

Aged 37, was appointed as a Director of the Company on 21 April 2004 and subsequently be designated as an Executive Director of the Company on 1 June 2005.

Mr. Zhou graduated from Shanghai University of Finance and Economics and holds a degree of Master of Business Administration from The University of Sheffield (UK). He is also a member of the Association of Chartered Certified Accountants. Mr. Zhou joined COLI Group in 1992. He was appointed as a director of CSCEHK and an executive director and the financial controller of COHK in 2003. Mr. Zhou has over 11 years' experience in corporate finance, financial accounting and investment management.

As at the Latest Practicable Date, Mr. Zhou was interested in 150,000 shares in the Company. He has share options to subscribe for a total 560,000 shares of the Company and 384,000 shares of COLI.

Mr. Zhou has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$43,000 per month and entitled to have discretionary bonus determined by the Board or the remuneration committee. Mr. Zhou's emolument is determined by reference to his individual performance and contribution, the overall performance of the Company and the prevailing economic situation and market practice. Mr. Zhou's service agreement does not provide for a specified length of service period and he will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Articles.

Mr. Zhou does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company. Mr. Zhou has not been involved in any of the events under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters in relation to Mr. Zhou that need to be brought to the attention of the shareholders of the Company.

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 499,524,002 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 49,952,400 Shares, being 10% of the entire issued share capital of the Company.

2. REASONS FOR SHARES REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as a whole as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

Repurchase to be made pursuant to the Repurchase Mandate would be finance out of funds legally available for the purpose in accordance with the Articles, the applicable laws of the Cayman Islands and Listing Rules. The Company may make repurchases out of profits of the Company or the proceeds of a fresh issue of shares made for the purposes or, if authorised subject to the provisions of the laws of the Cayman Islands, out of capital. Any premium payable on a repurchase over the par value of the shares to be purchased must be provided out of profits of the Company or out of the Company's share premium account, or if so authorised by the Articles and subject to the provisions of the laws of the Cayman Islands, out of capital.

On the basis of the consolidated financial position of the Company as at 31 December 2006 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position or the gearing position of the Company in the event that purchases of all the

Shares the subject of the Repurchase Mandate were to be carried out in full during the Repurchase Mandate period. No purchase would be made in circumstances that would have a material adverse impact on the working capital position or the gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements).

4. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months before the printing of this document are as follows:

	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
April	3.550	2.225
May	3.400	2.575
June	3.250	2.800
July	3.050	2.820
August	3.460	2.800
September	3.570	3.010
October	4.050	2.920
November	4.970	3.820
December	5.250	4.700
2007		
January	6.000	4.800
February	5.900	5.000
March	6.080	4.950
April (up to the Latest Practicable Date)	6.440	5.800

5. UNDERTAKING

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 make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the memorandum and articles of association and the laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their associates have any present intention to sell any 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) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, nor have undertaken not to do so, in the event that the Repurchase Mandate is granted by the Shareholders.

6. HONG KONG CODE ON TAKEOVERS AND MERGERS

If a Shareholder's proportionate interest in the voting capital of the Company increases as a result of a share repurchase, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a general offer for shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, China Overseas Holdings Limited, a wholly owned subsidiary of China State Construction Engineering Corporation, was beneficially interested in an aggregate of 316,322,956 Shares, representing approximately 63.32% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the shareholding in the Company held by them would be increased to approximately 70.36% of the issued share capital of the Company. Accordingly, such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

7. SHARE REPURCHASES MADE BY THE COMPANY

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

NOTICE OF ANNUAL GENERAL MEETING



中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3311)

NOTICE IS HEREBY GIVEN that the annual general meeting of China State Construction International Holdings Limited (the “Company”) will be held at Salon 1-3, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 5 June 2007 at 3:30 p.m. for the following purposes:

As Ordinary Business

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2006.
2. To declare a final dividend for the year ended 31 December 2006 of HK10 cents per share.
3. (A) To re-elect Mr. Kong Qingping as Director;
(B) To re-elect Mr. Zhou Yong as Director; and
(C) To re-elect Mr. Zhou Hancheng as Director.
4. To authorise the Board to fix the remuneration of the Directors.
5. To re-appoint Auditors and to authorise the Board to fix their remuneration.

As Special Business

6. To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:
 - (A) **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (“Shares”) or securities convertible into Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
 - (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:

- (i) a Rights Issue (as hereinafter defined);
- (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
- (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
- (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the Articles of Association (the “Articles”) of the Company from time to time,

shall not in total exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held;
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company (the “Shareholders”) in general meeting; and

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject 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 applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance all applicable laws and regulations and the Articles of the Company, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders in general meeting.”

- (C) “**THAT** conditional upon the passing of Resolutions 6(A) and 6(B), the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution 6(A) as set out in the notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 6(B) as set out in the notice convening the Meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of such securities of the Company in issue at the date of the passing of this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

“THAT

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in the share capital of the Company to be issued pursuant to the exercise of share options which may be granted under the Scheme Mandate Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the Share Option Scheme of the Company adopted on 9 June 2005 and all other share option scheme(s) up to 10% of the number of Shares in issue at the date of the passing of this resolution (the “Scheme Mandate Limit”) be and is hereby approved; and
- (b) any director of the Company be and is hereby authorised to do all such acts and execute all such documents to effect the Scheme Mandate Limit.”

By Order of the Board
**CHINA STATE CONSTRUCTION INTERNATIONAL
HOLDINGS LIMITED**
Chiang Yuet Wah Connie
Company Secretary

Hong Kong, 25 April 2007

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company’s branch registrar in Hong Kong, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
- (3) The register of members of the Company will be closed from Wednesday, 30 May 2007 to Tuesday, 5 June 2007, both dates inclusive, during which period no transfer of shares will be registered. All transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Standard Registrars Limited at the address set out at (2) above no later than 4:00 p.m. on Tuesday, 29 May 2007.
- (4) With respect to the resolution set out in resolution no. 6(B) of the notice, approval is being sought from shareholders for a general mandate to be given to the directors to repurchase shares of the Company.
- (5) With respect to the resolutions set out in resolution nos. 6(A) and 6(C) of the notice, approval is being sought from shareholders for general mandates to be given to the directors to allot, issue and deal with shares of the Company.