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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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Liu Chong Hing Bank Limited (the "Bank"), you should at once hand this circular 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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LIU CHONG HING BANK LIMITED

(a Hong Kong-incorporated limited liability company)

(Stock Code: 1111)

**NAME CHANGE PROPOSAL,
NOTICE OF EXTRAORDINARY GENERAL MEETING,
AND
PROCEDURES FOR DEMANDING AND CONDUCTING A POLL**

A letter from the board of directors of the Bank is set out on pages 2 to 5 of this circular.

A notice convening an extraordinary general meeting of the shareholders of the Bank to be held in The Harbour Room on Level 3 of The Ritz-Carlton at 3 Connaught Road Central, Hong Kong on Wednesday, 29 November 2006 at 11:30 am is set out on page 6 of this circular. A form of proxy for use at the extraordinary general meeting and any adjournment thereof is attached. If you are unable to attend and vote at the extraordinary 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 (currently at Ground Floor, New World Tower 2, 16-18 Queen's Road Central, Hong Kong) as soon as possible, but in any event not less than 48 hours before the time appointed for holding the extraordinary 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 extraordinary general meeting and any adjournment thereof should they so wish.

23 October 2006

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DEFINITIONS

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

“Bank”	Liu 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
“Directors”	the directors of the Bank
“EGM”	the extraordinary general meeting of the Shareholders of the Bank to be held at The Harbour Room on Level 3 of The Ritz-Carlton at 3 Connaught Road Central, Hong Kong on Wednesday, 29 November 2006 at 11:30 am, notice of which is set out on page 6 of this circular.
“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
“Shareholders”	the holders of shares of nominal value of HK\$0.50 each in the share capital of the Bank whose names are listed in the register of members of the Bank
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



LIU CHONG HING BANK LIMITED

(a Hong Kong-incorporated limited liability company)

(Stock Code: 1111)

Executive directors

Mr LIU Lit Man, GBS, JP, FIBA
(Executive Chairman)

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

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

Mr Don Tit Shing LIU
(Deputy Chief Executive Officer)

Mr Wilfred Chun Ning LIU

Mr LAU Wai Man

Mr Frank Shui Sang JIN

Mr Andrew Chiu Wing TSANG

Mr George Har Kar WONG

Non-executive directors

Mr Timothy George FRESHWATER

Mr Toshiaki ARAI

Mr Andrew LIU

Dr SUN Jiakang

Mr Christopher Kwun Shing LIU

Mr Alfred Cheuk Yu CHOW, JP

Mr WANG Zhi

Independent non-executive directors

Dr Robin Yau Hing CHAN, GBS, LLD, JP, EOE

Mr Wanchai CHIRANAKHORN

Mr CHENG Yuk Wo

Registered Office

Ground Floor
New World Tower 2
16-18 Queen's Road Central
Hong Kong

LETTER FROM THE BOARD

23 October 2006

To the Shareholders,

Dear Sir / Madam,

**NAME CHANGE PROPOSAL,
NOTICE OF EXTRAORDINARY GENERAL MEETING,
AND
PROCEDURES FOR DEMANDING AND CONDUCTING A POLL**

Introduction

As set out in the press announcement of the Bank dated 22 September 2006, the Board has resolved that a proposal for the change of the name of the Bank from “Liu Chong Hing Bank Limited (廖創興銀行有限公司)” to “Chong Hing Bank Limited (創興銀行有限公司)”, by way of a special resolution, be submitted to the Shareholders for consideration and, if thought fit, approval at the EGM.

This circular contains, among other things, the reasons and the conditions for, as well as the implications of, the name change proposal, along with the notice of the EGM and a form of proxy.

(1) Reasons for the Proposed Change of the Name of the Bank

The reasons for the proposed change of the name of the Bank are:

- (i) to better reflect the original intent of its founder, the late Mr Liu Po Shan, that the Bank, as a caring and responsible corporate citizen contributing to society like the “Chong Hing College” established by the late Mr Liu in the 1950s to promote education and nurture talents, does not necessarily have to bear the surname “Liu (廖)”;
- (ii) to rejuvenate the corporate image of the Bank to make it more appealing to a younger generation;
- (iii) to facilitate the further development of the Bank’s various business lines in the vast mainland China market under the auspices of the Mainland and Hong Kong Closer Economic Partnership Arrangement; and
- (iv) to more accurately reflect the public nature of the Bank as a public company listed on the Stock Exchange.

(2) Conditions

The proposed change of the name of the Bank is subject to both the passing of the above-mentioned special resolution by the Shareholders at the EGM and the obtaining of the relevant consent from the Registrar of Companies in Hong Kong. The proposed change of the name of the Bank shall have effect from the date on which the Certificate of Change of Name is issued by the Registrar of Companies in Hong Kong. The Monetary Authority in Hong Kong has in this regard already stated that he has no objection to such a proposed change of name.

A further press announcement will be made if and when the proposed change of name becomes effective.

LETTER FROM THE BOARD

(3) Implications

The proposed change of the name of the Bank will not affect any rights of the Shareholders. All existing share certificates in issue in relation to the issued share capital of the Bank bearing the existing name of the Bank will, after the coming into effect of the proposed change of the name of the Bank, continue to be evidence of title to the shares in the Bank, and will continue to be valid for trading, settlement and registration purposes.

In the light of the above, there will not be any full-scale arrangement for the exchange of the existing share certificates of the Bank for share certificates bearing the new name of the Bank. If the Shareholders do wish to exchange their existing share certificates of the Bank for share certificates bearing the new name of the Bank, they may, within 30 days from the date on which the proposed change of name becomes effective, deliver their existing share certificates in respect of the shares in the Bank to the Bank's share registrar and transfer office, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange them, at the expense of the Bank, for share certificates bearing the new name of the Bank. After the expiry of such a 30-day period, existing share certificates of the Bank will only be exchanged for share certificates bearing the new name of the Bank at the expense of the Shareholders themselves. Any such exchanges after the expiry of the period in question shall incur the same maximum fee (currently HK\$2.50) as that which may be prescribed by the Stock Exchange from time to time for the registration of transfers and other documents relating to or affecting the title to any shares in the Bank for each of such new share certificates to be so issued.

(4) Notice of the EGM

A notice convening the EGM is set out on page 6 of this circular. A resolution in relation to the name change proposal will be proposed to be passed as a special resolution at the EGM.

A form of proxy for use at the EGM and any adjournment thereof is attached. If you are unable to attend and vote at the EGM and any adjournment thereof in person, you are requested to complete and return it to the registered office of the Bank (currently at Ground Floor, New World Tower 2, 16-18 Queen's Road Central, Hong Kong) as soon as possible, but in any event not less than 48 hours before the time appointed for holding the EGM and any adjournment thereof. Completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the EGM and any adjournment thereof should they so wish.

Procedures for Demanding and Conducting a Poll

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required. Articles 65 through 68 of the Articles of Association (referred to as the "Company" therein) have set forth the relevant provisions as follows:

65. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or the withdrawal of any other demand for a poll) a poll is demanded by:
 - (i) the chairman of the meeting; or
 - (ii) at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
 - (iii) by any member or members present in person 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
 - (iv) by a member or members present in person 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 rights.

Unless a poll be so demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

LETTER FROM THE BOARD

66. A poll demanded on the election of the chairman of a meeting, or on the question of adjournment of a meeting, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman of the meeting directs. No Notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn with the consent of the chairman of the meeting, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
67. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
68. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

The Articles of Association is written in the English language and there is no official Chinese translation thereof. In case of any discrepancies between the English version of the above-quoted Articles 65 through 68 and the Chinese translation thereof, the English version shall prevail in all circumstances.

Recommendation

Your Directors believe that the Bank's proposed change of name is in the interest of the Bank and its Shareholders as a whole. As such, your Directors recommend that you vote in favour of the resolution to be proposed for passage as a special resolution at the EGM.

By Order of the Board

Liu Lit Man

Executive Chairman

NOTICE OF THE EGM



LIU CHONG HING BANK LIMITED

(a Hong Kong-incorporated limited liability company)

(Stock Code: 1111)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders of Liu Chong Hing Bank Limited (the “Bank”) will be held in The Harbour Room on Level 3 of The Ritz-Carlton at 3 Connaught Road Central, Hong Kong on Wednesday, 29 November 2006 at 11:30 am for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution as a special resolution:

“**THAT**, subject to the consent of the Registrar of Companies in Hong Kong, the name of the Bank be changed from “Liu Chong Hing Bank Limited (廖創興銀行有限公司)” to “Chong Hing Bank Limited (創興銀行有限公司)” **AND THAT** the directors be authorized to perform all such acts, deeds and things as they may, in their absolute discretion, deem fit to effect and implement the change of the name of the Bank.”

By Order of the Board

Michael K W Yeung

Company Secretary

23 October 2006

Notes:

- (1) A shareholder of the Bank (“Shareholder”) entitled to attend and vote at the EGM and any adjournment thereof is entitled to appoint one or more proxies to attend and vote in his / her stead. A proxy need not be a Shareholder but must be present in person to represent his / her appointor. A form of proxy for use at the EGM and any adjournment thereof is attached to this circular.
- (2) To be valid, the form of proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Bank’s registered office (currently at Ground Floor, New World Tower 2, 16-18 Queen’s Road Central, Hong Kong) not less than 48 hours before the time appointed for holding the EGM and any adjournment thereof.
- (3) In the case of joint registered holders of any share(s) in the capital of the Bank (each a “Share” and collectively “Shares”), any one of such persons may vote at the EGM and any adjournment thereof, either personally or by proxy, in respect of such Share / Shares as if he / she were solely entitled thereto. However, if more than one of such joint registered holders is present at the EGM and any adjournment thereof, either personally or by proxy, the one present whose name stands first in the register of members of the Bank in respect of such Share / Shares shall alone be entitled to vote in respect thereof.
- (4) Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the EGM and any adjournment thereof if they so wish. If a Shareholder attends the EGM and any adjournment thereof after having deposited the form of proxy, his / her form of proxy will be deemed to have been revoked.