

SHANGHAI COMMERCIAL BANK LTD.

(INCORPORATED IN HONGKONG)

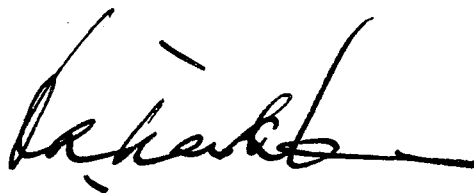
12 QUEEN'S ROAD CENTRAL
HONG KONG

FAX NO : (852)28104623
TEL NO : (852)28415415
TELEX NO : 73390, 73650
SWIFT ADD : "SCBK HK HH XXX"
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SPECIAL RESOLUTIONS OF
SHANGHAI COMMERCIAL BANK LIMITED

This is to certify that at the Forty-ninth Annual General Meeting of Shanghai Commercial Bank Limited, held on 22nd March 2000 at its Registered Office, 12 Queen's Road Central, Hong Kong at 11:40 a.m., which Meeting was duly convened and at which a quorum was present, the following resolutions were unanimously adopted as Special Resolutions:

- (1) "That the sum of HK\$400,000,000, being part of the outstanding balance of the Bank's general reserve, be capitalised and that the said sum be applied in making payment in full at par for 4,000,000 new shares of HK\$100 each in the capital of the Bank, and such new shares be issued, allotted, and distributed as fully paid among the persons who were registered as holders of shares in the capital of the Bank at the close of business on 14th March 2000 at the rate of one fully paid share for every four shares of HK\$100 each then held by such holders, such new fully paid shares so distributed to rank for all purposes pari passu with the existing issued shares of the Bank save that they shall not rank for the dividend payable for the year ended 31st December 1999, and that such fully paid shares be treated for all purposes as an increase in the amount of the Paid-up Capital of the Bank held by each such shareholder and not as income."
- (2) "That the Authorised Capital of the Bank be increased from HK\$2,000,000,000 to HK\$3,000,000,000 by the creation of 10,000,000 additional shares of HK\$100 each."



Frank K. S. Lau
Director & Deputy General Manager

Hong Kong, 23 March 2000

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23 March 2000

Hong Kong Monetary Authority
Banking Supervision Department
30/F, 3 Garden Road
Hong Kong

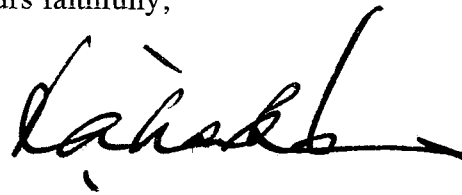
Dear Sirs,

Increase of Authorised Capital and Paid-up Capital

We hereby give notice that at the Bank's Annual General Meeting held on 22 March 2000, the two Special Resolutions to increase the Bank's Authorised Capital from HK\$2,000,000,000 to HK\$3,000,000,000 and to increase the Bank's Paid-up Capital from HK\$1,600,000,000 to HK\$2,000,000,000 by capitalising part of the Bank's general reserve up to HK\$400,000,000 for a bonus issue to the existing shareholders on a one for four basis respectively were unanimously adopted. With the aforesaid increase of Authorised Capital, the first sentence of Clause 5 of the Bank's Memorandum of Association shall now read "The capital is HK\$3,000,000,000 divided into 30,000,000 shares of HK\$100 each." A certified copy of the relative resolutions is enclosed herewith for your file.

Thanking you for your kind attention,

Yours faithfully,



Frank K. S. Lau
Director & Deputy General Manager

Encl.