

**IMPORTANT**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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**中信國際金融控股有限公司**

CITIC INTERNATIONAL FINANCIAL HOLDINGS LIMITED

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

**(Stock Code: 183)**

**NOTICE OF THE 83RD ANNUAL GENERAL MEETING**

**RE-ELECTION OF DIRECTORS**

**AND**

**GENERAL MANDATES**

**TO ISSUE NEW SHARES AND REPURCHASE SHARES**

A notice convening the 83rd Annual General Meeting of CITIC International Financial Holdings Limited to be held on Thursday, 22 May 2008 at Atrium I & II, 39th Floor, Island Shangri-La Hong Kong, Pacific Place II, 88 Queensway, Hong Kong at 10:00 a.m. is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the Annual General 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 the holding of the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting should you so wish.

30 April 2008

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## DEFINITIONS

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

“AGM”	the 83rd annual general meeting of the Company to be held on Thursday, 22 May 2008 at 10:00 a.m. at Atrium I & II, 39th Floor, Island Shangri-La Hong Kong, Pacific Place II, 88 Queensway, Hong Kong
“Articles”	the articles of association of the Company
“BBVA”	Banco Bilbao Vizcaya Argentaria, S.A., a company incorporated in the Kingdom of Spain and a substantial shareholder of the Company
“Board”	the board of Directors
“CCHL”	CITIC Capital Holdings Limited, an associated company incorporated in Hong Kong which the Company holds 50% of its issued share capital
“CIAM”	CITIC International Assets Management Limited, an associated company incorporated in Hong Kong which the Company holds 40% of its issued share capital
“CITIC Group”	CITIC Group, a state-owned enterprise incorporated in the PRC and is a substantial and controlling shareholder of the Company
“CKWB”	CITIC Ka Wah Bank Limited, a company incorporated in Hong Kong and is a wholly owned subsidiary of the Company
“CNCB”	China CITIC Bank Corporation Limited, an associated company incorporated in the PRC which the Company holds 15% of its issued share capital
“Company”	CITIC International Financial Holdings Limited, a company incorporated in Hong Kong, the securities of which are listed on the Stock Exchange
“Convertible Bonds”	the 0.25 per cent guaranteed convertible bonds which were issued by the wholly owned subsidiary of the Company, CIFH (CB-I) Limited, in December 2003
“Director(s)”	the director(s) of the Company

## DEFINITIONS

“General Mandate to Issue Shares”	the general mandate to the Directors to allot, issue and otherwise deal with new Shares on the terms and subject to the conditions of resolution no. 4 to be proposed at the AGM
“General Mandate to Repurchase Shares”	the general mandate to the Directors to repurchase Shares on the terms and subject to the conditions of resolution no. 5 to be proposed at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	24 April 2008, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notice”	the notice of the AGM set out on pages 7 to 10 of this circular
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholders”	holders of Shares
“Share Options”	the share options granted pursuant to The CITIC International Financial Holdings Limited Share Option Scheme adopted by the Company on 16 May 2003 carrying rights to subscribe for Shares in cash
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers



# 中信國際金融控股有限公司

CITIC INTERNATIONAL FINANCIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 183)

*Chairman*

Mr. Kong Dan

*Vice Chairman*

Mr. Chang Zhenming

*Executive Directors*

Mr. Dou Jianzhong

Mrs. Chan Hui Dor Lam Doreen

Mr. Lo Wing Yat Kelvin

Mr. Roger Clark Spyer

Mr. Zhao Shengbiao

*Non-executive Directors*

Mr. Jose Barreiro

Mr. Chen Xiaoxian

Mr. Fan Yifei

Mr. Feng Xiaozeng

Mr. Manuel Galatas

Mr. Ju Weimin

Mr. Liu Jifu

Mr. Wang Dongming

*Independent Non-executive Directors*

Mr. Rafael Gil-Tienda

Mr. Lam Kwong Siu

Mr. Tsang Yiu Keung Paul

*Registered Office:*

Suites 2701-9, 27th Floor,

CITIC Tower,

1 Tim Mei Avenue,

Central,

Hong Kong.

30 April 2008

*To the Shareholders*

Dear Sir or Madam,

**NOTICE OF THE 83RD ANNUAL GENERAL MEETING  
RE-ELECTION OF DIRECTORS  
AND  
GENERAL MANDATES  
TO ISSUE SHARES AND TO REPURCHASE SHARES**

**INTRODUCTION**

The purpose of this circular is to give you notice of the AGM of the Company and information on certain matters to be dealt with at the AGM, including the proposed re-election of Directors and the proposed General Mandate to Issue Shares and General Mandate to Repurchase Shares.

## LETTER FROM THE BOARD

### ANNUAL GENERAL MEETING

A notice convening the AGM is set out in Appendix I to this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806-7, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or at any adjourned meeting if you so wish.

### RE-ELECTION OF DIRECTORS

The Board of Directors of the Company currently consists of eighteen Directors, namely Mr. Kong Dan, Mr. Chang Zhenming, Mr. Dou Jianzhong, Mr. Jose Barreiro, Mrs. Chan Hui Dor Lam Doreen, Mr. Chen Xiaoxian, Mr. Fan Yifei, Mr. Feng Xiaozeng, Mr. Manuel Galatas, Mr. Rafael Gil-Tienda, Mr. Ju Weimin, Mr. Lam Kwong Siu, Mr. Liu Jifu, Mr. Lo Wing Yat Kelvin, Mr. Roger Clark Spyer, Mr. Tsang Yiu Keung Paul, Mr. Wang Dongming and Mr. Zhao Shengbiao.

In accordance with article 98 of the Articles, all Directors of the Company shall retire from office at each annual general meeting and, being eligible, offer themselves for re-election. All Directors offered themselves for re-election and their biographical details are set out in Appendix II to this circular.

### GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to give the Directors a new general mandate to exercise all of the powers of the Company to allot, issue and otherwise deal with unissued Shares with an aggregate nominal amount not exceeding 20 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing such resolution, and adding to the General Mandate to Issue Shares, by way of a separate resolution, the number of Shares representing the aggregate amount of the Shares which may be repurchased by the Company after the grant of the General Mandate to Repurchase Shares (up to a maximum equivalent to 10 per cent of the issued share capital of the Company at the date of passing the relevant resolution). Based on 5,757,396,916 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased before the date of the AGM, the Company will be allowed, under the proposed General Mandate to Issue Shares, to issue a maximum of 1,151,479,383 Shares. The granting of General Mandate to Issue Shares may provide flexibility and discretion to the Directors when it is desirable to allot additional shares in the capital of the Company.

The full text of the ordinary resolution in relation to the General Mandate to Issue Shares is set out in resolution no. 4 in the Notice set out on pages 7 to 10 of this circular.

## LETTER FROM THE BOARD

### GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held in last year, a general mandate was given to the Directors to repurchase Shares on the Stock Exchange of up to 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at that date. Under the terms of the repurchase mandate and the Listing Rules, such repurchase mandate will lapse on 22 May 2008 upon the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors a new general mandate to repurchase Shares, subject to the terms and conditions of the resolution, up to 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such resolution. Based on 5,757,396,916 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased before the date of the AGM, the Company will be allowed, under the proposed General Mandate to Repurchase Shares, to repurchase a maximum of 575,739,691 Shares. The full text of the ordinary resolution in relation to the General Mandate to Repurchase Shares is set out in resolution no. 5 in the Notice set out on pages 7 to 10 of this circular.

An explanatory statement, as required by the Listing Rules to be sent to Shareholders in connection with the General Mandate to Repurchase Shares, is set out in Appendix III to this circular. This contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the General Mandate to Repurchase Shares at the AGM.

### RIGHT TO DEMAND POLL

Pursuant to article 69 of the Articles, 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 on 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 in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote at the meeting; or
- (iii) any member or members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (iv) any member or members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

## LETTER FROM THE BOARD

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

In order to enhance shareholders' rights, the Chairman of the AGM will demand a poll, pursuant to article 69 of the Articles, on each of the resolutions as set out in the Notice. The results of the poll will be published on the Company's and the Stock Exchange's websites following the AGM.

### RECOMMENDATION

The Directors are of the opinion that the proposed General Mandate to Issue Shares, General Mandate to Repurchase Shares and re-election of Directors are in the best interests of the Company and the Shareholders, and accordingly recommend that the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully

**Dou Jianzhong**

*Director and Chief Executive Officer*





# 中信國際金融控股有限公司

CITIC INTERNATIONAL FINANCIAL HOLDINGS LIMITED

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

**(Stock Code: 183)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 83rd Annual General Meeting (the “Meeting”) of the members of CITIC International Financial Holdings Limited (the “Company”) will be held at Atrium I & II, 39th Floor, Island Shangri-La Hong Kong, Pacific Place II, 88 Queensway, Hong Kong on Thursday, 22 May 2008 at 10:00 a.m. for the following purposes:

### **As ordinary business:**

1. To receive and consider the financial statements together with the Reports of the Directors and of the Auditors for the year ended 31 December 2007;
2. To re-elect Directors and to authorise the Board to fix their remuneration for the year ended 31 December 2007;
3. To appoint Auditors and to authorise the Board to fix their remuneration;

### **As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:**

4. “(a) **THAT** a general mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period all of the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants or other securities, which might require the exercise of such powers during and after the Relevant Period, provided that the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) pursuant to the aforesaid mandate, otherwise than pursuant to or in consequence of (1) a Rights Issue or (2) the exercise of any option under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers, and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe or acquire shares of the Company or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company or (4) any adjustment after the date of grant or issue of any options, warrants or other securities referred to herein, in the price at which

## APPENDIX I NOTICE OF THE 83RD ANNUAL GENERAL MEETING

shares in the capital of the Company which shall be subscribed, on exercise of relevant rights under such options, rights to subscribe, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, warrants or other securities or (5) a specific authority granted by the shareholders of the Company in general meeting, shall not, subject to Resolution No. 6 of this Notice of Meeting, exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution; and

(b) for the purposes of this Resolution:

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares in the capital of the Company, open for a period fixed by the Directors, to holders of shares in the capital of the Company on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares subject in all cases 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 of, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong.

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- i) the conclusion of the next annual general meeting of the Company;
- ii) the expiration of the period within which the next annual general meeting of the Company as required by any applicable laws or the Articles of Association of the Company to be held; and
- iii) the revocation, variation or renewal of the authority given to the Directors in this Resolution by an ordinary resolution of the shareholders in general meeting.”;

5. “(a) **THAT** a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all of the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of the shares to be repurchased pursuant to the approval in this paragraph shall not exceed 10 per cent of the share capital of the Company in issue as at the date of the passing of this Resolution; and

**APPENDIX I NOTICE OF THE 83RD ANNUAL GENERAL MEETING**

(b) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- i) the conclusion of the next annual general meeting of the Company;
  - ii) the expiration of the period within which the next annual general meeting of the Company as required by any applicable laws or the Articles of Association of the Company has to be held; and
  - iii) the revocation, variation or renewal of the authority given to the Directors in this Resolution by an ordinary resolution of the shareholders in general meeting.”; and
6. “**THAT**, subject to the passing of Resolution No. 5 of this Notice of Meeting, the general mandate under Resolution No. 4 of this Notice of Meeting be extended by increasing the aggregate nominal amount of share capital of the Company permitted to be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the mandate granted under Resolution No. 4 of this Notice of Meeting by an amount equivalent to the aggregate nominal amount of the shares in the capital of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under Resolution No. 5 of this Notice of Meeting provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution.”.

By Order of the Board  
**CITIC International Financial Holdings Limited**  
**Kyna Y. C. Wong**  
*Company Secretary*

Hong Kong, 30 April 2008

## APPENDIX I NOTICE OF THE 83RD ANNUAL GENERAL MEETING

*Notes:*

1. Every member entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead provided that if more than one person is authorised, the proxy/authorisation must specify the number of shares in respect of which each such person is so authorised. The proxy need not be a member of the Company.
2. A form of proxy for use at the Meeting convened by the above notice is enclosed herewith. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power of attorney or authority) must be completed, signed and deposited at the office of the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806-7, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjourned thereof.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the Meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For the sake of good corporate governance practice, the Chairman of the Meeting intends to demand poll voting for all the resolutions set out in this notice of the Meeting, and those Directors of the Company, who are shareholders of the Company as well, will abstain from voting at the Meeting on Resolution No. 2 concerning the re-election of Directors and fixing their remuneration.

The following are the particulars of all the eighteen Directors of the Company proposed to be re-elected at the AGM:

**Mr. Kong Dan** (*Chairman*)

Aged 60, has been the Chairman of the Company since January 2001. Mr. Kong is the Chairman of CITIC Group, the controlling shareholder of the Company, CNCB and CITIC Resources Holdings Limited (“CITIC Resources”). He is also a Director of CKWB.

Mr. Kong holds a Master Degree in Economics from the China Academy of Social Sciences. He was formerly the Vice Chairman and President of China Everbright Group Limited, Vice Chairman of China Everbright Limited and Chairman of China Everbright Technology Limited. He has extensive business connections and experience in investment and finance.

Save as disclosed above, Mr. Kong is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Kong is interested in 4,800,000 Shares within the meaning of Part XV of the SFO. Mr. Kong also holds options granted by CCHL and CITIC Resources to subscribe for 80,000 shares in cash in CCHL and 20,000,000 shares in cash in CITIC Resources respectively.

**Mr. Chang Zhenming** (*Vice Chairman*)

Aged 51, was appointed as a Director of the Company in June 2005 and further been elected Vice Chairman of the Company in October 2006. Mr. Chang is the Vice Chairman and President of CITIC Group, Vice Chairman of CNCB, Director of CKWB and Chairman of CCHL and CIAM. He is also an Non-executive Director of CITIC Pacific Limited. Mr. Chang was a Director and Chief Executive Officer of the Company during the period from July 2001 to August 2004.

Mr. Chang holds an MBA from the Insurance College of New York and has over 20 years’ broad range of experience in banking, finance and securities business.

Mr. Chang was formerly the Vice Chairman and President of China Construction Bank Corporation. He had also been an Non-executive Director of Plus Holdings Limited. Apart from the above, Mr. Chang did not hold any directorship in other listed public company in the last three years.

Save as disclosed above, Mr. Chang is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chang is interested in 2,560,000 Shares within the meaning of Part XV of the SFO. Mr. Chang also holds options granted by CCHL to subscribe for 125,000 shares in cash in CCHL.

**Mr. Dou Jianzhong** (*Executive Director*)

Aged 53, has been a Director of the Company since May 1991 and was appointed as the Chief Executive Officer of the Company on 1 January 2005. Mr. Dou is an Executive Director and Vice President of CITIC Group, Chairman of CKWB and a Director of CIAM and CNCB.

Mr. Dou graduated from the University of International Business and Economics, Beijing in 1979 and holds a Master Degree in Economics from Liao Ning University. He was granted the prestigious title of "Senior Economist" by CITIC Group. Mr. Dou was the former President of CITIC Industrial Bank (now known as CNCB) and has extensive experience in the finance industry.

Save as disclosed, Mr. Dou is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Dou is interested in 3,240,000 Shares within the meaning of Part XV of the SFO. Mr. Dou also holds options granted by CCHL to subscribe for 35,000 shares in cash in CCHL.

**Mr. Jose Barreiro** (*Non-executive Director*)

Aged 49, was appointed as a Non-executive Director of the Company in March 2007. Mr. Barreiro is a Director of Global Wholesale Banking and Asset Management of BBVA. He is a member of the Executive Committee of BBVA Group and a member of the Board of Directors of Bolsas y Mercados Espanoles and Chairman of Altura Markets, A.V., S.A. and Proxima Alfa Investments (USA) LLC.

Mr. Barreiro holds a Bachelor Degree in Economics from the Universidad Complutense of Madrid in Spain. He has extensive business connections and experience in wholesale banking and finance.

Save as disclosed above, Mr. Barreiro is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Barreiro does not have any interest in Shares within the meaning of Part XV of the SFO.

**Mrs. Chan Hui Dor Lam Doreen** (*Executive Director*)

Aged 54, joined the Company in April 1998 and has been an Executive Director and Alternate Chief Executive Officer of the Company since 2001. She was further appointed as a Managing Director of the Company in 2002. Mrs. Chan is a Director, President and Chief Executive Officer of CKWB, a Director of various members of the Group and CNCB.

Mrs. Chan also serves as a member of the Banking Advisory Committee. She is currently serving on the board of Haven of Hope Christian Service, The Youth Foundation Limited and China Graduate School of Theology. She is also a council member of the Hong Kong Baptist University and serves as a member of its Finance Committee.

Save as disclosed above, Mrs. Chan is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did she hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mrs. Chan is interested in 7,444,689 Shares within the meaning of Part XV of the SFO. Mrs. Chan also holds options granted by CCHL to subscribe for 25,000 shares in cash in CCHL.

**Dr. Chen Xiaoxian** (*Non-executive Director*)

Aged 53, has been a Non-executive Director of the Company since January 2005. Dr. Chen is an Executive Director and Vice President of CITIC Group, a Director and President of CNCB and a Director of CKWB.

Dr. Chen graduated from Renmin University of China with a Bachelor Degree in Finance. He received his Master Degree in Finance from Xinan University of Finance and Economics and his Ph.D. in Finance from Dongbei University of Finance and Economics. Dr. Chen is a mentor for doctoral student and visiting professor of Dongbei University of Finance and Economics, as well as visiting professor of Renmin University of China. He is a "Senior Economist" and has 24 years' extensive experience in banking. In 2005, 2006 and 2007 consecutively, Dr. Chen received the "China's Top Ten Finance Figures of the Year Award" from "The Chinese Banker" magazine. He also received the "Top Ten New Lenders in Finance of the Year Award" from the China International Forum in 2006 and 2007. Dr. Chen was formerly a Director and Executive Vice President of China Merchants Bank.

Save as disclosed above, Dr. Chen is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorships in other listed public company in the last three years.

As at the Latest Practicable Date, Dr. Chen is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Fan Yifei** (*Non-executive Director*)

Aged 43, was appointed as a Non-executive Director of the Company in April 2007. Mr. Fan has been a Vice President of China Construction Bank Corporation since July 2005 and has been working within China Construction Bank Corporation since 1994. He is also the Chairman of China Construction Bank (Asia) Limited and China Construction Bank (Asia) Corporation Limited. Mr. Fan is also a Non-executive Director of China Petroleum & Chemical Corporation.

Mr. Fan is a senior accountant. He received his M.A. in Finance from the Institute of Finance under the MOF in 1990, his Ph.D. in Finance from Renmin University of China in 1993, and his M.I.A. Degree in International Economics from Columbia University in 2002.

Mr. Fan is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company. Save as disclosed, Mr. Fan did not hold any directorship in other listed companies in the past three years.

As at the Latest Practicable Date, Mr. Fan is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Feng Xiaozeng** (*Non-executive Director*)

Aged 60, was appointed as a Non-executive Director of the Company in August 2006. Mr. Feng is an Executive Director of China Insurance International Holdings Company Limited, a Non-executive Director of Pacific Century Insurance Holdings Limited and The Ming An (Holdings) Company Limited.

Mr. Feng graduated from Department of Foreign Languages of Nankai University. He was the Deputy Chairman of The China Insurance Regulatory Commission from November 1998 to June 2005. Mr. Feng is held in high regard and reputation in the insurance field.

Mr. Feng is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company. Save as disclosed above, Mr. Feng did not hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Feng is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Manuel Galatas** (*Non-executive Director*)

Aged 45, was appointed as a Non-executive Director of the Company in March 2007. Mr. Galatas is the General Manager for Asia of BBVA. He has been working within BBVA Group since 1994.

Mr. Galatas holds a Bachelor of Arts Degree in Business Administration and International Finance from Georgetown University in the United States. He was formerly the Chairman of BBVA Switzerland. He has extensive business connections and experience in private banking, asset management and in banking.

Save as disclosed, Mr. Galatas is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.



As at the Latest Practicable Date, Mr. Galatas does not have any interest in Shares within the meaning of Part XV of the SFO.

**Mr. Rafael Gil-Tienda** (*Independent Non-executive Director*)

Aged 55, has been an Independent Non-executive Director and a member of the Audit Committee of the Company in December 2004 and March 2005 respectively. He is also an Independent Non-executive Director, the Chairman of the Credit & Risk Management Committee and a member of the Audit Committee of CKWB.

Mr. Gil-Tienda is the Chairman of Marsh & McLennan Companies Inc. in Asia. He holds a Bachelor Degree in Philosophy, Politics and Economics from the Oxford University and an MBA from the University of California, Berkeley. He was formerly with Standard Chartered Bank and Citibank and has over 25 years of banking experience.

Mr. Gil-Tienda was formerly an Independent Non-executive Director of Kingway Brewery Holdings Limited. Save as disclosed above, Mr. Gil-Tienda did not hold any directorships in other listed public company in the last three years.

Mr. Gil-Tienda is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Gil-Tienda is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Ju Weimin** (*Non-executive Director*)

Aged 44, has been a Non-executive Director of the Company since July 2001. He is a member of the Audit Committee of the Company and also a Director and member of the Audit Committee of CKWB. Mr. Ju is a Director and the Chief Financial Officer of CITIC Group, a Director of CNCB and the Chairman of CITIC Trust & Investment Co., Ltd. He is also a Non-executive Director of Asia Satellite Telecommunications Holdings Limited.

Mr. Ju holds a Bachelor Degree in Economics from the Hangzhou Institute of Electronic Engineering and a Master Degree in Economics from the Renmin University of China.

Save as disclosed above, Mr. Ju is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Ju is interested in 320,000 Shares within the meaning of Part XV of the SFO. Mr. Ju also holds options granted by CCHL to subscribe for 15,000 shares in cash in CCHL.

**Mr. Lam Kwong Siu** (*Independent Non-executive Director*)

Aged 73, has been an Independent Non-executive Director of the Company since September 1996 and is a member of the Audit Committee of the Company. He is also an Independent Non-executive Director and a member of the Audit Committee of CKWB.

Mr. Lam is also the Vice Chairman of BOC International Holdings Limited, an Independent Non-executive Director of China Overseas Land & Investment Limited, Fujian Holdings Limited and Xinyi Glass Holdings Limited. He has over 40 years of continuous banking experience. Save as disclosed above, Mr. Lam did not hold any directorship in other listed public company in the last three years.

Mr. Lam is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Lam is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Liu Jifu** (*Non-executive Director*)

Aged 64, has been a Non-executive Director of the Company since November 2002. He is a Director of CITIC Hong Kong (Holdings) Limited, a wholly owned subsidiary of CITIC Group, and an Executive Director of CITIC Pacific Limited.

Save as disclosed above, Mr. Liu is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Liu is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Lo Wing Yat Kelvin** (*Executive Director*)

Aged 49, joined the Company as Chief Group Counsel and has been a Director of the Company since December 1997. He was further appointed as a Managing Director in 2002 and Alternate Chief Executive Officer of the Company in 2004. Mr. Lo is also a Director of CKWB and a Director and Chief Executive Officer of CIAM.

Mr. Lo is a Non-executive Director of China Fortune Holdings Limited and Longlife Group Holdings Limited, and an Executive Director of Carico Holdings Limited. He was formerly a Non-executive Director of China Sciences Conservational Power Limited. Save as disclosed above, he did not hold any directorship in other listed public company in the past three years.

Mr. Lo holds a Bachelor Degree in Law from the University of Hong Kong. He was admitted as a Solicitor of the Supreme Court of Hong Kong in 1984 and a Solicitor of the Supreme Court of England and Wales in 1989. Prior to joining the Company, Mr. Lo had served as an In-house Counsel of Bank of China Hongkong-Macau Regional Office and a partner of Linklaters.

Mr. Lo was a director of Ka Wah International Merchant Finance Limited (“KWIMF”) during the period from 21 December 1998 to 20 March 2006. KWIMF is an indirect wholly owned subsidiary of the Company. In November 2004, KWIMF applied for the voluntary revocation of authorisation as a Deposit Taking Company due to the reason that it had ceased to take deposit and no longer conducted lending business for years. It was unnecessary to maintain the registration as a Deposit Taking Company under the Banking Ordinance. The revocation of the authorisation took place on 16 December 2004.

Mr. Lo is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Lo is interested in 1,120,000 Shares within the meaning of Part XV of the SFO. Mr. Lo also holds 35,000 shares of E2-Capital (Holdings) Limited which is an associated company of the Company.

**Mr. Roger Clark Spyer** (*Executive Director*)

Aged 68, has been an Executive Director of the Company since December 2005. Mr. Spyer is also a Director, Executive Vice President and Alternate Chief Executive Officer of CKWB and a director of various members of the Group.

Mr. Spyer is a veteran banker with over 30 years of extensive experience in credit and risk management, wholesale and investment banking, treasury, asset/liability and derivative trading. He had been working in a major international bank for 25 years where he headed senior positions at the group level. Mr. Spyer was then an independent consultant providing advisory service to international clients on investment in the Chinese banking market.

Mr. Spyer is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Spyer is interested in 1,232,000 Shares within the meaning of Part XV of the SFO.

**Mr. Tsang Yiu Keung Paul** (*Independent Non-executive Director*)

Aged 54, has been an Independent Non-executive Director and Chairman of the Audit Committee of the Company since September 2004. Mr. Tsang is also an Independent Non-executive Director and Chairman of the Audit Committee of CKWB.

Mr. Tsang is a professional accountant and a Fellow Member of The Hong Kong Institute of Certified Public Accountants, The Chartered Association of Certified Accountants and The Institute of Chartered Secretaries and Administrators. Mr. Tsang was with KPMG for more than 27 years, where he was a senior banking partner until he retired from the firm on 31 March 2003. He is an Independent Non-executive Director of L. K. Technology Holdings Limited. Save as disclosed above, he did not hold any directorship in other listed public company in the past three years.

Mr. Tsang is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Tsang is interested in 320,000 Shares within the meaning of Part XV of the SFO.

**Mr. Wang Dongming** (*Non-executive Director*)

Aged 56, has been a Non-executive Director of the Company since November 2002. Mr. Wang is a Director and Assistant President of CITIC Group, Chairman of CITIC Securities Co., Ltd. and a Director of CCHL. He was granted the prestigious title of "Senior Economist" by CITIC Group.

Save as disclosed above, Mr. Wang is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Wang is interested in 320,000 Shares within the meaning of Part XV of the SFO. Mr. Wang also holds options granted by CCHL to subscribe for 35,000 shares in cash in CCHL.

**Mr. Zhao Shengbiao** (*Executive Director*)

Aged 57, joined the Company in 1986 and has been an Executive Director of the Company since June 1991. He is a Director, Executive Vice President and Country Head, U.S.A. of CKWB.

Mr. Zhao graduated from the University of International Business and Economics, Beijing and holds a Master Degree in Finance from the College of Insurance, New York. He has over 30 years of experience in international banking and worked in Beijing, London, Paris, Hong Kong and New York.

Mr. Zhao is not connected with any other Directors, senior management or any substantial or controlling shareholders of the Company, nor did he hold any directorship in other listed public company in the last three years.

As at the Latest Practicable Date, Mr. Zhao is interested in 2,494,114 Shares within the meaning of Part XV of the SFO.

**For all the Directors proposed to be re-elected at the AGM**, there is neither any director's service contract having executed between the Company and any of them nor if they have any specified length or proposed length of director's service with the Company. They are all subject to retirement and re-election at each annual general meeting of the Company in accordance with the Articles.

All Directors are entitled to receive director's fees as determined by the Board from time to time pursuant to the authority granted by the Shareholders at the annual general meeting and such fees are determined by reference to the duties and responsibilities of the Directors and to the prevailing market conditions and trends. The amount of director's fee payable to each of the Directors and other Directors' emoluments paid for the year ended 31 December 2007 is set out in note 11 to the financial statements in the Company's 2007 Annual Report.

The Board is not aware of any other matters that it considers necessary to be brought to the attention of the Shareholders in respect of the proposed re-election of Directors, nor is there any information to be disclosed pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the General Mandate to Repurchase Shares to be proposed at the AGM:

1. At the AGM, a resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase on the Stock Exchange fully paid-up Shares representing up to a maximum of 10% of the issued share capital of the Company on the date the resolution is passed. Based on 5,757,396,916 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased before the date of the AGM, the Company will be allowed, under the proposed General Mandate to Repurchase Shares, to repurchase a maximum of 575,739,691 Shares. Assuming exercise in full of (1) the subscription rights attaching to the Share Options by the holders of Share Options; and (2) the conversion rights attaching to the Convertible Bonds by the holders of the Convertible Bonds, on or before the date of the AGM, the Company could issue up to 5,996,148 new Shares and the maximum number of Shares allowed for repurchase will become 576,339,306.
2. Although the Directors have no present intention of repurchasing any Shares, they believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Board believes that such repurchases will benefit the Company and its Shareholders.
3. Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles and any applicable laws in Hong Kong.
4. The working capital or gearing position of the Company might be adversely affected (as compared with the position disclosed in the Company's most recently published audited accounts contained in the annual report for the year ended 31 December 2007) in the event that the General Mandate to Repurchase Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the General Mandate to Repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.
5. None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their associates, currently intend to sell Shares to the Company or its subsidiaries if the General Mandate to Repurchase Shares is exercised.

6. The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the General Mandate to Repurchase Shares in accordance with the Listing Rules and the applicable laws in Hong Kong.
7. If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, could, depending on the level of increase of the shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, the major shareholder of the Company, CITIC Group, held approximately 55.17% of the Shares in issue. If the General Mandate to Repurchase Shares is exercised in full, this shareholding percentage will be increased to 61.30%. On the basis of the current shareholding position of the Company, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any purchase by the Company pursuant to the General Mandate to Repurchase Shares.
8. No purchases have been made by the Company of its Shares (whether on the Stock Exchange or otherwise) in the six months prior to the date of this circular.
9. No "connected person" (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so if the General Mandate to Repurchase Shares is exercised.
10. The following table shows the highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months ending preceding the Latest Practicable Date:–

Month	Highest trade price HK\$	Lowest trade price HK\$
<b>2007</b>		
April	7.530	6.290
May	7.040	5.800
June	6.800	6.050
July	7.090	6.240
August	6.920	5.130
September	6.260	5.710
October	6.970	6.090
November	6.750	4.810
December	5.750	4.460
<b>2008</b>		
January	4.940	3.410
February	4.400	3.910
March	4.050	3.190
From 1 April to the Latest Practicable Date	5.280	3.980