



# 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 EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (the “Meeting”) of the members of CITIC International Financial Holdings Limited (the “Company”) will be held at Salon 5, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 9 February 2007 at 10:00 a.m. for the purposes of considering and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions of the Company:

### ORDINARY RESOLUTIONS

1. **“THAT** the authorized share capital of the Company be increased from HK\$6,000,000,000 to HK\$8,000,000,000 by the creation of additional 2,000,000,000 shares of HK\$1.00 each.”
2. **“THAT:**
  - (A) the terms of the subscription agreement (the “Subscription Agreement”) (a copy of which has been produced to this Meeting marked “A” and initialed by the chairman of the Meeting for identification) dated 22 November 2006, between the Company and Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”) pursuant to which, inter alia, subject to the fulfillment of the conditions set out therein, the Company has agreed to issue and allot 668,574,374 shares (the “Consideration Shares”) of HK\$1.00 each (each a “Share”) at a price of HK\$5.83 per Consideration Share, subject to the terms as set out in the Subscription Agreement, the details of which are described in the circular of the Company dated 29 December 2006, be and are hereby approved;
  - (B) the allotment and issue by the Company of the Consideration Shares in accordance with the Subscription Agreement be and is hereby approved;
  - (C) the allotment and issue by the Company of up to 33,353,587 new Shares at HK\$5.83 per Share to BBVA during the period commencing from the date of completion of the Subscription Agreement and ending on 10 business days after 31 December 2007 which may fall to be issued as a result of the exercise by BBVA of its top up rights pursuant to the Subscription Agreement in connection with the conversion of the outstanding convertible bonds of the Company, the details of which are described in the circular of the Company dated 29 December 2006, be and is hereby approved;

(D) the Directors be and are hereby authorized to exercise all powers of the Company to deal with the allotment and issue by the Company of up to 112,984,900 new Shares to BBVA at a price equivalent to the average closing price of the Company for the twenty trading days immediately before the date of the notice of exercise by BBVA of its anti-dilution top up right (the “Anti-Dilution Top Up Right”) pursuant to the Subscription Agreement if, during the period commencing from the date of completion of the Subscription Agreement and ending on 31 October 2007, BBVA exercises such rights in accordance with the terms of the Subscription Agreement, subject always to the conditions that:

- (i) the pricing of any new Shares in respect of which BBVA is entitled to exercise its Anti-Dilution Top Up Right must be approved by the directors of the Company (the “Directors”) (including the independent non-executive Directors) who do not have a direct interest in the transaction and who are not connected with BBVA or its associates;
- (ii) where the Shares to be issued pursuant to the exercise of the Anti-Dilution Top Up Right is at a discount of more than 10% to the benchmark price, being the higher of:
  - (a) the closing price on the date of exercise relating to the proposed issue of Shares in respect of the Anti-Dilution Top Up Right; and
  - (b) the average closing price in the five trading days immediately prior to the earliest of:
    - (i) the date of the announcement in respect of the proposed issuance of Shares in respect of the Anti-Dilution Top Up Right (if any);
    - (ii) the date of the relevant exercise of the Anti-Dilution Top Up Right; and
    - (iii) the date on which the subscription price in respect of the exercise of the Anti-Dilution Top Up Right is fixed,

an independent financial adviser’s opinion on the fairness of the price or value at which new Shares are to be issued to BBVA will be required, in addition to the approval of the Directors described above, and the Company will be required to include reference to this opinion in any announcement to be issued by the Company in relation to the issue of new Shares pursuant to the exercise of the Anti-Dilution Top Up Right by BBVA;

- (iii) where the new Shares to be issued pursuant to the exercise of the Anti-Dilution Top Up Right by BBVA is at a discount of 20% or more to the benchmark price (described above), the approval of the independent shareholders of the Company will be required in advance of such issue; and

- (iv) the issue price to BBVA upon the exercise of the Anti-Dilution Top Up Right should be no less than the price offered to independent third parties whose transaction gives rise to BBVA being entitled to exercise the Anti-Dilution Top Up Right;
- (E) the Directors be and are hereby authorized to exercise all the powers of the Company and take all steps as might in their opinion be desirable or necessary in connection with the Subscription Agreement including, without limitation to:
  - (i) the execution, amendment, supplement, delivery, submission and implementation of any further documents or agreements with BBVA or any other parties in relation to the issue and allotment of the Subscription Shares or the Shares to be issued pursuant to the exercise of the Anti-Dilution rights in (C) and (D) of Resolution 2 above; and
  - (ii) the taking of all necessary actions to implement the transaction contemplated under the Subscription Agreement.”

3. **“THAT:**

- (A) the terms of the subscription agreement (the “Top Up Agreement”) (a copy of which has been produced to this Meeting marked “B” and initialed by the chairman of the Meeting for identification) dated 22 November 2006, among the Company, China CITIC Bank (“CNCB”) and CITIC Group pursuant to which, inter alia, subject to the fulfillment of the conditions set out therein, the Company agreed to subscribe for, and CNCB (or its successor, a joint stock company to be restructured from CNCB) agreed to issue to the Company such number of shares so that the percentage of equity interest of the Company in the joint stock company will be no less than 15% and the consideration for each share in the joint stock company will be the final Hong Kong dollar price per H-share of the joint stock company at which they are to be offered to the public and is to be satisfied in cash, provided that such consideration (on the basis that it is not aggregated to the transaction under the sale and purchase agreement between the Company and CITIC Group dated 13 April 2006) shall not result in any of the Company’s “percentage ratios” under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited to exceed 25%, the details of which are described in the circular of the Company dated 29 December 2006, be and are hereby approved;
- (B) the terms of the memorandum of understanding (the “CNCB Cooperation MOU”) together with the agreement (the “CNCB Cooperation Agreement”) to be entered into among CITIC Group, CNCB and the Company pursuant to the CNCB Cooperation MOU (a copy of which has been produced to this Meeting marked “C” and initialed by the chairman of the Meeting for identification) dated 22 November 2006, between the Company, CNCB and CITIC Group, be and are hereby approved and that the entering into by the Company of the CNCB Cooperation Agreement subject to such comments and amendments as may be required by the relevant regulatory authorities be and is hereby approved;

- (C) a committee of Directors (comprising at least two independent non-executive Directors) be and are hereby authorized to exercise all the powers of the Company and take all steps as might in their opinion be desirable or necessary in connection with the Top Up Agreement, the CNCB Cooperation MOU and the CNCB Cooperation Agreement including, without limitation to:
- (i) the execution, amendment, supplement, delivery, submission and implementation of any further documents or agreements with CNCB and/or CITIC Group or any other parties in relation to the Top Up Agreement, the CNCB Cooperation MOU and the CNCB Cooperation Agreement;
  - (ii) the amendment of the terms of the CNCB Cooperation Agreement to such extent as they consider necessary or desirable to take into account comments and amendments as may be required by the relevant regulatory authorities; and
  - (iii) the taking of all necessary actions to implement the transaction contemplated under the Top Up Agreement, the CNCB Cooperation MOU and the CNCB Cooperation Agreement.”

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

Hong Kong, 29 December 2006

*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 with the circular of the Company dated 29 December 2006. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power of attorney or authority) must be completed, signed and deposited to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 46th 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 adjournment thereof.
3. The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may accept (provided that this shall not preclude the use of the two-way form), and shall be deemed, subject to the proviso described in note 4 below, to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the Meeting for which it is given as the proxy thinks fit.
4. Provided that any form issued to a Shareholder for him/her for appointing a proxy to attend at the Meeting at which special business is to be transacted shall be such as to enable the Shareholder according to his intention to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such special business and shall, unless the contrary is stated therein, be valid as well for any adjournment of the Meeting and for the Meeting to which it relates.

5. 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.
6. Where two or more persons are registered as the holder of any Share, the Company shall be at liberty to treat the person whose name stands first in the register of members as one of the joint holders of any Shares as solely entitled to attend or vote at the Meeting, but any one of such joint holders may be appointed the proxy of the persons entitled to vote on behalf of such joint holders, and as such proxy to attend and vote at the Meeting of the Company, but if more than one of such joint holders be present at any meeting personally or by proxy that one so present whose name stands first in the register of member in respect of such Shares shall alone be entitled to vote in respect thereof.

*As at the date of this notice, the Chairman of the Company is Mr. Kong Dan; the Vice Chairman of the Company is Mr. Chang Zhenming; the executive directors of the Company are Mr. Dou Jianzhong, Mrs. Chan Hui Dor Lam Doreen, Mr. Lo Wing Yat Kelvin, Mr. Roger Clark Spyer and Mr. Zhao Shengbiao; the non-executive directors of the Company are Mr. Chen Xiaoxian, Mr. Feng Xiaozeng, Mr. Ju Weimin, Mr. Liu Jifu and Mr. Wang Dongming; and the independent non-executive directors of the Company are Mr. Rafael Gil-Tienda, Mr. Lam Kwong Siu and Mr. Tsang Yiu Keung Paul.*

*Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.*