

NOTICE OF ANNUAL GENERAL MEETING

(6) **THAT**

- (a) subject to paragraph (c), the exercise by the directors of the Bank during the Relevant Period of all the powers of the Bank to allot, issue and deal with additional shares in the capital of the Bank and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Bank during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Bank pursuant to the approval in paragraph (a), otherwise than pursuant to (i) any Rights Issue, (ii) 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 of the Bank, or (iii) any exercise of options granted under the share option scheme of the Bank adopted on 25 April 2002, shall not exceed the aggregate of:
- (aa) 20 per cent of the aggregate nominal amount of the shares in the capital of the Bank in issue at the date of the passing of this resolution; and
- (bb) (if the directors are so authorised by a separate ordinary resolution of the shareholders of the Bank) the nominal amount of any share capital of the Bank repurchased by the Bank subsequent to the passing of this resolution,
- and the said approval be and is hereby limited accordingly; and
- (d) for the purpose of this resolution:
“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Bank;
- (ii) the expiration of the period within which the next annual general meeting of the Bank is required by law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Bank to holders of shares of the Bank or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the directors of the Bank may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).

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- (7) **THAT** the directors of the Bank be and are hereby authorised to exercise the powers of the Bank referred to in paragraph (a) of the resolution set out as Resolution 6 in the notice convening this meeting in respect of the share capital of the Bank referred to in sub-paragraph (bb) of paragraph (c) of that resolution.
- (8) To transact any other ordinary business of the Bank.

By Order of the Board

Michael K W Yeung

Company Secretary

13 March 2003

NOTES:

1. A shareholder entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a shareholder of the Bank. The Bank's Articles of Association require proxy forms to be deposited at the registered office of the Bank (currently situated at 24 Des Voeux Road Central, Hong Kong) not later than 48 hours before the time for holding the meeting or any adjourned meeting.
2. The Register of Members will be closed from Monday, 14 April 2003 to Thursday, 17 April 2003 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for the final dividend, all transfer documents, together with the relevant share certificates, must be lodged for registration with the Bank's Share Registrars and Transfer Office, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 pm on Friday, 11 April 2003.
3. The Bank's Annual Report 2002 (containing, among other things, an Explanatory Statement on Resolutions 5 through 7 in question) will be sent to shareholders by Friday, 28 March 2003.