

# CIRCULAR ON SHARE OPTION SCHEME AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in the Company, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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14 March 2002



LIU CHONG HING BANK LIMITED  
*(Incorporated in Hong Kong with limited liability)*

## PROPOSED ADOPTION OF A NEW SHARE OPTION SCHEME, TERMINATION OF THE EXISTING SHARE OPTION SCHEME AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

A letter from the chairman of Liu Chong Hing Bank Limited is set out on pages 20 to 24 of the Company's Annual Report 2001. A notice convening the annual general meeting of Liu Chong Hing Bank Limited to be held at the Conference Room, 16th Floor, Liu Chong Hing Bank Building, 24 Des Voeux Road Central, Hong Kong at 11:30 am on Thursday, 25 April 2002 is set out on pages 13 to 16 of the Company's Annual Report 2001.

Whether or not you intend to attend the said meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy shall not preclude shareholders from attending and voting at the meeting or any adjourned meeting should they so desire.

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## DEFINITIONS

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

“Associates”	shall have the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company;
“Connected Persons”	shall have the meaning ascribed to it under the Listing Rules;
“Company”	Liu Chong Hing Bank Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange;
“Directors”	the directors (including independent non-executive directors) of the Company;
“AGM”	the annual general meeting of the Company to be held in the Conference Room, 16th Floor, Liu Chong Hing Bank Building, 24 Des Voeux Road Central, Hong Kong at 11:30 am on 25 April 2002;
“AGM Notice”	the notice of the AGM which is set out on pages 13 to 16 to the Company’s Annual Report 2001;
“Existing Scheme”	the existing share option scheme adopted by the Company on 10 June 1994;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	14 March 2002, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;

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## DEFINITIONS

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“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“New Scheme”	the proposed share option scheme of the Company to be adopted by the Company, the principal terms of which are set out in Appendix I of this circular;
“SDI Ordinance”	Securities (Disclosure of Interests) Ordinance (Chapter 396 of the Laws of Hong Kong);
“Shareholder(s)”	holder(s) of Share(s);
“Share(s)”	share(s) of \$0.50 each in the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of such shares from time to time of the Company);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Substantial Shareholder”	shall have the meaning ascribed to it under the Listing Rules; and
“\$”	Hong Kong dollars.

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## RESPONSIBILITY

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This circular includes information given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.