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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 a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in The Bank of East Asia, Limited, you should at once hand this circular to the purchaser or transferee or to the bank, a licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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BEA 東亞銀行

The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

**NOTICE OF ANNUAL GENERAL MEETING,
RE-ELECTION OF DIRECTORS,
AMENDMENTS TO ARTICLES OF ASSOCIATION,
AND
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**

The notice of Annual General Meeting of The Bank of East Asia, Limited to be held in the Grand Ballroom, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 24th April, 2012 at 11:30 a.m. ("**2012 AGM**") is set out on pages 3 to 5 of this circular.

Whether or not you are able to attend the 2012 AGM, please complete the accompanying Proxy Form in accordance with the instructions printed thereon and return it to the Bank's Share Registrar, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the 2012 AGM. Completion and delivery of the Proxy Form will not preclude you from attending and voting at the 2012 AGM should you so wish.

21st March, 2012

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This Document (both English and Chinese versions) is now available in printed form and on the website of the Bank at www.hkbea.com and HKEx's website at www.hkexnews.hk.

Notwithstanding any choice of means for the receipt of Corporate Communications (i.e. either receiving a printed copy or by electronic means through the Bank's website) previously made by Shareholders and communicated to the Bank, Shareholders may at any time change their choice, free of charge, by giving reasonable notice in writing to the Bank's Share Registrar, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong or by fax to (852) 2861 1465 or by email to BEA0023-ecom@hk.tricorglobal.com specifying your request together with your full name and contact telephone number.

DEFINITIONS

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

“2012 AGM”	an annual general meeting of the Bank to be held in the Grand Ballroom, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 24th April, 2012 at 11:30 a.m. or any adjournment thereof;
“Articles of Association”	the articles of association adopted by the Bank from time to time;
“Associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Audit Committee”	the Audit Committee of the Bank;
“Auditors”	the auditors of the Bank for the time being;
“Bank”	The Bank of East Asia, Limited, a company incorporated in Hong Kong with limited liability;
“Bank Group” or “Group”	the Bank and its subsidiaries;
“Board”	the board of Directors or a duly authorised committee thereof;
“Connected Person(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Controlling Shareholder”	shall have the meaning ascribed to it under the Listing Rules;
“Director(s)”	includes any person who occupies the position of a director, by whatever name called, of the Bank or otherwise as the context may require;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	14th March, 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange as amended, supplemented or otherwise modified from time to time;
“Nomination Committee”	the Nomination Committee of the Bank;
“Notice of Annual General Meeting”	the notice convening the 2012 AGM as set out on pages 3 to 5 of this circular;

DEFINITIONS

“Ordinance” or “Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Register of Members”	register of members of the Bank;
“Remuneration Committee”	the Remuneration Committee of the Bank;
“Senior Management”	the Deputy Chief Executives of the Bank;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Shareholders”	holders of the Shares;
“Share(s)”	fully paid ordinary shares of HK\$2.50 each of the Bank (or such other nominal amount prevailing from time to time);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary” or “Subsidiaries”	a subsidiary or subsidiaries (within the meaning of the Companies Ordinance) for the time being and from time to time of the Bank;
“Substantial Shareholders”	shall have the meaning ascribed to it under the Listing Rules; and
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers.

NOTICE OF ANNUAL GENERAL MEETING

The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

Notice of Ninety-third Annual General Meeting

NOTICE IS HEREBY GIVEN that the Ninety-third Annual General Meeting of the members of the Bank will be held in the Grand Ballroom, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 24th April, 2012 at 11:30 a.m. for the following purposes:

1. To consider and adopt the Audited Accounts and the Report of the Directors and the Independent Auditor's Report for the year ended 31st December, 2011;
2. To re-elect Directors:
 - (a) Mr. WONG Chung-hin
 - (b) Dr. LEE Shau-kee
 - (c) Mr. Kenneth LO Chin-ming
 - (d) Mr. Eric LI Fook-chuen
 - (e) Mr. Valiant CHEUNG Kin-piu
 - (f) Dr. Isidro FAINÉ CASAS
3. To re-appoint KPMG as Auditors of the Bank and authorise the Directors to fix their remuneration;

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions:

Special Resolution

4. **“THAT** the Articles of Association of the Bank be and are hereby amended by including the following words immediately after the words “decided on a poll” in Article 57:

‘except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Procedural and administrative matters are those that (a) are not on the agenda of the meeting or in any supplementary circular to Members; and (b) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views’.

Ordinary Resolutions

5. **“THAT:**
 - (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period all the powers of the Bank to allot, issue and dispose of additional shares of the Bank and to make or grant offers, agreements, options or warrants which would or might

NOTICE OF ANNUAL GENERAL MEETING

require the exercise of such powers either during or after the Relevant Period, not exceeding 10% of the aggregate nominal amount of the issued share capital of the Bank as at the date of this Resolution, otherwise than any shares which may be issued pursuant to the following events:

- (i) a rights issue;
 - (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the employees of the Bank and its subsidiaries of shares or rights to acquire shares of the Bank; or
 - (iii) any scrip dividend or similar arrangement in accordance with the Articles of Association of the Bank; and
- (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 Bank;
- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the members in general meeting.”;

6. **“THAT:**

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period all the powers of the Bank to repurchase ordinary shares of HK\$2.50 each in the capital of the Bank in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time provided however that the aggregate nominal amount of the shares to be repurchased pursuant to the approval in this paragraph shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Bank as at the date of this Resolution; and
- (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 Bank;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by law to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the members in general meeting.”; and
7. “**THAT**, conditional on the passing of Resolutions in item 5 and item 6 of the Notice of this Meeting, the general mandate granted to the Directors to allot shares pursuant to the Resolution set out in item 5 of the Notice of this Meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Bank repurchased by the Bank under the authority granted pursuant to the Resolution set out in item 6 of the Notice of this Meeting.”.

By Order of the Board

Alson LAW Chun-tak

Company Secretary

Hong Kong, 21st March, 2012

Notes:

- (a) *For the purpose of determining the Shareholders who are entitled to attend and vote at the 2012 AGM, the Register of Members of the Bank will be closed on Monday, 23rd April, 2012 and Tuesday, 24th April, 2012. In order to qualify for attending and voting at the 2012 AGM, all transfer documents should be lodged for registration with Tricor Standard Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, by 4:00 p.m. Friday, 20th April, 2012.*
- (b) *A member entitled to attend and vote at the 2012 AGM may appoint a proxy to attend and vote in his place. A proxy need not be a member.*
- (c) *The Articles of Association of the Bank are written in English. The Chinese version of the proposed amendments to the Articles of Association as set out in Appendix 2 to the circular to the Shareholders dated 21st March, 2012 (the “**Circular**”) is a translation for reference only. Should there be any discrepancies, the English version will prevail.*
- (d) *As set out in the Letter from the Chairman included in the Circular, the Board of Directors of the Bank recommends the Shareholders to vote in favour of the resolutions to be proposed at the 2012 AGM. Please refer to the Circular for details of the matters for which the resolutions are concerned.*

LETTER FROM THE CHAIRMAN

The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

Board of Directors:

Dr. the Hon. Sir David LI Kwok-po *(Chairman & Chief Executive)*
Professor Arthur LI Kwok-cheung* *(Deputy Chairman)*
Dr. Allan WONG Chi-yun** *(Deputy Chairman)*
Mr. WONG Chung-hin**
Dr. LEE Shau-kee**
Mr. Aubrey LI Kwok-sing*
Mr. Winston LO Yau-lai**
Tan Sri Dr. KHOO Kay-peng*
Dr. Thomas KWOK Ping-kwong**
Mr. Richard LI Tzar-kai*
Mr. Kenneth LO Chin-ming**
Mr. Eric LI Fook-chuen*
Mr. Stephen Charles LI Kwok-sze*
Mr. William DOO Wai-hoi**
Mr. KUOK Khoon-ean**
Mr. Valiant CHEUNG Kin-piu**
Dr. Isidro FAINÉ CASAS*

Registered Office:

10 Des Voeux Road Central
Hong Kong

* *Non-executive Director*

** *Independent Non-executive Director*

To the Shareholders

21st March, 2012

Dear Sir or Madam,

INTRODUCTION

The purpose of this circular is to provide you with information in connection with the convening of the 2012 AGM and explanation in connection with the matters to be dealt with at the 2012 AGM. In accordance with the relevant requirements under the Listing Rules and the Articles of Association, each of the resolutions set out in the Notice of Annual General Meeting shall be voted on by poll.

A notice convening the 2012 AGM is set out on pages 3 to 5 of this circular.

A proxy form for use at the 2012 AGM is enclosed. Whether or not you are able to attend the 2012 AGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Bank's Share Registrars, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the 2012 AGM. Completion and delivery of the proxy form will not preclude you from attending and voting at the 2012 AGM should you so wish.

LETTER FROM THE CHAIRMAN

RESOLUTION (1) — ADOPTION OF THE AUDITED ACCOUNTS AND THE REPORT OF THE DIRECTORS AND THE INDEPENDENT AUDITOR'S REPORT

Annual Report 2011 incorporating the audited accounts, the Report of the Directors and the Independent Auditor's Report for the year ended 31st December, 2011 was sent together with this circular to the Shareholders on the same date. The audited accounts have been reviewed by the Audit Committee.

RESOLUTION (2) — RE-ELECTION OF DIRECTORS

In accordance with Articles 74A, 80 and 82 of the Articles of Association, Mr. WONG Chung-hin, Dr. LEE Shau-kee, Mr. Kenneth LO Chin-ming, Mr. Eric LI Fook-chuen, Mr. Valiant CHEUNG Kin-piu and Dr. Isidro FAINÉ CASAS shall retire at the 2012 AGM and, being eligible, shall offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the 2012 AGM are set out in Appendix 1 to this circular.

The re-appointment of Directors has been reviewed by the Nomination Committee which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the 2012 AGM. The Nomination Committee has also assessed the independence of all the Bank's Independent Non-executive Directors including those to be re-elected at the 2012 AGM, in particular, Mr. WONG Chung-hin and Dr. LEE Shau-kee who have served the Board for more than nine years. All the Independent Non-executive Directors of the Bank satisfy the independence guidelines set out in Rule 3.13 of the Listing Rules.

Mr. WONG Chung-hin was appointed a Director of the Bank in 1977 and was designated as an Independent Non-executive Director in 1993. Mr. Wong met the independence guidelines set out in Rule 3.13 of the Listing Rules and has provided an annual confirmation of his independence to the Bank. The Board is satisfied that Mr. Wong remains independent, and considers that Mr. Wong would be able to continue to discharge his duties as an Independent Non-executive Director of the Bank. The Board is of the view that Mr. Wong should be re-elected at the 2012 AGM, particularly in view of his extensive experience and valuable contribution to the Board. For Mr. Wong's details including his position with the Bank, experience and other directorships, please refer to Appendix 1.1 to this circular.

Dr. LEE Shau-kee was appointed a Director of the Bank in 1987 and was designated as an Independent Non-executive Director in 1993. Dr. Lee met the independence guidelines set out in Rule 3.13 of the Listing Rules and has provided an annual confirmation of his independence to the Bank. The Board is satisfied that Dr. Lee remains independent, and considers that Dr. Lee would be able to continue to discharge his duties as an Independent Non-executive Director of the Bank. The Board is of the view that Dr. Lee should be re-elected at the 2012 AGM, particularly in view of his extensive experience and valuable contribution to the Board. For Dr. Lee's details including his position with the Bank, experience and other directorships, please refer to Appendix 1.2 to this circular. Dr. Lee indicated that subject to his re-election, it is his intention that he will continue to serve as an Independent Non-executive Director of the Bank for a term of one year up to (and including) 23rd April, 2013. The Nomination Committee has duly noted Dr. Lee's intention during its review of the re-appointment of the Directors.

LETTER FROM THE CHAIRMAN

RESOLUTION (3) — RE-APPOINTMENT OF AUDITORS

The Board (which agreed to the view of the Audit Committee) recommended that, subject to the approval of the Shareholders at the 2012 AGM, KPMG be re-appointed as the external auditors of the Bank for 2012.

RESOLUTION (4) — AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A special resolution will be proposed at the 2012 AGM to amend the Articles of Association. A summary of and the reasons for the proposed amendments are set out below.

In January 2012, the Listing Rules have been amended to permit the chairman of a general meeting, acting in good faith, to allow a resolution which relates purely to a procedural or administrative matter to be voted on by the members on a show of hands, instead of requiring any vote of shareholders to be taken by poll.

Article 57 currently requires that all resolutions put to the vote of any general meeting shall be decided on a poll. The Bank considers it appropriate to revise Article 57 in line with such amendments to the Listing Rules, and permit the chairman of the general meeting to allow a resolution relating purely to such procedural or administrative matters to be voted on by a show of hands.

The proposed amendments are set out in full in the Notice of Annual General Meeting.

Our legal advisers, Deacons, have confirmed that the proposed amendments comply with the requirements of the Listing Rules and the laws of Hong Kong. The Bank also confirms that there is nothing unusual about the proposed amendments for a bank listed in Hong Kong.

Details of the proposed amendments to the Articles of Associations are set out in Appendix 2 to this circular.

RESOLUTIONS (5), (6) AND (7) — GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Bank held on 19th April, 2011, approval was given by the Shareholders for the granting of, inter alia, the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Bank; and (ii) to repurchase Shares on the Stock Exchange up to 10% of the aggregate nominal amount of the issued share capital of the Bank, as at the date of passing the relevant resolutions. In accordance with the terms of the approval, these general mandates will shortly expire on 24th April, 2012 upon the conclusion of the 2012 AGM. To keep in line with the current corporate practice, the grant of fresh general mandates for the same purpose is being sought from the Shareholders and the ordinary resolutions to grant these mandates to the Directors will be proposed at the 2012 AGM.

LETTER FROM THE CHAIRMAN

Based on the 2,076,140,943 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the issued share capital of the Bank after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will therefore be allowed under the mandate to issue a maximum of 207,614,094 Shares.

The Explanatory Statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed share repurchase resolution is set out in Appendix 3 to this circular.

Conditional upon the passing of the Resolutions (5) and (6), an ordinary resolution to authorise the Directors to exercise the powers to allot, issue and dispose of additional Shares of the Bank under the general mandate to issue shares in respect of the aggregate nominal amount of the share capital in the Bank repurchased by the Bank will also be proposed for approval by the Shareholders at the 2012 AGM.

RECOMMENDATION

The Directors consider that the above proposals are in the interests of the Bank and its Shareholders and accordingly recommend that all Shareholders vote in favour of the resolutions to be proposed at the 2012 AGM.

Yours faithfully,

David LI Kwok-po

Chairman & Chief Executive

The following are the particulars of the six Directors proposed to be re-elected at the 2012 AGM:

1. **Mr. WONG Chung-hin**, *CBE, JP*

Independent Non-executive Director and Member of the Audit Committee

Mr. Wong, aged 78, is a solicitor. He was appointed a Director in 1977. Mr. Wong is the Consultant of P.C. Woo & Co. He is also a Director of Power Assets Holdings Limited (formerly known as Hongkong Electric Holdings Limited) and Hutchison Whampoa Limited. Save as disclosed, Mr. Wong has not held any directorship in other listed public companies during the last three years.

Save as disclosed, Mr. Wong does not hold any position with the Bank or with other members of the Bank Group. Mr. Wong has not entered into any service contract with the Bank.

Mr. Wong is the uncle of Dr. Allan Wong Chi-yun, an independent Non-executive Director of the Bank. Save as disclosed, Mr. Wong is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Mr. Wong shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Mr. Wong receives a director's fee of HK\$230,000 per annum and an Audit Committee member's fee of HK\$70,000 per annum.

As at the Latest Practicable Date, Mr. Wong was interested in 430,035 (0.02%) Shares within the meaning of Part XV of the SFO. Of these Shares, Mr. Wong was the beneficial owner of 51,491 (0.002%) Shares and he was deemed to be interested in 378,544 (0.018%) Shares through the interests of his spouse, Mrs. WONG LAM Mei-lin.

Mr. Wong has met the independence guidelines set out in Rule 3.13 of the Listing Rules.

There is no information relating to Mr. Wong that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Mr. Wong's re-election that need to be brought to the attention of the Shareholders.

2. **Dr. LEE Shau-kee**, *GBM, Hon. DBA, Hon. DSSc, Hon. LLD*
Independent Non-executive Director and Member of the Nomination Committee

Dr. Lee, aged 83, was appointed a Director in 1987. He is the Chairman and Managing Director of Henderson Land Development Company Limited and Henderson Investment Limited. Dr. Lee is also the Chairman of The Hong Kong and China Gas Company Limited and Miramar Hotel and Investment Company, Limited. He is the Vice Chairman of Sun Hung Kai Properties Limited and a Director of Hong Kong Ferry (Holdings) Company Limited. Save as disclosed, Dr. Lee has not held any directorship in other listed public companies during the last three years.

Save as disclosed, Dr. Lee does not hold any position with the Bank or with other members of the Bank Group. Dr. Lee has not entered into any service contract with the Bank.

Dr. Lee is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Dr. Lee shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Dr. Lee receives a director's fee of HK\$230,000 per annum and a Nomination Committee member's fee of HK\$35,000 per annum.

As at the Latest Practicable Date, Dr. Lee was interested in 3,192,183 (0.16%) Shares within the meaning of Part XV of the SFO. Of these Shares, Dr. Lee was the beneficial owner of 2,092,183 (0.1%) Shares and he was also deemed to be interested in 1,100,000 (0.05%) Shares held through Superfun Enterprises Limited ("Superfun"). Superfun was wholly owned by The Hong Kong and China Gas Company Limited which was 39.88% held by Henderson Land Development Company Limited ("Henderson Land"). Henderson Land was deemed to be 61.18% held by Henderson Development Limited ("Henderson Development"). Hopkins (Cayman) Limited ("Hopkins") as trustee of a unit trust (the "Unit Trust") owned all the issued ordinary shares of Henderson Development. Rimmer (Cayman) Limited ("Rimmer") and Riddick (Cayman) Limited ("Riddick"), as trustees of respective discretionary trusts, held units in the Unit Trust. The entire issued share capital of Hopkins, Rimmer and Riddick were owned by Dr. Lee.

Dr. Lee has met the independence guidelines set out in Rule 3.13 of the Listing Rules.

Dr. Lee indicated that subject to his re-election, it is his intention to continue to serve as an Independent Non-executive Director of the Bank for a term of one year up to (and including) 23rd April, 2013.

There is no information relating to Dr. Lee that is required to be disclosed pursuant to Rules 13.51(2) (h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Dr. Lee's re-election that need to be brought to the attention of the Shareholders.

3. **Mr. Kenneth LO Chin-ming**, MA, BA
Independent Non-Executive Director and Member of the Audit Committee

Mr. Lo, aged 69, was appointed a Director in 2005. Mr. Lo is the Chairman and Chief Executive Officer of the Industrial Bank of Taiwan and the Chairman of EverTrust Bank (USA) and the Honorary Chairman of the Chailease Group. He is also a Director of Boston Life Science Venture Corp. and a Managing Director of Taiwan Cement Corp. He has been with the banking and finance industry for over 40 years and had abundant experience in securities, trust, leasing, commercial banking, investment banking and venture capital. He was the President of Chinatrust Commercial Bank, the Chairman of IBT Venture Co., the Vice Chairman of China Trust Bank (USA), the Managing Director of International Bank of Taipei and a Director of Hua Nan Commercial Bank. Save as disclosed, Mr. Lo has not held any directorship in other listed public companies during the last three years.

Save as disclosed, Mr. Lo does not hold any position with the Bank or with other members of the Bank Group. Mr. Lo has not entered into any service contract with the Bank.

In addition to his highly recognized professional accomplishments, Mr. Lo is also active in public service. He is the Chairman of the Chinese National Association of Industry and Commerce, Taiwan, the Managing Director of the Bankers Association of the Republic of China, a member of Asian Executive Board of the Sloan School of Management at the Massachusetts Institute of Technology, and a member of the National Palace Museum Advisory Committee and Taipei Fine Arts Museum Advisory Board. He was the President of Asian Leasing Association, and the Supervisor of the Bankers Association of the Republic of China.

Mr. Lo holds a B.A. in Economics from National Taiwan University and an M.A. in Finance from the University of Alabama.

Mr. Lo is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Mr. Lo shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Mr. Lo receives a director's fee of HK\$230,000 per annum and an Audit Committee member's fee of HK\$70,000 per annum.

As at the Latest Practicable Date, Mr. Lo was not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Lo has met the independence guidelines set out in Rule 3.13 of the Listing Rules.

There is no information relating to Mr. Lo that is required to be disclosed pursuant to Rules 13.51(2) (h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Mr. Lo's re-election that need to be brought to the attention of the Shareholders.

4. **Mr. Eric LI Fook-chuen**, *BscEE, MscEE, MBA, FIM*
Non-Executive Director, Chairman of the Nomination Committee and Member of the Remuneration Committee

Mr. Li, aged 82, was appointed a Director in 2006. Mr. Li is a non-executive director of BEA Life Limited and Blue Cross (Asia-Pacific) Insurance Limited, both are wholly-owned subsidiaries of the Bank. Mr. Li is currently the Chairman and Chief Executive Officer of the Kowloon Dairy Limited. He is a director of Joyce Boutique Holdings Limited. Save as disclosed, Mr. Li has not held any directorship in other listed public companies during the last three years.

Save as disclosed, Mr. Li does not hold any position with the Bank or with other members of the Bank Group. Mr. Li has not entered into any service contract with the Bank.

Mr. Li holds a Bachelor of Science Degree in Electrical Engineering from the University of Arkansas, U.S.A., a Master of Science Degree in Electrical Engineering from the University of Michigan, U.S.A., and a Master Degree in Business Administration from the University of California, U.S.A. He is also a Fellow of the Chartered Management Institute.

Mr. Li is the uncle of Dr. the Hon. Sir David Li Kwok-po, Chairman and Chief Executive of the Bank, and the uncle of Professor Arthur Li Kwok-cheung, Deputy Chairman and a Non-executive Director of the Bank, Mr. Aubrey Li Kwok-sing and Mr. Stephen Charles Li Kwok-sze, Non-executive Directors of the Bank and also the granduncle of Mr. Adrian David Li Man-kiu and Mr. Brian David Li Man-bun, Senior Management of the Bank. Save as disclosed, Mr. Li is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Mr. Li shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Mr. Li receives a director's fee of HK\$230,000 per annum, a Nomination Committee Chairman's fee of HK\$60,000 per annum and a Remuneration Committee member's fee of HK\$35,000 per annum. Mr. Li is receiving a fee of HK\$30,000 per annum for being a director of Blue Cross (Asia-Pacific) Insurance Limited.

As at the Latest Practicable Date, Mr. Li was interested in 36,248,837 (1.75%) Shares within the meaning of Part XV of the SFO. Of these Shares, Mr. Li was the beneficial owner of 4,618,502 (0.22%) Shares and 22,414,589 (1.08%) Shares were held by New Jerico Limited. Mr. Li is the sole Director of New Jerico Limited. The only one share in New Jerico Limited is held by The New Elico Trust, of which Mr. Li is the founder and a discretionary beneficiary. Mr. Li was also deemed to be interested in 9,215,746 (0.45%) Shares held by The Kowloon Dairy Limited of which Mr. Li is the Chairman and Chief Executive Officer.

There is no information relating to Mr. Li that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Mr. Li's re-election that need to be brought to the attention of the Shareholders.

5. **Mr. Valiant CHEUNG Kin-piu**, *FCPA, FCA*

Independent Non-executive Director and Member of the Audit Committee

Mr. Cheung, aged 66, was appointed a Director in 2008. He was a partner at KPMG, a leading international accounting firm in Hong Kong, until his retirement in 2001. He has extensive experience in assurance and corporate finance work, particularly in trading and manufacturing corporations in Hong Kong and the PRC. Mr. Cheung is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

Mr. Cheung is an independent non-executive director of Vitasoy International Holdings Limited, Pacific Century Premium Developments Limited and Dah Chong Hong Holdings Limited. Save as disclosed, Mr. Cheung has not held any directorship in other listed public companies during the last three years.

Mr. Cheung is currently an independent non-executive director, the chairman of the audit committee and the chairman of the connected transactions control committee of The Bank of East Asia (China) Limited ("BEA(China)"), a wholly-owned subsidiary of the Bank.

Save as disclosed, Mr. Cheung does not hold any position with the Bank or with other members of the Bank Group. Mr. Cheung has not entered into any service contract with the Bank.

Mr. Cheung is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Mr. Cheung shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Mr. Cheung receives a director's fee of HK\$230,000 per annum and an Audit Committee member's fee of HK\$70,000 per annum. Mr. Cheung is receiving a fee of RMB65,000 per annum for being a director, a fee of RMB50,000 per annum for being the chairman of the audit committee and a fee of RMB50,000 per annum for being the chairman of the connected transactions control committee, of BEA China.

As at the Latest Practicable Date, Mr. Cheung was not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Cheung has met the independence guidelines set out in Rule 3.13 of the Listing Rules.

There is no information relating to Mr. Cheung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Mr. Cheung's re-election that need to be brought to the attention of the Shareholders.

6. Dr. Isidro FAINÉ CASAS

Non-executive Director and Member of the Nomination Committee

Dr. Fainé, aged 69, was appointed a Director in June 2009. Dr. Fainé is the Chairman of the following companies:

- (i) CaixaBank, S.A.^{Note} (formerly known as Criteria CaixaCorp, S.A.), is an integrated financial group and listed on the Spanish Stock Exchange - with a banking business, insurance activity and investments in international banks - the leader in retail banking in Spain
- (ii) Caja de Ahorros y Pensiones de Barcelona “la Caixa”^{Note}, the first Spanish and European savings bank and controlling shareholder of CaixaBank, S.A.
- (iii) “la Caixa” Foundation
- (iv) Criteria CaixaHolding, is a non-listed investment company that brings together the industrial investments and property assets of “la Caixa”

Dr. Fainé currently holds chairmanships and directorships in other listed companies as follows:

- (i) First Vice Chairman of Abertis Infraestructuras, S.A. (infrastructure manager, listed in Spain)
- (ii) Vice Chairman of Telefónica, S.A. (integrated operator in the telecommunication sector, listed in Spain)
- (iii) Vice Chairman of Repsol YPF, S.A. (oil company, listed in Spain)
- (iv) Director of Banco BPI, S.A. (financial and multi-specialist group focusing on the banking business, listed in Portugal)

Dr. Fainé is Second Vice Chairman of Sociedad General de Aguas de Barcelona, S.A. He was a Director of Grupo Financiero Inbursa, S.A.B. de C.V. (financial and banking group, listed in Mexico) until 2011. Save as disclosed, Dr. Fainé has not held any directorship in other listed public companies during the last three years.

Dr. Fainé is a member of the Royal Academy of Economics and Finance and of the Royal Academy of Doctors, Chairman of the Association of Spanish Savings Banks (CECA), Vice-Chairman of the European Savings Bank Group (ESBG) and Chairman of the Association of Catalan Savings Banks. He is also Chairman of the Spanish Confederation of Directors and Executives (CEDE) and the Spanish Chapter of the Club of Rome. He has been a member of the Executive Committee of the Deposit Guarantee Fund for Savings Bank since 2007. In July 2010, he has been appointed member of The Governing Committee of the Fund for Orderly Bank Restructuring (FROB) and in February 2011, he was appointed as a member of the Executive Committee of the Business Council for Competitiveness (CEC). In December 2011, Dr. Fainé was appointed Vice Chairman of Institut de Prospective Économique du Monde Méditerranéen (IPEMED).

Dr. Fainé began his professional banking career as Investment Manager for Banco Atlántico in 1964, later becoming General Manager of Banco de Asunción in Paraguay in 1969. On his return to Barcelona, he held various managerial posts in financial entities: Human Resources Director at Banca Riva y García (1973), Director and CEO of Banca Jover (1974) and General Manager of Banco Unión (1978).

Dr. Fainé joined “la Caixa” and was appointed Deputy Executive General Manager in 1982. He was appointed CEO in 1999 and was further appointed Chairman of “la Caixa” in 2007.

Among other academic and professional qualifications, Dr. Fainé holds a PhD in Economic and Business Sciences, an International Senior Managers Program in Business Administration from Harvard University, and a Diploma in Senior Business Management from the IESE Business School.

Save as disclosed, Dr. Fainé does not hold any position with the Bank or with other members of the Bank Group. Dr. Fainé has not entered into any service contract with the Bank.

Dr. Fainé is not connected with any Directors and Senior Management of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Dr. Fainé shall retire as a Director at the 2012 AGM and, being eligible, shall offer himself to be re-elected for a term of not more than approximately three years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of his appointment and on expiration of his term he shall be deemed a retiring Director and eligible for re-appointment. The fees payable to the Directors are determined by the Board with reference to market trends. Dr. Fainé receives a director's fee of HK\$230,000 per annum and a Nomination Committee member's fee of HK\$35,000 per annum.

As at the Latest Practicable Date, Dr. Fainé was not interested in any Shares within the meaning of Part XV of the SFO.

There is no information relating to Dr. Fainé that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters relating to Dr. Fainé's re-election that need to be brought to the attention of the Shareholders.

Note “la Caixa” is the controlling shareholder of CaixaBank, S.A. Each of “la Caixa” and CaixaBank, S.A. is a substantial shareholder of the Bank as defined under the Listing Rules and within the meaning of Part XV of the Securities and Futures Ordinance, the details of which are disclosed in the “Interest of Substantial Shareholders and Other Persons” section of the Report of the Directors in Annual Report 2011. Dr. Isidro FAINÉ CASAS is the Chairman of CaixaBank, S.A. and “la Caixa”. Dr. FAINÉ owns 0.015% interest in CaixaBank, S.A. while he is not aware of any of his associates owning any interest in CaixaBank, S.A. or any of its subsidiaries.

This appendix sets out the proposed amendments, as marked up for ease of reference, to the Articles of Association, as follows:

Article 57 - Poll

57. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Procedural and administrative matters are those that (a) are not on the agenda of the meeting or in any supplementary circular to Members; and (b) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

The following is the Explanatory Statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed general mandate for repurchase of Shares and also constitutes the memorandum required under Section 49BA of the Companies Ordinance:

- (i) At the 2012 AGM a resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Bank to repurchase on the Stock Exchange fully paid-up Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Bank as at the date of passing the resolution (the “**Repurchase Mandate**”). Based on the 2,076,140,943 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the issued share capital of the Bank after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will therefore be allowed under the Repurchase Mandate to repurchase a maximum of 207,614,094 Shares.
- (ii) Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the Repurchase Mandate will be beneficial to the Bank and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years and if there are occasions in the future when depressed market conditions arise and Shares are trading at a discount to their underlying value, the ability of the Bank to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Bank since their percentage interests in the assets of the Bank will increase in proportion to the number of Shares repurchased by the Bank. Furthermore, the Directors' exercise of the mandate granted under the Repurchase Mandate may lead to an increased volume of trading in Shares on the Stock Exchange.
- (iii) The Directors propose that repurchases of Shares under the Repurchase Mandate will be financed from the available cash flow or working capital facilities of the Bank and its subsidiaries. In repurchasing Shares, the Bank may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the laws of Hong Kong.
- (iv) There may be material adverse impact on the working capital or gearing position of the Bank (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed share repurchases are to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as will, in the circumstances, have a material adverse effect on the working capital requirements of the Bank or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Bank.
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any Associates of the Directors of the Bank who have a present intention, in the event that the Repurchase Mandate is granted by Shareholders, to sell Shares to the Bank.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the power of the Bank to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Hong Kong.

- (vii) If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Bank increases, such increase will be treated as an acquisition of voting rights for purpose of the Takeover Code. As a result, a Shareholder, or group of Shareholders acting in concert, may be treated as having obtained or consolidated control of the Bank and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code. Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeover Code as a consequence of any purchases pursuant to the Repurchase Mandate.
- (viii) No purchases have been made by the Bank of its Shares in the six months prior to the date of this circular.
- (ix) No Connected Persons of the Bank have notified it of a present intention to sell Shares to the Bank and no such persons have undertaken not to sell any such Shares to the Bank in the event that the Repurchase Mandate is granted by the Shareholders.
- (x) The highest and lowest prices at which Shares had traded on the Stock Exchange in each of the previous twelve months were as follows:

		Highest	Lowest
		<i>HK\$</i>	<i>HK\$</i>
2011	:		
	March	35.10	31.75
	April	34.00	31.60
	May	34.30	30.95
	June	34.45	31.50
	July	32.55	29.50
	August	30.85	25.95
	September	31.05	24.05
	October	30.15	21.85
	November	29.30	24.50
	December	29.45	26.25
2012	:		
	January	32.50	27.80
	February	31.90	29.50