

---

**THIS EXPLANATORY STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this explanatory statement 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 Chong Hing Bank Limited (the “Bank”), you should at once hand this explanatory statement and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer and 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 document, 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 document.

---



**創興銀行有限公司**  
**Chong Hing Bank Limited**

*(a Hong Kong-incorporated limited liability company)*

(Stock Code: 01111)

**RENEWAL OF GENERAL MANDATES FOR THE REPURCHASE  
BY THE BANK OF ITS OWN SHARES AND  
THE ISSUE OF NEW SHARES,  
THE RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED APPOINTMENT OF NEW AUDITOR AND  
VOTING BY POLL**

---

A notice convening the 2014 annual general meeting of the shareholders of the Bank to be held on the 27th Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong on Thursday, 8 May 2014 at 11 am is set out on pages 16 to 20 in the annual report of the Bank for the year ended 31 December 2013. A form of proxy for use at the 2014 annual general meeting of the shareholders and any adjournment thereof is attached. If you are unable to attend and vote at the 2014 annual general meeting of the shareholders and any adjournment thereof in person, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Bank’s registered office at Ground Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the annual general meeting of the shareholders and any adjournment thereof. Completion and return of the form of proxy shall not preclude the shareholders of the Bank from attending and voting in person at the annual general meeting of the shareholders and any adjournment thereof should they so wish.

14 March 2014

---

# CONTENTS

---

	Page(s)
<b>Definitions</b> .....	1
<b>Explanatory Statement from the Board</b> .....	2
A. Renewal of General Mandates for the Repurchase by the Bank of its Own Shares and the Issue of New Shares .....	3
B. Re-election of Retiring Directors .....	4
C. Proposed Appointment of New Auditor .....	4
D. Voting by Poll .....	5
E. Recommendation.....	5
F. Responsibility Statement.....	5
<b>Appendix 1 - Explanatory Statement on the Proposed General Mandate for the     Repurchase of Shares</b> .....	6 - 7
<b>Appendix 2 - Biographical Data about Retiring Directors Proposed to be Re-elected</b> .....	8 - 14

---

## DEFINITIONS

---

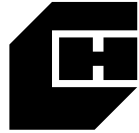
In this explanatory statement, unless the context otherwise requires, the following expressions shall have the following meanings:

“2014 AGM”	the annual general meeting of the shareholders of the Bank to be held on the 27th Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong on Thursday, 8 May 2014 at 11 am, notice of which is set out on pages 16 to 20 in the annual report of the Bank for the year ended 31 December 2013
“Articles of Association”	the articles of association of the Bank for the time being in force
“Bank”	Chong Hing Bank Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Board”	the board of directors of the Bank
“Code”	The Codes on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission of Hong Kong
“Directors”	the directors of the Bank
“Explanatory Statement”	this explanatory statement
“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”	7 March 2014, being the latest practicable date before the printing for despatch of the Explanatory Statement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Relevant Period”	the date of the passing of the resolutions in question until the conclusion of the next annual general meeting of the shareholders or the expiration of the period within which the next annual general meeting of the shareholders is required by law or the Articles of Association to be held or when revoked or varied by ordinary resolution(s) of shareholders in general meeting of the Bank, whichever occurs first
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

---

## EXPLANATORY STATEMENT FROM THE BOARD

---



# 創興銀行有限公司 Chong Hing Bank Limited

(a Hong Kong-incorporated limited liability company)

(Stock Code: 01111)

### Executive Directors

Mrs LEUNG Ko May Yee Margaret, SBS, JP  
*(Deputy Chairman and Managing Director)*

Mr LAU Wai Man  
*(Chief Executive Officer)*

Mr Don Tit Shing LIU  
*(Deputy Chief Executive Officer)*

### Non-executive Directors

Mr ZHANG Zhaoxing  
*(Chairman)*

Mr ZHU Chunxiu

Mr WANG Shuhui

Mr LI Feng

Mr Alfred Cheuk Yu CHOW, BBS, JP

### Independent Non-executive Directors

Mr Wanchai CHIRANAKHORN

Mr CHENG Yuk Wo

Mr Andrew Chiu Cheung MA

Mr LEE Ka Lun

### Registered Office

Ground Floor  
Chong Hing Bank Centre  
24 Des Voeux Road Central  
Hong Kong

---

# EXPLANATORY STATEMENT FROM THE BOARD

---

14 March 2014

To the Shareholders,

Dear Sir / Madam,

**RENEWAL OF GENERAL MANDATES FOR THE REPURCHASE  
BY THE BANK OF ITS OWN SHARES AND  
THE ISSUE OF NEW SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED APPOINTMENT OF NEW AUDITOR AND  
VOTING BY POLL**

**A. Renewal of General Mandates for the Repurchase by the Bank of its Own Shares and the Issue of New Shares**

1. At the annual general meeting of the shareholders of the Bank held on 8 May 2013, ordinary resolutions were passed giving general and unconditional mandates to the Directors to exercise all powers of the Bank (i) to allot, issue and deal with, otherwise than by way of rights issue or pursuant to the exercise of options granted under the Share Option Scheme of the Bank newly adopted on 9 May 2012 or pursuant to 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 Bank in accordance with the Articles of Association, Shares (as defined in the Appendix 1) with an aggregate nominal value not exceeding the sum of (a) 20 percent of the aggregate nominal amount of the issued share capital of the Bank as at the date of the passing of the relevant resolution and (b) the aggregate nominal amount of the share capital of the Bank repurchased under the authority referred to under (ii); and (ii) to repurchase up to 10 percent of the share capital of the Bank as at the date of resolution granting the general mandate, such authority relating only to repurchases made on the Stock Exchange or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose and otherwise in accordance with the Listing Rules; such mandates shall remain in effect during the Relevant Period and shall not extend beyond the Relevant Period save that the Directors may during the Relevant Period make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period. No Shares have been allotted, issued, repurchased or otherwise dealt with under the mandates in question.
2. Under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Listing Rules, these general mandates lapse at the conclusion of the 2014 AGM, unless renewed at that meeting. Resolutions will be proposed to renew these mandates and the Explanatory Statement required by the Listing Rules to be sent to shareholders in connection with the proposed share repurchase resolution is set out in Appendix 1. The Explanatory Statement also constitutes the memorandum required under section 239 of the Companies Ordinance.
3. With reference to Resolutions 5, 6 and 7 set out in the Notice of the 2014 AGM, the Directors wish to state that they have no immediate plans to repurchase any existing Shares or to allot and issue any new Shares pursuant to the relevant mandates.
4. It is proposed that general mandate be granted to allot and issue additional shares in the Bank not exceeding 20 percent of its issued share capital. On the basis of 435,000,000 Shares in issue as of the Latest Practicable Date and assuming no further Shares will be allotted and issued between 8 March 2014 and the date of the passing of such resolution, the maximum number of shares to be issued under the proposed general mandate is 87,000,000 Shares.

---

## EXPLANATORY STATEMENT FROM THE BOARD

---

### B. Re-election of Retiring Directors

1. The following individuals were appointed Directors on 14 February 2014: Mr Zhang Zhaoxing, Mrs Leung Ko May Yee Margaret, Mr Zhu Chunxiu, Mr Wang Shuhui, Mr Li Feng and Mr Lee Ka Lun. They shall retire and offer themselves for re-election at the 2014 AGM in accordance with Article 85 of the Articles of Association.
2. Article 101 of the Articles of Association stipulates that, among other things, one-third of the Directors for the time being, who have been longest in office since their last election, shall be subject to retirement by rotation and re-election at each annual general meeting of the shareholders. Accordingly, the following Directors shall retire and offer themselves for re-election at the 2014 AGM:

**Name**

Mr Lau Wai Man

Mr Cheng Yuk Wo

The Bank has received from Mr Cheng Yuk Wo, who has served as its Independent Non-executive Director for more than 9 years since 30 September 2004, an annual letter confirming his independence pursuant to Rule 3.13 of the Listing Rules. As such, the Bank considers Mr Cheng to be still independent and, therefore, eligible for re-election as its Independent Non-executive Director at the 2014 AGM.

3. Biographical data about the retiring Directors who are proposed to be re-elected at the 2014 AGM are set out in Appendix 2.

### C. Proposed Appointment of New Auditor

Messrs Deloitte Touche Tohmatsu, Certified Public Accountants (“Deloitte”) will retire as auditor of the Bank upon expiration of its current term of office at the conclusion of the 2014 AGM.

On 26 February 2014, the Board resolved to propose the appointment of Messrs PricewaterhouseCoopers, Certified Public Accountants (“PwC”) as the auditor of the Bank to fill the vacancy following the retirement of Deloitte and to hold office until the conclusion of the 2015 annual general meeting of the Bank, subject to the approval of the shareholders of the Bank at the 2014 AGM.

As noted in the joint announcement issued by Yue Xiu Enterprises (Holdings) Limited, Yuexiu Financial Holdings Limited and the Bank dated 5 February 2014, upon settlement of the voluntary cash partial offer on 14 February 2014, Yuexiu Financial Holdings Limited became the controlling shareholder of the Bank holding 75% of its issued share capital.

---

## EXPLANATORY STATEMENT FROM THE BOARD

---

Going forward, the financial statements of the Bank and its subsidiaries (the “Group”) will be consolidated into the financial statements of the Yuexiu group. The Board is of the view that it would be in the best interest of the Bank and its shareholders as a whole for the Group and the Yuexiu group to appoint the same auditor for the alignment of the audit work and with a view to enhancing the efficiency of the audit services. Considering the substantial asset base of the Yuexiu group and the significant scale and diversity of its businesses, the Board had resolved to propose to appoint PwC, the existing auditor of the Yuexiu group, as the auditor of the Group as aforesaid.

The Bank had, on 6 March, 2014, received a letter from Deloitte confirming that there were no matters that need to be brought to the attention of the holders of securities or creditors of the Bank. The Board had confirmed that there was no disagreement between Deloitte and the Bank, and there were no other matters in respect of the change of auditor that need to be brought to the attention of holders of securities or creditors of the Bank.

The Board would like to take this opportunity to thank Deloitte for its valuable contributions to the Bank in the past.

### **D. Voting by Poll**

The Listing Rules require that any vote of shareholders on all resolutions at general meetings (including the 2014 AGM) must be taken by poll.

### **E. Recommendation**

Your Directors believe that the renewal of general mandates for both the repurchase by the Bank of its own Shares and the issue of new Shares, the re-election of the retiring Directors, the proposed appointment of new auditor as well as poll voting are in the interests of the Bank and its Shareholders as a whole. As such, your Directors recommend that you vote in favour of all the relevant resolutions to be proposed for passage at the 2014 AGM.

### **F. Responsibility Statement**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board

**Zhang Zhaoxing**

*Chairman*

The following is the Explanatory Statement required to be sent to shareholders under the Listing Rules in connection with the proposed general mandate for repurchase of shares and also constitutes the memorandum required under section 239 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). References in this Appendix to “Shares” mean share(s) of all classes in the capital of the Bank:

- (i) It is proposed that up to 10 percent of the Shares in issue, at the date of the passing of the resolution to approve the general mandate, may be repurchased. On the basis of 435,000,000 Shares in issue as of the Latest Practicable Date and assuming no further Shares will be issued and / or repurchased between 8 March 2014 and the date of the passing of such resolution, the Directors would be authorised to repurchase up to 43,500,000 Shares.
  
- (ii) The Directors believe that the ability to repurchase Shares is in the interests of the Bank and its shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and / or earnings per share. The Directors are seeking the grant of a general mandate to repurchase Shares to give the Bank the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which such Shares are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.
  
- (iii) It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Bank which shall be funds legally available for such purpose in accordance with the Bank’s constitutive documents and the laws of Hong Kong.
  
- (iv) There could be a material adverse impact on the working capital or gearing position of the Bank (as compared with the position disclosed in its latest published audited accounts for the financial year ended 31 December 2013) in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Bank or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Bank.
  
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any associates (as defined in the Listing Rules) of Directors of the Bank who have a present intention, in the event that the general mandate is granted by shareholders, to sell Shares to the Bank.
  
- (vi) The Directors have undertaken to the Stock Exchange to exercise the power of the Bank to make repurchases pursuant to the general mandate in accordance with the Listing Rules and the laws of Hong Kong.



---

**APPENDIX 1 - EXPLANATORY STATEMENT ON THE PROPOSED GENERAL MANDATE FOR THE REPURCHASE OF SHARES**

---

- (vii) If, on the exercise of the power to repurchase Shares pursuant to the general repurchase mandate in question, a shareholder's proportionate interest in the voting rights of the Bank increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Code. As a result, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Bank and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Code.

Based on the disclosure made to the Bank under Part XV of the Securities and Future Ordinance, as at the Latest Practicable Date. Yuexiu Financial Holdings Limited, the controlling shareholder of the Bank, is interested in 326,250,000 Shares, representing 75 percent of Shares in issue.

Assuming that there is no change in the issued share capital of the Bank before the 2014 AGM, in the event that the general repurchase mandate in question is exercised in full, the interests of Yuexiu Financial Holdings Limited in terms of voting rights of the Bank would be increased from 75 percent to approximately 83.33 percent. Such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Code.

The Directors, however, have no present intention of exercising the general repurchase mandate in question in such a way (if it were to be exercised at all) that would result in the public shareholding of less than such prescribed minimum percentage under the Listing Rules.

- (viii) No repurchase has been made by the Bank of its Shares in the six months before the Latest Practicable Date.
- (ix) No connected persons (as defined in the Listing Rules) of the Bank have notified it of a present intention to sell Shares to the Bank and no such persons have undertaken not to sell such Shares to the Bank in the event that the general mandate is granted by shareholders.
- (x) The highest and lowest unit prices at which the Shares had been traded on the Stock Exchange during each of the previous twelve calendar months before the Latest Practicable Date and up to the Latest Practicable Date are as follows:

	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
March 2013	19.100	15.480
April 2013	21.700	18.980
May 2013	20.750	18.200
June 2013	22.300	18.700
July 2013	23.150	20.450
August 2013	29.750	21.950
September 2013	35.300	28.500
October 2013	37.500	32.600
November 2013	35.300	34.800
December 2013	35.000	34.050
January 2014	36.150	29.750
February 2014 <i>(Note)</i>	30.650	26.300
March 2014 <i>(up to and including the Latest Practicable Date) (Note)</i>	—	—

*Note:*

*Pursuant to Note 1 to Rule 8.08(1)(b) of the Listing Rules, trading in the shares and debt securities of the Bank was suspended with effect from 9:00 a.m. on 6 February 2014. The Bank has applied for and the Stock Exchange has subsequently granted a waiver from strict compliance with the public float requirement under Rule 8.08(1)(a) of the Listing Rules for a three-month period from 5 February 2014 to 5 May 2014 (both days inclusive). Active steps are being taken to restore the required minimum public float and announcement(s) regarding the restoration of public float and resumption of trading will be made as soon as possible.*

---

**APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED**

---

Biographical data about the retiring Directors who are proposed to be re-elected at the 2014 AGM are as follows:

**Mr ZHANG Zhaoxing**

aged 50, has been appointed the Chairman and a Non-executive Director of the Bank since 14 February 2014. Mr Zhang is the Chairman and Director of Guangzhou Yue Xiu Holdings Limited and Yue Xiu Enterprises (Holdings) Limited (“Yuexiu”) and the Chairman and a Non-executive Director of Yuexiu Financial Holdings Limited. He is also an Executive Director, the Chairman and General Manager of Yuexiu Property Company Limited, a company listed on the Stock Exchange (Stock Code: 00123), and the Chairman and Executive Director of Yuexiu Transport Infrastructure Limited, a company listed on the Stock Exchange (Stock Code: 01052). Mr Zhang holds an Executive Master of Business Administration degree awarded by Huazhong University of Science and Technology, and possesses the qualification of senior accountant in China. He has extensive experience in the financial management, industrial operation, capital operation and corporate culture development of large enterprises. Prior to joining Yuexiu in 2008, Mr Zhang was the Director and General Manager of Guangzhou Radio Group Co., Ltd., Chairman and General Manager of Haihua Electronics Enterprise (China) Corporation, Chairman of Guangzhou Guangdian Real Estate Development Co., Ltd. and a Director of GRG Banking Equipment Co., Ltd., a company listed on the Shenzhen Stock Exchange (Stock Code: 002152). Mr Zhang is a deputy of the 12th National People’s Congress of the People’s Republic of China and he is the only deputy from Guangzhou state-owned enterprises.

Save as disclosed above, Mr Zhang did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Zhang does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Zhang has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mr Zhang, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Zhang’s director’s fee for the whole year of 2014, having reference to his position as the Bank’s Chairman and Non-executive Director with committee responsibilities, including the Chairman of the Nomination Committee and a member of the Remuneration Committee, is HK\$350,000 (before pro rata adjustment in the light of his appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

---

**APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED**

---

**Mrs LEUNG Ko May Yee Margaret, SBS, JP**

aged 61, has been appointed the Deputy Chairman, Managing Director and an Executive Director of the Bank since 14 February 2014. Mrs Leung is a member of the Board of Directors and the Finance Committee of the Hospital Authority; the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR; the Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development; and the Standing Committee on Disciplined Services Salaries and Conditions of Service and the Chairman of the Police Subcommittee. She is a council member, acting Treasurer, Chairman of Finance Committee, Chairman of Steering Committee on the Gleneagles Hong Kong Hospital Project and member of Business School Board of Directors of the University of Hong Kong; a court member of the Hong Kong Baptist University; a member of the Business School Advisory Board of the Hong Kong University of Science and Technology; a member of the MBA Program Advisory Board of the Chinese University of Hong Kong; and a Board member and the Chairman of the Executive Committee of the Community Chest of Hong Kong. Mrs Leung is a member of the Guangzhou Municipal Committee of the Chinese People's Political Consultative Conference, the Standing Committee of the Henan Provincial Committee of the Chinese People's Political Consultative Conference, and the National Committee of the Chinese People's Political Consultative Conference. Mrs Leung is the Vice-chairman, an Executive Director and the Chief Executive of Yuexiu Financial Holdings Limited. She is an Independent Non-executive Director of First Pacific Company Limited (Stock Code: 00142), Li & Fung Limited (Stock Code: 00494), China Construction Bank Corporation (Stock Code: 00939) ("China Construction Bank"), Sun Hung Kai Properties Limited (Stock Code: 00016) and Hong Kong Exchanges and Clearing Limited (Stock Code: 00388) ("HKEx"), all of which are companies listed on the Stock Exchange. She is the Chair of Risk Management Committee, member of Nomination and Compensation Committee and Strategy Committee of China Construction Bank. She is a member of the Remuneration Committee and Risk Management Committee of the HKEx and a member of Listing Nominating Committee of the Stock Exchange. She is also an Independent Non-executive Director of QBE Insurance Group Limited, which is listed on the Australian Securities Exchange (Stock Code: QBE). Mrs Leung was the Vice-chairman and the Chief Executive of Hang Seng Bank Limited (Stock Code: 00011), which is listed on the Stock Exchange. She was also the Global Co-Head of Commercial Banking of HSBC Group and the Group General Manager of HSBC Holdings plc prior to her retirement from the HSBC Group in June 2012. She was an Independent Non-executive Director of Hutchison Whampoa Limited (Stock Code: 00013) and Swire Pacific Limited (Stock Codes: 00019 and 00087), both of which are listed on the Stock Exchange, and a Director of Wells Fargo HSBC Trade Bank, NA. She was the Chairman of the Board of Governors of Hang Seng Management College and Hang Seng School of Commerce; a member of the Advisory Board and the Chairman of the Investment Committee of the Hong Kong Export Credit Insurance Corporation; a member of the Banking Review Tribunal; and a member of the Advisory Committee of Securities and Futures Commission. Mrs Leung holds a Bachelor's degree in Economics, Accounting and Business Administration from the University of Hong Kong. Mrs Leung was awarded Silver Bauhinia Star and Justice of the Peace by the HKSAR.

Save as disclosed above, Mrs Leung did not hold any directorship in any other public listed company in the last three years.

---

## APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

---

Other than that mentioned above, Mrs Leung does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and /or substantial /controlling shareholders of the Bank. As of the Latest Practicable Date, Mrs Leung has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mrs Leung shall retire by rotation but shall then be eligible for re-election under the Articles of Association. Mrs Leung has entered into a service agreement with the Bank for a term of 3 years commencing 14 February 2014. Mrs Leung's emoluments package under the service agreement is comprised of annual base salary of HK\$11,640,000, discretionary bonus and other benefits, with reference to her position as the Bank's Deputy Chairman and Managing Director. Mrs Leung's director's fee for the whole year of 2014, having reference to her position as the Bank's Deputy Chairman, Managing Director and an Executive Director with committee responsibilities, including a member of the Risk Management Committee, is HK\$180,000 (before pro rata adjustment in the light of her appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

### **Mr ZHU Chunxiu**

aged 51, has been appointed a Non-executive Director of the Bank since 14 February 2014. Mr Zhu is the Vice-chairman and General Manager of Guangzhou Yue Xiu Holdings Limited and Yue Xiu Enterprises (Holdings) Limited ("Yuexiu"). He is also a Non-executive Director of Yuexiu Financial Holdings Limited and the Vice-chairman and Executive Director of Yuexiu Property Company Limited, a company listed on the Stock Exchange (Stock Code: 00123). Mr Zhu is also a Director of Guangzhou Rural Commercial Bank (formerly known as "Guangzhou Rural Credit Union"). Prior to joining Yuexiu in 2013, Mr Zhu was the Vice-chairman and General Manager of Guangzhou Finance Holdings Group Co., Ltd. (formerly known as "Guangzhou International Holding Group Co., Ltd."). Mr Zhu was awarded the Degree in Executive Master of Business Administration by Sun Yat-Sen University. Mr Zhu holds the economist qualification in China and has extensive experience in the operation and management of large financial institutions and banks. He is a deputy of the 14th session of the Guangzhou City People's Congress.

Save as disclosed above, Mr Zhu did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Zhu does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial /controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Zhu has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mr Zhu, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Zhu's director's fee for the whole year of 2014, having reference to his position as the Bank's Non-executive Director with committee responsibilities, including a member of the Nomination Committee, is HK\$300,000 (before pro rata adjustment in the light of his appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

---

## APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

---

### Mr WANG Shuhui

aged 42, has been appointed a Non-executive Director of the Bank since 14 February 2014. Mr Wang is a Director and a Deputy General Manager of Guangzhou Yue Xiu Holdings Limited (“Guangzhou Yue Xiu”) and Yue Xiu Enterprises (Holdings) Limited (“Yuexiu”). He is also a Non-executive Director of Yuexiu Financial Holdings Limited. He is also currently an Executive Director of Yuexiu Transport Infrastructure Limited. He is also the General Manager of Strategic Development Department of Guangzhou Yue Xiu, and is mainly responsible for the formulation and dynamic management of the Guangzhou Yue Xiu group’s development strategy and the feasibility study of major investment projects. Mr Wang graduated from the School of Finance of the Southwestern University of Finance and Economics and holds a Master degree in Monetary Economics and Banking, and an economist qualification, from Jinan University. Before he joined Yuexiu in May 2006, Mr Wang had over 13 years of experience in Guangzhou Securities Co., Ltd. and had held senior management positions (including the Project Manager of the Securities Issuance Consultancy Department, Manager of the Research and Development Department, Director of the Office of the CEO, General Manager of the Human Resource Department and the Assistant to the CEO, Board Secretary, Vice President) in such company. Mr Wang has solid knowledge and extensive professional experiences in financial industry and is familiar with the practice in the financial markets of Mainland China and the practice of listed company business operation.

Save as disclosed above, Mr Wang did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Wang does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Wang has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mr Wang, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Wang’s director’s fee for the whole year of 2014, having reference to his position as the Bank’s Non-executive Director with committee responsibilities, including the Chairman of the Risk Management Committee, members of the Audit committee and the Remuneration Committee, is HK\$300,000 (before pro rata adjustment in the light of his appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

**Mr LI Feng**

aged 45, has been appointed a Non-executive Director of the Bank since 14 February 2014. Mr Li is the Assistant to General Manager of, as well as the General Manager of the Capital Department of, Guangzhou Yue Xiu Holdings Limited (“Guangzhou Yue Xiu”) and Yue Xiu Enterprises (Holdings) Limited (“Yuexiu”), and a Director of Guangzhou City Construction & Development Co., Ltd., mainly responsible for organizing and implementing Guangzhou Yue Xiu group’s major capital operation plans and coordinating investor relations for Guangzhou Yue Xiu group’s listed companies. He is also a Non-executive Director of Yuexiu REIT Asset Management Limited (the Manager of Yuexiu Real Estate Investment Trust (Stock Code: 00405), which is listed on the Stock Exchange) since June 2012. Mr Li graduated from the Faculty of Naval Architecture and Ocean Engineering of South China University of Technology majoring in Naval Architecture, and obtained a Master of Business Administration degree from Jinan University. He holds the qualification of a Senior Engineer in China. Mr Li joined Yuexiu in December 2001 and has successively held positions including Assistant Manager of Corporate Management Department, Assistant to General Manager of Supervision and Auditing Department, Deputy General Manager of Capital Department and Deputy General Manager of Yue Xiu International Development Limited. Mr Li is familiar with business of listed companies and the operations of capital markets. Since 2008, he has participated in all of the major capital operation projects of the Guangzhou Yue Xiu group; before that, he was also engaged in the successful listing of Yuexiu Real Estate Investment Trust, and has extensive practical experience in capital operations.

Save as disclosed above, Mr Li did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Li does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Li is interested in 130,000 shares in Yuexiu Property Company Limited, a company listed on the Stock Exchange (Stock Code: 00123) (an associated corporation of the Bank) within the meaning of Part XV of the Securities and Futures Ordinance. Mr Li, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Li’s director’s fee for the whole year of 2014, having reference to his position as the Bank’s Non-executive Director with committee responsibilities, including a member of Risk Management Committee, is HK\$300,000 (before pro rata adjustment in the light of his appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

**Mr LEE Ka Lun**

aged 58, has been appointed an Independent Non-executive Director of the Bank since 14 February 2014. Mr Lee is an Independent Non-executive Director of Yuexiu Financial Holdings Limited. He has also been an Independent Non-executive Director of Yuexiu Property Company Limited, a company listed on the Stock Exchange (Stock Code: 00123) (“Yuexiu Property”) since April 2000. He is an accountant by profession. Mr Lee is a Fellow of the Association of Chartered Certified Accountants in UK and has over 20 years of experience in banking and auditing. He has been an Independent Non-executive Director of Chow Sang Sang Holdings International Limited (Stock Code: 00116) since September 2004 and REXLot Holdings Limited (Stock Code: 00555) since April 2007. The shares of the companies mentioned above are listed on the Stock Exchange.

---

**APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED**

---

Save as disclosed above, Mr Lee did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Lee does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Lee is interested in 4,550,000 shares in Yuexiu Property (an associated corporation of the Bank) within the meaning of Part XV of the Securities and Futures Ordinance. Mr Lee, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Lee's director's fee for the whole year of 2014, having reference to his position as the Bank's Independent Non-executive Director with committee responsibilities, including members of the Audit committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee, is HK\$300,000 (before pro rata adjustment in the light of his appointment as a director of the Bank on 14 February 2014).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

**Mr LAU Wai Man**

aged 55, is an Executive Director of the Bank and has been appointed its Chief Executive Officer since 7 March 2013. He holds a Bachelor of Law degree and a Master of Business Administration degree. Mr Lau is a Vice President of the Council of the Hong Kong Institute of Bankers, a member of the Hong Kong Institute of Certified Public Accountants and a Certified Financial Planner<sup>CM</sup>. He was a fellow of the Association of Chartered Certified Accountants and a senior associate of the Australian Institute of Bankers. Mr Lau joined the Bank as the Chief Auditor in 1988 and became a Director of the Bank in August 2001. He was a Deputy Chief Executive Officer of the Bank from 11 July 2007 to 6 March 2013. Before joining the Bank, he had worked for an international bank and an international accounting firm.

In addition to his directorship in the Bank, Mr Lau is a Director of certain members of the Bank Group and its associated corporation.

Save as disclosed above, Mr Lau did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Lau does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Lau has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mr Lau, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Lau was entitled to receive an emolument package comprising director's fee, contribution to retirement benefits scheme, and salary and other benefits amounting to HK\$4,404,000 in 2013 having reference to his position as the Bank's Executive Director and Chief Executive Officer.

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.

---

## APPENDIX 2 - BIOGRAPHICAL DATA ABOUT RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

---

### **Mr CHENG Yuk Wo**

aged 53, has been an Independent Non-executive Director of the Bank since September 2004. Mr Cheng, a co-founder of a Hong Kong merchant banking firm, is currently the proprietor of a certified public accountant practice in Hong Kong. Mr Cheng obtained a Master of Science (Economics) degree in Accounting and Finance from the London School of Economics, England and a Bachelor of Arts (Honours) degree in Accounting from the University of Kent, England. He is a fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, and a member of the Institute of Chartered Accountants of Ontario, Canada. Mr Cheng has more than 20 years of expertise in financial and corporate advisory services in mergers, acquisitions and investments. He had worked at Coopers and Lybrand (now known as PricewaterhouseCoopers) in London and Swiss Bank Corporation (now known as UBS AG) in Toronto, and held senior management positions in a number of Hong Kong listed companies.

In addition to his directorship in the Bank, Mr Cheng has been a Non-executive Director of CSI Properties Limited since 26 November 2002 before his redesignation as its Independent Non-executive Director with effect from 23 September 2004, a public company listed on the Stock Exchange. Mr Cheng has been an Independent Non-executive Director too of HKC (Holdings) Limited, C.P. Lotus Corporation, Goldbond Group Holdings Limited, CPMC Holdings Limited, Imagi International Holdings Limited, Top Spring International Holdings Limited and Liu Chong Hing Investment Limited since 14 July 2004, 27 September 2004, 1 November 2007, 23 June 2008, 1 July 2010, 30 November 2010 and 7 March 2014 respectively, all of which are public companies listed on the Stock Exchange. Besides, Mr Cheng was an Independent Non-executive Director of South China Land Limited, a public company listed on the Stock Exchange, from 17 September 2004 to 6 May 2013 and was an Executive Director of 21 Holdings Limited, a public company listed on Stock Exchange, from 1 May 2010 to 30 December 2013.

Save as disclosed above, Mr Cheng did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Mr Cheng does not hold any other position with the Bank or any of its subsidiaries, and does not have any relationship with any director, senior management and / or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Cheng has no interest (nor any short position) in the securities or underlying securities in the Bank or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance. Mr Cheng, who has not entered into any service contract with the Bank in relation to his role as director, shall retire by rotation, but shall then be eligible for re-election under the Articles of Association. Mr Cheng was entitled to receive an emolument in the form of director's fee amounting to HK\$250,000 in 2013 having reference to his position as the Bank's Independent Non-executive Director with committee responsibilities, including the Chairman of the Audit Committee.

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the shareholders of the Bank.