

# DIRECTORS' REPORT

## DIRECTORS' (INCLUDING THE CHIEF EXECUTIVE OFFICER'S) INTERESTS AND SHORT POSITIONS IN SECURITIES - continued

### *Interests in securities*

Director's name	Number of ordinary shares in the Bank				Percentage of issued share capital
	Personal interests	Spousal interests	Corporate interests	Total interests	
Liu Lit Man	3,447,928	—	237,764,628	241,212,556	55.45116
			<i>Note (1)</i>		
Liu Lit Mo	1,009,650	—	237,764,628	238,774,278	54.89064
			<i>Note (1)</i>		
Liu Lit Chi	313,248	—	240,027,839	240,341,087	55.25082
			<i>Notes (1) &amp; (2)</i>		
Don T S Liu	15,000	—	—	15,000	0.00345
Peter A L Vine	1,200	—	—	1,200	0.00028
Robin Y H Chan	48,400	—	1,018,000	1,066,400	0.24515
			<i>Note (3)</i>		
Timothy G Freshwater	396	—	—	396	0.00009
Andrew Liu	60,000	—	—	60,000	0.01379
Dominic B H Lam	50,000	600	—	50,600	0.01163

### *Notes:*

- (1) 237,764,628 shares in the Bank are attributed as follows:
- (i) 197,764,628 shares held by public listed Liu Chong Hing Investment Limited's wholly-owned subsidiaries, Liu Chong Hing Estate Company, Limited ("Liu Chong Hing Estate") (holding 196,233,628 shares) and Liu Chong Hing Insurance Company Limited (holding 1,531,000 shares), in which each of Messrs Liu Lit Man, Liu Lit Mo and Liu Lit Chi is deemed under the SFO to be interested through Liu's Holdings Limited, a private company holding approximately 45 percent of Liu Chong Hing Investment Limited's issued and fully-paid share capital; and
  - (ii) 40,000,000 shares held by The Bank of Tokyo-Mitsubishi, Ltd ("Bank of Tokyo-Mitsubishi"). Pursuant to an agreement in 1994, Bank of Tokyo-Mitsubishi has granted an option to Liu Chong Hing Estate exercisable at any time during the term of that agreement to purchase all such shares and Bank of Tokyo-Mitsubishi is required to offer to sell all such shares to Liu Chong Hing Estate in certain circumstances. By virtue of the interests of Messrs Liu Lit Man, Liu Lit Mo and Liu Lit Chi in Liu Chong Hing Estate through Liu's Holdings Limited, each of them is deemed under the SFO to be interested in such shares.
- (2) 2,263,211 shares in the Bank are held by Alba Holdings Limited, shareholders of which include Mr Liu Lit Chi and his associates. Accordingly, Mr Liu Lit Chi is deemed under the SFO to be interested in such shares.
- (3) 1,018,000 shares in the Bank are held collectively by Asia Panich Investment Company (Hong Kong) Limited and United Asia Company Limited. These corporations or their directors are accustomed to acting in accordance with Dr Robin Y H Chan's directions or instructions.

# DIRECTORS' REPORT

## DIRECTORS' (INCLUDING THE CHIEF EXECUTIVE OFFICER'S) INTERESTS AND SHORT POSITIONS IN SECURITIES - continued

### *Other interests and short positions in securities*

Under the SFO, other than those interests disclosed above, as at 31 December 2004, none of the directors (including the chief executive officer), nor their respective associates, had any other interests (nor any short positions) in any securities (nor in any underlying securities) in the Bank and its associated corporations. Moreover, as at 31 December 2004, none of the directors (including the chief executive officer), nor their respective spouses and children under 18 years of age, had been granted any rights to subscribe for the securities in the Bank and its associated corporations, much less had any such rights exercised.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2004, the register maintained under Section 336 of the SFO showed that, other than the interests disclosed above in respect of certain directors (including the chief executive officer), the following parties had interests and short positions in the securities and underlying securities in the Bank:

Name	Capacity	Number of ordinary shares	Percentage of issued share capital
Liu Chong Hing Estate Company, Limited	Beneficial owner	196,233,628 <i>Notes (1) and (3)</i>	45.11
Liu Chong Hing Investment Limited	Interest of a controlled corporation	197,764,628 <i>Notes (1) and (3)</i>	45.46
Liu's Holdings Limited	Interest of a controlled corporation	197,764,628 <i>Notes (1) and (3)</i>	45.46
Bauhinia 97 Ltd	Beneficial owner	87,000,000 <i>Note (2)</i>	20.00
COSCO Pacific Limited	Interest of a controlled corporation	87,000,000 <i>Note (2)</i>	20.00
COSCO (Hong Kong) Group Limited	Interest of a controlled corporation	87,000,000 <i>Note (2)</i>	20.00
China Ocean Shipping (Group) Company	Interest of a controlled corporation	87,000,000 <i>Note (2)</i>	20.00
The Bank of Tokyo-Mitsubishi, Ltd	Beneficial owner	42,000,000 <i>Note (3)</i>	9.66
Mitsubishi Tokyo Financial Group, Inc	Interest of a controlled corporation	42,000,000 <i>Note (3)</i>	9.66

# DIRECTORS' REPORT

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SECURITIES - continued**

### *Notes:*

- (1) These interests are the same as those of certain directors (including the chief executive officer) disclosed above under the heading "DIRECTORS' (INCLUDING THE CHIEF EXECUTIVE OFFICER'S) INTERESTS AND SHORT POSITIONS IN SECURITIES" Note (1)(i). Liu Chong Hing Estate Company, Limited ("Liu Chong Hing Estate") and Liu Chong Hing Insurance Company Limited are wholly-owned subsidiaries of Liu Chong Hing Investment Limited, a public company listed on The Stock Exchange of Hong Kong Limited. Liu's Holdings Limited, a private company, had interest in about 45 percent of Liu Chong Hing Investment Limited's issued and fully-paid share capital. The references to the 197,764,628 shares in question all relate to the same blocks of 196,233,628 shares registered in the name of Liu Chong Hing Estate and 1,531,000 shares held by Liu Chong Hing Insurance Company Limited.
- (2) China Ocean Shipping (Group) Company is the holding company of COSCO (Hong Kong) Group Limited, which is in turn the holding company of COSCO Pacific Limited, a public company listed on The Stock Exchange of Hong Kong Limited. The references to the 87,000,000 shares in question all relate to the same block of 87,000,000 shares registered in the name of Bauhinia 97 Ltd, which is a company wholly-owned by COSCO Pacific Limited.
- (3) The Bank of Tokyo-Mitsubishi, Ltd ("Bank of Tokyo-Mitsubishi") is a wholly-owned subsidiary of Mitsubishi Tokyo Financial Group, Inc. The references to the 42,000,000 shares in question both relate to the same block of 42,000,000 shares registered in the name of Bank of Tokyo-Mitsubishi.

Pursuant to an agreement in 1994, Bank of Tokyo-Mitsubishi has granted an option to Liu Chong Hing Estate exercisable at any time during the term of that agreement to purchase 40,000,000 of the 42,000,000 shares in question and Bank of Tokyo-Mitsubishi is required to offer to sell all such 40,000,000 shares to Liu Chong Hing Estate in certain circumstances.

Other than those interests and short positions in the securities and underlying securities in the Bank as disclosed above under Section 336 of the SFO, the Bank had not been notified of any other interests and short positions in its securities and underlying securities as at 31 December 2004.