

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the shareholders of Hong Kong Exchanges and Clearing Limited (“HKEx”) will be held at the Trading Hall of The Stock Exchange of Hong Kong Limited at 1st Floor, One and Two Exchange Square, Central, Hong Kong on Wednesday, 17 April 2002 at 4:30 p.m. for the following purposes:

1. To receive and consider the Audited Accounts for the year ended 31 December 2001 together with the Reports of the Directors and Auditors thereon.
2. To declare a Final Dividend.
3. To re-appoint Auditors and to authorise the Directors to fix their remuneration.
4. To consider as special business and, if thought fit, pass with or without modification the following resolutions as Ordinary Resolutions and a Special Resolution respectively:

Ordinary Resolutions

- (I) “THAT the amendments to the Share Option Scheme in the manner as explained in the circular to shareholders of HKEx dated 13 March 2002 and as more specifically set out in the document marked “A” produced to the meeting and signed by the chairman of the meeting for the purpose of identification be and are hereby approved.”
- (II) “THAT:
 - (a) subject to paragraph (c) below and pursuant to section 57B of the Companies Ordinance, the exercise by the Directors of HKEx during the Relevant Period (as hereinafter defined) of all the powers of HKEx to allot, issue and deal with additional shares of HK\$1.00 each in the capital of HKEx and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of HKEx) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors of HKEx during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of HKEx) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of HKEx pursuant to the approval in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as hereinafter defined),
- (ii) an issue of shares as scrip dividends pursuant to the articles of association of HKEx from time to time,
- (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted and approved by the shareholders of HKEx for the grant or issue to employees of HKEx and/or any of its subsidiaries of shares or rights to acquire shares of HKEx,
- (iv) an issue of shares in HKEx upon the exercise of the subscription rights attaching to any warrants which may be issued by HKEx provided that the issue of such warrants (and the consequent obligation to issue such shares) has been approved by the shareholders of HKEx, either by specific resolution or as part of a general approval, or
- (v) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to in (iii) or (iv) above, in the price at which shares in HKEx shall be subscribed, and/or in the number of shares in HKEx which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities,

shall not exceed 20 per cent of the aggregate nominal amount of the issued share capital of HKEx at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose 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 HKEx;

Notice of Annual General Meeting

- (ii) the expiration of the period within which the next Annual General Meeting of HKEx is required by law to be held; or
- (iii) the date of the passing of an ordinary resolution by shareholders of HKEx in general meeting revoking or varying the authority given to the Directors of HKEx by this Resolution.

“Rights Issue” means an offer of shares in HKEx, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors of HKEx to the holders of shares of HKEx on the register of members of HKEx on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of HKEx may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations, or the expense and delay in determining the extent of 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 which are applicable to HKEx).”

(III) “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of HKEx during the Relevant Period (as hereinafter defined) of all powers of HKEx to repurchase shares of HKEx on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of HKEx may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which HKEx is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of HKEx at the date of passing this Resolution, and the said approval shall be limited accordingly; and

Notice of Annual General Meeting

(c) 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 HKEx;
- (ii) the expiration of the period within which the next Annual General Meeting of HKEx is required by law to be held; or
- (iii) the date of the passing of an ordinary resolution by shareholders of HKEx in general meeting revoking or varying the authority given to the Directors of HKEx by this Resolution.”

(IV) “THAT conditional upon the passing of Resolutions 4(II) and 4(III) set out in the notice convening this meeting, the general mandate granted to the Directors of HKEx and for the time being in force to exercise the powers of HKEx to allot, issue and deal with additional shares pursuant to Resolution 4(II) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of HKEx repurchased by HKEx under the authority granted pursuant to Resolution 4(III) set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of HKEx at the date of the said Resolution.”

Special Resolution

(V) “THAT subject to the written approval of the Securities and Futures Commission pursuant to section 10 of the Exchanges and Clearing Houses (Merger) Ordinance:

(a) Article 2 of the Articles of Association of HKEx be amended by:

(i) adding the following new definitions to Article 2(1):

“communication includes a communication comprising sounds or images or both and a communication effecting a payment

Notice of Annual General Meeting

electronic communication a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa) by means of a telecommunications system (within the meaning of the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong)) or by other means but while in an electronic form”

(ii) adding a new Article 2(8) as follows:

“References in these Articles to doing something by electronic means include doing it by an electronic communication.”

(b) Article 139 of the Articles of Association of HKEx be deleted in its entirety and replaced by the following:

“139. Balance sheet, profit and loss accounts and summary financial reports

- (1) The Directors shall, from time to time, in accordance with the Statutes, cause to be prepared and to be laid before the annual general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any), reports of the Directors and of the Auditors and other documents (if any) as are required by the Statutes. Each balance sheet shall be signed on behalf of the Directors by two of their number. The Directors may also cause to be prepared any other financial documents (including without limitation any summary financial report) as they think fit.
- (2) Subject to paragraph (3) below, a copy of the relevant financial documents or the summary financial report shall, not less than 21 days before the meeting, be delivered or sent by post to the registered address of every member and debenture holder of the Company, or in the case of a joint holding to that member or debenture holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.
- (3) Where a member or debenture holder of the Company has, in accordance with the Statutes and any rules prescribed by any Relevant Exchange from time to time, consented to treat the publication of the relevant financial documents and/or the summary financial report on the Company’s

Notice of Annual General Meeting

computer network as discharging the Company's obligation under the Ordinance to send a copy of the relevant financial documents and/or the summary financial report, then subject to compliance with the publication and notification requirements of the Statutes and any rules prescribed by any Relevant Exchange from time to time, publication by the Company on the Company's computer network of the relevant financial documents and/or the summary financial report at least 21 days before the date of the meeting shall, in relation to each such member or debenture holder of the Company, be deemed to discharge the Company's obligations under paragraph (2) above.

- (4) For the purposes of this Article, "relevant financial documents" and "summary financial report" shall have the meaning ascribed to them in the Ordinance."
- (c) Article 141 of the Articles of Association of HKEx be deleted in its entirety and replaced by the following:

"141. Form of notices

Except where otherwise expressly stated, any notice to be given to or by any person pursuant to these Articles shall be in writing or, to the extent permitted by the Statutes and any rules prescribed by any Relevant Exchange from time to time and subject to Article 145(2), contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing."

- (d) Article 142 of the Articles of Association of HKEx be deleted in its entirety and replaced by the following:

"142. Service of notices

- (1) A notice or other document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it by mail, postage prepaid (and, in any case where the registered address of a member is outside Hong Kong, by prepaid airmail), addressed to such member at his registered address or by leaving it at that address addressed to the member or by any other means authorised in writing by the member concerned or by publishing it by way of advertisement in at least one

Notice of Annual General Meeting

English language newspaper and one Chinese language newspaper circulating in Hong Kong. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, a notice or other document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a computer network and notifying the member concerned, in such manner as he may from time to time authorise, that it has been so published.

- (2) Any such notice or other document may be served or delivered by the Company by reference to the Register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice or other document is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.”

- (e) Article 145 of the Articles of Association of HKEx be deleted in its entirety and replaced by the following:

“145. Service on Company

- (1) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it by mail, postage prepaid (and, if posted outside Hong Kong, by prepaid airmail), addressed to the Company or to such officer at the Office.
- (2) The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such electronic communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.”

Notice of Annual General Meeting

- (f) Article 146 of the Articles of Association of HKEx be deleted in its entirety and replaced by the following:

“146. Proof of postage to be sufficient proof of service

Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail or prepaid airmail (as the case may be). Any notice or other document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was so left. Any notice or other document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or other document served or delivered by the Company by any other means authorised in writing by the member concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement or on a computer network shall be deemed to have been served or delivered on the day it was so published.”

- (g) Article 155 of the Articles of Association of HKEx be amended by deleting the word “Auditor” immediately after the words “every Director.”

By Order of the Board
HONG KONG EXCHANGES AND CLEARING LIMITED
Joseph Mau
Company Secretary

Hong Kong, 13 March 2002

Notes:

- (1) A shareholder entitled to attend and vote at the above meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote in his stead. The proxy need not be a shareholder of HKEx.

Notice of Annual General Meeting

- (2) Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of HKEx in respect of such share shall alone be entitled to vote in respect thereof.
- (3) In order to be valid, the enclosed form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practise in Hong Kong), must be deposited at HKEx's registrar, Hong Kong Registrars Limited, at 2/F, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong, not less than 48 hours before the time fixed for holding the above meeting or adjourned meeting (as the case may be).
- (4) The register of members of HKEx will be closed from Monday, 15 April 2002 to Wednesday, 17 April 2002, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged for registration with HKEx's registrar, Hong Kong Registrars Limited at the above address not later than 4:00 p.m. on Friday, 12 April 2002.
- (5) Concerning Resolutions 4(II) and 4(III), the Directors wish to state that there are no immediate plans to issue any new shares or to repurchase any shares of HKEx. The general mandates are being sought from shareholders in compliance with the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- (6) A circular containing further information concerning Resolutions 4(I) to 4(V) will be sent to shareholders together with HKEx's 2001 Annual Report.