
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.

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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,
RE-ELECTION OF RETIRING DIRECTORS, AND
VOTING BY POLL**

A notice convening an 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 Wednesday, 28 April 2010 at 11:15 am is set out on pages 13 to 15 in the annual report of the Bank for the year ended 31 December 2009. A form of proxy for use at the 2010 annual general meeting and any adjournment thereof is attached. If you are unable to attend and vote at the 2010 annual general meeting 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 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 and any adjournment thereof should they so wish.

24 March 2010

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DEFINITIONS

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

| | |
|---------------------------|--|
| “2010 AGM” | the annual general meeting of the Bank to be held on the 27th Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong on Wednesday, 28 April 2010 at 11:15 am, notice of which is set out on pages 13 to 15 in the annual report of the Bank for the year ended 31 December 2009. |
| “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” | 17 March 2010, 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 or the expiration of the period within which the next annual general meeting 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

Dr LIU Lit Mo, LLD, MBE, JP
(Chairman)

Mr LIU Lit Chi
(Managing Director & Chief Executive Officer)

Mr Don Tit Shing LIU
(Deputy Chief Executive Officer)

Mr LAU Wai Man
(Deputy Chief Executive Officer)

Mr Wilfred Chun Ning LIU

Mr TSANG Chiu Wing

Mr WONG Har Kar

Registered Office

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

Non-executive directors

Mr Timothy George FRESHWATER

Mr WANG Xiaoming

Mr Andrew LIU

Mr Eiichi YOSHIKAWA

Mr Christopher Kwun Shing LIU

Mr Alfred Cheuk Yu CHOW, BBS, JP

Mr MENG Qinghui

Independent non-executive directors

Dr Robin Yau Hing CHAN, GBS, LLD, JP

Mr Wanchai CHIRANAKHORN

Mr CHENG Yuk Wo

Mr Andrew Chiu Cheung MA

EXPLANATORY STATEMENT FROM THE BOARD

24 March 2010

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, 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 Bank held on 29 April 2009, 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 adopted on 25 April 2002 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 per cent 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 per cent 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 32 of the Laws of Hong Kong) and the Listing Rules, these general mandates lapse at the conclusion of the 2010 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 49BA of the Companies Ordinance.
3. With reference to Resolutions 5, 6 and 7 set out in the Notice of the 2010 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 per cent 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 18 March 2010 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. 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. Accordingly, the following Directors shall retire and offer themselves for re-election at the 2010 AGM:

Name

Dr Liu Lit Mo

Mr Liu Lit Chi

Mr Don Tit Shing Liu

Dr Robin Yau Hing Chan

Mr Andrew Liu

Mr Wanchai Chiranakhorn

2. Biographical data about the retiring Directors who are proposed to be re-elected at the 2010 AGM are set out in Appendix 2.

C. Voting by Poll

The Listing Rules require that any vote of shareholders on all resolutions at general meetings (including the 2010 AGM) must be taken by poll.

D. Recommendation

Your Directors believe that the renewal of the general mandates for both the repurchase by the Bank of its own shares and the issue of new shares, and the re-election of the retiring Directors in question 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 of the relevant resolutions to be proposed for passage at the 2010 AGM.

By Order of the Board

Liu Lit Mo

Chairman

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

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 49BA of the Companies Ordinance. References in this Appendix to “Shares” mean share(s) of all classes in the capital of the Bank and include, where the context so requires, Shares of HK\$0.50 each of the Bank:

- (i) It is proposed that up to 10 per cent 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 18 March 2010 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 2009) 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.

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

- (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.
- (vii) The Directors are not aware of any consequences which would arise under the Hong Kong Code on Takeovers and Mergers (the “Code”) as a result of any repurchases under the general repurchase mandate in question other than the restriction that the controlling shareholding of Liu Chong Hing Estate Company, Limited (which currently stands at 48.13 percent of the Bank’s Shares in issue) should not rise more than 2 percentage points for the 12-month period in question. If the general repurchase mandate were to be fully exercised, the above shareholding would exceed the limit concerned and move up to 53.48 percent, thereby triggering Rule 26 of the Code in respect of mandatory offer. Neither should that of Liu Chong Hing Estate Company, Limited and those persons acting in concert within the meaning of the Code (which currently stands at 49 percent of the Bank’s Shares in issue) rise more than 2 percentage points for the 12-month period in question. If the general repurchase mandate were to be fully exercised, the above shareholding would exceed the limit concerned and move up to 54.44 percent, thereby triggering Rule 26 of the Code in respect of mandatory offer. The Directors, however, have no present intention of exercising the general repurchase mandate in such a way (if it were to be exercised at all) that would trigger any such mandatory offer.
- (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:

| | Highest | Lowest |
|---|----------------|---------------|
| | HK\$ | HK\$ |
| March 2009 | 9.000 | 7.830 |
| April 2009 | 10.380 | 8.780 |
| May 2009 | 13.360 | 9.650 |
| June 2009 | 14.200 | 12.820 |
| July 2009 | 14.020 | 12.900 |
| August 2009 | 14.700 | 13.340 |
| September 2009 | 16.300 | 13.400 |
| October 2009 | 15.380 | 14.360 |
| November 2009 | 15.900 | 13.920 |
| December 2009 | 15.500 | 14.800 |
| January 2010 | 15.260 | 13.920 |
| February 2010 | 14.920 | 13.900 |
| March 2010 (<i>up to and including the Latest Practicable Date</i>) | 14.640 | 13.780 |

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 2010 AGM are as follows:

Dr Liu Lit Mo, LLD, MBE, JP

aged 72, is the Chairman of the Bank. He was appointed a Director in 1958 and was a Deputy Managing Director of the Bank from 1961 to 1973. As for community service, Dr Liu was the Chairman of Tung Wah Group of Hospitals in 1967 and is now serving as an Adviser of the Group. He had also been President of the Hong Kong Chiu Chow Chamber of Commerce, Chairman of Hong Kong Football Association and District Governor of District 3450, Rotary International. Presently, he is a member of the Board of Trustees of United College, The Chinese University of Hong Kong and a Manager of Liu Po Shan Memorial College. He was awarded Silver Jubilee medal by Her Majesty the Queen in 1977. Dr Liu was conferred an Honorary Doctor's Degree in Laws by the Lingnan University in 2005. Dr Liu is the Chairman of the Bank's Investment Committee on Asia Opportunity Fund. Dr Liu is a member of the Liu's family, some of whose members are directors, members of the senior management and / or substantial / controlling shareholders of the Bank.

Dr Liu is a director of Chong Hing Commodities and Futures Limited; Chong Hing Finance Limited; Chong Hing Information Technology Limited; Chong Hing Insurance Company Limited; Chong Hing (Management) Limited; Chong Hing (Nominees) Limited; Chong Hing Securities Limited; Gallbraith Limited; Liu Chong Hing Banking Corporation, Cayman and Right Way Investments Limited, all of which are wholly-owned subsidiaries of the Bank.

Dr Liu is also a director of various subsidiaries of Liu Chong Hing Investment Limited, the controlling shareholder of the Bank.

Save as disclosed above, Dr Liu has been the Managing Director of Liu Chong Hing Investment Limited since 1972 and was also appointed its Chairman on 25 November 2009. He is currently an independent non-executive director of China Motor Bus Company Limited, of which he has been a board member since 1981. Both are public companies listed on the Stock Exchange. Save as disclosed above, in the last three years, Dr Liu did not hold any directorship in any other listed public company.

Other than that mentioned above, Dr Liu does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any directors, members of the senior management or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Dr Liu is interested in 250,381,278 shares in the Bank (amounting to some 57.55891 percent of its existing issued and fully paid share capital) within the meaning of Part XV of the Securities and Futures Ordinance. Dr Liu, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association.

Dr Liu, as the Chairman and a board member of the Bank, was entitled to an annual salary package of about HK\$588,000 in 2009. Dr Liu, as a board member, is at present entitled to receive by way of remuneration an annual fee, which is currently fixed with reference to such factors as his position, responsibilities and performance, at HK\$120,000.

Save as disclosed above, there is no information 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 Liu Lit Chi

aged 70, is the Managing Director and Chief Executive Officer of the Bank. Mr Liu, who was educated in Hong Kong and the United Kingdom, was appointed as a Director since 1958 and an Executive Director since 1961. Mr Liu is also an Executive Director of Liu Chong Hing Investment Limited since 1972 and holds directorship in a number of companies in Hong Kong and elsewhere. Mr Liu is a member of the Liu's family, some of whose members are directors, members of the senior management and / or substantial / controlling shareholders of the Bank.

Mr Liu is a director of Card Alliance Company Limited; Chong Hing Commodities and Futures Limited; Chong Hing Finance Limited; Chong Hing Information Technology Limited; Chong Hing Insurance Company Limited; Chong Hing (Management) Limited; Chong Hing (Nominees) Limited; Chong Hing Securities Limited; Gallbraith Limited; Liu Chong Hing Banking Corporation, Cayman and Right Way Investments Limited, all of which are wholly-owned subsidiaries of the Bank.

Mr Liu is also a director of various subsidiaries of Liu Chong Hing Investment Limited, the controlling shareholder of the Bank.

Save as disclosed above, Mr Liu has been appointed to the board of Liu Chong Hing Investment Limited as an Executive Director since its listing in 1972 on the Stock Exchange. Save as disclosed above, in the last three years, Mr Liu did not hold any directorship in any other listed public company.

Other than that mentioned above, Mr Liu does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any directors, members of the senior management or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Liu is interested in 251,948,087 shares in the Bank (amounting to some 57.9191 percent of its existing issued and fully paid share capital) within the meaning of Part XV of the Securities and Futures Ordinance. Mr Liu, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association.

Mr Liu, as the Managing Director and Chief Executive Officer and a board member of the Bank, was entitled to an annual salary package of about HK\$5,506,000 in 2009. Mr Liu, as a board member, is at present entitled to receive by way of remuneration an annual fee, which is currently fixed with reference to such factors as his position, responsibilities and performance, at HK\$70,000.

Save as disclosed above, there is no information 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 Don Tit Shing Liu

aged 47, is an Executive Director and Deputy Chief Executive Officer of the Bank. He graduated from Oxford University and is an associate member of the Institute of Chartered Accountants in England & Wales and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr Liu joined the Bank in 1992. He is a nephew of Dr Liu Lit Mo (Chairman of the Bank) and a member of the Liu's family, some of whose members are directors, members of the senior management and / or substantial / controlling shareholders of the Bank.

In addition to his directorship in the Bank, Mr Liu is a director of Card Alliance Company Limited; Chong Hing Commodities and Futures Limited; Chong Hing Finance Limited; Chong Hing Information Technology Limited; Chong Hing (Management) Limited; Chong Hing (Nominees) Limited; Chong Hing Securities Limited; Gallbraith Limited and Liu Chong Hing Banking Corporation, Cayman, all of which are subsidiaries of the Bank. Mr Liu is also a director of Shanghai Huang Pu Liu Chong Hing Property Development Company Limited, which is a subsidiary of Liu Chong Hing Investment Limited, the controlling shareholder of the Bank. Save as disclosed above, in the last three years, Mr Liu did not hold any directorship in any other listed public company.

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

Other than that mentioned above, Mr Liu does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any directors, members of the senior management or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Liu is interested in 15,000 shares in the Bank (amounting to some 0.003 percent of its existing issued and fully paid share capital) within the meaning of Part XV of the Securities and Futures Ordinance. Mr Liu, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association.

Mr Liu, as an Executive Director and Deputy Chief Executive Officer and a board member of the Bank, was entitled to an annual salary package of about HK\$2,940,000 in 2009. Mr Liu, as a board member, is at present entitled to receive by way of remuneration an annual fee, which is currently fixed with reference to such factors as his position, responsibilities and performance, at HK\$70,000.

Save as disclosed above, there is no information 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.

Dr Robin Yau Hing Chan, GBS, LLD, JP

aged 77, a member of the Board since October 1981, was redesignated from non-executive director to independent non-executive director of the Bank in April 2005. Dr Chan is the Ex-officio Life Honorary Chairman of The Chinese General Chamber of Commerce, Hong Kong and the Vice Chairman of All-China Federation of Returned Overseas Chinese. Dr Chan had been a Deputy to the National People's Congress of the People's Republic of China from March 1988 to February 2008.

In addition to his directorship in the Bank, Dr Chan has been the Chairman of Asia Financial Holdings Limited since 19 October 1990. He is currently an independent non-executive director of K. Wah International Holdings Limited, of which he has been a board member since 22 June 1989. Dr Chan is also currently an independent non-executive director of Keck Seng Investments (Hong Kong) Limited, of which he has been a board member since 8 September 1988. Asia Financial Holdings Limited, K. Wah International Holdings Limited and Keck Seng Investments (Hong Kong) Limited are all public companies listed on the Stock Exchange. Save as disclosed above, Dr Chan did not hold any directorship in any other public listed company in the last three years.

Other than that mentioned above, Dr Chan does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any director, senior management, substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Dr Chan is interested in 1,066,400 shares in the Bank (amounting to some 0.24515 percent of its existing issued and fully paid share capital) within the meaning of Part XV of the Securities and Futures Ordinance. Dr Chan, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association. Dr Chan, as a board member, is at present entitled to receive by way of an annual remuneration amounting to HK\$130,000, which is currently fixed with reference to such factors as his position, responsibilities and performance.

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 Andrew Liu

aged 54, a member of the Board since 1977, was redesignated from executive director to non-executive director of the Bank in May 1999. Mr Liu is also a director of Liu Chong Hing Investment Limited. He is the Chief Executive Officer of Unitas Capital Pte Ltd (formerly known as "CCMP Capital Asia Pte Ltd"). Mr Liu, holder of a Master of Arts degree from the Oxford University in England, was a solicitor with Slaughter and May in London before joining Morgan Stanley & Co Inc in New York in 1981. Mr Liu was promoted to Managing Director in 1990 before relocating to Morgan Stanley Asia Limited in Hong Kong, where he assumed the position of President and Managing Director until his resignation in September 1997. Mr Liu remains associated with Morgan Stanley as an Advisory Director. He is a nephew of Dr Liu Lit Mo (Chairman of the Bank) and a member of the Liu's family, some of whose members are directors, members of the senior management and / or substantial / controlling shareholders of the Bank.

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

In addition to his directorship in the Bank, Mr Liu has been a director of Liu Chong Hing Investment Limited since 1979, both of which are public companies listed on the Stock Exchange. Save as disclosed above, in the last three years, Mr Liu did not hold any directorship in any other listed public company.

Other than that mentioned above, Mr Liu does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any directors, members of the senior management or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Liu is interested in 177,000 shares in the Bank (amounting to some 0.04069 percent of its existing issued and fully paid share capital) within the meaning of Part XV of the Securities and Futures Ordinance. Mr Liu, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association. Mr Liu, as a board member of the Bank, was entitled to an annual salary package of about HK\$100,000 in 2009. Mr Liu, as a board member, is at present entitled to receive by way of remuneration an annual fee, which is currently fixed with reference to such factors as his position, responsibilities and performance, at HK\$70,000.

Save as disclosed above, there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of 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 Wanchai Chiranakhorn

aged 70, an Independent Non-executive Director of the Bank since September 1998, is the Chairman of Executive Board of Directors of C Wans Assets Co, Ltd. He has more than 25 years of experience as an international banker. Upon graduation from Baptist College, Hong Kong in 1964, he served in banks in Hong Kong, London, Bangkok and Malaysia. He joined the Bank in 1985 and became a Director in 1987. Before his departure in May 1995, Mr Chiranakhorn served as an Executive Director in charge of the Overseas Business Development Department. He was a Non-executive Director from May 1995 to September 1998. Mr Chiranakhorn has been a member of the Bank's Audit Committee and the chairman of Remuneration Committee since April 2003 and February 2005 respectively.

In addition to his directorship in the Bank, Mr Chiranakhorn is a director of Chong Hing Insurance Company Limited, which is a wholly-owned subsidiary of the Bank. Save as disclosed above, in the last three years, Mr Chiranakhorn did not hold any directorship in any other listed public company.

Other than that mentioned above, Mr Chiranakhorn does not hold any other position with the Bank or any other members of the Bank's group, and does not have any relationship with any directors, members of the senior management or substantial / controlling shareholders of the Bank. As of the Latest Practicable Date, Mr Chiranakhorn has no interest (nor any short position) in the securities and underlying securities in the Bank and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance. Mr Chiranakhorn, who has not entered into any service contract with the Bank in relation to his role as its director, is subject to retirement by rotation and, as the case may be, re-election under the Articles of Association. Mr Chiranakhorn, as a board member, is at present entitled to receive by way of remuneration an annual fee, which is currently fixed with reference to such factors as his position, responsibilities and performance at HK\$130,000.

Save as disclosed above, there is no information 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.