

## **NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Tenth Annual General Meeting of The HSBC China Fund Limited will be held at Level 35, Room C, 1 Queen's Road Central, Hong Kong on 30 April 2002 at 11:00 a.m. for the following purposes:-

### **ORDINARY BUSINESS**

1. To receive and adopt the Audited Accounts of the Company for the year ended 31 December 2001 and the reports of the Directors and Auditors thereon.
2. To declare a final dividend.
3. To re-elect Directors.
4. To authorise Directors to fix the Directors' remuneration.
5. To re-appoint Ernst & Young as Auditors and authorise the Directors to fix their remuneration.

### **SPECIAL BUSINESS**

6. To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:-

(1) **“THAT:-**

- (i) Subject to paragraph (iii) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue or otherwise deal with any unissued shares in the capital of the Company pursuant to the Companies Laws (Cap. 22) (as amended) of the Cayman Islands and to make or grant offers, agreements, options and/or warrants which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of the powers of the Company referred to in that paragraph at any time during or after the end of the Relevant Period;
- (iii) the aggregate nominal amount of unissued shares in the capital of the Company which may be allotted, issued or otherwise dealt with by the Directors of the Company during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to a Rights

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Issue or the exercise of subscription rights attaching to any warrants issued by the Company, shall not exceed the aggregate of 20 per cent, of the aggregate nominal amount of shares in the capital of the Company in issue as at the date of passing this resolution;

(iv) for the purpose of this resolution:-

(a) “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:-

(1) the conclusion of the next annual general meeting of the Company;

(2) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or by law to be held; and

(3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the Directors of the Company to holders of shares in the capital of the Company whose names appear on the Register of Members on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws or regulations in any territory outside the Cayman Islands).”

(2) **“THAT:-**

(i) subject to paragraphs (ii) and (iii) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase Shares be and it is hereby generally and unconditionally approved;

(ii) the aggregate nominal amount of Shares which may be purchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;

(iii) for the purpose of this Resolution:-

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- (a) “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:-
- (1) the conclusion of the next Annual General Meeting of the Company;
  - (2) the expiration of the period within which the next Annual General Meeting of the Company is required by the articles of association of the Company or by law to be held;
  - (3) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting; and
- (b) “Shares” means shares of all classes in the capital of the Company and warrants and other securities issued by the Company which carry a right to subscribe or purchase shares of the Company.”
- (3) “**THAT**, conditional upon the passing of Resolutions (6)(1) and (2) set out above granting the general mandate to the Directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with shares in the capital of the Company and to make, issue or grant offers, agreements, options and/or warrants which might require the exercise of such powers be and is hereby extended by the addition to the total nominal amount of share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the total nominal amount of shares in the capital of the Company purchased by the Company pursuant to the exercise by the Directors of the Company in accordance with Resolution (6)(2) above of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution.”

By Order of the Board

**M G BOND**

Secretary

Hong Kong, 20 March 2002

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Notes :

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint not more than two proxies to attend and vote for him in accordance with the Articles of Association of the Company; a proxy need not be a member.
- (ii) In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the Registers of Members in respect of the joint holding.
- (iii) To be valid, a form of proxy must be deposited at Prince's Building, 8th Floor, 10 Chater Road, Central, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting.
- (iv) The Transfer Books and Registers of Members will be closed from 29 April 2002 to 30 April 2002 inclusive during which period no share transfers can be registered.

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