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

If you have sold or transferred all your securities in CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker 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)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

A notice convening an annual general meeting of China State Construction International Holdings Limited to be held at Boardroom 3 & 4, M/F., Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2006 at 3:00 p.m. to approve the matters referred herein is set out on pages 16 to 20 of this circular.

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

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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 Boardroom 3 & 4, M/F., Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2006 at 3:00 p.m., or any adjournment thereof (as the case may be)
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Articles”	the Articles of Association of the Company
“Company”	China State Construction International Holdings Limited, a company incorporated in Cayman Islands with limited liability, and the securities of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandate”	a general mandate to allot, issue and deal with new securities not exceeding 20% 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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 April 2006, 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
“Repurchase Code”	the Hong Kong Code on Share Repurchases

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate to repurchase issued and fully paid up shares in the share capital of the Company 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
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



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:

Century Yard, Cricket Square

Hutchins Drive

P.O. Box 2681 GT

George Town

Grand Cayman

British West Indies

*Head Office and Principal Place of
Business in Hong Kong:*

28th Floor

China Overseas Building

139 Hennessy Road

Wanchai

Hong Kong

28 April 2006

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the Annual General Meeting relating to (i) the re-election of Directors; and (ii) the granting to the Directors general mandates for the issue and repurchase of Shares up to 20% and 10% respectively of the aggregate nominal amount of Company's issued share capital as at the date of the passing of the relevant ordinary resolutions.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consists of ten Directors, namely Mr. Kong Qingping, Mr. Zhou Yong, Mr. Yip Chung Nam, Mr. Fu He, Mr. Zhou Hancheng, Mr. Cheong Chit Sun, Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Mr. Raymond Leung Hai Ming and Mr. Lee Shing See.

In according with the article 86(3) of the Articles, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Accordingly, all the existing Directors, being Directors appointed by the Board, will hold office only until the Annual General Meeting and, being eligible, offer themselves for re-election.

Details of the Directors proposed to be re-elected are set out in Appendix I to this circular.

PROPOSED GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

The mandates to issue and repurchase Shares were granted pursuant to resolutions in writing approved by the sole shareholder of the Company on 9 June 2005. The aforesaid mandates will lapse at the conclusion of the Annual General Meeting. In this regards, ordinary resolutions will be proposed at the Annual General Meeting to renew these mandates.

At the Annual General Meeting, ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with new securities not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution, (ii) to repurchase securities which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution; and (iii) to add the aggregate amount of the securities repurchased by the Company to the general mandate to the Directors to allot new securities of up to 10% of the issued share capital of the Company as at the date of passing of such resolution.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement which contains all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate. The explanatory statement is set out in the Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out in Appendix III to this circular.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you intend to be present 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, Standard Registrars Limited of 26th Floor,

LETTER FROM THE BOARD

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. The completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

Pursuant to article 66 of the Articles, a resolution put to vote at any general 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) demanded by:

- (a) the chairman of such 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
- (c) 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) 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 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.

RECOMMENDATION

The Directors are of the opinion that the Repurchase Mandate, the General Mandate and the re-election of Directors in the best interests of the Company and recommend you to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully
For and on behalf of
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 50, 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 and a degree of Executive Master of Business Administration from Harbin Institute of Technology. He is also a member of the Chartered Institute of Building (UK) and a guest professor at Harbin Institute of Technology. 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 24 years' extensive experience in management of corporate affairs and construction projects.

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 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 3,600,000 shares in COLI. He has share options to subscribe for a total 1,200,000 shares of the Company and 16,060,000 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. ZHOU Yong

Vice-chairman and Chief Executive Officer

Aged 35, 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 13 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 654,000 shares in COLI. He has share options to subscribe for a total 1,050,000 shares of the Company and 1,676,000 shares of COLI.

Mr. Zhou has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$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. YIP Chung Nam

Executive Director

Aged 56, was appointed as an Executive Director of the Company on 1 June 2005.

Mr. Yip graduated from the University of Hong Kong. He is the fellow of The Hong Kong Institution of Engineers and a member of The Institution of Civil Engineers (UK). Mr. Yip joined the COLI Group in 1987 and acted as an executive director of COLI from 1993 to 2005. He was appointed as a director of COHK in 1996 and a director of CSCEHK in 1999. He has over 30 years' experience in engineering, construction and project management. Mr. Yip is currently the vice chairman of civil-engineering committee and 1st vice-president of the 63rd Council of the Hong Kong Construction Association. He is also a committee member of the Pneumoconiosis Compensation Fund Board.

Mr. Yip had been an executive director of COLI in the last three year, 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. Yip was interested in 122,222 shares in the Company and 2,600,000 shares in COLI. He has share options to subscribe for a total 750,000 shares of the Company and 2,400,000 shares of COLI.

Mr. Yip has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$150,000 per month and entitled to have discretionary bonus determined by the Board or the remuneration committee. Mr. Yip'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. Yip'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. FU He

Executive Director

Aged 40, was appointed as an Executive Director of the Company on 1 June 2005. Mr. Fu also is a member of the Company's Nomination Committee.

Mr. Fu graduated from Zhejiang University and Murdoch University. He is a member of both of the Hong Kong Institution of Engineers and Chartered Institute of Building (UK). Mr. Fu joined CSCEC in 1987 and was seconded to Hong Kong in 1993. He was appointed as a director of COHK in 2000 and an executive director of COHK in 2002. Mr. Fu also was appointed as a director of CSCEHK in 2002. He has over 18 years' management experience in civil engineering.

As at the Latest Practicable Date, Mr. Fu was interested in 310,000 shares in COLI. He has share options to subscribe for a total 750,000 shares of the Company and 2,110,000 shares of COLI.

Mr. Fu has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$80,000 per month and entitled to have discretionary bonus determined by the Board or the remuneration committee. Mr. Fu'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. Fu'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 Hancheng

Executive Director and Financial Controller

Aged 36, 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. He is 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 10 years' experience in corporate finance, financial accounting and investment management.

As at the Latest Practicable Date, Mr. Zhou was interested in 10,000 shares in the Company. He has share options to subscribe for a total 700,000 shares of the Company and 772,000 shares of COLI.

Mr. Zhou has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$39,000 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. CHEONG Chit Sun

Executive Director

Aged 54, was appointed as an Executive Director of the Company on 12 October 2005.

Mr. Cheong graduated from the Hong Kong Baptist College and the University of Hull (UK). He is a member of both of The Hong Kong Institution of Engineers and The Institution of Civil Engineers (UK). Mr. Cheong joined the COLI Group in 2003. He was appointed as an executive director of CSCEHK and COHK in 2004. Mr. Cheong has over 30 years' experience in engineering, construction and project management in Hong Kong and overseas.

As at the Latest Practicable Date, Mr. Cheong was interested in 80,000 shares in COLI. He has share options to subscribe for a total 450,000 shares of the Company and 320,000 shares of COLI.

Mr. Cheong has entered into a service agreement with the Company. He is entitled to receive a basic salary of HK\$130,000 per month and entitled to have discretionary bonus determined by the Board or the remuneration committee. Mr. Cheong'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. Cheong'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.

Dr. Raymond HO Chung Tai, MBE, S.B. St. J., JP

Independent Non-executive Director

Aged 67, was appointed as an Independent Non-executive Director of the Company on 1 June 2005. Dr. Ho also is the Chairman of the Company's Audit Committee and members of the Company's Remuneration Committee and Nomination Committee.

Dr. Ho holds a doctorate in civil engineering from the City University of London, UK, Honorary Doctor of Business Administration from the City University of Hong Kong, Honorary Doctor of Laws from University of Manchester, UK, a postgraduate diploma for Advanced Studies in Engineering Soil Mechanics from The Victoria University of Manchester, UK and a bachelor degree in engineering from the University of Hong Kong. Dr. Ho has been responsible for numerous projects of engineering and environmentally related works of considerable magnitude and varied nature, including Shatin New Town and Tseung Kwan O New Town, all the new KCR railways stations from Kowloon Tong to Lo Wu (now called the East Rail) and the associated bridges and roadworks. He has also been involved in major projects of tunnels, bridges, flyovers, roads, dockyards, jetties, hospitals, hotels, incinerators, high-rise commercial/residential buildings, geotechnical work, environmental studies and projects as well as project management. Dr. Ho was formerly president of certain organisations such as Hong

Kong Institution of Engineers, council chairman of the City University of Hong Kong, council chairman of the former City Polytechnic of Hong Kong, chairman of Hong Kong Technology Committee of the Industry & Technology Development Council (ITDC) and member of ITDC, member of the first and second Legislative Council (Engineering Functional Constituency) and, the Provisional Legislative Council, chairman of the Transport Advisory Committee, member of Hong Kong Affairs Adviser, member of consultative committee on the New Airport and Related Project and member of the Gas Safety Advisory Committee. Dr. Ho was chairman and director of a number of companies of the Maunsell Consultants Asia Ltd in addition to its international company Guy Maunsell International Ltd during the period from January 1976 to August 1993. Dr. Ho is currently chairman of Guangdong Daya Bay Nuclear Plant and Ling Ao Nuclear Plant Safety Consultative Committee. He is also a member of the third Legislative Council (Engineering Functional Constituency) and is director of various private companies in Hong Kong.

Dr. Ho had been an independent non-executive director of China Motion Telecome International Limited and Lo's Enviro-Pro Holdings Limited in the last three years.

Currently, Dr. Ho is an independent non-executive director of Deson Development International Holdings Limited and Ming Hing Holdings Limited, companies 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, Dr. Ho has share options to subscribe for a total 200,000 shares of the Company.

Dr. Ho 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\$250,000 per annum which was determined with reference to his duties and responsibilities with the Group, and with an additional amount of HK\$110,000 per annum as fee for acting as audit committee chairman.

Mr. Adrian David LI Man Kiu

Independent Non-executive Director

Aged 32, was appointed as an Independent Non-executive Director of the Company on 1 June 2005. Mr. Li also is members of the Company's Audit Committee, Remuneration Committee and Nomination Committee.

Mr. Li holds a master degree in management from Kellogg Graduate School of Management, Northwestern University, Evanston, Illinois, US, a Master Degree of Arts and a Bachelor Degree of Arts in Law from the University of Cambridge. He is a member of The Law Society of England and Wales and The Law Society of Hong Kong. Mr. Li has been the General Manager and Head of Corporate Banking Division of The Bank of East Asia, Limited since 2000 and is responsible for the planning, management and supervision of the Bank's corporate banking business. He is a member of the Ninth Guangdong Provincial Committee and the Ninth and Tenth Guangzhou Committee of the Chinese People's Political Consultative Conference, P.R.C. He is also a committee member of the Ninth and Tenth All-China Youth Federation and the Deputy Chairman of the Ninth Beijing

Municipality Youth Federation. In addition, he serves as a member on advisory boards/committees of various organizations in Hong Kong including Vocational Training Council, Export Credit Insurance Corporation and the Small and Medium Enterprises Committee of Hong Kong. Mr. Li also sits on the Board of Ocean Park Corporation.

Currently, Mr Li is an independent non-executive director and audit committee Chairman of Sino Land Company Limited, Tsim Sha Tsui Properties Limited and Sino Hotels (Holdings) Limited. Further, he is an alternative independent non-executive director of San Miguel Brewery Hong Kong Limited. The aforesaid companies are all listed on the main board of the Stock Exchange. Other than these companies, Mr. Li does not hold any directorship in listed company in the last three year.

As at the Latest Practicable Date, Mr. Li has share options to subscribe for a total 200,000 shares of the Company.

Mr. Li 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\$250,000 per annum which was determined with reference to his duties and responsibilities with the Group.

Mr. Raymond LEUNG Hai Ming
Independent Non-executive Director

Aged 51, was appointed as an Independent Non-executive Director of the Company on 1 June 2005. Mr. Leung also is members of the Company's Audit Committee, Remuneration Committee and Nomination Committee.

Mr. Leung holds a bachelor degree in Applied Science in Civil Engineering and a Master degree in Applied Science. Mr. Leung is Fellow of The Hong Kong Institution of Engineers, Hong Kong Institute of Arbitrators, Hong Kong Institute of Construction Managers, American Society for Civil Engineers and Institution of Civil Engineer (UK). He has more than 25 years' experience in engineering, investment, construction and project management. Mr. Leung is director of various private companies in Hong Kong and also the chief executive officer of C & L Holdings Ltd engaging in investment and business consultancy.

Currently, Mr. Leung is an independent non-executive director of Continental Holdings Limited, 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. Leung has share options to subscribe for a total 200,000 shares of the Company.

Mr. Leung 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\$250,000 per annum which was determined with reference to his duties and responsibilities with the Group.

Mr. LEE Shing See, GBS, OBE, JP
Independent Non-executive Director

Aged 63, was appointed as an Independent Non-executive Director of the Company on 1 September 2005. Mr. Lee also is members of the Company's Audit Committee, Remuneration Committee and Nomination Committee.

Mr. Lee graduated from the University of Hong Kong in 1964. He is Fellow of both The Hong Kong Institution of Engineers and The Institution of Civil Engineers (UK). Mr. Lee joined The Hong Kong Government since he graduated from the University. He was the Director of Territory Development from the period of August 1994 to August 1999 and the Secretary for Works from the period of August 1999 to August 2002 (including 2 months as a Permanent Secretary). He was appointed by the Hong Kong Government as a director of the Hong Kong Science and Technology Parks Corporation and a member of the Provisional Construction Industry Co-ordination Board. Mr. Lee has over 38 years' experience in engineering and construction.

Currently, Mr. Lee is an independent non-executive director of Chun Wo Holdings Limited, 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. Lee has share options to subscribe for a total 200,000 shares of the Company.

Mr. Lee 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\$250,000 per annum which was determined with reference to his duties and responsibilities with the Group.

Each of the above Directors standing for re-election at the Annual General Meeting has confirmed to the Board that:

- (1) the requirements of the provisions under Listing Rules 13.51(2)(h) to 13.51(2)(v) are not relevant to him and therefore no information needs to be disclosed by any of them in relation to those paragraphs;
- (2) save as disclosed above, there is no information to be disclosed pursuant to any of the requirement of Listing Rule 13.51(2); and
- (3) there is no other matter which need to be brought to the attention of the Shareholders.

This Appendix contains the particular that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully-paid share capital of the Company was 492,108,002 Shares of HK\$0.10 each.

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 49,210,800 Shares, being 10% of the entire issued share capital of the Company.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the shareholders to enable the Company to repurchase its shares on the Stock Exchange. 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 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 of the Company and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. As compared with the financial position of the Company as at 31 December 2005 (being the date of its latest published audited accounts), the Directors consider that if the Repurchase Mandate were to be exercised in full during the proposed repurchase period, there will not be a material adverse impact on the working capital position and gearing level 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 effect on the working capital or the gearing level as compared with the position disclosed in the latest published audited accounts of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

3. FUNDING OF REPURCHASES

Repurchase to be made pursuant to the Repurchase Mandate would be financed out of funds legally available for the purpose in accordance with the Articles, the applicable laws of the Cayman Islands and the Listing Rules. The Company may make repurchases out of profits of the Company or a fresh issue of Shares made for the purpose 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 for 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.

4. HONG KONG CODES ON TAKEOVERS AND MERGERS

Upon the exercise of the power to repurchase the securities pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of the voting rights for the purpose of the Rule 32 of the Takeovers Code and Rule 6 of the Repurchase Code. Accordingly, a Shareholder, or 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, depending on the level of increase of Shareholders' interests, may become obliged to make a general offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, China Overseas Holdings Limited ("COHL") was beneficially interested in 316,318,956 Shares, representing approximately 64.28% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the percentage of the issued share capital of the Company beneficially interested by COHL would be increased to approximately 71.42%. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Code and/or reduce the amount of Shares held by the public to less than 25%.

5. PRICES OF SHARES

The following table shows the highest and lowest prices at which the Shares traded on the Stock Exchange in each of the 10 months prior to the Latest Practicable Date (the Company was listed on the Stock Exchange on 8 July 2005):

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
July	1.250	0.820
August	1.090	0.840
September	1.360	0.980
October	1.790	1.300
November	1.850	1.480
December	1.890	1.710
2006		
January	2.750	1.850
February	2.675	2.175
March	2.600	2.075
April (up to the Latest Practicable Date)	3.550	2.225

6. 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.

7. GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate to repurchase Shares in accordance with the Listing Rules, the Articles and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge 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 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 granted by the Shareholders.



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”) be held at Boardroom 3 & 4, M/F., Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2006 at 3:00 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 the Auditors for the year ended 31 December 2005.
2. To declare a final dividend for the year ended 31 December 2005 of HK9 cents per share.
3. To re-elect Directors and authorise the Board to fix the Directors’ remuneration.
4. To re-appoint Auditors and to authorise the Board to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

5. **“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company (the “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 with all applicable laws and regulations and the Articles of Association of the Company, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to the approval in 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 passing this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly;
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest 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 Association 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 of the Company in general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “Shares”) and make or grant offers, agreements, options, including bonds, warrants and debentures convertible into Shares, 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 be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, including bonds, warrants and debentures convertible into Shares, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) 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 rights of subscription or conversion attaching to any bonds, warrants, debentures issued by the Company or any securities which are convertible into Shares;
- (iii) the exercise of any share 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 of the Company from time to time,

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

- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest 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 Association 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 of the Company 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 exclusions 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).”

- 7. **“THAT** conditional upon the passing of the Resolutions nos. 5 and 6 set out in the notice convening the meeting of which these resolutions form part, 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 the Resolution no. 6 set out in the notice convening the meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company

repurchased by the Company under the authority granted pursuant to the Resolution no. 5 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 the issued share capital of the Company at the date of passing of this Resolution.”

By order of the Board
Chiang Yuet Wah Connie
Company Secretary

Hong Kong, 28 April 2006

Notes:

- (a) Any member entitled to attend and vote at this meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at this meeting. A proxy need not be a member of the Company.
- (b) To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the office of the Company’s branch share registrar, Standard Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding this meeting or adjourned meeting (as the case may be).
- (c) The register of members of the Company will be closed from Wednesday, 21 June 2006 to Monday, 26 June 2006, 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, Standard Registrars Limited at the address set out at (b) above no later than 4:00 p.m. on Tuesday, 20 June 2006.
- (d) With respect to the Resolution set out in Resolution no. 3 of the notice, Mr. Kong Qingping, Mr. Zhou Yong, Mr. Yip Chung Nam, Mr. Fu He, Mr. Zhou Hancheng, Mr. Cheong Chit Sun, Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Mr. Raymond Leung Hai Ming and Mr. Lee Shing See will hold office until the Annual General Meeting and, being eligible, offer themselves for re-election. Please refer to Appendix I of this circular for the details of the directors subject to re-election at the Annual General Meeting.
- (e) With respect to the Resolution set out in Resolution no. 5 of the notice, approval is being sought from members for a general mandate to be given to the Directors to repurchase shares of the Company. Please refer to Appendix II of this circular for the explanatory statement in relation to the Repurchase Mandate.

- (f) With respect to the Resolutions set out in Resolution nos. 6 and 7 of the notice, approval is being sought from members for general mandates to be given to the Directors to allot, issue and deal with shares of the Company.
- (g) As at the date hereof, the Company has ten directors, namely Mr. Kong Qingping (Chairman and Non-executive Director), Mr. Zhou Yong (Vice-chairman and Chief Executive Officer), Mr. Yip Chung Nam (Executive Director), Mr. Fu He (Executive Director), Mr. Zhou Hancheng (Executive Director), Mr. Cheong Chit Sun (Executive Director), Dr. Raymond Ho Chung Tai (Independent Non-executive Director), Mr. Adrian David Li Man Kiu (Independent Non-executive Director), Mr. Raymond Leung Hai Ming (Independent Non-executive Director) and Mr. Lee Shing See (Independent Non-executive Director).