

Certain strategically and commercially sensitive information and personal information contained in this document have been redacted. The remaining information is considered by the Bank, its directors and its financial adviser as adequate for the purpose of disclosing the nature and significance of this document, and for the Bank to fulfil its relevant disclosure obligation under the Codes on Takeovers and Mergers and Share Buy-backs.

SHARE SALE AGREEMENT

relating to the sale and purchase of the shares of Blue Cross (Asia-Pacific) Insurance Limited

Dated 4 March 2022

THE BANK OF EAST ASIA, LIMITED

and

AIA HOLDINGS (HONG KONG) LIMITED

and

AIA COMPANY LIMITED

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Share Sale Agreement

This Agreement is made on 4 March 2022 among:

- (1) **THE BANK OF EAST ASIA, LIMITED**, a company incorporated in Hong Kong with registration number 0000255 whose registered office is at 10 Des Voeux Road Central, Hong Kong (the “**Seller**”);
- (2) **AIA HOLDINGS (HONG KONG) LIMITED**, a company incorporated in Hong Kong with registration number 2731188 whose registered office is at 11/F, AIA Hong Kong Tower, 734 King’s Road, Quarry Bay, Hong Kong (the “**Purchaser**”); and
- (3) **AIA COMPANY LIMITED**, a company incorporated in Hong Kong with registration number 0002047 whose registered office is at Suites 5301-03, 53/F Hopewell Centre, 183 Queen’s Road East Wanchai, Hong Kong (the “**Purchaser’s Guarantor**”).

Whereas:

- (A) As at the date of this Agreement, the Seller is the sole legal and beneficial owner of the Shares.
- (B) The Company carries on non-life insurance business in Hong Kong (the “**Business**”) and operates the Portfolio as at the date of this Agreement.
- (C) The Seller has agreed to sell the Shares on Closing and to assume the obligations imposed on it under this Agreement.
- (D) The Purchaser has agreed to purchase the Shares on Closing and to assume the obligations imposed on the Purchaser under this Agreement.
- (E) On Closing, among other things, the Seller and the Company shall enter into the Blue Cross Distribution Agreement and the Amended Regional Distribution Agreement, pursuant to which the Seller will distribute non-life insurance products of the Company in Hong Kong.
- (F) The Purchaser’s Guarantor has agreed to guarantee the obligations of the Purchaser under this Agreement.

It is agreed as follows:

1 Interpretation

In this Agreement including the Recitals, unless the context otherwise requires, the provisions in this Clause 1 apply:

1.1 Definitions

“**Accounts**” means the audited accounts of the Company (including the income statement, statement of financial position, cash flow statement and the notes to the accounts) as at, and for the 12-month period ended on, the Accounts Date;

“**Accounts Date**” means 31 December 2020;

“**Actuarial Reports**” means the third-party actuarial reviews provided by S.Yu & Partners Limited on (i) employees’ compensation / employers’ liability insurance business, (ii) accident & health insurance business made available as item 3.11 of the Data Room, (iii)

the loss triangles 20211231 made available as item 18.86 of the Data Room, and (iv) the liability adequacy test made available as items 18.62 and 18.63 of the Data Room;

“Actuarial Reserves” has the meaning given to it in Clause 11.11;

“Aggregate Consideration” has the meaning given to it in Clause 3.1;

“Agreed Form” means, in relation to a document, such document in the form agreed between the Seller and the Purchaser, with such alterations as may be agreed in writing between the Seller and the Purchaser from time to time;

“AIA Everest” means AIA Everest Life Company Limited, a company incorporated in Hong Kong with registered number 1082184 and having its registered address at 11th Floor, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong;

“AIA International” means AIA International Limited, a company incorporated in Bermuda and having its main business address in Hong Kong at 1/F, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong;

“Amended Regional Distribution Agreement” means the amended and restated regional distribution agreement in the Agreed Form set out in Schedule 13 to be entered into between the Seller and the Purchaser's Guarantor at Closing;

“Base Consideration” has the meaning given to it in Clause 3.1.1;

“Benchmark Rate” means the prime rate quoted in HK\$ by the Seller from time to time;

“Blue Care” means Blue Care Medical Services Limited;

“Blue Cross Distribution Agreement” means the distribution agreement in the Agreed Form set out in Schedule 9 to be entered into between the Seller and the Company at Closing;

“Blue Cross MPF Scheme” means the BEA (MPF) Master Trust Scheme with scheme number BEA00000260566;

“Blue Cross ORSO Scheme” means the Blue Cross (Asia-Pacific) Insurance Limited Retirement Scheme with ORSO Exemption/Registration number R027310(3) and MPF Exemption number OR0064071;

“Blue Cross Service Level Agreement” has the meaning given to it in Clause 5.9;

“Blue Cross Transitional Licence Agreement” has the meaning given to it in Clause 5.7.2;

“Business” has the meaning given to it in Recital (B);

“Business Day” means Monday to Friday, excluding public holidays, in Hong Kong and excluding any day on which a tropical cyclone warning signal no 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9.00 am and 4.00 pm;

“Claim” means a claim against the Seller for breach of or under this Agreement, including a Tax Claim but excluding a claim for Leakage under Clause 9;

“Closing” means completion of the sale and purchase of the Shares pursuant to Clauses 6.1, 6.2 and 6.3 of this Agreement;

“Closing Date” means the date on which Closing takes place;

[REDACTED]

[REDACTED]

[REDACTED]

"Companies Ordinance" means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

"Company" means Blue Cross (Asia-Pacific) Insurance Limited, details of which are set out in Part 1 of Schedule 1;

"Company Data" means the applicable data relating exclusively to the Business and not forming part of the books and records of the Seller's Group, and excluding voice recording files from customer service calls;

"Conditions" means those conditions set out in Clause 4.1, and **"Condition"** means any one of them;

"Confidentiality Agreement" means the confidentiality agreement dated 9 December 2021 between the Seller and the Purchaser's Guarantor;

"Consent Contracts" means the contracts listed in Schedule 12 and any licence or contract to which a member of the Seller's Group is a party and which requires a consent or waiver from the relevant counterparty in order for the relevant member of the Seller's Group to provide the services required to be provided by it under the Transitional Services Agreement;

"Controller Condition" means the Condition set out in Clause 4.1.1;

"Data Centre" means the location(s) where the systems and IT infrastructures of the Company are stored from time to time;

"Data Centre Relocation" has the meaning given to it in Clause 5.11.1;

"Data Room" means the electronic data room containing documents and information relating to the Company made available by the Seller online at <https://www.datasite.com> as closed as of 3:56 p.m. on 4 March 2022 (where (i) the Seller hereby warrants and (ii) Datasite has confirmed by delivery of a letter, that the virtual data room is closed as at such time and no additional documents, materials and information will be uploaded thereafter), a secured digital copy of which shall be delivered by the Seller to the Purchaser as soon as practicable after the execution of this Agreement and the table of contents of which is set out in Appendix 1 to the Disclosure Letter;

"Deposit Interest Rate" has the meaning given to it in Clause 3.1.2;

"Disclosure Letter" means the letter dated on the same date as this Agreement from the Seller to the Purchaser disclosing:

- (i) information constituting exceptions to the Seller's Warranties; and
- (ii) details of other matters referred to in this Agreement;

"Dispute Amount" has the meaning given to it in paragraph 4.4 of Schedule 3;

[REDACTED]

[REDACTED]

“Employees” means the individuals having a contract of employment with the Company as at the date of this Agreement, and **“Employee”** means any one of them;

“Encumbrance” means any claim, charge, mortgage, lien, option, equitable right, power of sale, pledge, hypothecation, usufruct, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;

“Estimated Outstanding Intragroup Payables” has the meaning given to it in Clause 6.5.2(ii);

“Estimated Outstanding Intragroup Receivables” has the meaning given to it in Clause 6.5.2(iii);

[REDACTED]

“Expert” has the meaning given to it in paragraph 2.1 of Schedule 11;

“GI Accounts” means pro forma accounts setting out the assets and liabilities and the profits and losses of the non-life business of the Company, in the format of the accounts contained in item 2.2 of the Data Room;

“Group” means, in relation to any person, its holding companies and subsidiaries, and any subsidiaries of such holding companies, from time to time;

“Guaranteed Obligations” has the meaning given to it in Clause 16.1;

“HKFRS” means the Hong Kong Financial Reporting Standards, which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Companies Ordinance;

“HKFRS 17 Preparation” means activities relating to the preparation of the Company for the implementation of HKFRS 17;

“HKIAC” has the meaning given to it in Clause 17.14;

“HK\$” means Hong Kong dollar, the lawful currency of Hong Kong;

“HK RBC Preparation” means activities relating to the preparation of the Company for the implementation of a risk-based capital regime applicable to Hong Kong authorised insurers;

“Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Implementation Committee” has the meaning given to it in Clause 5.11.1;

"In-Force Policies" means those policies entered into by the Company, as an insurer, with its customers and which are in-force at the date of this Agreement, and **"In-Force Policy"** means any of them;

"Initial Business Plan" has the meaning given to it in the Blue Cross Distribution Agreement;

"Insurance Authority" means the Insurance Authority of Hong Kong;

"Insurance Claims" has the meaning given to it in Clause 11.11.1;

"Insurance Ordinance" means the Insurance Ordinance (Chapter 41 of the Laws of Hong Kong);

"Intellectual Property Rights" means trade marks, service marks, rights in trade names, business names, logos, insignias, slogans, emblems, symbols or get-up and the goodwill associated with any of the foregoing, patents, rights in inventions, trade secrets, registered and unregistered design rights, copyrights, rights in software, data and database rights, rights in domain names and, URLs and social media account rights and all other similar rights in any part of the world (including in Know-how) including, where such rights are obtained or enhanced by registration, any registration of such rights and applications and rights to apply for such registrations;

"Interest Payment" has the meaning given to it in Clause 3.1.2;

"Intra-Group Agreements" means the following agreements:

- (i) the service agreement dated 23 January 2013 entered into between the Company and the Seller relating to the provision of the internal audit service, as amended and supplemented by the first addendum dated 29 December 2016 and second addendum dated 30 March 2020 (the **"Internal Audit Services Agreement"**);
- (ii) the agency agreement dated 15 August 2001 entered into between the Company and the Seller relating to agency services for the purpose of introducing long term and general insurance business, as amended and supplemented from time to time (the **"Agency Agreement"**);
- (iii) the emergency cash assistance agreement dated 2 March 2009 entered into between The Bank of East Asia (China) Limited and the Company relating to the provision of emergency cash in China to the insured persons (the **"Emergency Cash Assistance Agreement"**);
- (iv) the investment management agreement dated 1 July 2010 entered into between BEA Union Investment Management Limited and the Company relating to the appointment of BEA Union Investment Management Limited as the investment manager of the clients set out in the agreement, as amended and supplemented by the first addendum dated 3 January 2011, the second addendum dated 19 November 2019 and the third addendum dated 31 December 2020 (the **"BEA Union Investment Agreement"**);
- (v) the service agreement dated 1 February 2019 entered into between the Company and East Asia Digital Information Services (Guangdong) Limited regarding outsourcing data processing services, as amended and supplemented by the first supplemental agreement dated 1 September 2019 and second supplemental

agreement dated 22 July 2020 (the “**Outsourcing Data Processing Service Agreement**”);

- (vi) the letter agreement dated 19 December 2012 entered into between East Asia Facility Management Limited and the Company relating to the provision of document storage service (the “**Document Storage Service Agreement**”);
- (vii) the data centre services agreement dated 15 May 2020 entered into between the Company and the Seller relating to the provision of data centre services (the “**Data Centre Services Agreement**”);
- (viii) the tenancy agreement entered into between the Company and the Seller relating to the office lease for prime office for the period from 1 January 2022 to 31 December 2022 (the “**Office Lease**”);
- (ix) the tenancy agreement entered into between the Company and the Seller relating to the office lease for BCP site for the period from 1 January 2022 to 31 December 2022 (the “**BCP Office Lease**”);
- (x) the e-commerce merchant agreement dated 16 January 2001 entered into between the Company and the Seller relating to premium collection via credit card (the “**E-commerce Merchant Agreement**”);
- (xi) the distribution and services agreement dated 28 February 2006 entered into between the Company, the Seller, Cigna Worldwide Insurance Company, Cigna Worldwide Life Insurance Company Limited and Cigna Worldwide General Insurance Company Limited relating to the distribution and services covering life products of the Company, as amended and supplemented by the novation agreement dated 8 May 2006, supplemental agreement dated 3 August 2006, supplemental agreement dated 18 April 2007, supplemental agreement dated 23 April 2007, supplemental agreement dated 15 January 2008 and the fifth supplemental agreement dated 20 July 2009;
- (xii) the agreement dated 9 June 2020 entered into between the Company and Blue Care regarding the provision of medical consultant services, as amended and supplemented by the first addendum dated 31 August 2021;
- (xiii) the medical services agreement dated 1 June 2006 entered into between the Company and U Care relating to the provision of medical services or related services, as amended and supplemented by the first addendum dated 28 August 2008, the second addendum dated 23 June 2011, the third addendum dated 18 January 2013, the fourth addendum dated 29 April 2013, the fifth addendum dated 19 June 2015, the sixth addendum dated 20 June 2016, the seventh addendum dated 18 September 2017, the eighth addendum dated 27 November 2017, the ninth addendum dated 9 April 2019 and the tenth addendum dated 13 May 2020;
- (xiv) the medical laboratory services agreement signed on 13 August 2008 entered into between the Company and U Care relating to the provision of medical laboratory services and other related services, as amended and supplemented by the first addendum dated 23 June 2011, the second addendum 29 April 2013, the third addendum dated 19 June 2015, the fourth addendum dated 29 December 2017, the fifth addendum dated 26 July 2019 and the sixth addendum dated 3 November 2021;

- (xv) the physiotherapy services agreement dated 25 August 2008 entered into between the Company and U Care relating to the provision of covered physiotherapy, as amended and supplemented by the first addendum dated 23 June 2011, the second addendum dated 18 January 2013, the third addendum dated 30 June 2015, the fourth addendum dated 20 June 2016, the fifth addendum dated 9 April 2019 and the sixth addendum dated 13 May 2020;
- (xvi) the medical services agreement dated 1 September 2021 entered into between the Company and U Care relating to the provision of preventive care services;
- (xvii) the information technology services agreement dated 1 September 2021 entered into between the Company, Blue Care and U Care relating to the provision of information and technology services and embossing services of medical cards and/or plastic merchant cards for identification of panel doctors;
- (xviii) the share purchase agreement dated 15 February 2022 entered into among the Seller, the Company and The Bank of East Asia (Nominees) Limited relating to the sale of one issued ordinary share in Travelsafe Limited, held by The Bank of East Asia (Nominees) Limited on trust for the Company, to the Seller; and
- (xix) the share purchase agreement dated 15 February 2022 entered into between the Company and the Seller relating to the sale of one issued ordinary share in Travelsafe Limited by the Company to the Seller.

“Intra-Group Trading Payables” means all liabilities or obligations in the ordinary and usual course of business owed by the Company to a member of the Seller’s Group in respect of intra-group trading activity and the provision of services, facilities and benefits between them, but excluding liabilities or obligations under any of the Intra-Group Agreements;

“Know-how” means non-trivial industrial and commercial information and techniques in any form not in the public domain including drawings, formulae, test results, reports, project reports and testing procedures, instruction and training manuals, tables of operating conditions, market forecasts, lists and particulars of customers and suppliers;

“Law” means any constitution, law, treaty, statute, ordinance, policy, code, rule, regulation, guideline (or similar regulatory or self-regulatory document), executive order, administrative order or other order, arbitration award, judgment, decree, temporary restraining order, injunction (preliminary or permanent), determination or judicial interpretation of any governmental or regulatory (including self-regulatory) authority, or any agreement or commitment with any governmental authority;

“Leakage” means:

- (i) any dividend (whether in cash or specie) or distribution declared, paid or made or agreed to be paid or made, or other distribution or return of capital declared, paid or made, including any amount paid or agreed to be paid in respect of any redemption, repurchase or reduction of share capital, by the Company to any member of the Seller’s Group;
- (ii) any payments made or agreed to be made or any assets transferred or agreed to be transferred by or on behalf of the Company to any member of the Seller’s Group, other than pursuant to agreements or arrangements in the Agreed Form or

in the ordinary course of business pursuant to agreements or arrangements fully disclosed in the Data Room;

- (iii) any liabilities assumed, indemnified or incurred or agreed to be assumed, indemnified or incurred (including under any guarantee, indemnity or other security granted over any assets of the Company), by or on behalf of the Company to or for the benefit of any member of the Seller's Group, other than pursuant to agreements or arrangements in the Agreed Form or in the ordinary course of business pursuant to agreements or arrangements fully disclosed in the Data Room;
- (iv) the waiver, release or discount or agreement to the waiver, or release or discount by or on behalf of the Company of any amount or obligation owed to the Company by any member of the Seller's Group, or of any claims or rights of the Company against any member of the Seller's Group;
- (v) any Transaction Costs and Transaction Payments; and
- (vi) any Taxation payable by the Company as a consequence of any of the matters referred to in (i) to (v) above, save to the extent that those matters constitute Permitted Leakage,

but does not include any Permitted Leakage;

"Leakage Dispute" has the meaning given to it in Clause 9.3;

"Leases" means the Office Lease and the BCP Office Lease;

"Lease Agreements" has the meaning given to it in paragraph 10.2.1 of Schedule 5;

"Liaison Committee" has the meaning given to it in Clause 5.10;

"Licences" has the meaning given to it in paragraph 8.1.1 of Schedule 5;

"Locked Box Accounts" means the unaudited accounts of the Company (including the income statement and statement of financial position) as at, and for the 12-month period ended on, the Locked Box Date;

"Locked Box Date" means 31 December 2021;

"Long Stop Date" means:

- (i) the date falling 12 months after the date of this Agreement; or
- (ii) such other date as may be agreed in writing by the Seller and the Purchaser from time to time;

"Losses" means all losses, liabilities, costs (including legal costs and experts' and consultants' fees), charges, expenses, actions, proceedings, claims and demands;

"Material Adverse Effect" means any material adverse effect on the condition (financial or otherwise), businesses, assets, liabilities or results of operations of the Company taken as a whole;

"Material Contract" means (i) each Intra-Group Agreement and each Transaction Document to which the Company is a party, (ii) each reinsurance treaty entered into by the Company (but excluding any facultative reinsurance agreements entered into by the Company; (iii) each distribution or agency agreement entered into with brokers or agents

who contributed to 5% or more of the gross written premium of the Company (or the agency channel of the Company) in the financial year ended 31 December 2021; and (iv) any other agreement entered into by the Company (excluding, for the avoidance of doubt, insurance policies entered into with policyholders, and distribution and agency agreements entered into with brokers and/or agents other than those set out in (iii)) under which in excess of HK\$4 million was incurred or received by the Company in the financial year ended on 31 December 2021 or can reasonably be expected to be incurred or received by the Company in the financial year ending on 31 December 2022;

“Material IPRs” means all Intellectual Property Rights which are used in relation to, and are material to, the Business, excluding any Intellectual Property Rights subsisting in the Seller’s Marks;

“Mis-selling” means any advice, statement, act, omission or practice of, given or made in writing or orally by or on behalf of the Company in connection with the sale or marketing of any insurance products provided, offered or sold by the Company that was in breach of or in contravention of any applicable Law in force at the time when the relevant product was provided, offered or sold;

“Nominee” means any member of the Purchaser’s Group that the Purchaser may nominate by a written notice to the Seller given at least 10 Business Days before the Closing Date, provided that the Condition set out in Clause 4.1.1 has been met in respect of such member of the Purchaser’s Group;

“Notice” has the meaning given to it in Clause 17.11.1;

“Outstanding Intragroup Payables” means any amounts owing by the Company to any member of the Seller’s Group as at the Closing Date;

“Outstanding Intragroup Receivables” means any amounts owing by any member of the Seller’s Group to the Company as at the Closing Date;

“Party” means a party to this Agreement, and **“Parties”** shall be construed accordingly;

“Payables and Receivables Dispute” has the meaning given to it in paragraph 4.5 of Schedule 3;

“Payer-Linked Deduction” has the meaning given to it in Clause 17.10.1;

“Permitted Leakage” means any matter set out in Schedule 4;

“Permitted Retention Bonuses” means an amount of the Pre-Closing Retention Package (as defined in paragraph 1 of Schedule 2) of up to HK\$5,000,000 to be borne by the Company;

“Permitted Salary Increase” has the meaning given to it in Clause 5.1.2(xii);

“Portfolio” means the long term business carried on by the Company (comprising all long term business insurance policies and related property, assets, investments and liabilities);

[REDACTED]

“Portfolio Transfer” means the transfer of the Portfolio from the Company to AIA Everest pursuant to the Portfolio Transfer Agreement and the Scheme of Transfer;

"Portfolio Transfer Agreement" means the portfolio transfer agreement dated 24 March 2021 entered into among the Company, AIA Everest, the Seller and the Purchaser's Guarantor in respect of the transfer of the Portfolio from the Company to AIA Everest;

"Purchaser's Group" means the Purchaser and its Group from time to time;

"Regulatory Conditions" means the Conditions set out in Clauses 4.1.1 and 4.1.2;

"Relevant Medical Services" has the meaning given to it in Clause 8.5;

"Relevant Sanction Restriction" means a sanction, prohibition or restriction under any trade, economic or financial sanctions, embargoes or similar orders, laws or regulations administered or enforced by the United Nations Security Council, the European Union, the United Kingdom, the United States of America (currently including the U.S. Hong Kong Autonomy Act and U.S. Executive Order 13936 and those other sanctions, embargoes and similar restrictions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, or through any other existing or future statute, executive order or regulation) or any other jurisdiction applicable to the Company;

"Relocation Plan" has the meaning given to it in Clause 5.11.1;

"Representative Office" means the Shanghai representative office of the Company;

"Run-Off" has the meaning given to it in Clause 8.2;

"Scheme of Transfer" means the scheme of transfer under Section 24 of the Insurance Ordinance relating to the transfer of the Portfolio from the Company to AIA Everest;

"Seller's Benefit Plans" means the plans under which benefits are provided to Employees prior to Closing and includes the Seller's Retirement Scheme, the Seller's Incentive Schemes and any medical, dental, health, life insurance, disability plans, rental provision and training sponsorship of the Seller's Group;

"Seller's Group" means the Seller and its Group from time to time;

"Seller's Group Insurance Policies" means all insurance policies (whether under policies maintained with third party insurers or any member of the Seller's Group), other than Target Insurance Policies, maintained by the Seller's Group, under which, immediately prior to the Closing Date, the Company is entitled to any benefit, and **"Seller's Group Insurance Policy"** means any one of them;

"Seller's Incentive Schemes" means any incentive arrangements offered to Employees as at the date of this Agreement (including year-end bonus and discretionary performance bonuses awarded to sales and sales supporting staff, general staff and senior management staff), the details of which are contained in the Data Room;

"Seller's Marks" means any names, trade marks, services marks, business names, company names, corporate names, logos, insignias, slogans, emblems, symbols or designs ("**Names**"), in each case, owned or registered by any member of the Seller's Group, which comprise or include (in whole or in part) any of the marks "BEA" and "東亞" (including in word, stylised word, slogan, logo or local script from or any combination of the foregoing), and any marks which are confusingly similar to, or dilutive of, such Names;

"Seller's Retirement Scheme" means the Blue Cross MPF Scheme and the Blue Cross ORSO Scheme;

"Seller's Warranties" means the warranties given by the Seller pursuant to Clause 10 and Schedule 5, and **"Seller's Warranty"** means any one of them;

"Senior Employee" means each of the chief operating officer, chief distribution officer, chief marketing officer, chief technology officer, claims controller and financial controller of the Company;

"Shares" means all of the issued shares in the share capital of the Company, and **"Share"** means any one of them;

"Surviving Clauses" means Clauses 1 and 17.2 to 17.15;

"Target Insurance Policies" means all insurance policies held exclusively by and for the benefit of the Company, and **"Target Insurance Policy"** means any one of them;

"Taxation" or **"Tax"** means all forms of taxation (other than deferred tax) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies or other charge, withholding or deduction, in each case in the nature of tax, whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments to a Tax Authority on account of Tax, whenever and wherever imposed and whether chargeable directly or primarily against or attributable directly or primarily to the Company or any other person and all penalties and interest relating thereto;

"Tax Authority" means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any Law in relation to Taxation;

"Tax Claim" means a claim against the Seller for breach of paragraph 13 of Schedule 5;

"Terminating Intra-Group Agreements" has the meaning given to it in Clause 5.2.4;

"Third Party Claim" has the meaning given to it in Clause 12.5;

"Title or Capacity Warranties" means the warranties set out in paragraphs 1.1, 8.1.1, 16 and 17 of Schedule 5, and **"Title or Capacity Warranty"** means any one of them;

"Transaction Costs" means any fees, costs or expenses paid or incurred or agreed to be paid or incurred by the Company since the Locked Box Date in connection with the sale of the Shares, including the fees of any professional advisers;

"Transaction Documents" means this Agreement, the Disclosure Letter, the Amended Regional Distribution Agreement, the Blue Cross Distribution Agreement, the Blue Cross Service Level Agreement, the Blue Cross Transitional Licence Agreement, the Transitional Services Agreement (if applicable) and all documents entered into pursuant to this Agreement, and **"Transaction Document"** means any one of them;

"Transaction Payments" means any payment made or agreed to be made by the Company to any director, officer, employee or consultant of the Company or any member of the Seller's Group which is not contractually owed pursuant to agreements or arrangements fairly disclosed in the Data Room;

"Transitional Services Agreement" means, if the Liaison Committee determines that such agreement shall be entered into, the agreement (substantially in the form of the transitional services agreement between AIA Everest and the Company dated 31 August 2021, adapted for the services to be provided) to be entered into between the Seller (or the

relevant member of the Seller's Group) and the Company at Closing in respect of the provision of certain services by the Seller's Group to the Company;

"U Care" means U Care Hong Kong Medical Limited;

[REDACTED]

"US\$" means United States dollar, the lawful currency of the United States of America; and

"Warranty or Pre-Closing Claim" means a claim against the Seller for breach of a Seller's Warranty or of Clause 5.1.1.

1.2 Gender, Singular, Plural

References to one gender include all genders and references to the singular include the plural and vice versa.

1.3 References to Persons and Companies

References to:

1.3.1 a person include any individual, company, partnership or unincorporated association (whether or not having separate legal personality) or any government or state agency; and

1.3.2 a company include any company, corporation or body corporate, wherever incorporated.

1.4 References to Subsidiaries and Holding Companies

A company is a **"subsidiary"** of another company (its **"holding company"**) if that other company, directly or indirectly, through one or more subsidiaries:

1.4.1 holds a majority of the voting rights in it;

1.4.2 is a member or shareholder of it and has the right to appoint or remove a majority of its board of directors or equivalent managing body;

1.4.3 is a member or shareholder of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it; or

1.4.4 has the right to exercise a dominant influence over it, for example by having the right to give directions with respect to its operating and financial policies, with which directions its directors are obliged to comply.

1.5 Modification etc. of Statutes

References to a statute or statutory provision include:

1.5.1 that statute or provision as from time to time modified, re-enacted or consolidated whether before or after the date of this Agreement;

1.5.2 any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which that statute or statutory provision has directly or indirectly replaced; and

1.5.3 any subordinate legislation made from time to time under that statute or statutory provision.

1.6 Recitals, Clauses, Schedules etc.

References to:

- 1.6.1 this Agreement shall include the Recitals and any Schedules to it;
- 1.6.2 Recitals, Clauses and Schedules are to Recitals and Clauses of, and Schedules to, this Agreement; and
- 1.6.3 paragraphs and Parts are to paragraphs and Parts of the Schedules (unless the context requires otherwise).

1.7 Headings

The headings in this Agreement are for ease of reference only and shall not affect the construction of this Agreement.

1.8 Reference to Documents

References to any document (including this Agreement), or to a provision in a document, shall be construed as a reference to such document or provision as amended, supplemented, modified, restated or novated from time to time.

1.9 Information

References to books, records or other information mean books, records or other information in any form including paper, electronically stored data, magnetic media, film and microfilm.

1.10 Non-limiting Effect of Words

The words “including”, “include”, “in particular” and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

1.11 Meaning of “to the extent that” and similar expressions

In this Agreement, “to the extent that” shall mean “to the extent that” and not solely “if”, and similar expressions shall be construed in the same way.

2 Sale and Purchase of the Shares

2.1 Sale and Purchase of the Shares

2.1.1 On and subject to the terms of this Agreement:

- (i) the Seller shall sell; and
 - (ii) the Purchaser (or its Nominee) shall purchase,
- the Shares.

2.1.2 The Shares shall be sold free from Encumbrances and together with all rights and advantages attaching to them as at Closing (including the right to receive all dividends or distributions declared, made or paid on or after Closing).

3 Consideration

3.1 Amount

The consideration for the Shares under this Agreement and the Seller's entry into of the distribution arrangements contemplated in the Blue Cross Distribution Agreement shall be an amount in cash equal to the sum of:

3.1.1 US\$270,000,000 (the "**Base Consideration**"), out of which US\$265,000,000 shall be attributable to the sale of the Shares and US\$5,000,000 shall be attributable to the Seller's entry into of the distribution arrangements contemplated in the Blue Cross Distribution Agreement; *plus*

3.1.2 an amount equal to the interest that would have accrued if it had been charged at the daily average of the HK\$ interest settlement rate for a maturity of six months published on the website of the Hong Kong Association of Banks with respect to the relevant period, without any additional internal or external rate or loading (the "**Deposit Interest Rate**"), calculated, in accordance with the template set out in Schedule 14, on the Base Consideration from (but excluding) the Locked Box Date to (and including) the Closing Date, if such interest had accrued daily, as notified pursuant to Clause 6.5 (the "**Interest Payment**"); *plus*

3.1.3

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(collectively the "**Aggregate Consideration**").

3.2 Adjustment for Leakage

If any Leakage between the Locked Box Date and Closing is notified pursuant to Clause 6.5, the Aggregate Consideration shall be reduced by such amount such that the payment of the reduced Aggregate Consideration shall be an absolute discharge of the Purchaser's obligation to pay the Aggregate Consideration to the Seller on Closing pursuant to Clause 6.3.

3.3 Payment of Consideration

The Aggregate Consideration (adjusted, as applicable, pursuant to Clause 3.2) shall be paid by way of cash payment pursuant to Clause 6.3.

3.4 Treatment of Payments made by Seller

If any payment is made by the Seller to the Purchaser in respect of any claim for Leakage or for any breach of this Agreement, the payment shall be made by way of a reduction to the Aggregate Consideration.

3.5

[REDACTED]

4 Conditions

4.1 Conditions Precedent

The sale and purchase of the Shares is conditional upon satisfaction (or, where applicable, waiver) of the following Conditions, or their satisfaction subject only to Closing:

- 4.1.1 any person that will become a “controller” (as defined under the Insurance Ordinance) of the Company as a result of the transaction contemplated by this Agreement having obtained written approval or a written notice of no objection from the Insurance Authority to become a “controller” of the Company, and (if required) the Insurance Authority having indicated its non-objection to the arrangements under the Transitional Services Agreement;
- 4.1.2 if required, the Insurance Authority having approved the transaction contemplated by this Agreement pursuant to section 95ZK of the Insurance Ordinance;
- 4.1.3 the Title or Capacity Warranties being true and accurate as of Closing; and
- 4.1.4 no Material Adverse Effect having occurred and being continuing as of Closing, except to the extent any such Material Adverse Effect is caused by an event, change or circumstance affecting all companies carrying on a similar business to the Company in the jurisdictions in which the Company carries on its business and not disproportionately affecting the Company.

4.2 Responsibility for Satisfaction

- 4.2.1 The Purchaser shall use best endeavours to satisfy or procure the satisfaction of the Regulatory Conditions as soon as reasonably practicable and in any event before the Long Stop Date. The Purchaser shall promptly offer, accept and agree to all such conditions, obligations, undertakings or modifications as may be required by the Insurance Authority to ensure that the Regulatory Conditions are satisfied before the Long Stop Date, provided however that, notwithstanding any provision of this Clause 4.2.1, the Purchaser shall not be required to offer, accept or agree to any condition, obligation, undertaking or modification required by the Insurance Authority that would require a reorganisation or restructure (whether by way of portfolio transfer, surrender of licence or otherwise) of any part of the

Purchaser's Group (other than the transfer of the Portfolio to AIA Everest) or a material restructuring of the transaction contemplated by the Transaction Documents.

- 4.2.2 The Purchaser undertakes to keep the Seller informed in a reasonable amount of detail as to the progress towards satisfaction of the Regulatory Conditions, and in particular, to disclose anything which will or may prevent any of the Regulatory Conditions from being satisfied before the Long Stop Date or affect the timing of such satisfaction, in each case, immediately after it comes to its notice.
- 4.2.3 Without prejudice to Clauses 4.2.1 and 4.2.2, the Parties agree that all requests and enquiries from any government, governmental, supranational or trade agency, court or other regulatory body which relate to the satisfaction of the Controller Condition shall be dealt with by the Seller and the Purchaser in consultation with each other and the Seller and the Purchaser shall promptly co-operate with and provide all necessary information and assistance reasonably required by such government, agency, court or body upon being requested to do so by the other. Subject to applicable Law, each Party shall provide the other Party with such information as it may reasonably request concerning satisfaction of the Controller Condition, including: (i) giving the opportunity to comment on drafts of documents to be filed, submitted or lodged with the Insurance Authority and taking into reasonable account any such comments; (ii) providing copies of all material correspondence and documents filed, submitted or lodged with the Insurance Authority; and (iii) considering the reasonable request to attend meetings with the Insurance Authority. Notwithstanding the foregoing, no Party shall be entitled to have disclosed to it any information that, in the reasonable opinion of the other Party, is commercially sensitive or that relates to other businesses and assets not being sold pursuant to this Agreement.
- 4.2.4 The Purchaser shall give written notice to the Seller of the satisfaction of the Regulatory Conditions within two Business Days of becoming aware of the same.

4.3 Waiver/Non-Satisfaction

- 4.3.1 The Purchaser may at any time waive in whole or in part and conditionally or unconditionally the Conditions set out in Clauses 4.1.3 to 4.1.4 (inclusive) by notice in writing to the Seller.
- 4.3.2 If any of the Conditions set out in Clause 4.1 are not satisfied or waived (as applicable; provided that the Regulatory Conditions may not be waived and the Conditions in Clauses 4.1.3 and 4.1.4 may only be waived by the Purchaser) by the Long Stop Date, either the Purchaser or the Seller may, in its sole discretion, terminate this Agreement other than the Surviving Clauses and following such termination no Party shall have any claim against the other under this Agreement, save for any claim arising from breach of any obligation contained in Clause 4.2.

5 Pre-Closing

5.1 The Seller's Obligations in relation to the Conduct of Business

- 5.1.1 The Seller undertakes to use reasonable endeavours to procure that, between the date of this Agreement and Closing, the Company shall carry on its business in all material respects in the ordinary course as carried on prior to the Locked Box Date,

save in so far as agreed in writing by the Purchaser (such consent not to be unreasonably withheld or delayed).

5.1.2 Without prejudice to the generality of Clause 5.1.1 and subject to Clause 5.2, the Seller undertakes to procure that, between the date of this Agreement and Closing, the Company shall not, without the prior written consent of the Purchaser (such consent not to be unreasonably withheld or delayed):

- (i) enter into any agreement or incur any commitment involving any capital expenditure in excess of HK\$4 million per item and HK\$12 million in aggregate;
- (ii) incur any expenditure in relation to the HKFRS 17 Preparation or the HK RBC Preparation, except up to HK\$15 million;
- (iii) (a) enter into, terminate or amend in any respect any Material Contract or (b) enter into any agreement or incur any commitment which is not capable of being terminated without compensation at any time with 12 months' notice or less or which involves or may involve total annual expenditure in excess of HK\$4 million;
- (iv) acquire, dispose of, or agree to acquire or dispose of, any material asset or right involving consideration, expenditure or liabilities in excess of HK\$4 million;
- (v) incur any additional borrowings or incur any other indebtedness in the nature of borrowings other than in the ordinary course of business;
- (vi) create, allot or issue, or agree to create, allot or issue, or grant an option to subscribe for, any share capital of the Company or any other security giving rise to a right over the share capital of the Company;
- (vii) repay, redeem or repurchase, or agree to repay, redeem or repurchase, any share capital of the Company;
- (viii) declare, make or pay, or agree to declare, make or pay, any dividend or other distribution to the Seller [REDACTED];
- (ix) amend its constitutional documents;
- (x) initiate or propose to initiate winding-up, liquidation or other insolvency proceedings or make any insolvency-related arrangement with creditors of the Company;
- (xi) adopt or contribute to any pension scheme (other than the Seller's Retirement Scheme) or seek to amend any of its existing pension schemes (except as required by the administrator of the Seller's Retirement Scheme) or vary or cease contributions to be made to any such schemes, unless required by applicable Law;
- (xii) make any material change to the terms of employment, or increase the salary or other remuneration, of any Employee (other than (a) in the ordinary course of business, which shall include any annual salary review and promotion exercise conducted in the ordinary course of business or (b)

in respect of Employees not provided with retention bonuses, where the Company considers, acting in good faith, that such Employees should receive a salary increase for retention purposes, provided that the aggregate annual amount of such salary increases among all such Employees shall not exceed HK\$2,580,000 (the “**Permitted Salary Increase**”));

- (xiii) offer to engage any new employee at an annual salary per employee (on the basis of full time employment) in excess of HK\$2 million per annum or offer remuneration, finance packages or other incentives to any person or group of persons in connection with new appointments of insurance agents;
- (xiv) provide or agree to provide any gratuitous payment or benefit (other than such payments or benefits not exceeding HK\$1 million in aggregate in respect of all Employees) to any Employee, except (A) annual bonuses awarded to any Employee (including payment of any accrued deferred bonuses awarded to any Employee in previous years) in the ordinary course of business and consistent with past practice and (B) retention bonuses borne by the Seller;
- (xv) dismiss any of the existing Employees (except for incompetence or gross misconduct or other reasonable cause justifiable by Law) unless such Employees have been assessed as underperformers in the latest performance assessment carried out by the Company;
- (xvi) amend any Seller’s Benefit Plans to any material extent or commence to discontinue, wind up or terminate any Seller’s Benefit Plans or cause them to cease to admit new members, insofar as it would impact the Employees;
- (xvii) communicate any material plan, proposal or intention to amend, discontinue, wind up or terminate any Seller’s Benefit Plans, or exercise any discretion other than in the ordinary course of business in relation to any Seller’s Benefit Plans, insofar as it would impact the Employees;
- (xviii) pay any benefits under any Seller’s Benefit Plans otherwise than in accordance with the standard terms of the documents governing such arrangements and not under any discretionary power, insofar as it would impact the Employees;
- (xix) make any material change to its accounting, actuarial, reserving, policyholder dividend, risk, operational or investment practices or policies, except as required by Law;
- (xx) materially amend its policies and procedures relating to the entry into of contracts of insurance with a person (or in respect of an insured) who is subject to any Relevant Sanction Restriction, except by way of enhancement or as required by Law, or fail to comply with such policies or procedures in any material respect;
- (xxi) make any new investments in equity funds or debt funds manufactured by BEA Union Investment Management Limited or any equity or debt securities issued by any member of the Purchaser’s Group;

- (xxii) make any material change to the pricing policies applied in the ordinary course of business prior to the Locked Box Date with regard to the renewal of group medical policies, or fail to apply such policies to the renewal of such policies in any material respect;
- (xxiii) make any loan (other than the granting of any trade credit in the ordinary course of business) to any person or provide any guarantee, indemnity or other agreement to secure an obligation of a third party (other than in the ordinary course of business);
- (xxiv) create or permit the creation of any Encumbrances on the Shares or any assets of the Company, other than Encumbrances arising by operation of law in the ordinary course of business;
- (xxv) acquire or agree to acquire any share, shares or other interest in any company, partnership or other venture, other than an investment of five per cent or less of the total shares or interest in such company, partnership or venture made in the ordinary course of managing the Company's investment portfolio;
- (xxvi) make any material change to any of its policies, principles or practices of Tax, or any of its methods for accounting for, reporting or claiming income, losses, or deduction for Tax purposes, to the extent that such change could reasonably be expected to change materially the Tax liabilities of the Company save to the extent that the relevant change or action is undertaken in order to comply with any Law or the requirements of any Tax Authority;
- (xxvii) initiate or settle any legal proceedings in relation to claims, in each case in excess of HK\$5 million; or
- (xxviii) enter into any agreement, transaction or commitment to do any of the acts or matters set out in Clauses 5.1.2(i) to 5.1.2(xxvii) above (inclusive).

5.2 Exceptions to Seller's Obligations in relation to the Conduct of Business

Clause 5.1 shall not operate so as to prevent or restrict:

- 5.2.1** any matter reasonably undertaken by the Company in an emergency or disaster situation with the intention of minimising any adverse effect of such situation in relation to the Company, provided in each case that the Seller shall notify the Purchaser as soon as reasonably practicable of any action taken or proposed to be taken as described in this Clause 5.2.1, shall provide to the Purchaser all such information as the Purchaser may reasonably request in respect of any such action, and shall use reasonable endeavours to consult with the Purchaser in respect of any such action;
- 5.2.2** any steps necessary to implement any transaction contemplated by any Transaction Document or the Portfolio Transfer, including the rendering of incidental services to AIA Everest to give effect to the Portfolio Transfer and the taking of steps to comply with the order granted under section 24 of the Insurance Ordinance in connection with the Portfolio Transfer;

- 5.2.3 any matter expressly permitted by, or necessary for the performance of, this Agreement (including for the avoidance of doubt any Permitted Leakage) or any of the other Transaction Documents or necessary for Closing;
- 5.2.4 any steps necessary to terminate the following Intra-Group Agreements (collectively, the “**Terminating Intra-Group Agreements**”) on or before Closing (and the Seller hereby undertakes to terminate such agreements on or before Closing):
- (i) the Internal Audit Services Agreement;
 - (ii) the Agency Agreement;
 - (iii) the Outsourcing Data Processing Service Agreement; and
 - (iv) the Document Storage Service Agreement.
- 5.2.5 any steps necessary to assign the Company’s rights and obligations under the following agreements to the Seller or its nominee:
- (i) the brand endorser agreement dated 1 October 2021 entered into between the Company, the Seller and Cheung Ka Long relating to the engagement of Cheung Ka Long as brand endorser; or
 - (ii) the sponsorship agreement dated 1 October 2021 entered into between the Company, the Seller and Hong Kong Fencing Association relating to the sponsorship to the Hong Kong Fencing Association,
- in each case, subsequent to which the Company shall cease to be a party to such agreements; or
- 5.2.6 any action necessary to comply with any requirement of any applicable Law or any request by the Insurance Authority or any contractual obligation incurred before the date of this Agreement under agreements fully disclosed in the Data Room.

5.3 Insurance

Without prejudice to the generality of Clause 5.1.1, between the date of this Agreement and Closing the Seller shall use reasonable endeavours to procure that the relevant members of the Seller’s Group shall maintain in force all Target Insurance Policies and all Seller’s Group Insurance Policies to the extent they are for the benefit of the Company in all material respects on the same terms and with a similar level of cover to that prevailing as at the date of this Agreement.

5.4 Appointment of Directors

To the extent required by applicable Law, the Purchaser shall procure that the appointment of the director(s) it nominates for appointment to the Company’s board on Closing shall be approved by the Insurance Authority as soon as reasonably practicable after the date of this Agreement, and in any event, by no later than Closing.

5.5 Closure of the Representative Office

The Seller shall use reasonable endeavours to procure the closure of the Representative Office by no later than Closing.

5.6 Consent Contracts

With respect to the Consent Contracts, the Seller shall procure that the Company will as soon as reasonably practicable after the date of this Agreement write to the relevant counterparties and request a waiver of the relevant termination rights and/or their consent to the change of control contemplated by this Agreement (as applicable). The Purchaser shall cooperate with and assist the Company in obtaining such waiver or consent as may be necessary.

5.7 IP

5.7.1 The Seller shall use reasonable endeavours to procure that the settlement agreement dated 3 March 2017 between the Company and Blue Cross and Blue Shield Association will be amended as of Closing to reflect the new ownership of the Company, including by amending the reference to the Seller in clause 4 of that agreement to refer to "AIA Group Limited".

5.7.2 The Seller shall grant a transitional licence with regard to the use by the Company of the Seller's Marks (consistent with the way those marks are used immediately before the Closing Date) for 15 months after the Closing Date, substantially on the terms of the transitional seller's mark licence agreement between the Seller and AIA Everest dated 31 August 2021, adapted to reflect the use of the relevant Seller's Marks (the "**Blue Cross Transitional Licence Agreement**").

5.8



5.9 Service Level Agreement

The Parties shall act reasonably and use their respective best endeavours to enter into a service level agreement (substantially in the form of the service level agreement between AIA International Limited and the Seller dated 30 June 2021, adapted for the services to be provided) (the "**Blue Cross Service Level Agreement**") on the Closing Date in relation to the day to day operation and conduct of the business under the Blue Cross Distribution Agreement which will be consistent with applicable Law and the Bank's Standards and Practices and Good Industry Practice (as defined in the Blue Cross Distribution Agreement). The Blue Cross Service Level Agreement will, unless otherwise agreed by the Parties, include operating procedures and service levels relating to:

- 5.9.1 new business;
- 5.9.2 policy administration;
- 5.9.3 hotlines;
- 5.9.4 written enquiry via email, letter or fax;
- 5.9.5 complaints handling;

5.9.6 claims handling; and

5.9.7 product administration and after sales services.

5.10 Liaison Committee

As soon as reasonably practicable after the date of this Agreement, the Parties shall establish a liaison committee (the “**Liaison Committee**”) by each Party appointing two (or such other number as the Parties may agree) representatives onto such Liaison Committee. The representatives on the Liaison Committee may, by prior notice to all other representatives, invite other attendees or observers to attend the meetings of the Liaison Committee. The Liaison Committee shall meet regularly to oversee, plan for, manage and implement the transactions contemplated under this Agreement, including to:

5.10.1 oversee the fulfilment of the Regulatory Conditions;

5.10.2 oversee compliance of the Parties with their obligations under this Clause 5;

5.10.3 agree the form of the Blue Cross Service Level Agreement, the Blue Cross Transitional Licence Agreement and the Transitional Services Agreement (if required) as soon as possible;

5.10.4 oversee separation and transition matters in relation to the sale of the Company;

5.10.5 undertake such other preparation and planning as the Parties may agree; and

5.10.6 agree and prepare the Initial Business Plan as soon as possible.

5.11 Implementation Committee and Data Centre Relocation

5.11.1 As soon as reasonably practicable after the date of this Agreement, the Parties shall establish an implementation committee (the “**Implementation Committee**”) with agreed numbers of Seller and Purchaser representatives (provided that the number of Seller representatives shall not exceed the number of Purchaser representatives) to plan for, and facilitate implementation of, the relocation of the Data Centre (the “**Data Centre Relocation**”).

5.11.2 The Parties shall use all reasonable endeavours to agree, as soon as reasonably practicable after the date of this Agreement, a plan to achieve the Data Centre Relocation (the “**Relocation Plan**”). The Parties shall be jointly responsible for preparing and documenting the Relocation Plan, and, once agreed by both Parties in writing, each Party shall comply with its obligations in connection with the Relocation Plan. Each Party shall provide the other Party with all reasonable assistance in producing and finalising the Relocation Plan.

5.11.3 The Relocation Plan shall allocate in detail the duties of each Party’s responsible team(s), specifying to what extent they will perform duties to facilitate the Data Centre Relocation.

5.11.4 The Relocation Plan shall contain at least:

- (i) a plan for the relocation of the Company’s systems and IT infrastructures to designated location(s);
- (ii) safeguards for both the Company and the Seller to ensure minimal disruption to their relationships with third parties during implementation of the Relocation Plan; and

- (iii) the respective responsibilities of the Parties in carrying out the Relocation Plan.

5.11.5 Each Party shall:

- (i) provide all reasonably necessary information in its possession to the other Party about the Company Data, the IT systems of the Company and the Purchaser or relevant members of the Purchaser's Group and other issues relevant to the Relocation Plan; and
- (ii) on being given reasonable notice, make available relevant management and employees for meetings with the other Party regarding the Relocation Plan.

5.12 Information and access

Prior to Closing, the Seller shall procure that the Company will:

- 5.12.1** provide to the Purchaser (i) monthly and quarterly management accounts (including GI Accounts), audited annual financial statements, tax returns and tax computations; (ii) material reports submitted to the board of directors; and (iii) material regulatory reports and correspondence in relation to the Company (including ORSA reports, any actuarial evaluation and investigation reports, or any RBC QIS reports or submissions), in each case within five Business Days after the date on which they are finalised (if internal) or provided to the relevant person, or where applicable, received from a regulatory authority; *provided that* this Clause 5.12.1 shall not oblige the Seller or the Company to prepare any additional materials beyond those it prepares in the ordinary course and consistent with past practice in the period prior to the date of this Agreement; and
- 5.12.2** provide reasonable cooperation, and allow the Purchaser and its respective agents, upon reasonable notice, reasonable access to the management, systems and platforms (excluding customer data) of the Company, for the purposes of transition planning and preparation, including gap analysis of policies and procedures, preparation of policyholder communications, data cleaning, data migration, COA mapping and configuration and preparation for HKFRS 17 and system development with regard to customer-facing websites and apps, premium collection, customer service and operational support.

5.13 Solvency ratio

The Seller shall ensure that the solvency ratio of the Company, calculated in accordance with the Insurance Ordinance in respect of its non-life business only and without taking into account any part of the Portfolio Consideration that may be received by the Company, shall not fall below 200% between the date of this Agreement and Closing or, if such solvency ratio falls below 200% during that period, shall procure that such solvency ratio is restored to 200% or above as at Closing.

5.14 Leases

On or before the date falling 10 Business Days before the Closing Date the Purchaser shall give written notice to the Seller of its preferred termination date of each Lease, and

- 5.14.1** if Closing takes place before 31 December 2022, such preferred termination date to fall between: (i) the expiry date of the Lease and (ii) a date falling six months

after the Closing Date. The Seller shall procure that each Lease is amended or extended, if needed, to terminate on such preferred termination date, provided that there shall be no other changes to the terms of such Lease; and

- 5.14.2 if Closing takes place after 31 December 2022, such preferred termination date to fall between the date falling six months after the Closing Date and the expiry date of the Lease. The Seller shall procure that each Lease is amended, if needed, to terminate on such preferred termination date, provided that there shall be no other changes to the terms of such Lease.

5.15 Initial Business Plan

As soon as reasonably practicable after the date of this Agreement, and before the Closing Date, the Parties shall act reasonably and use their respective best endeavours to agree and prepare the Initial Business Plan.

6 Closing

6.1 Date and Place

Subject to Clause 4, Closing shall take place at 10:00 am at the offices of Linklaters in Hong Kong on the 10th Business Day after the date of notification of the fulfilment or waiver (as applicable) of the last of the Conditions set out in Clause 4.1, or at such other location, time or date as may be agreed between the Purchaser and the Seller.

6.2 Closing Events

- 6.2.1 On Closing, the Parties shall comply with their respective obligations specified in Schedule 3.
- 6.2.2 The Seller may waive some or all of the obligations of the Purchaser as set out in Schedule 3 and the Purchaser may waive some or all of the obligations of the Seller as set out in Schedule 3.

6.3 Payment on Closing

On Closing, the Purchaser shall pay (or procure that another member of the Purchaser's Group pays) to the Seller (in accordance with Clause 17.6) an amount in cleared funds equal to:

- 6.3.1 the Base Consideration; plus

- 6.3.2 the Interest Payment; plus

- 6.3.3

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

6.4 When Closing shall have taken place

Closing shall have taken place once all obligations in Clause 6.2 and Clause 6.3 have been fulfilled.

6.5 Notification of Interest Payment, Intragroup Payables and Receivables

6.5.1

[REDACTED]

6.5.2 No later than five Business Days prior to Closing, the Seller shall provide to the Purchaser a schedule setting out in reasonable detail (including any calculations):

- (i) the Interest Payment;
- (ii) its good faith estimate of the Outstanding Intragroup Payables (the “**Estimated Outstanding Intragroup Payables**”);
- (iii) its good faith estimate of the Outstanding Intragroup Receivables (the “**Estimated Outstanding Intragroup Receivables**”);
- (iv) [REDACTED]

■ [REDACTED]

■ [REDACTED]

- (v) the amount of any known Leakage.

6.6 Breach of Closing Obligations

If any Party fails to comply with any material obligation in Clauses 6.2 or 6.3 or Schedule 3, the Purchaser, in the case of non-compliance by the Seller, or the Seller, in the case of non-compliance by the Purchaser, shall be entitled (in addition to and without prejudice to all other rights or remedies available) by written notice to the Seller or the Purchaser (as the case may be), served on the Closing Date:

Date (the “**Run-Off**”) in accordance with the standards applied by the Purchaser’s Group to its Hong Kong general insurance business until obligations to all such customers with respect to or under the Run-Off have been satisfied in full. The Purchaser shall procure that the Company shall continue to: provide to members of the Seller’s Group such reporting information as may be reasonably requested by the Seller as insurance agent of the Company in relation to the Run-Off for the purposes of performing the Seller’s obligations to customers to whom the Company’s products have been sold; and (ii) pay to members of the Seller’s Group any amount that may be due to the Seller’s Group in the ordinary course of business under any Intra-Group Agreement (consistent with past practice in the period prior to the Locked Box Date) in respect of all types of insurance products sold by the Company before Closing (including any commissions due on renewal of any such products before Closing).¹

8.3 Removal of References to the Seller

The Purchaser shall, and shall procure that the Company shall, at the Purchaser’s cost, take such steps as are necessary to cease and discontinue all uses of the Seller’s Marks, including on the internet and other electronic communications platforms, and remove or cover all Seller’s Marks from, or destroy, any publications, signage, corporate letterhead, stationary, business cards, marketing materials or content, as well as all other information or materials of the Company bearing any of the Seller’s Marks promptly after Closing, except in accordance with the Blue Cross Transitional Licence Agreement.

8.4 Ongoing Performance of Obligations under Certain Agreements

Following Closing, the Purchaser shall procure that the Company continues to perform and discharge all its obligations under, and does not terminate any of, the following agreements, in each case until the relevant agreement has lapsed or is terminated in accordance with its terms and conditions (and (i) in respect of the Leases only, until they are terminated on the date(s) determined in accordance with Clause 5.14; (ii) in respect of the Data Centre Services Agreement only until the Data Centre Relocation has been completed):

8.4.1 the Emergency Cash Assistance Agreement;

8.4.2 the E-commerce Merchant Agreement;

8.4.3 the Office Lease;

8.4.4 the BCP Office Lease; and

8.4.5 the Data Centre Services Agreement.

8.5

[REDACTED]

[REDACTED]

¹ **Note to BEA:** Wording has been aligned with the Jet SPA.

[REDACTED]

8.6 [REDACTED]

[REDACTED]

9 Leakage

9.1 Warranty and Undertaking

The Seller:

- 9.1.1 warrants to the Purchaser that there has been no Leakage between the Locked Box Date and the date of this Agreement; and
- 9.1.2 undertakes to procure that there will be no Leakage between the date of this Agreement and the Closing Date,

provided that the Seller shall have no liability to the Purchaser under Clause 9.1 or Clause 9.2 if Closing does not occur.

9.2 Post-Closing Adjustment for Leakage

In the event of any Leakage between the Locked Box Date and the Closing Date the Seller shall on demand by the Purchaser pay to the Purchaser by way of adjustment to the consideration an amount in cash equal to such Leakage (plus interest on such amount at the Deposit Interest Rate from the date on which the Leakage occurred to the date of payment) within 15 Business Days after such demand. Clause 11 and Clause 12 shall not apply to any deduction of, or claim for, Leakage. Payment of such amount shall be in full and final settlement of any claim by the Purchaser in respect of the relevant Leakage (including a claim under clause 9.1).

9.3 Notification of Leakage

The Seller shall notify the Purchaser as soon as reasonably practicable (and in any event within 10 Business Days) after becoming aware that any Leakage has occurred or is likely to occur between the Locked Box Date and Closing. The Purchaser may also notify the Seller within 10 Business Days upon becoming aware of such Leakage. Upon receipt of any such notice, the Purchaser and the Seller shall act reasonably to agree on the existence and amount of the Leakage. If the Purchaser and the Seller cannot agree on the existence and amount of the Leakage within 20 Business Days of receipt of the relevant notice, then the matter ("**Leakage Dispute**") shall be determined in accordance with the provisions of Schedule 11.

9.4 Notice of Claim

The Seller shall not be liable for any claim under this Clause unless a notice of the Leakage is given by the Purchaser to the Seller within eight months following Closing.

Such notice shall specify in reasonable detail the legal and factual basis of the claim and evidence on which the Purchaser relies and shall set out the Purchaser's estimate of the amount of Leakage which is the subject of the claim.

10 Warranties

10.1 The Seller's Warranties

10.1.1 Subject to Clause 10.2, the Seller warrants to the Purchaser that the statements set out in Schedule 5 are true and accurate as of the date of this Agreement.

10.1.2 The Seller further warrants to the Purchaser that the Title or Capacity Warranties will be true and accurate at Closing as if they had been repeated at Closing.

10.1.3 The only Seller's Warranties given:

- (i) in respect of Intellectual Property Rights are those contained in paragraphs 5.1 to 5.4 of Schedule 5 and each of the other Seller's Warranties shall be deemed not to be given in respect of Intellectual Property Rights;
- (ii) in respect of employment or pension matters are those contained in paragraph 7 of Schedule 5 and each of the other Seller's Warranties shall be deemed not to be given in respect of such matters;
- (iii) in respect of real property matters are those contained in paragraph 10 of Schedule 5 and each of the other Seller's Warranties shall be deemed not to be given in respect of such matters; and
- (iv) in respect of Tax matters are those contained in paragraph 7.3.2 and paragraph 13 of Schedule 5 and each of the other Seller's Warranties shall be deemed not to be given in respect of such matters.

10.1.4 Without prejudice to paragraph 12.2 of Schedule 5, no warranty or representation is given or made by the Seller as to the accuracy of the forecasts, estimates, projections, statements of intent, statements of opinion or any actuarial information provided to the Purchaser or any of its respective directors, officers, employees, agents or advisers on or prior to the date of this Agreement, including in the documents provided in the Data Room.

10.1.5 Any Seller's Warranty qualified by the expression "so far as the Seller is aware" or any similar expression shall, unless otherwise stated, be deemed, with respect to the Seller, to refer to the actual knowledge on the date of this Agreement of the persons whose names are set out in Schedule 7 with no imputation of knowledge of any other person. The Purchaser waives any right it may have, and undertakes not to make any claim, against any of the persons whose names are set out in Schedule 7 in respect of any misrepresentation, inaccuracy or omission in or from information supplied or provided by any such person to the Purchaser or any of its affiliates in connection with this Agreement.

10.2 Seller's Disclosures

10.2.1 The Seller's Warranties are subject to the following matters:

- (i) any matter which is fairly disclosed in this Agreement, the Disclosure Letter or the Data Room;

- (ii) all matters which would be revealed by making a search in respect of the Company on a date that is no earlier than three Business Days before the date of this Agreement up to and including the date of this Agreement on the public file maintained by the Hong Kong Companies Registry;
- (iii) all matters which would be revealed by making a search on a date that is no earlier than three Business Days before the date of this Agreement up to and including the date of this Agreement on the public file maintained by the Intellectual Property Rights registry, office or department (as applicable) of Hong Kong, the People's Republic of China and the World Intellectual Property Organisation;
- (iv) all matters fairly disclosed in the "Project Shield Confidential Information Memorandum" provided to the Purchaser on 16 December 2021 as part of the sale process in relation to the Company; and
- (v) all matters fairly disclosed in written materials provided to the Purchaser in relation to presentations by management of the Company on 10 February 2022.

10.2.2 References in the Disclosure Letter to paragraph numbers shall be to the paragraphs in Schedule 5 to which the disclosure is most likely to relate. Such references are given for convenience only and shall not limit the effect of any of the disclosures, all of which are made against the Seller's Warranties as a whole.

10.3 The Purchaser's Warranties

The Purchaser warrants to the Seller that the statements set out in Schedule 6 are true and accurate as of the date of this Agreement and will remain true and accurate until Closing.

11 Limitation of Liability

11.1 Time Limitation for Claims

The Seller shall not be liable for any Claim unless a written notice of the Claim is given by the Purchaser to the Seller specifying the matters set out in Clause 12.2:

- 11.1.1** in the case of any Tax Claim or Claim for breach of a Title or Capacity Warranty, within seven years following Closing; or
- 11.1.2** in the case of any Claim (except for any Tax Claim or Claim for breach of a Title or Capacity Warranty), within 18 months following Closing.

11.2 Minimum Claims

- 11.2.1** The Seller shall not be liable for any individual Warranty or Pre-Closing Claim (or a series of Warranty or Pre-Closing Claims arising from substantially identical facts or circumstances), other than for any Tax Claim or Claim for breach of a Title or Capacity Warranty, where the liability of the Seller agreed or determined for any such Warranty or Pre-Closing Claim or series of Warranty or Pre-Closing Claims does not exceed US\$200,000.
- 11.2.2** Where the liability of the Seller agreed or determined for any such Warranty or Pre-Closing Claim or series of Warranty or Pre-Closing Claims exceeds US\$200,000,

subject as provided elsewhere in this Clause 11, the Seller shall be liable for the amount of the Warranty or Pre-Closing Claim or series of Warranty or Pre-Closing Claims as agreed or determined and not just the excess.

11.3 Aggregate Minimum Claims

11.3.1 The Seller shall not be liable for any Warranty or Pre-Closing Claim, other than for any Tax Claim or Claim for breach of a Title or Capacity Warranty, unless the aggregate amount of all Warranty or Pre-Closing Claims for which the Seller would otherwise be liable exceeds US\$2 million.

11.3.2 Where the amount agreed or determined for all Warranty or Pre-Closing Claims referred to in Clause 11.3.1 exceeds US\$2 million, the Seller shall be liable for the amount of the Warranty or Pre-Closing Claim or series of Warranty or Pre-Closing Claims as agreed or determined and not just the excess.

11.4 Maximum Liability

The liability of the Seller:

11.4.1 for all Claims for breach of a Seller's Warranty (excluding Claims for breach of a Title or Capacity Warranty) shall not exceed an amount equal to 20% of the Base Consideration; and

11.4.2 for all Claims (including Claims for breach of a Title or Capacity Warranty) shall not exceed an amount equal to 100% of the Base Consideration.

11.5 Contingent Liabilities

The Seller shall not be liable for any Claim in respect of any liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable.

11.6 Losses

The Seller shall not be liable for any Claim in respect of any loss of profit, loss of goodwill, loss of opportunity or any indirect or consequential losses (except to the extent such losses are fairly and reasonably considered as arising naturally from the relevant breach).

11.7 Provisions

The Seller shall not be liable for any Claim if and to the extent that allowance, provision or reserve is made in the Accounts or the Locked Box Accounts for the matter giving rise to the Claim.

11.8 Matters Arising Subsequent to this Agreement

The Seller shall not be liable for any Claim, to the extent that the Claim has arisen as a result of:

11.8.1 Agreed Matters

any matter or thing done or omitted to be done as required under and in compliance with this Agreement or any other Transaction Document or otherwise at the request in writing or with the approval in writing of the Purchaser;

11.8.2 Acts of the Purchaser

any act, omission or transaction of the Purchaser or any member of the Purchaser's Group or the Company, or their respective directors, officers, employees or agents or successors in title, after Closing;

11.8.3 Changes in Legislation, Regulation or Practice

- (i) the passing of, or any change in, after the date of this Agreement, any Law or administrative practice of any government, governmental department, agency or regulatory body including (without prejudice to the generality of the foregoing) any increase in the rates of Taxation or any imposition of Taxation or any withdrawal of relief from Taxation not actually (or prospectively) in effect at the date of this Agreement;
- (ii) any change after the date of this Agreement of any generally accepted interpretation or application of any legislation or regulation; or
- (iii) any change after the date of this Agreement of any generally accepted accounting principles, procedure or practice; or

11.8.4 Accounting and Taxation Policies

any change in accounting or Taxation policy, bases or practice of the Purchaser or any member of the Purchaser's Group (including, after Closing, the Company) introduced or having effect after the date of this Agreement.

11.9 Insurance

Without prejudice to Clause 15, the Seller shall not be liable for any Claim to the extent that the Losses in respect of which the Claim is made (i) are covered under a policy of insurance or (ii) would have been covered if the policies of insurance for the benefit of the Company in force at the Closing Date had been maintained after Closing on no less favourable terms.

11.10 Net Financial Benefit

The Seller shall not be liable for any Claim in respect of any Losses suffered by the Purchaser or the Company to the extent of any corresponding savings by or net quantifiable financial benefit to any member of the Purchaser's Group arising from such Losses or the facts giving rise to such Losses (for example where the amount (if any) by which any Taxation for which any member of the Purchaser's Group would otherwise have been accountable or liable to be assessed is actually reduced or extinguished as a result of the matter giving rise to such liability).

11.11 Actuarial Assumptions and Reserves

11.11.1 The Purchaser acknowledges and agrees with the Seller that the amount of the case reserve and actuarially determined reserves of the Company, including estimate on recovery (collectively, the "**Actuarial Reserves**") at any time, whether before, on or after the date of this Agreement, is based upon an estimate of levels of settlement of claims under insurance contracts and reinsurance contracts and treaties (the "**Insurance Claims**") made by the Company. The Purchaser, in consultation with its own legal and actuarial advisers, has made its own assessment of the adequacy of the Actuarial Reserves. Without prejudice to the

warranty given in paragraph 12.2 of Schedule 5, no representation or warranty is made by the Seller or the Seller's Group (or any of their respective officers, directors, employees, agents, advisers or auditors) as to the accuracy or adequacy of the Actuarial Reserves (whether as represented in the Accounts, the Locked Box Accounts, any actuarial report, any other material included in the Data Room or otherwise) to meet Insurance Claims at any time, nor as to any judgement based on actuarial principles by whomsoever made or as to the future fulfilment of any assumption. Notwithstanding any other provision contained in this Agreement, no such provision shall be construed as constituting, directly or indirectly, such a representation or warranty and no member of the Seller's Group nor any of the officers, directors, employees, agents, advisers or auditors of any such member shall be under any liability to the Purchaser or any other person:

- (i) as a consequence of the Insurance Claims exceeding the amount of the Actuarial Reserves; or
- (ii) as a consequence of any assessment of the adequacy of any actuarial principles, judgement or assumptions.

11.11.2 No claim shall be made by the Purchaser against the Seller or any other member of the Seller's Group (or any of their respective officers, directors, employees, agents, advisers or auditors) based on or in connection with any matter referred to in this Clause 11 and the Purchaser shall not enforce any rights it may have against any third party (including any of the officers, directors, employees, agents, advisers or auditors of the Seller or the Seller's Group) based on or in connection with any such matter as aforesaid insofar as any member of the Seller's Group would have any liability in consequence thereof.

11.12 Mitigation of Losses

The Purchaser shall procure that all reasonable steps are taken and all reasonable assistance is given to avoid or mitigate any Losses which in the absence of mitigation might give rise to a liability for any Claim.

11.13 Purchasers' Right to Recover

11.13.1 Recovery for Actual Liabilities

The Seller shall not be liable to pay an amount in discharge of any Claim unless and until the liability for which the Claim is made has become due and payable.

11.13.2 Prior to Recovery from the Seller etc.

If, before the Seller pays an amount in discharge of any Claim, the Purchaser or the Company recovers or is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which indemnifies or compensates the Purchaser or the Company (in whole or in part) for the loss or liability which is the subject matter of the Claim, the Purchaser shall procure that, before steps are taken to enforce the Claim against the Seller following notification under Clause 12.2, all reasonable steps are taken to enforce the recovery against the third party and any actual recovery (less any reasonable costs incurred in obtaining such recovery) shall reduce or satisfy, as the case may be, such Claim to the extent of such recovery.

11.13.3 Following Recovery from the Seller etc.

If the Seller has paid an amount in discharge of any Claim and subsequently the Purchaser or the Company is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which indemnifies or compensates the Purchaser or the Company (in whole or in part) for the loss or liability which is the subject matter of the Claim, the Seller shall be subrogated to all rights that the Purchaser or the Company has or would otherwise have in respect of the claim against the third party or, if subrogation is not possible, the Purchaser shall procure that all steps are taken as the Seller may reasonably require to enforce such recovery and shall, or shall procure that the Company shall, pay to the Seller as soon as practicable after receipt an amount equal to (i) any sum recovered from the third party less any costs and expenses incurred in obtaining such recovery and less any Taxation attributable to the recovery after taking account of any Tax relief available in respect of any matter giving rise to the claim or if less (ii) the amount previously paid by the Seller to the Purchaser or the Company less any Taxation attributable to it. Any payment made by the Purchaser or the Company to the Seller under this Clause shall be made or procured by way of further adjustment of the consideration paid by the Purchaser for the Shares.

11.14 No Double Recovery and no Double Counting

No Party may recover for breach of or under this Agreement or otherwise more than once in respect of the same Losses suffered or amount for which the Party is otherwise entitled to claim (or part of such Losses or amount), and no amount (or part of any amount) shall be taken into account, set off or credited more than once for breach of or under this Agreement or otherwise, with the intent that there will be no double counting for breach of or under this Agreement or otherwise.

11.15 Remedied breaches

If a breach of the Seller's Warranties is capable of remedy:

11.15.1 the Purchaser shall give written notice to the Seller of the breach;

11.15.2 without prejudice to Clause 11.13, the Purchaser shall, and shall procure the Company will, provide all reasonable assistance to the Seller to remedy such breach; and

11.15.3 the Seller shall not be liable for such breach if it is fully remedied without Loss to the Purchaser or any member of the Purchaser's Group.

11.16 Fraud

None of the limitations contained in this Clause 11 shall apply to any Claim to the extent it arises or is increased as a result of fraud by the Seller as finally adjudicated by a court of competent jurisdiction.

11.17 Leakage

Notwithstanding any other provision of this Agreement, none of the limitations contained in this Clause 11 shall apply to any claim in respect of Leakage.

12 Claims

12.1 Notification of Potential Claims

Without prejudice to the obligations of the Purchaser under Clause 12.2, if the Purchaser or the Company becomes aware of any fact, matter or circumstance that may give rise to a Claim (ignoring for these purposes the application of Clause 11.2 or 11.3), the Purchaser shall as soon as reasonably practicable give a notice in writing to the Seller setting out such information as is available to the Purchaser or the Company as is reasonably necessary to enable the Seller to assess the merits of the potential Claim, to act to preserve evidence and to make such provision as the Seller may consider necessary.

12.2 Notification of Claims

Notice of any Claim shall be given by the Purchaser to the Seller within the time limits specified in Clause 11.1 and shall specify reasonable details in relation to the legal and factual basis of the Claim and the evidence on which the Purchaser relies (including, where it is the result of or in connection with a Third Party Claim, evidence of the Third Party Claim) and setting out the Purchaser's estimate of the amount of Losses which are, or are to be, the subject of the Claim (including any Losses which are contingent on the occurrence of any future event).

12.3 Commencement of Proceedings

Any Claim notified pursuant to Clause 12.2 shall (if it has not been previously satisfied, settled or withdrawn) be deemed to be irrevocably withdrawn nine months after the notice is given pursuant to Clause 12.2, unless at the relevant time legal proceedings in respect of the relevant Claim have been commenced by being both issued and served.

12.4 Investigation by the Seller

In connection with any matter or circumstance that may give rise to a Claim:

12.4.1 the Purchaser shall allow, and shall procure that the Company allows, the Seller and its financial, accounting or legal advisers to investigate the matter or circumstance alleged to give rise to the Claim and whether and to what extent any amount is payable in respect of such Claim; and

12.4.2 the Purchaser shall disclose to the Seller all material of which the Purchaser is aware which supports or undermines the Claim and shall, and shall procure that any other relevant members of the Purchaser's Group shall, give, subject to their being paid all reasonable out of pocket costs and expenses, all such information and assistance, including access to premises and personnel, as the Seller or its financial, accounting or legal advisers may reasonably request subject to the Seller keeping all such information confidential and using it only for the purpose of investigating and defending the Claim in question.

12.5 Conduct of Third Party Claims

If the matter or circumstance that may give rise to a Claim against the Seller is a result of or in connection with a claim by or liability to a third party, whether such claim or liability is actual, alleged, threatened, suspected or potential, and whether relied upon by the Purchaser in bringing or supporting a Claim (a "**Third Party Claim**") then:

- 12.5.1 the Purchaser shall consult with the Seller in relation to the conduct of the Third Party Claim and shall take reasonable account of the views of the Seller before taking any action in relation to the Third Party Claim;
- 12.5.2 no admissions in relation to the Third Party Claim shall be made by or on behalf of the Purchaser or any other member of the Purchaser's Group and the Third Party Claim shall not be compromised, disposed of or settled without the written consent of the Seller (such consent not to be unreasonably withheld or delayed); and
- 12.5.3 the Purchaser shall, or the Purchaser shall procure that any other members of the Purchaser's Group shall, take such action as the Seller may reasonably request to avoid, dispute, deny, defend, resist, appeal, compromise or contest the Third Party Claim.

13 Restrictions on the Seller

13.1 Restrictions

The Seller undertakes with the Purchaser that no member of the Seller's Group shall directly or indirectly:

- 13.1.1 during the period of two years commencing on the Closing Date, in Hong Kong, carry on or be economically interested in a general or non-life insurance business (predominantly engaged in the issuance and underwriting of general or non-life insurance policies) which is or is likely to be in competition with any part of the Business; or
- 13.1.2 during the period of two years commencing on the Closing Date, on its own account or in connection with or on behalf of any other person, solicit, employ or appoint or offer to employ or appoint, endeavour to entice away from the Company or any member of the Purchaser's Group, or act or assist in or procure the employment, engagement or appointment by any other person (including through an employment or other agency) of, an Employee, provided that nothing in this Clause 13.1.2 shall prevent any member of the Seller's Group from employing, engaging or appointing any Employee: (i) whose employment is terminated by the relevant member of the Purchaser's Group; or (ii) who responds, of his own volition, to an advertisement available to the public generally.

13.2 Exceptions

The restriction in Clause 13.1.1 shall not operate to prohibit any member of the Seller's Group from:

- 13.2.1 holding or being interested in up to 10 per cent. of the outstanding issued share capital of a company listed on any stock exchange;
- 13.2.2 holding a non-controlling interest in any company, provided that no member of the Seller's Group and no director or officer of any member of the Seller's Group exercises a management function or exercises material influence over the company;
- 13.2.3 acquiring the whole or part of any business of or the shares in any company, provided that the principal purpose of the acquisition is not to acquire a non-life insurance business which competes with the Business and that the turnover

attributed to that part of the business or company which would otherwise cause a breach of Clause 13.1.1 is less than 20 per cent. of the total consolidated turnover of the business or company for the most recent financial year (calculated by reference to the most recent audited accounts of the target company or group); or

13.2.4 fulfilling any obligation pursuant to this Agreement or any other Transaction Document.

13.3 Reasonableness of Restrictions

The Seller agrees that the restrictions contained in this Clause are no greater than is reasonable and necessary for the protection of the interest of the Purchaser but if any such restriction shall be held to be void but would be valid if deleted in part or reduced in application, such restriction shall apply with such deletion or modification as may be necessary to make it valid and enforceable.

14 Confidentiality

14.1 Announcements

Other than the announcements to be issued by the Seller and the Purchaser on or around the date of this Agreement in the Agreed Forms set out in Schedule 10, no announcement, communication or circular concerning the existence or the subject matter of this Agreement shall be made or issued by or on behalf of any member of the Seller's Group or the Purchaser's Group without the prior written approval of the Seller and the Purchaser (such consent not to be unreasonably withheld or delayed). This shall not affect any announcement, communication or circular required by Law or any governmental or regulatory body or the rules of any stock exchange on which the shares of any Party (or its holding company) are listed but the Party with an obligation to make an such other announcement or communication or issue any such other circular (or whose holding company has such an obligation) shall consult with the other Party (or shall procure that its holding company consults with the other Party) insofar as is reasonably practicable before complying with such an obligation.

14.2 Confidentiality

14.2.1 The Confidentiality Agreement shall cease to have any force or effect from Closing.

14.2.2 Subject to Clauses 14.1 and 14.2.3, each of the Parties shall treat as strictly confidential and not disclose or use any information received or obtained as a result of entering into this Agreement (or any agreement entered into pursuant to this Agreement) which relates to:

- (i) the existence and provisions of this Agreement and of any agreement entered into pursuant to this Agreement;
- (ii) the negotiations relating to this Agreement (and any such other agreements);
- (iii) (in the case of the Seller) any information relating to the Company following Closing and any information relating to the business, financial or other affairs (including future plans and targets) of the Purchaser's Group; or

- (iv) (in the case of the Purchaser) any information relating to the business, financial or other affairs (including future plans and targets) of the Seller's Group including, prior to Closing, the Company.

14.2.3 Clause 14.2.2 shall not prohibit disclosure or use of any information if and to the extent:

- (i) the disclosure or use is required by Law, any governmental or regulatory body or any stock exchange on which the shares of any Party (or its holding company) are listed (including where this is required as part of its financial reporting requirements and any actual or potential offering, placing and/or sale of securities of any member of the Seller's Group or the Purchaser's Group);
- (ii) the disclosure or use is required to vest the full benefit of this Agreement in any Party;
- (iii) the disclosure or use is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement;
- (iv) the disclosure is made to a Tax Authority in connection with the Tax affairs of the disclosing Party;
- (v) the disclosure is made to professional advisers or actual or potential financiers of any Party on a need to know basis and on terms that such Party procure that its professional advisers or actual or potential financiers comply with the provisions of Clause 14.2.2 in respect of such information as if they were a Party to this Agreement;
- (vi) the information is or becomes publicly available (other than by breach of the Confidentiality Agreement or of this Agreement);
- (vii) the disclosure is made on a confidential basis to potential purchasers of all or part of the Seller's Group or the Purchaser's Group or to their professional advisers or financiers provided that any such persons need to know the information for the purposes of considering, evaluating, advising on or furthering the potential purchase and are subject to confidentiality obligations equivalent to those set out herein;
- (viii) the other Parties have given prior written approval to the disclosure or use; or
- (ix) the information is independently developed after Closing,

provided that prior to disclosure or use of any information pursuant to Clause 14.2.3(i), the Party concerned shall, where not prohibited by Law, any governmental or regulatory body or any stock exchange on which the shares of such Party (or its holding company) are listed, promptly notify the other Parties of such requirement with a view to providing the other Parties with the opportunity to contest such disclosure or use or otherwise to agree the timing and content of such disclosure or use.

15 Insurance

15.1 No cover under Seller's Group Insurance Policies from Closing

The Purchaser acknowledges and agrees that from the Closing Date:

- 15.1.1 the Company shall not have or be entitled to the benefit of any Seller's Group Insurance Policy in respect of any event, act or omission that takes place after the Closing Date and it shall be the sole responsibility of the Purchaser to ensure that adequate insurances are put in place for the Company with effect from the Closing Date;
- 15.1.2 the Seller and members of the Seller's Group shall not be required to maintain any Seller's Group Insurance Policy for the benefit of the Company; and
- 15.1.3 the Company shall not make or notify, or be entitled to make or notify, a claim under any 'claims made' or 'loss discovered' Seller's Group Insurance Policy in respect of any event, act or omission that occurred prior to the Closing Date.

15.2 Existing claims under Seller's Group Insurance Policies

With respect to any claim made before the Closing Date by or on behalf of the Company under any Seller's Group Insurance Policy, to the extent that the Company or the Purchaser's Group has not been indemnified prior to the Closing Date in respect of the Losses in respect of which the claim was made, the Seller shall use reasonable endeavours after the Closing Date to recover all monies due from insurers and shall pay any monies received (after taking into account any deductible under the Seller's Group Insurance Policies and less any Taxation suffered on the proceeds and any reasonable out of pocket expenses suffered or incurred by it or any member of the Seller's Group in connection with the claim) to the Purchaser or, at the Purchaser's written direction, the Company as soon as practicable after receipt.

15.3 New claims under occurrence-based policies

With respect to any event, act or omission relating to the Company that occurred or existed prior to the Closing Date that is covered by an 'occurrence-based' Seller's Group Insurance Policy, the Seller shall, if so requested by the Purchaser or the Company in writing no later than the date falling 18 months after the Closing Date, make a claim under such insurance policy and pay the relevant insurance recoveries (after taking into account any deductible under the Seller's Group Insurance Policies and less any Taxation suffered on the proceeds and any reasonable out of pocket expenses suffered or incurred by it or any member of the Seller's Group in connection with the claim) to the Company.

16 Purchaser's Guarantor

16.1 Unconditional Guarantee and Indemnity

The Purchaser's Guarantor unconditionally and irrevocably guarantees to the Seller the due and punctual performance and observance by the Purchaser of all its obligations, commitments, undertakings, warranties and indemnities under or pursuant to this Agreement (the "**Guaranteed Obligations**") and agrees that if any Guaranteed Obligation is or becomes unenforceable, invalid or illegal it will, as an independent and primary obligation, indemnify the Seller immediately on demand against all Losses which the Seller suffers through or arising from any act or omission which would be a breach by the

Purchaser of the Guaranteed Obligations if the relevant Guaranteed Obligation were not unenforceable, invalid or illegal, to the extent of any limit on the liability of the Purchaser in this Agreement.

16.2 Purchaser's Default

If and whenever the Purchaser defaults for any reason whatsoever in the performance of any of the Guaranteed Obligations the Purchaser's Guarantor shall forthwith upon demand unconditionally perform (or procure performance of) and satisfy (or procure the satisfaction of) the Guaranteed Obligations in regard to which such default has been made in the manner prescribed by this Agreement and so that the same benefits shall be conferred on the Seller as it would have received if the Guaranteed Obligations had been duly performed and satisfied by the Purchaser.

16.3 Continuing Guarantee

The guarantee provided under this Clause 16 is to be a continuing guarantee and accordingly is to remain in force until all the Guaranteed Obligations shall have been performed or satisfied. This guarantee is in addition to and without prejudice to and not in substitution for any rights which the Seller may now or hereafter have or hold for the performance and observance of the Guaranteed Obligations.

16.4 Purchaser's Guarantor as Sole or Principal Obligor

As a separate and independent stipulation the Purchaser's Guarantor agrees that any of the Guaranteed Obligations (including any moneys payable) which may not be enforceable against or recoverable from the Purchaser by reason of any legal limitation, disability or incapacity on or of the Purchaser or the dissolution, amalgamation, reconstruction or reorganisation of the Purchaser or any other fact or circumstance (other than any limitation imposed by this Agreement) shall nevertheless be enforceable against and recoverable from the Purchaser's Guarantor as though the same had been incurred by the Purchaser's Guarantor and the Purchaser's Guarantor were the sole or principal obligor in respect thereof and shall be performed or paid by the Purchaser's Guarantor on demand.

16.5 Purchaser's Guarantor's Liability

The liability of the Purchaser's Guarantor under this Clause 16 shall not be affected, impaired, reduced or released by:

- 16.5.1** any variation of the terms of the Guaranteed Obligations;
- 16.5.2** any forbearance, neglect or delay in seeking performance of the Guaranteed Obligations or any granting of time for, or waiver in relation to, such performance;
- 16.5.3** the illegality, invalidity or unenforceability of, or any defect in, any provision of this Agreement or the Guaranteed Obligations;
- 16.5.4** any insolvency or similar proceedings; or
- 16.5.5** any other fact or event which in the absence of this provision would or might constitute or afford a legal or equitable discharge or release or a defence to a guarantor.

16.6 Deferral of Purchaser's Guarantor's Rights

Until all the Guaranteed Obligations have been irrevocably performed or satisfied and, unless the Seller otherwise directs, the Purchaser's Guarantor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Clause 16.

17 Other Provisions

17.1 Further Assurances

- 17.1.1 Each of the Parties shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time execute such documents and perform such acts and things as any Party may reasonably require to transfer the Shares to the Purchaser (or its Nominee) and to give any Party the full benefit of this Agreement.
- 17.1.2 After Closing, pending registration of the Purchaser as owner of the Shares, the Seller shall exercise all voting and other rights in relation to the Shares in accordance with the Purchaser's instructions.
- 17.1.3 The Purchaser shall, and shall procure that the Company shall, retain for a period of seven years from Closing its respective books, records and documents to the extent they relate to the period prior to Closing and shall, and shall procure that the Company shall, if reasonably requested by the Seller, allow the Seller reasonable access to such books, records and documents, including the right to take copies, at the Seller's expense, for the purposes of complying with any reporting or filing obligations relating to Tax, accounting or regulatory matters, in order to negotiate, refute, settle, compromise or otherwise deal with any claim, investigation or enquiry by a regulatory authority regarding the Company or to enable the Seller's Group to comply with its own Tax obligations or facilitate the management or settlement of its own Tax affairs.
- 17.1.4 The Seller shall retain in accordance with its normal record keeping policies from time to time any books, records and documents in its possession that relate to the Company and shall, if reasonably requested by the Purchaser, allow the Purchaser reasonable access to such books, records and documents, including the right to take copies, at the Purchaser's expense, for the purposes of complying with any reporting or filing obligations relating to Tax, accounting or regulatory matters, in order to negotiate, refute, settle, compromise or otherwise deal with any claim, investigation or enquiry by a regulatory authority regarding the Company or to enable the Purchaser's Group to comply with its own Tax obligations or facilitate the management or settlement of its own Tax affairs.

17.2 Whole Agreement

- 17.2.1 The Transaction Documents contain the whole agreement between the Parties relating to the sale and purchase of the Shares to the exclusion of any terms implied by Law which may be excluded by contract and supersede any previous written or oral agreement between the Parties in relation to the sale and purchase of the Shares.
- 17.2.2 The Purchaser agrees and acknowledges that, in entering into the Transaction Documents, it is not relying on any representation, warranty or undertaking not expressly incorporated into them.

17.2.3 Except to the extent termination rights or other remedies are specified in this Agreement, (i) each of the Parties agrees and acknowledges that its only right and remedy in relation to any representation, warranty or undertaking made or given in connection with the Transaction Documents shall be for breach of the terms of the Transaction Documents and (ii) each of the Parties waives all other rights and remedies (including rights and remedies in tort to claim damages or to rescind or terminate the Transaction Documents, or arising under statute) in relation to any such representation, warranty or undertaking.

17.3 No Assignment

No Party may without the prior written consent of the other Parties, assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement, except that the Purchaser may assign any of its rights under this Agreement to its Nominee.

17.4 Third Party Rights

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under, this Agreement.

17.5 Variation

No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties.

17.6 Method of Payment

Any payments pursuant to this Agreement shall be effected by crediting for same day value the account(s) specified by the Seller or the Purchaser (as the case may be) on behalf of the Party entitled to the payment (reasonably in advance and in sufficient detail to enable payment by telegraphic or other electronic means to be effected) on or before the due date for payment.

17.7 Costs

17.7.1 The Seller shall bear all costs incurred by it in connection with the preparation and negotiation of, and the entry into, this Agreement and the sale of the Shares.

17.7.2 Each of the Purchaser and the Purchaser's Guarantor shall bear all costs incurred by it in connection with the preparation and negotiation of, and the entry into, this Agreement and the purchase of the Shares.

17.7.3 [REDACTED]

17.8 Notarial Fees, Registration, Stamp and Transfer Taxes and Duties

The cost of all notarial fees and all registration, stamp and transfer taxes and duties or their equivalents in all jurisdictions where such fees, taxes and duties are payable as a result of the transactions contemplated by this Agreement shall be borne by the Purchaser. The Purchaser shall be responsible for arranging the payment of all such fees, taxes and duties, including fulfilling any administrative or reporting obligation imposed by the jurisdiction in question in connection with such payment. If there is a conflict between the

provisions of this Clause 17.8 and the tax provisions of any other Transaction Document, the tax provisions of such other Transaction Document shall prevail with regard to the transactions governed by such other Transaction Document.

17.9 Interest

If any Party defaults in the payment when due of any sum payable under this Agreement, the liability of that Party shall be increased to include interest on such sum from the date when such payment is due until the date of actual payment (as well after as before judgment) at a rate per annum of three per cent. above the Benchmark Rate from time to time. Such interest shall accrue from day to day.

17.10 Set-off and grossing-up

17.10.1 All sums payable under this Agreement shall be paid free and clear of all deductions, withholdings, set-offs or counterclaims whatsoever save only as may be required by Law. If any deductions or withholding are required by Law, except:

- (i) in the case of the consideration payable under Clause 3 where the deduction or withholding is not a Payer-Linked Deduction; or
- (ii) in the case of the interest payable under Clause 3 or 17.9; or
- (iii) to the extent the amount of any deduction or withholding, when accounted for, is specified in applicable Law as payment or discharge or satisfaction of an obligation or Tax liability of the recipient,

the payer shall be obliged to pay to the recipient such sum as will after such deduction or withholding has been made leave the recipient with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding, provided that if the recipient shall have transferred (for the avoidance of doubt, by whatever means, including by way of a declaration of trust or anything that amounts in substance to a transfer) the benefit in whole or in part of this Agreement or shall have changed its tax residence or the permanent establishment to which the rights under this Agreement are allocated, or any affiliate or person with an interest in the recipient shall have transferred its rights under this Agreement or its interest in the recipient or changed its tax residence or the permanent establishment to which its rights under this Agreement or its interest in the recipient are allocated then the liability of the payer under this Clause 17.10.1 shall be limited to that (if any) which it would have been had no transfer or change taken place.

For the purposes of this Clause, a **"Payer-Linked Deduction"** means any deduction or withholding imposed on the consideration payable under Clause 3 (or any part thereof) which would not have arisen but for a connection of the payer with the jurisdiction imposing it.

17.10.2 If any sum paid as a result of any Claim is required by law to be brought into charge to Tax then, except in relation to interest payable under Clause 17.9, the payer shall be obliged to pay to the recipient such additional amount as will be required to ensure that, after the Tax chargeable on such sum (or that would be chargeable but for the use of any credit or refund or similar benefit in respect of Tax), the recipient is left with the same amount as it would have been entitled to receive in the absence of any such Tax.

17.10.3 If, and to the extent that, any relevant Tax Authority notifies any Party that it considers that any amount (including, for these purposes, where such amount is nil) deducted or withheld from a payment under this Agreement is less than the amount required by Law:

(i) the Parties shall co-operate in order to ensure that the correct amount is accounted for to the relevant Tax Authority; and

(ii)

(a) where, had the correct amount been deducted or withheld, the payer would not, pursuant to Clause 17.10.1, have been obliged to increase the amount of the payment to the recipient as a result of the deduction or withholding, the recipient shall indemnify the payer and the payer's Group against any Losses suffered as a result thereof; or

(b) in all other cases, the payer shall indemnify the recipient and the recipient's Group against any Losses suffered as a result thereof,

except, in each case, in respect of any interest and penalties to the extent that such interest and penalties are attributable to an unreasonable delay or default by the indemnified Party or its Group.

17.10.4 The recipient or expected recipient of an amount paid under this Agreement or any affiliate of or person with an interest in such recipient shall take such measures as are reasonable to claim from the appropriate Tax Authority any exemption, rate reduction, refund, credit or similar benefit (including pursuant to any relevant double tax treaty) to which it is entitled in respect of any deduction or withholding in respect of which a payment has been made or would otherwise be required to be made pursuant to Clause 17.10.1 and, for such purposes shall, within any applicable time limits, submit any claims, notices, returns or applications and send a copy thereof to the payer.

17.10.5 If the recipient of a payment made under this Agreement or any affiliate of or person with an interest in such recipient receives a credit for or refund of any Taxation payable by it or similar benefit by reason of any deduction or withholding for or on account of Taxation or an amount being brought into charge to Tax then it shall reimburse to the payer such part of such additional amounts paid to it pursuant to Clause 17.10.1 or 17.10.2 above (less any reasonable out of pocket expenses suffered or incurred by the recipient of any member of its Group) as the recipient of the payment certifies to the payer will leave it (together with any affiliate of or person with an interest in it) (after such reimbursement) in no better and no worse position than it would have been if the payer had not been required to make such deduction or withholding or suffer such Tax.

17.11 Notices

17.11.1 Any notice or other communication in connection with this Agreement (each, a "**Notice**") shall be:

(i) in writing in English;

(ii) delivered by hand, recorded delivery, email or courier using an internationally recognised courier company.

17.11.2 A Notice to the Seller shall be sent to it at the following address, or such other person or address as the Seller may notify to the Purchaser from time to time:

The Bank of East Asia, Limited

6/F, The Bank of East Asia Building, 10 Des Voeux Road Central, Hong Kong

Email: liskc@hkbea.com

Attention: LI Kai-cheong, Samson, Deputy Chief Executive & Chief Investment Officer

17.11.3 A Notice to the Purchaser shall be sent to it at the following address, or such other person or address as the Purchaser may notify to the Seller from time to time:

AIA Holdings (Hong Kong) Limited

35/F, AIA Central, No. 1 Connaught Road Central, Hong Kong

Email: Jacky-WS.chan@aia.com

Attention: Regional Chief Executive Officer

17.11.4 A Notice to the Purchaser's Guarantor shall be sent to it at the following address, or such other person or address as the Purchaser's Guarantor may notify to the Seller from time to time:

AIA Company Limited

35/F, AIA Central, No. 1 Connaught Road Central, Hong Kong

Email: Jacky-WS.chan@aia.com

Attention: Regional Chief Executive Officer

17.11.5 Subject to Clause 17.11.6, a Notice shall be effective upon receipt and shall be deemed to have been received:

- (i) at the time recorded by the delivery company, in the case of recorded delivery;
- (ii) at the time of delivery, if delivered by hand or courier; or
- (iii) at the time of sending, if sent by email, provided that receipt shall not be deemed to occur if the sender receives an automated message indicating that the email has not been delivered to the recipient.

17.11.6 A Notice that is deemed by Clause 17.11.5 to be received after 5.00 p.m. on any day, or on a Saturday, Sunday or public holiday in the place of receipt, shall be deemed to be received at 9.00 a.m. on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

17.11.7 For the purposes of this Clause 17.11, all references to time are to local time in the place of receipt.

17.12 Invalidity

17.12.1 If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion

or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the Parties.

- 17.12.2 To the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 17.12.1, then such provision or part of it shall, to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Agreement and the legality, validity and enforceability of the remainder of this Agreement shall, subject to any deletion or modification made under Clause 17.12.1, not be affected.

17.13 Counterparts

This Agreement may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by executing any such counterpart.

17.14 Arbitration

Any dispute arising out of or connected with this Agreement, including a dispute as to the validity, existence or termination of this Agreement or this Clause 17.14 or any non-contractual obligation arising out of or in connection with this Agreement, shall be resolved by arbitration in Hong Kong conducted in the English language by three arbitrators pursuant to the Arbitration Rules of the Hong Kong International Arbitration Centre (“HKIAC”) in force when the Notice of Arbitration is received by HKIAC, save that, unless the Parties agree otherwise:

- 17.14.1 each of the Seller and the Purchaser (together with the Purchaser’s Guarantor) shall be entitled to nominate one arbitrator;
- 17.14.2 the third arbitrator, who shall act as presiding arbitrator of the tribunal, shall be chosen by the two arbitrators appointed by or on behalf of the Parties. If s/he is not chosen by the two arbitrators within 30 days of the date of appointment of the later of the two Party-appointed arbitrators to be appointed, s/he shall be appointed by HKIAC;
- 17.14.3 no Party shall be required to give general discovery of documents, but may be required only to produce specific, identified documents which are relevant to the dispute; and
- 17.14.4 the Parties agree to waive any right of appeal against the arbitration award.

To the extent that the matter to be resolved contains a substantial and/or complex financial or economic component, the arbitrators shall be required to have sufficient financial experience or qualifications.

17.15 Governing Law and Submission to Jurisdiction

- 17.15.1 This Agreement and the documents to be entered into pursuant to it and any non-contractual obligations arising out of or in connection with the Agreement and such documents shall be governed by and construed in accordance with Hong Kong Law.
- 17.15.2 Each of the Parties irrevocably submits to the non-exclusive jurisdiction of the courts of Hong Kong to support and assist the arbitration process pursuant to Clause 17.14, including if necessary the grant of interlocutory relief pending the outcome of that process.

This Agreement has been entered into on the date stated at the beginning.

SIGNED by LI MAN KIU ADRIAN

on behalf of

THE BANK OF EAST ASIA, LIMITED

}



[Signed]

SIGNED by LI KAI CHEONG SAMSON

on behalf of

THE BANK OF EAST ASIA, LIMITED

}



[Signed]

SIGNED by Chan Wing Shing
Director

on behalf of **AIA HOLDINGS (HONG
KONG) LIMITED**

}



[Signed]

SIGNED by Chan Wing Shing
Director and Group
Regional Chief Executive
on behalf of **AIA COMPANY LIMITED**

}



[Signed]

Schedule 1
Particulars of the Company

Name of Company:	Blue Cross (Asia-Pacific) Insurance Limited
Registered Number:	0018845
Registered Office:	29 th Floor, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong
Date and place of incorporation:	21 November 1969, Hong Kong
Issued share capital:	HK\$625,000,000.00
Shareholders and shares held:	The Bank of East Asia, Limited – 625,000,000 Shares
Directors:	Yuk Wing, Joseph Pang Hon Shing Tong Man Kiu, Adrian David Li Pun, David Chan Kai Hung, Michael Leung Tak Yeung, David Mong Man Bun, Brian David Li Chi Tak Wan Ian Justin Hui Erica Li William Harry Jiasheng Tang
Secretary:	East Asia Secretaries Limited

**Schedule 2
Employee Matters
(Clause 7)**

1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2

[REDACTED]

[REDACTED]

[REDACTED]

3

[REDACTED]

[REDACTED]

4

[REDACTED]

4.1

[REDACTED]

4.2

[REDACTED]

4.2.1

[REDACTED]

4.2.2

[REDACTED]

[REDACTED]

4.3

[REDACTED]

5

[REDACTED]

5.1

[REDACTED]

5.2

[REDACTED]

5.3 [REDACTED]

5.4 [REDACTED]

6 [REDACTED]

6.1 [REDACTED]

6.1.1 [REDACTED]

6.1.2 [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

6.2 [REDACTED]

7 [REDACTED]



Schedule 3

Closing Obligations

1 General Obligations

1.1 The Seller's Obligations

On Closing, the Seller shall deliver or make available to the Purchaser the following:

- 1.1.1 the Blue Cross Distribution Agreement duly executed by the Seller and the Company;
- 1.1.2 the Blue Cross Transitional Licence Agreement duly executed by the Seller and the Company;
- 1.1.3 the Amended Regional Distribution Agreement duly executed by the Seller;
- 1.1.4 the Blue Cross Service Level Agreement duly executed by the Seller and the Company;
- 1.1.5 if applicable, the Transitional Services Agreement duly executed by it (or the relevant member of the Seller's Group) and the Company;
- 1.1.6 evidence that each of the Terminating Intra-Group Agreements has been terminated; and
- 1.1.7 evidence that the Seller is authorised to execute this Agreement and that each of the Seller (or the relevant member of the Seller's Group) and the Company is authorised to execute each Transaction Document to which it is a party.

1.2 The Purchaser's Obligations

On Closing, the Purchaser shall deliver or make available to the Seller the following:

- 1.2.1 the Amended Regional Distribution Agreement duly executed by the Purchaser's Guarantor;
- 1.2.2 evidence of the due fulfilment of the Regulatory Conditions; and
- 1.2.3 evidence that the Purchaser and the Purchaser's Guarantor is authorised to execute this Agreement and that the Purchaser (or the relevant member of the Purchaser's Group) is authorised to execute each Transaction Document to which it is a party.

2 Transfer of the Shares

2.1 General Transfer Obligations

On Closing, the Seller and the Purchaser shall (and the Purchaser shall procure that its Nominee will) take such steps as are required to transfer the Shares.

2.2 Specific Transfer Obligations

For the purposes of compliance with paragraph 2.1, the Seller shall deliver or make available to the Purchaser:

- 2.2.1 an instrument(s) of transfer in respect of the Shares duly executed by it in favour of the Purchaser (or its Nominee);
- 2.2.2 a sold note(s) in respect of the Shares duly executed by it in favour of the Purchaser (or its Nominee); and
- 2.2.3 duly cancelled share certificate(s) in respect of the Shares issued in the name of the Seller (or an express indemnity in a form satisfactory to the Purchaser in the case of any certificate found to be missing) if applicable.

3 Further Obligations in Addition to Transfer

3.1 General Obligations

On Closing:

- 3.1.1 the Seller shall deliver or make available to the Purchaser written resignations in the form set out in Part 2 of Schedule 8 of each of the persons referred to in Part 1 of Schedule 8, to take effect on Closing; and
- 3.1.2 the Seller shall deliver or make available to the Purchaser evidence as to:
 - (i) the acceptance by the directors of the Company of the resignations referred to in paragraph 3.1.1 and of the appointment of such persons to take effect on Closing (within the maximum number permitted by the constitutional documents of the Company) as the Purchaser may nominate as directors and (if relevant) secretary, subject to the appointment of such persons having been approved by the Insurance Authority to the extent required by applicable Law; and
 - (ii) the approval by the directors of the Company of the transfer of the Shares to the Purchaser (or its Nominee), subject to stamping, if applicable.

4 Outstanding Intragroup Payables and Outstanding Intragroup Receivables

- 4.1 On Closing, the Seller shall procure that the amount of the Estimated Outstanding Intragroup Receivables is settled in full by the relevant member(s) of the Seller's Group and the amount of the Estimated Outstanding Intragroup Payables is settled in full by the Company.

4.2 If:

- 4.2.1 the amount of any of the Outstanding Intragroup Receivables minus the corresponding amount of the Estimated Outstanding Intragroup Receivables is a positive number, the Seller will procure that the relevant member(s) of the Seller's Group will pay an amount equal to such difference to the Company as soon as reasonably practicable following Closing and in any event no later than 30 Business Days following Closing; or
- 4.2.2 the amount of any of the Outstanding Intragroup Receivables minus the corresponding amount of the Estimated Outstanding Intragroup Receivables is a negative number, the Purchaser will procure that the Company will pay an amount equal to such difference to the relevant member(s) of the Seller's Group as soon as

reasonably practicable following Closing and in any event no later than 30 Business Days following Closing.

4.3 If:

4.3.1 the amount of any of the Outstanding Intragroup Payables minus the corresponding amount of the Estimated Outstanding Intragroup Payables is a positive number, the Purchaser will procure that the Company will pay an amount equal to such difference to the relevant member(s) of the Seller's Group as soon as reasonably practicable following Closing and in any event no later than 30 Business Days following Closing; or

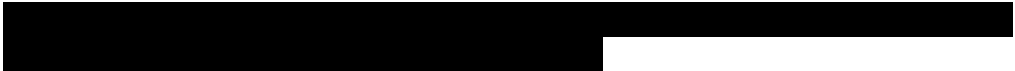
4.3.2 the amount of any of the Outstanding Intragroup Payables minus the corresponding amount of the Estimated Outstanding Intragroup Payables is a negative number, the Seller will procure that the relevant member(s) of the Seller's Group will pay an amount equal to such difference to the Company as soon as reasonably practicable following Closing and in any event no later than 30 Business Days following Closing.

4.4 If either Party disputes the amount of any payment made or procured to be made by the other Party pursuant to paragraph 4.2 or paragraph 4.3 of this Schedule 3, it shall send a written notification thereof to the other Party no later than 10 Business Days after such payment is received. Upon receipt of such notice, the Purchaser and the Seller shall negotiate in good faith and act reasonably to agree the amount in dispute (the "**Dispute Amount**").

4.5 If the Purchaser and the Seller cannot agree the Dispute Amount within 20 Business Days of receipt of the relevant notice, the matter (a "**Payables and Receivables Dispute**") shall be determined in accordance with Schedule 11 with all references in that schedule to a "Leakage Dispute" being replaced by references to a "Payables and Receivables Dispute" and all references in that schedule to "Leakage" being replaced by references to "Dispute Amount".

Schedule 4

Permitted Leakage

- 1** Any payment made or agreed to be made or liability incurred in respect of any matter undertaken by or on behalf of the Company at the written request or with the specific written agreement of the Purchaser.
- 2** Any payment made or agreed to be made by or on behalf of the Company as required under this Agreement.
- 3** Any payment made or agreed to be made by or on behalf of the Company in respect of services provided to the Company by any member of the Seller's Group in the ordinary course of business, consistent with past practice in the period prior to the Locked Box Date, including, in particular:
 - (a) payments of commissions, allowances and expenses in connection with the sale or advertisement of insurance products on behalf of the Company;
 - (b) fees paid in respect of any banking, investment and custodial services provided to the Company;
 - (c) amounts paid in respect of any insurance cover provided to the Company under any Seller's Group Insurance Policies or other insurance agreements entered into on arm's length terms between, on the one hand, the Company and, on the other hand, any member of the Seller's Group, including directors' and officers' liability, cyber, company reimbursement, professional indemnity, property all-risks, public liability and office comprehensive insurance policies;
 - (d) fees paid to any member of the Seller's Group in respect of any payroll autopay services provided to the Company;
 - (e) information technology usage charges, relocation charges, salaries and remuneration charges, travel, accommodation and meal reimbursement charges, courier, storage, staff award charges and audit and other professional fees payments;
 - (f) fees paid to any member of the Seller's Group in respect of any services provided to the Company pursuant to any of the Intra-Group Agreements; and
 - (g) payment of any Intra-Group Trading Payables in an amount not exceeding HK\$220,000 per month.
- 4** 
- 5** Any Permitted Retention Bonuses.
- 6** Any Permitted Salary Increase.

Schedule 5
Warranties given under Clause 10.1

1 Corporate Information

1.1 The Shares and the Company

- 1.1.1 The Seller is the sole beneficial and legal owner of the Shares and has the right to exercise all voting and economic rights over the Shares.
- 1.1.2 The Shares comprise the whole of the issued and allotted share capital of the Company and have been properly and validly issued and allotted and are each fully paid.
- 1.1.3 No person has the right (whether exercisable now or in the future and whether contingent or not) to call for the allotment, conversion, issue, registration, sale or transfer or repayment of any share capital or any other security giving rise to a right over, or an interest in, the capital of the Company under any option, agreement or other arrangement (including conversion rights and rights of pre-emption).
- 1.1.4 All consents required by the Seller for the transfer of the Shares have been obtained or will be obtained by Closing.
- 1.1.5 There are no Encumbrances on the Shares, nor has any agreement or commitment to create any such Encumbrance been entered into or given by the Seller.
- 1.1.6 The Shares have not been and are not listed or traded on any stock exchange or regulated market.
- 1.1.7 The Company:
 - (i) does not have any interest in, and has not agreed to acquire, any share capital or other security referred to in paragraph 1.1.3 of any other company (wherever incorporated) other than investments held in the ordinary course of business; and
 - (ii) does not have any branch, division, establishment or operations outside Hong Kong.
- 1.1.8 Save for the Portfolio Transfer, the Company has not been involved in any corporate or group restructuring, including by way of merger, demerger or hive-down of assets during the last three years and no such restructuring is currently taking place or envisaged.

1.2 Constitutional Documents, Corporate Registers and Minute Books

- 1.2.1 The particulars of the Company contained in Schedule 1 are true and accurate.
- 1.2.2 The constitutional documents in the Data Room are true and accurate copies of the constitutional documents of the Company and there have not been and are not any breaches by the Company of its constitutional documents.
- 1.2.3 The registers and minute books required to be maintained by the Company under Hong Kong Law:

- (i) are up-to-date;
- (ii) are maintained in accordance with applicable Law; and
- (iii) contain records of all matters required to be dealt with in such registers and books,

in each case in all material respects.

1.2.4 All registers and books referred to in paragraph 1.2.3 are in the possession (or under the control) of the Company or its company secretary.

1.2.5 So far as the Seller is aware, all material filings, publications, registrations and other formalities required by applicable Law to be delivered or made by the Company to the Hong Kong Companies Registry have been duly delivered or made on a timely basis.

2 Accounts and Locked Box Accounts

2.1 Accounts

2.1.1 Except as stated therein, the Accounts have been prepared on a basis consistent with that adopted in preparing the audited accounts of the Company for the previous two financial years.

2.1.2 The Accounts give a true and fair view of the financial position of the Company as at the Accounts Date and of its financial performance and its cash flows for the year ended on the Accounts Date in accordance with HKFRS and have been properly prepared in compliance with the Companies Ordinance.

2.1.3 The accounts of the Company for the 12-month period ended on the Accounts Date submitted to the Insurance Authority have been prepared in accordance with the provisions of the Insurance Ordinance.

2.2 Locked Box Accounts

2.2.1 The Locked Box Accounts have been prepared in accordance with the accounting policies used in preparing the Accounts.

2.2.2 The Locked Box Accounts are fair and not misleading having regard to the purpose for which they were drawn up and do not materially misstate the assets and liabilities of the Company as at the Locked Box Date or the profits or losses of the Company for the period concerned.

2.3 GI Accounts

The GI Account as set out in the management accounts provided at item 2.2 of the Data Room have been prepared in all material respects in accordance with applicable HKFRS and the accounting policies used in preparing the Accounts.

3 Financial Obligations

3.1 Financial Facilities

The Company has no outstanding or available financial facilities (including loans, bonds and hedging instruments) which are material to its business.

3.2 Guarantees and Security

There is no outstanding guarantee, indemnity, or other security or arrangement having an effect equivalent to the granting of security given:

3.2.1 by the Company; or

3.2.2 for the benefit of the Company,

which is material to the business of the Company.

3.3 Off-Balance Sheet Financing

The Company has not engaged in any financing of a type which would not be required to be shown or reflected in the Accounts.

4 Assets

4.1 Ownership of Assets

All material assets included in the Locked Box Accounts as assets of the Company or acquired by the Company since the Locked Box Date, other than any Intellectual Property Rights and any assets disposed of or realised in the ordinary course of business, and excepting rights and retention of title arrangements arising by operation of Law in the ordinary course of business:

4.1.1 are legally and beneficially owned by the Company;

4.1.2 are, where capable of possession, in the possession or under the control of the Company; and

4.1.3 are free from Encumbrances.

5 Intellectual Property Rights and Information Technology

5.1 Definitions

For the purposes of this paragraph 5:

“**Business IT**” means all Information Technology which is owned or used by the Company and which is material to its business;

“**Data Protection Authority**” means any body responsible for the enforcement of Data Protection Legislation;

“**Data Protection Legislation**” means the Hong Kong Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), any guidance issued under it and all other similar privacy Laws applicable to the Company; and

“**Information Technology**” means computer systems, communication systems, software and hardware.

5.2 Intellectual Property Rights

5.2.1 All licences (excluding any shrink-wrap licences for computer software) granted to the Company in respect of the Material IPRs are disclosed in the Data Room and, so far as the Seller is aware, in respect of each such licence:

- (i) it is in full force and effect and no notice has been given on either party to terminate it; and
 - (ii) the obligations of all parties thereto have been complied with in all material respects and no disputes that would enable a party to terminate it have arisen.
- 5.2.2 The Company does not own any Material IPRs that are registered or the subject of applications for registration in any Intellectual Property Rights registry anywhere in the world.
- 5.2.3 The Company has not, in the three years prior to the date of this Agreement, received a written notice alleging that the operation or products or services of the Company infringe or misuse the Intellectual Property Rights of a third party and, so far as the Seller is aware, no current operations or products or services of the Company infringe or misuse any Intellectual Property Rights of any third party. The Company is not engaged in any outstanding dispute under which it is alleged that the operations or products or services of the Company infringe the Intellectual Property Rights of a third party.

5.3 Information Technology

- 5.3.1 Each element of the Business IT is either: (i) owned by the Company or used under an agreement to which the Company is a party; or (ii) its use is provided for under, but subject to, the terms of the Transitional Services Agreement.
- 5.3.2 In the three years prior to the date of this Agreement, there have been no failures of any Business IT which have had (or are having) a material adverse effect on the business of the Company.
- 5.3.3 All material agreements relating to the Business IT are provided under written contracts with the Company. In relation to each such contract:
 - (i) it is in full force and effect, no notice having been given by either side to terminate it;
 - (ii) the obligations of the Company and (so far as the Seller is aware) the relevant counterparty have been complied with in all material respects and no disputes that would enable a party to terminate it have arisen.
- 5.3.4 The Company:
 - (i) has security measures in place to protect the Business IT that are reasonably adequate and comply in all material respects with the Cyber Resilience Assessment Framework (C-RAF) implemented by the Hong Kong Monetary Authority and the Guideline on Cybersecurity (GL20) issued by the Insurance Authority;
 - (ii) has, in the two years prior to the date of this Agreement, carried out regular penetration testing on the Business IT and any material weaknesses detected by such testing have, so far as the Seller is aware, been remedied; and
 - (iii) has procedures to back up data and disaster recovery plans that are reasonably adequate.

- 5.3.5 No Information Technology development projects, involving expenditure in excess of HK\$4 million per item and HK\$12 million in aggregate, are being carried out for the benefit of the Company and all Information Technology development projects in progress are cancellable by the Company at no more than three months' notice.

5.4 Data Protection

- 5.4.1 So far as the Seller is aware, the Company has complied in the 24 months prior to the date of this Agreement with all material and applicable requirements of the Data Protection Legislation and there has been no material cybersecurity breach in relation to the Company.
- 5.4.2 So far as the Seller is aware, in the three years prior to the date of this Agreement, no Data Protection Authority has alleged that the Company has failed to comply with Data Protection Legislation in any material respect or threatened to conduct an investigation into or take enforcement action against the Company.
- 5.4.3 The Company has not been involved in a dispute with an individual in respect of any infringement or alleged infringement of the Data Protection Legislation in any material respect and the Company has not received a written claim for compensation from any individual in respect of any such infringement or alleged infringement in the three years prior to the date of this Agreement.

6 Contracts

6.1 Capital Expenditure

There is no material capital expenditure committed by the Company on long-term assets but not yet incurred, in each case exceeding HK\$4 million.

6.2 Contracts

- 6.2.1 Save for reinsurance treaties entered into by the Company, complete copies of all Material Contracts in force on the date of this Agreement are disclosed in the Data Room. The summary of the reinsurance treaties entered into by the Company (but excluding any facultative reinsurance agreements entered into by the Company) set out in items 5.2 and 5.3 under "Additional Information" folder of the Data Room is complete and correct in all material respects (including with regard to the identification of change of control clauses).
- 6.2.2 The Company is not a party to or subject to any contract or transaction involving commitment or payment in excess of HK\$4 million (other than in the ordinary course of business or in relation to any insurance or re-insurance contract, lease or contract of employment) which:
- (i) is not in the ordinary course of business;
 - (ii) is not on an arm's length basis;
 - (iii) has an unexpired term or likely duration of five years or more; or
 - (iv) restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit so as to have a Material Adverse Effect.

- 6.2.3** The Company has not given any power of attorney or other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any material contract or commitment on its behalf, other than to its employees or agents or service providers in the ordinary course of business.

6.3 Joint Ventures etc.

The Company is not, nor has agreed to become, a party to any joint venture, consortium, partnership, shareholders' agreement or strategic alliance under which it participates with any other person in any business (other than under the Intra-Group Agreements), or a member of other unincorporated association (other than a recognised trade association in relation to which the Company has no liability or obligation except for the payment of annual subscription or membership fees).

6.4 Agreements with Connected Parties

- 6.4.1** There are no existing contracts between, on the one hand, the Company and, on the other hand, any member of the Seller's Group, other than the Intra-Group Agreements and insurance agreements entered into on arm's length terms between, on the one hand, the Company and, on the other hand, any member of the Seller's Group, in the ordinary course of business.
- 6.4.2** The Company is not party to any contract with any Employee or current director of the Company or (so far as the Seller is aware) any person connected with any of such person, other than on normal commercial terms in the ordinary course of business.

6.5 Compliance with Agreements

So far as the Seller is aware,

- 6.5.1** all the contracts material to the business of the Company to which the Company is a party (including the Material Contracts) are valid and binding obligations of the parties thereto and the terms thereof have been complied with in all material respects by the Company and by the relevant other party thereto; and
- 6.5.2** no notice of termination or of intention to terminate has been received by the Company in respect of any such material contracts.

6.6 Finder's Fees

No person is entitled to receive from the Company any finder's fee or commission in respect of the sale of the Shares under this Agreement.

6.7 Change of Control

So far as the Seller is aware, neither entering into, nor compliance with, nor completion of this Agreement will result in a material breach of, or give any third party a right to terminate or vary, or result in any Encumbrance under, any contract or arrangement to which the Company is a party which is material to the business of the Company.

7 Employees and Employee Benefits

7.1 Employees and Terms of Employment

7.1.1 The Data Room contains details as at 28 February 2022, in relation to the Business, of:

- (i) the total number of Employees;
- (ii) the salary and other benefits, period of continuous employment, location, job grade and age range of each of the Senior Employees;
- (iii) the terms of the contract of employment of each of the Senior Employees; and
- (iv) the standard terms and conditions of each category of Employee.

7.1.2 The Company has no outstanding liability to any Employee other than for remuneration accrued for the current wage or salary period, accrued holiday pay for the current and previous holiday year, bonuses for the current bonus period and accrued deferred bonus for the previous bonus period for Employees or reimbursement of normal business expenses.

7.1.3 There are no outstanding offers of employment or engagement made by the Company to any new employee with an annual salary in excess of HK\$2 million per annum and no person has accepted such an offer but not yet taken up the position.

7.1.4 The Company has not made any loan or advance to any Employee which remains outstanding at the date of this Agreement.

7.1.5 There are no trade unions, collective arrangements or agreements in place with regard to the Employees.

7.1.6 There are no persons other than the Employees that provide material support to the business of the Company.

7.2 Termination of Employment

7.2.1 None of the Employees has received or, so far as the Seller is aware, given notice to terminate his or her employment.

7.2.2 There are no proposals to terminate the employment of any Employees other than up to 5% of the Employees if such Employees have been identified as underperformers in the most recent performance assessment by the Company.

7.2.3 There are no terms of employment for any Employee which provide that a change of control of the Company shall entitle him or her to treat the change in control as amounting to a breach of his or her contract of employment or entitling him or her to treat himself or herself as redundant or dismissed or to obtain any benefit (monetary or otherwise).

7.3 Compliance with applicable Law

7.3.1 The Company has in the three years prior to the date of this Agreement complied with its obligations under all applicable Hong Kong Law in respect of its Employees in all material respects.

- 7.3.2 So far as the Seller is aware, in the three years prior to the date of this Agreement, the Company has not been in violation of any applicable Law in any material respect regarding reporting, withholding or payment obligations in relation to salaries tax.
- 7.3.3 So far as the Seller is aware, in the three years prior to the date of this Agreement, there has been no claim or allegation of any acts of bribery by any Employee under any applicable Hong Kong Law.
- 7.3.4 The Company has not employed any Employees below the mandatory minimum wage under applicable Hong Kong Law.

7.4 Seller's Benefit Plans

7.4.1 Seller's Benefit Plans

The Data Room contains all material details of the Seller's Benefit Plans, except for arrangements to which any member of the Seller's Group contributes in compliance with any Law.

7.4.2 Regulation

So far as the Seller is aware, the Seller's Benefit Plans are being operated in compliance with their terms and with all applicable Laws and government taxation or funding requirements, in each case, in all material respects.

7.5 Employee Dispute

- 7.5.1 Save for Insurance Claims made against the Company as an insurer, the Company is not and has not in the three years prior to the date of this Agreement been involved in any dispute, claim or legal proceedings with or in relation to any Employee or former employee of the Company which, either singly or taken together, have been or are material to the Company.
- 7.5.2 None of the Employees is subject to a current material disciplinary sanction and there is not currently nor has there been within the three years prior to the date of this Agreement any material disciplinary investigation or procedure in relation to any of the Employees.
- 7.5.3 So far as the Seller is aware, none of the Senior Employees is in material breach of his or her contract of employment or any obligation or duty which he or she owes to the Company.

8 Legal Compliance

8.1 Licences and Consents

- 8.1.1 All material licences, consents and authorisations required under applicable Laws for the carrying on of the Business (the "**Licences**") have been obtained and are in force.
- 8.1.2 All Licences are being complied with in all material respects. No written undertaking has been given to, or written restriction imposed by, the Insurance Authority with regard to the Company, other than in accordance with requirements pursuant to applications to the Insurance Authority in the ordinary course.

- 8.1.3 No written and outstanding notification has been received by the Company or the Seller that any of such Licences is to be suspended, not renewed, modified in a material respect or revoked.
- 8.1.4 All applications required to be made under applicable Laws to obtain, renew, continue or modify any Licence have, in the three years prior to the date of this Agreement, been made on a timely basis with the Insurance Authority.
- 8.1.5 So far as the Seller is aware, no deficiencies material to the operations, financial condition, assets, properties or business of the Company have, in the three years prior to the date of this Agreement, been asserted in writing to the Company by the Insurance Authority.

8.2 Compliance with Laws

- 8.2.1 The Company has in the three years prior to the date of this Agreement conducted its business in compliance with applicable Laws in each case in all material respects and the Company has not, in the three years prior to the date of this Agreement, been in material breach of any such Laws.
- 8.2.2 The Company has not in the three years prior to the date of this Agreement been the subject of any investigation or disciplinary proceeding by, or order, decree, decision or judgment of, any court, tribunal, arbitrator, governmental agency or regulatory body against the Company or any person for whose acts or defaults it may be vicariously liable, in each case where such investigation, disciplinary proceeding, order, decree, decision or judgment has been made known to the Company or the Seller. The Data Room contains true and complete copies of all formal letters and reports from examinations or audits performed by or on behalf of any regulatory body with regard to the Company in the three years prior to the date of this Agreement.
- 8.2.3 The Company has not received any written and outstanding notice from any court, tribunal, arbitrator, governmental agency or regulatory body specifying a violation and/or failure to comply with any applicable Law.

8.3 Anti-Corruption and Sanctions Laws

- 8.3.1 The Company is not engaged in any activity or conduct that has resulted or will result in a violation of any anti-corruption laws and regulations in all applicable jurisdictions, except for instances of breaches which neither singly nor taken together have had a Material Adverse Effect.
- 8.3.2 The Company has complied in all material respects with all applicable anti-money laundering and anti-terrorist financing Laws and Relevant Sanction Restrictions.

8.4 Anti-Competitive Agreements and Practices

So far as the Seller is aware, the Company is not a party to any agreement, arrangement or concerted practice or is carrying on any practice material to the business of the Company in respect of which any written notice, process or other communication from the Hong Kong Competition Commission referring to an alleged, actual or potential violation and/or failure to comply with the Hong Kong Competition Ordinance has been received by the Company or submitted to any relevant court or authority.

9 Litigation

9.1 Current Proceedings

- 1.1.1 The Company is not involved whether as claimant or defendant or other party in any claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration (other than as claimant in the collection of debts or as a party in insurance-related claims or proceedings, in each case arising in the ordinary course of its business, none of which exceeds HK\$2,000,000) which would reasonably be expected to result in a liability to or by the Company of more than HK\$4,000,000.

9.2 Pending or Threatened Proceedings

No such claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration of material importance is pending or threatened in writing by or, so far as the Seller is aware, against the Company, which would reasonably be expected to result in a liability to or by the Company of more than HK\$4,000,000.

9.3 No Court Orders etc

The Company is not subject to any continuing injunction, judgment or order of any court, arbitrator, governmental agency or regulatory body, nor in default under any order, suit, injunction or decree of any court.

10 Real Properties

10.1 Real estate

The Company does not own any premises, buildings or land.

10.2 Leased Property

- 10.2.1 The Data Room contains copies or details of all valid and existing lease agreements (the “**Lease Agreements**”) to which the Company is a party.

- 10.2.2 In relation to the Lease Agreements:

- (i) so far as the Seller is aware, no material breach by the tenant of any obligation under any Lease Agreement is currently outstanding; and
- (ii) there are no rent reviews in progress under any Lease Agreement.

- 10.2.3 The Lease Agreements are not subject to any options or rights of pre-emption or first refusal in favour of any third parties.

- 10.2.4 There are no outstanding and material claims, disputes or proceedings relating to or affecting the Lease Agreements.

11 Target Insurance Policies (Company as insured)

11.1 Particulars of Insurances

Summary particulars of the Target Insurance Policies which are material to the business of the Company are disclosed in the Data Room.

11.2 Details of Policies

In respect of the insurances referred to in paragraph 11.1:

- 11.2.1 all premiums have been duly paid to date; and
- 11.2.2 The Company has not received any notification that such insurances are not valid or enforceable.

11.3 Insurance Claims

- 11.3.1 Details of all insurance claims in excess of HK\$1 million made in respect of the Company as insured during the three years prior to the date of this Agreement are contained in the Disclosure Letter.
- 11.3.2 No insurance claim in excess of HK\$1 million is outstanding.

12 Insurance (Company as insurer)

12.1 Policies

- 12.1.1 The Data Room contains true and accurate copies of the standard terms and conditions of In-Force Policies along with samples of marketing materials in respect of such policies, in each case, as currently used by the Company.
- 12.1.2 So far as the Seller is aware: (a) all In-Force Policies are (subject to such rights of cancellation as are set out therein or implied by law into policies of insurance) valid and binding under applicable Laws (except for instances which neither singly nor taken together are material to the Company); and (b) the Company has complied in all material respects with its obligations under the In-Force Policies.
- 12.1.3 So far as the Seller is aware, there has been no material failure to administer any In-Force Policies in accordance with their terms.
- 12.1.4 The policyholder records of the Company are within its possession or control. So far as the Seller is aware, such policyholder records have been maintained by the Company in compliance with applicable Laws, except for instances of non-compliance which neither singly nor taken together are material.
- 12.1.5 So far as the Seller is aware, the Company has complied with applicable Laws with respect to the recording on the relevant person's complaints register of any written notice, written claim or written complaint received from the holder of any In-Force Policy alleging any breach of the terms of that policy, except for instances of non-compliance which neither singly nor taken together are material.
- 12.1.6 So far as the Seller is aware, no delegated underwriting authority or claims handling authority has been given by the Company to any person other than an Employee.
- 12.1.7 So far as the Seller is aware, none of the policyholders or persons insured under the In-Force Policies were subject to any Relevant Sanction Restriction and there has not during the three years prior to the date of this Agreement been any material failure of the Company to apply its sanctions screening policies and procedures.

12.2 Information for Actuarial Reports

The information and data used in connection with the preparation of the Actuarial Reports: (i) was in all material respects properly extracted from the systems and records of the Company; and (ii) was reviewed by an appropriately qualified person of the Company.

12.3 Intermediaries and Selling Practices

- 12.3.1** There are no material suits, actions, proceedings or arbitrations pending against the Company or the Seller with respect to Mis-selling by an insurance agent (or, so far as the Seller is aware, by a broker or any other person involved in the sale) nor, so far as the Seller is aware, has the Company or the Seller received written notice of any such suits, actions, proceedings or arbitrations with respect to Mis-selling.
- 12.3.2** The Company has not in the three years before the date of this Agreement been the subject of any investigation by a regulatory authority with respect to any alleged Mis-selling by any insurance agent, broker or other person involved in the sale, in each case where such investigation has been made known to the Company or the Seller.
- 12.3.3** The Seller and the Company have procedures to ensure that all persons required to be licensed by a regulatory authority who have since 1 January 2019 submitted to the Company one or more applications for, or acted as an agent, broker or any other similar role with respect to, insurance policies, at the time such persons sold or intermediated such insurance policies, were duly licensed as required by all applicable Law for the type of business sold or intermediated on behalf of the Company.

13 Tax

13.1 Returns, Information and Clearances

- 13.1.1** Adequate provision or reserve (as appropriate) has been made in the Locked Box Accounts in accordance with HKFRS for any Tax (whether actual, deferred, contingent or disputed, and whether an asset or a liability) assessed or liable to be assessed on the Company or for which it is accountable at the Locked Box Date whether or not the Company has or may have any right or reimbursement against any other person. Adequate provision has been made for in the Locked Box Accounts in accordance with HKFRS for any Tax asset arising on or before the Locked Box Date.
- 13.1.2** In the three years prior to the date of this Agreement, all returns, computations, holdover application, notices and information which are or have been required to be made or given by the Company for any Taxation purpose (i) have been made or given within the requisite periods and on a proper basis and were up-to-date and correct, in each case in all material respects and (ii) so far as the Seller is aware, none of them is, or is likely to be, the subject of any material dispute with or investigation by any Tax Authority.
- 13.1.3** So far as the Seller is aware, in the three years prior to the date of this Agreement, the Company has not been party to any artificial or fictitious transaction for the purpose of the avoidance, evasion, intended avoidance or intended evasion, in each case, by any member of the Seller's Group, of any liability to Taxation.

- 13.1.4 The Company has not, in the three years prior to the date of this Agreement, claimed any stamp duty exemption for any intra-group transfer of Hong Kong stocks or Hong Kong landed properties between the Company and any member of the Seller's Group.

13.2 Taxation Claims

- 13.2.1 So far as the Seller is aware, in the three years prior to the date of this Agreement, the Company has duly and punctually (i) paid all Taxation which it has been assessed by a Tax Authority as being liable to pay and (ii) deducted or withheld all amounts of or on account of Tax at source from any payments made or deemed to have been made by it and has duly paid or accounted for such amounts as required to any Tax Authority.
- 13.2.2 So far as the Seller is aware, the Company is not currently (and has not been in the three years prior to the date of this Agreement) under any non-routine audit or examination by a Tax Authority that could result in the assessment of any amount of Tax.
- 13.2.3 There is no material outstanding or (so far as the Seller is aware) contemplated dispute or disagreement between the Company and any Tax Authority and no circumstances making such dispute or disagreement likely.
- 13.2.4 In the three years prior to the date of this Agreement, no notice has been served by any Tax Authority on the Company pursuant to any statutory regime relating to the avoidance of Tax or the conduct of Tax affairs.

13.3 Tax Residence

- 13.3.1 The Company has been resident for Taxation purposes in Hong Kong and nowhere else at all times since its incorporation.
- 13.3.2 The Company has not, in the three years prior to the date of this Agreement, paid Taxation, or been subject to Taxation, on income, profits or gains received or accrued or deemed to have been received or accrued by the Company to any Taxation Authority outside Hong Kong.

13.4 Portfolio

- 13.4.1 Full provision has been made in the Locked Box Accounts for any Tax assessed or liable to be assessed on the Company in connection with the Portfolio Transfer or otherwise suffered or liable to be suffered by the Company in accordance with the terms of the Portfolio Transfer Agreement.

14 Important Business Issues Since the Locked Box Date

Since the Locked Box Date (except in relation to any Permitted Leakage):

- 14.1 the business of the Company has been carried on as a going concern in all material respects in the ordinary course;
- 14.2 no material capital commitments have been entered into or proposed by the Company. For these purposes a material capital commitment is one involving capital expenditure of over HK\$4 million;

- 14.3** The Company has not declared, made or paid or agreed to declare, make or pay any dividend or other distribution to any member of the Seller's Group;
- 14.4** The Company has not made or agreed to make any payments, or transferred or agreed to transfer any assets, to any member of the Seller's Group other than in the ordinary course of business or on an arm's length basis;
- 14.5** The Company has not allotted or issued or agreed to allot or issue any share capital or any other security giving rise to a right over its capital;
- 14.6** The Company has not taken any action which would have been prohibited by Clause 5.1.2(xiv), 5.1.2(xviii), 5.1.2(xix) or 5.1.2(xxvi) if taken after the date of this Agreement;
- 14.7** The Company has not redeemed or purchased or agreed to redeem or purchase any of its share capital; and
- 14.8** there has been no material adverse change to the business, assets, liabilities and results of operation, of the Company taken as a whole other than in connection with events or circumstances which have generally affected general or non-life insurance business in Hong Kong.

15 Disclosure of Information

- 15.1** The Data Room has been collated by the Seller in good faith and the Seller has not knowingly included any information which is untrue.
- 15.2** So far as the Seller is aware, each document in the Data Room is a true and accurate copy of the original of such document.

16 General

16.1 Authority and Capacity

- 16.1.1** Each of the Seller and the Company is validly existing and is a company duly incorporated under the Law of their respective jurisdiction of incorporation.
- 16.1.2** Each of the Seller and the Company has the legal right and full power and authority to enter into the Transaction Documents to be executed by it.
- 16.1.3** The documents referred to in paragraph 16.1.2 will, when executed, constitute valid and binding obligations on the Seller and the Company (as applicable) in accordance with their respective terms.
- 16.1.4** Each of the Seller and the Company has taken or will have taken by Closing all corporate action required by it to authorise it to enter into and to perform the Transaction Documents to be executed by it.
- 16.1.5** The execution and delivery of, and the performance by the Seller and the Company of its obligations under each Transaction Document to be executed or delivered by it will not:
 - (i) result in (a) a breach of any provision of the articles of association of the Seller or the Company; or (b) a material breach of any agreement or instrument to which the Company is a party or by which it is otherwise bound; or

(ii) result in a breach of any applicable Law.

17 Insolvency etc.

- 17.1.1 The Company is not insolvent under the Laws of Hong Kong or unable to pay its debts as they fall due.
- 17.1.2 There is no petition presented, proceeding commenced, meeting convened or resolution passed in relation to any compromise or arrangement with creditors, appointment of administrator, receiver, administrative receiver or manager, or any winding up, bankruptcy or other insolvency proceedings concerning the Company.
- 17.1.3 So far as the Seller is aware, no steps have been taken to enforce any security over any assets of the Company.

Schedule 6
Warranties given by the Purchaser under Clause 10.3

1 Authority and Capacity

1.1 Incorporation

The Purchaser is validly existing and is a company duly incorporated under the Law of its jurisdiction of incorporation.

1.2 Authority to enter into Transaction Documents

1.2.1 The Purchaser has the legal right and full power and authority to enter into and perform this Agreement and the other Transaction Documents to be executed by it.

1.2.2 The documents referred to in paragraph 1.2.1 will, when executed, constitute valid and binding obligations on the Purchaser in accordance with their respective terms.

1.3 Authorisation

1.3.1 The Purchaser has taken or will have taken by Closing all corporate action required by it to authorise it to enter into and perform this Agreement and the other Transaction Documents to be executed by it.

1.3.2 The execution and delivery of, and the performance by the Purchaser of its obligations under, this Agreement and each other Transaction Document to be executed or delivered by it will not:

- (i) result in a breach of any provision of the memorandum or articles of association or other like documents of the Purchaser; or
- (ii) result in a breach of any applicable Law.

2 Financing

At the relevant time for payment, the Purchaser (or the relevant member of the Purchaser's Group) will be able to pay the Aggregate Consideration from its existing banking facilities and available cash.

3 Insolvency etc.

3.1.1 The Purchaser is not insolvent or unable to pay its debts as they fall due.

3.1.2 There is no petition presented, proceeding commenced, meeting convened or resolution passed in relation to any compromise or arrangement with creditors, appointment of administrator, receiver, administrative receiver or manager, or any winding up, bankruptcy or other insolvency proceedings concerning any member of the Purchaser's Group which may adversely affect the ability of the Purchaser to perform any of its obligations under any of the Transaction Documents.

3.1.3 So far as the Purchaser is aware, no steps have been taken to enforce any security over any assets of any member of the Purchaser's Group which may adversely affect the ability of the Purchaser to perform any of its obligations under any of the Transaction Documents.

4 Conditions

- 4.1.1** So far as the Purchaser is aware, no material approvals (other than the approvals referred to in Clause 4.1 and any approvals of new directors, controllers and key persons in control function of the Company) are required to be obtained by the Purchaser prior to Closing under any applicable Law in connection with the entry into, and performance of, this Agreement.
- 4.1.2** The Purchaser is not aware of any reason why the approval or non-objection referred to in Clause 4.1.1 and Clause 4.1.2 should not be obtained.

Schedule 7
Seller's Knowledge Persons
(Clause 10.1.5)

No.	Name	Title
1.	Mr. Adrian David LI Man-kiu.	Co-Chief Executive Officer, BEA
2.	Mr. Brian David LI Man-bun	Co-Chief Executive Officer, BEA
3.	Ms. Dawn Tao	Chief Financial Officer, BEA
4.	Mr. Tong Hon Shing	Chief Operating Officer / Deputy Chief Executive, BEA
5.	Mr. Patrick Wan	Managing Director, Blue Cross
6.	Mr. Steve Tong	Chief Actuary, Blue Cross
7.	Mr. Pareto Chan	Chief Legal & Compliance Officer, Blue Cross
8.	Mr. Samson Li Kai-Cheong	Deputy Chief Executive & Chief Investment Officer, BEA
9.	Ms. Shirley Wong	General Manager & Head of Personal Banking Division, BEA
10.	Ms. Betty Wong	Financial Controller, Blue Cross
11.	Mr. Mourice Pang	Chief Technology Officer, Blue Cross
12.	Ms. Eliza Cott	Chief Operations Officer, Blue Cross
13.	Ms. Josephine Kum	Chief Human Resources Officer, Blue Cross
14.	Mr. Lawrence Chang	Chief Risk Officer, Blue Cross

Schedule 8
Written Resignations
(Schedule 3)

Part 1

All directors and the company secretary of the Company immediately before Closing.

Part 2

Blue Cross (Asia-Pacific) Insurance Limited (the “**Company**”)
[Address]
Hong Kong
Attention: The Board of Directors

Dear Sirs

Notice of resignation [from the board of directors of / as company secretary of] the Company

I hereby give to the Company notice of my resignation [from the board of directors of the Company (the “**Board**”)] [as company secretary of the Company], to take effect on and subject to Closing (as defined in the Share Sale Agreement dated [●] 2022 between The Bank of East Asia, Limited and AIA Holdings (Hong Kong) Limited.

I confirm that I have no claim or right of action whatsoever outstanding against either the Company or its officers and employees (including, without limitation, claims for wrongful or unfair dismissal, compensation for loss of office or redundancy payment, remuneration, severance payments, expenses or otherwise); and to the extent that any such claim or right of action currently exists, I waive such claim or right of action and release the Company and its officers and employees from any liability whatsoever in respect of such claim or right of action.

[I further confirm that I have no disagreement with the Board and that nothing relating to the affairs of the Company needs to be brought to the attention of the shareholder(s) of the Company.]

Yours faithfully,

[insert name]

Acknowledged and confirmed for and on behalf of the Company:

[insert name]

[insert position]

Schedule 9
Agreed Form Blue Cross Distribution Agreement
[redacted]

Schedule 10
Agreed Form Announcements

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



The Bank of East Asia, Limited

東亞銀行有限公司

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

DISCLOSEABLE TRANSACTION

DISPOSAL OF BLUE CROSS (ASIA-PACIFIC) INSURANCE LIMITED AND INTERESTS IN BLUE CARE JV (BVI) HOLDINGS LIMITED AND PROPOSED ENTRY INTO OF DISTRIBUTION ARRANGEMENTS

On 4 March, 2022, (i) the Bank (as vendor) entered into the Blue Cross Share Sale Agreement with AIA Holdings HK (as purchaser) and AIA (as purchaser's guarantor) in relation to the sale of Blue Cross to AIA Holdings HK; and (ii) Blue Care Holdings (an indirect wholly-owned subsidiary of the Bank) (as vendor) entered into the Blue Care Share Sale Agreement with AIA Holdings HK (as purchaser) and AIA (as purchaser's guarantor) in relation to the sale of all the issued shares in Blue Care held by Blue Care Holdings, comprising 80% of the total issued share capital of Blue Care, to AIA Holdings HK. AIA has agreed to guarantee AIA Holdings HK's obligations under the Blue Cross Share Sale Agreement and the Blue Care Share Sale Agreement. Each of the Blue Cross Closing and the Blue Care Closing is subject to satisfaction (or, where applicable, waiver) of certain conditions and the requisite regulatory approval(s).

The consideration payable under the Blue Cross Share Sale Agreement, the Blue Care Share Sale Agreement and the Blue Cross Distribution Agreement is US\$278 million (equivalent to HK\$2,168 million) in cash (in aggregate). The Bank is expected to book an aggregate profit of approximately HK\$1,534 million upon completion of the Blue Cross Disposal and the Blue Care Disposal.

The Transactions, on a stand-alone basis and when aggregated with the Previous Transactions pursuant to Rule 14.22 of the Listing Rules, constitutes a discloseable transaction of the Bank under Chapter 14 of the Listing Rules as one or more of the relevant percentage ratios under Rule 14.07 of the Listing Rules is more than 5% but all are less than 25% and, therefore, is subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to: (i) the announcement published by the Bank on 24th February, 2022 in relation to its 2021 final results, in which it announced, among other things, that Blue Cross was classified as an asset held for sale, (ii) the announcement published by the Bank on 24th March, 2021 in relation to, among other things, the Bank's entry into of the Previous Share Sale and

Framework Agreement in relation to, among other things, the Previous Disposal and the Original Regional Distribution Agreement; and (iii) the announcement published by the Bank on 1st September, 2021 in relation to, among other things, the completion of the Previous Disposal and the status of the Portfolio Transfer.

The Bank is pleased to announce that, on 4 March, 2022: (i) the Bank (as vendor) entered into the Blue Cross Share Sale Agreement with AIA Holdings HK (as purchaser) and AIA (as purchaser's guarantor) in relation to the sale of Blue Cross to AIA Holdings HK; and (ii) Blue Care Holdings (an indirect wholly-owned subsidiary of the Bank) (as vendor) entered into the Blue Care Share Sale Agreement with AIA Holdings HK (as purchaser) and AIA (as purchaser's guarantor) in relation to the sale of all the issued shares in Blue Care held by Blue Care Holdings, comprising 80% of the total issued share capital of Blue Care, to AIA Holdings HK.

The material terms of the Blue Cross Share Sale Agreement and the Blue Care Share Sale Agreement are summarised below.

BLUE CROSS SHARE SALE AGREEMENT

Sale of Blue Cross shares

The Blue Cross Share Sale Agreement was entered into among the Bank (as vendor), AIA Holdings HK (as purchaser) and AIA (as purchaser's guarantor) on 4 March, 2022. Pursuant to the Blue Cross Share Sale Agreement, the Bank conditionally agreed to sell, and AIA Holdings HK conditionally agreed to purchase, all the issued share capital of Blue Cross, and AIA has agreed to guarantee AIA Holdings HK's obligations under the Blue Cross Share Sale Agreement.

Consideration

The consideration payable under the Blue Cross Share Sale Agreement for the shares in Blue Cross and the Bank's entry into of the distribution arrangements contemplated in the Blue Cross Distribution Agreement is US\$270 million (equivalent to HK\$2,106 million) in cash, plus an amount equivalent to notional interest on that sum for the period from (but excluding) 31st December, 2021 to (and including) the date of Blue Cross Closing. Such amount of consideration excludes any consideration payable for the Portfolio Transfer under the Portfolio Transfer Agreement.

The corresponding net asset value of Blue Cross (excluding the Portfolio) was approximately HK\$532 million as at 31st December, 2021. The audited profits/(losses) attributable to Blue Cross (excluding the Portfolio) for each of the two financial years ended 31st December, 2020 and 31st December, 2021 were respectively approximately HK\$267 million and a loss of HK\$20 million (before tax and extraordinary items) and approximately HK\$212 million and a loss of HK\$32 million (after tax and extraordinary items).

The consideration was determined after arm's length negotiations between the Bank and AIA Holdings HK following an auction process and taking into account (i) the historical business and financial performance of Blue Cross; (ii) the valuation of comparable trading companies; and (iii) recent precedent transactions, taking into account the current market environment.

Conditions

Closing of the Blue Cross Disposal is subject to the satisfaction (or, where applicable, waiver) of the following conditions, or their satisfaction subject only to Blue Cross Closing:

- (i) any person that will become a "controller" (as defined under the Insurance Ordinance) of Blue Cross as a result of the Blue Cross Disposal having obtained written approval or a

written notice of no objection from the Insurance Authority to become a “controller” of Blue Cross, and (if required) the Insurance Authority having indicated its non-objection to the arrangements under the transitional services agreement to be entered into on Blue Cross Closing;

- (ii) if required, the Insurance Authority having approved the transaction contemplated by the Blue Cross Share Sale Agreement pursuant to section 95ZK of the Insurance Ordinance;
- (iii) the accuracy of certain fundamental warranties; and
- (iv) subject to certain exceptions, no material adverse effect having occurred and being continuing.

AIA Holdings HK may waive any of the conditions in paragraphs (iii) and (iv). If any of the conditions are not satisfied (or, where applicable, waived) within 12 months, the Blue Cross Share Sale Agreement may be terminated by the Bank or AIA Holdings HK. As the Blue Cross Disposal is conditional, it may or may not proceed. Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the securities of the Bank.

Other provisions

Pursuant to the Blue Cross Share Sale Agreement, subject to Blue Cross Closing, the Original Regional Distribution Agreement shall be amended to include a framework for the arrangements pursuant to which AIA’s exclusivity under the Original Regional Distribution Agreement will be extended, through acquiring Blue Cross, to non-life insurance products for the Bank’s personal banking customers in Hong Kong and the Blue Cross Distribution Agreement setting out the terms of this arrangement shall be entered into between the Bank and Blue Cross on Blue Cross Closing. The material terms of the Blue Cross Distribution Agreement are summarised below.

In addition, the Blue Cross Share Sale Agreement contains covenants, representations, warranties, undertakings and indemnities which are usual and customary for a transaction of this nature and scale.

BLUE CROSS DISTRIBUTION AGREEMENT

Term and termination

The Blue Cross Distribution Agreement will have a term of 15 years from Blue Cross Closing subject to possible extension or early termination in certain circumstances.

Fees

Pursuant to the Blue Cross Distribution Agreement, Blue Cross shall pay to the Bank commissions in respect of non-life insurance products which are sold through the Bank’s distribution channels in Hong Kong. A bonus may also be payable to the Bank under the Blue Cross Distribution Agreement, subject to performance levels. Blue Cross will also provide allowances for use by either party as an expense reimbursement for sales and marketing activities.

BLUE CARE SHARE SALE AGREEMENT

Sale of Blue Care shares

The Blue Care Share Sale Agreement was entered into between Blue Care Holdings (an indirect wholly-owned subsidiary of the Bank) (as vendor), AIA Holdings HK (as purchaser) and AIA (as purchaser’s guarantor) on 4 March, 2022. Pursuant to the Blue Care Share Sale Agreement, Blue

Care Holdings conditionally agreed to sell, and AIA Holdings HK conditionally agreed to purchase, all the issued shares held by Blue Care Holdings in Blue Care, comprising 80% of the total issued share capital of Blue Care, and AIA has agreed to guarantee AIA Holdings HK's obligations under the Blue Care Share Sale Agreement.

Consideration

The consideration payable under the Blue Care Share Sale Agreement for the shares in Blue Care held by Blue Care Holdings is US\$8 million (equivalent to HK\$62 million) in cash, plus an amount equivalent to notional interest on that sum for the period from (but excluding) 31st December, 2021 to (and including) the Blue Care Closing.

The consideration was determined after arm's length negotiations between Blue Care Holdings and AIA Holdings HK following an auction process and taking into account (i) the historical business and financial performance of Blue Care; and (ii) the net asset value of Blue Care.

Conditions

Closing of the Blue Care Disposal is subject to the satisfaction (or, where applicable, waiver) of the following conditions, or their satisfaction subject only to Blue Care Closing:

- (i) if required, the Insurance Authority having approved the transaction contemplated by the Blue Care Share Sale Agreement pursuant to section 95ZK of the Insurance Ordinance;
- (ii) AIA Holdings HK having made an offer to the Remaining BC Shareholder to purchase all of the Remaining BC Shareholder's shares in Blue Care on specified terms;
- (iii) if the Remaining BC Shareholder does not accept the offer referred to in (ii), certain specified amendments to the shareholders' agreement relating to Blue Care becoming effective on Blue Care Closing;
- (iv) completion of the Blue Cross Disposal on or before the completion of the Blue Care Disposal;
- (v) the accuracy of certain fundamental warranties; and
- (vi) subject to certain exceptions, no material adverse effect having occurred and being continuing.

Blue Care Holdings may waive the condition in paragraph (ii), AIA Holdings HK may waive any of the conditions in paragraphs (iii), (v) and (vi), and Blue Care Holdings and AIA Holdings HK may jointly waive the conditions in paragraph (iv). If any of the conditions are not satisfied (or, where applicable, waived) within 12 months, the Blue Care Share Sale Agreement may be terminated by Blue Care Holdings or AIA Holdings HK (provided that AIA Holdings HK may not terminate the Blue Care Share Sale Agreement if the condition in paragraph (ii) has not been satisfied as a result of it not having made such offer to the Remaining BC Shareholder). As the Blue Care Disposal is conditional, it may or may not proceed. Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the securities of the Bank.

Other provisions

The Blue Care Share Sale Agreement contains covenants, representations, warranties, undertakings and indemnities which are usual and customary for a transaction of this nature and scale.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the sale of Blue Cross and of the Bank's interest in Blue Care, along with the proposed entry into of the Amended and Restated Regional Distribution Agreement and the Blue Cross Distribution Agreement are in the best interests of the Bank as it will generate value in the interests of the Bank's shareholders. By entering into the Blue Cross Distribution Agreement, the Bank will be able to extend the existing exclusive life insurance partnership with AIA Group to include non-life insurance products, which is expected to further enhance the fee income of the Bank.

The Directors (including the independent non-executive Directors) believe that the terms and conditions of the Blue Cross Share Sale Agreement, the Blue Care Share Sale Agreement, the Amended and Restated Regional Distribution Agreement and the Blue Cross Distribution Agreement and the other agreements to be entered into as part of the Transactions are fair and reasonable and the Transactions are in the interests of the Bank and its shareholders as a whole.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, AIA and AIA Holdings HK (and the other relevant AIA Group members) and their ultimate beneficial owners are third parties independent of the Bank and the Bank's connected persons.

FINANCIAL EFFECT OF THE TRANSACTIONS AND USE OF PROCEEDS

The carrying amount of Blue Cross was approximately HK\$741 million as at 31st December, 2021, and the audited net profits attributable to Blue Cross for each of the two financial years ended 31st December, 2020 and 31st December, 2021 were respectively approximately HK\$321 million and HK\$43 million (before tax and extraordinary items) and approximately HK\$267 million and HK\$31 million (after tax and extraordinary items).

The carrying amount of the Bank's 80% interest in Blue Care was approximately HK\$23 million as at 31st December, 2021, and the audited net profits attributable to Blue Care for each of the two financial years ended 31st December, 2020 and 31st December, 2021 were respectively approximately HK\$4 million and HK\$1 million (before tax and extraordinary items) and approximately HK\$4 million and HK\$1 million (after tax and extraordinary items).

The Bank is expected to book a profit in the amounts of approximately HK\$1,502 million and HK\$32 million in respect of the Blue Cross Disposal and the Blue Care Disposal respectively. The profit is calculated with reference to the net sale proceeds attributable to the Bank after deducting relevant transaction costs and expenses, and the carrying amount of Blue Cross and Blue Care, respectively, as at 31st December, 2021, and also includes the release of mark-to-market gains from reserves.

Taking into account of investors' expectations, market conditions and regulatory guidance upon the closing of the Transactions, the board of Directors will decide on the use of proceeds from the disposals, which may include return to shareholders, or any such other purposes as the board of Directors may consider to be in the best interests of the Bank and the shareholders of the Bank.

GENERAL INFORMATION

The Bank

Incorporated in 1918, the Bank is a leading Hong Kong-based financial services group listed on the Stock Exchange, with total consolidated assets of HK\$907.5 billion (US\$116.3 billion) as of 31st December, 2021.

The Bank provides a comprehensive range of corporate banking, personal banking, wealth management, and investment services to customers through an extensive network of about 150

outlets covering Hong Kong, the rest of Greater China, Southeast Asia, the United Kingdom, and the United States. For more information, please visit www.hkbea.com.

Blue Cross

Blue Cross is a wholly-owned subsidiary of the Bank providing a comprehensive range of non-life insurance products and services including medical, travel, and general insurance to both individual and corporate customers in Hong Kong. Blue Cross distributes its products through diversified distribution channels, including the Bank's extensive network of branches, online channels, direct sales channel, agents and brokers, as well as travel agencies. Immediately after Blue Cross Closing, the Bank will cease to hold any equity interest in Blue Cross and Blue Cross will cease to be a subsidiary of the Bank and will be a wholly-owned subsidiary of AIA Holdings HK.

Blue Care

Blue Care is a company incorporated in the British Virgin Islands with limited liability. The Bank holds interest in 80% of the total issued share capital of Blue Care. Blue Care, through its wholly-owned subsidiary, U Care, and Blue Care Medical Centres, provides a comprehensive range of healthcare services including consultation, pre-insurance and pre-employment checkups, health screening programmes, vaccination etc. Immediately after Blue Care Closing, the Bank will cease to hold any equity interest in Blue Care and Blue Care will cease to be a subsidiary of the Bank and will be a subsidiary of AIA Holdings HK.

Blue Care Holdings

Blue Care Holdings is a company incorporated in the British Virgin Islands with limited liability and an indirect non-wholly owned subsidiary of the Bank. Its principal activity is investment holding.

AIA Holdings HK

AIA Holdings HK is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of AIA Group Limited. Its principal activity is investment holding.

AIA

AIA is a wholly-owned subsidiary of AIA Group Limited and is the lead operating entity within the AIA Group. The AIA Group comprises the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets – wholly-owned branches and subsidiaries in Mainland China, Hong Kong, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei and Macau, and a 49 per cent joint venture in India.

The business that is now AIA Group was first established in Shanghai more than a century ago in 1919. It is a market leader in Asia (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US\$330 billion as of 30th June, 2021.

AIA Group meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. AIA Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across Asia, AIA Group serves the holders of more than 39 million individual policies and over 16 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of the Stock Exchange under the stock code “1299” with American Depositary Receipts (Level 1) traded on the over-the-counter market (ticker symbol: “AAGIY”).

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, AIA and AIA Holdings HK and their ultimate beneficial owners are Independent Third Parties and not connected with the Bank.

LISTING RULES IMPLICATIONS

The Transactions, on a stand-alone basis and when aggregated with the Previous Transactions pursuant to Rule 14.22 of the Listing Rules, constitutes a discloseable transaction of the Bank under Chapter 14 of the Listing Rules as one or more of the relevant percentage ratios under Rule 14.07 of the Listing Rules is more than 5% but all are less than 25% and, therefore, is subject to the announcement requirement under Chapter 14 of the Listing Rules.

PORTFOLIO TRANSFER

As of the date of this announcement, the conditions to the Portfolio Transfer Agreement in respect of the proposed transfer of the Portfolio from Blue Cross to AIA Everest have not yet been satisfied. The Bank will make further announcement(s) concerning this proposed transfer as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the meanings set out below:

“AIA”	AIA Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of AIA Group Limited as at the date of this announcement
“AIA Everest”	AIA Everest Life Company Limited (formerly known as BEA Life Limited), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of AIA as at the date of this announcement
“AIA Group”	AIA Group Limited and its subsidiaries
“AIA Holdings HK”	AIA Holdings (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of AIA Group Limited as at the date of this announcement
“Amended and Restated Regional Distribution Agreement”	the amended and restated regional distribution agreement proposed to be entered into between the Bank and AIA on Blue Cross Closing to amend and restate the Original Regional Distribution Agreement
“Bank”	The Bank of East Asia, Limited, a company incorporated in Hong Kong with limited liability the shares of which are listed on the Main Board of the Stock Exchange

“Blue Care”	Blue Care JV (BVI) Holdings Limited, a company incorporated in the British Virgin Islands with limited liability. The Bank holds interest in 80% of the total issued share capital of Blue Care and the remaining 20% is held by the Remaining BC Shareholder
“Blue Care Closing”	completion of the Blue Care Disposal
“Blue Care Disposal”	the proposed sale of all the issued shares in Blue Care held by Blue Care Holdings, comprising 80% of the total issued share capital of Blue Care, pursuant to the Blue Care Share Sale Agreement
“Blue Care Holdings”	Blue Care (BVI) Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Bank as at the date of this announcement
“Blue Care Share Sale Agreement”	the share sale agreement dated 4 March, 2022 among the Bank, AIA Holdings HK and AIA in relation to the Blue Care Disposal
“Blue Cross”	Blue Cross (Asia-Pacific) Insurance Limited, a company incorporated in Hong Kong with limited liability and is wholly-owned by the Bank as at the date of this announcement
“Blue Cross Closing”	completion of the Blue Cross Disposal
“Blue Cross Disposal”	the proposed sale of all the issued shares in Blue Cross by the Bank pursuant to the Blue Cross Share Sale Agreement
“Blue Cross Distribution Agreement”	the distribution agreement proposed to be entered into between the Bank and Blue Cross upon Blue Cross Closing
“Blue Cross Share Sale Agreement”	the share sale agreement dated 4 March, 2022 among the Bank, AIA Holdings HK and AIA in relation to the Blue Cross Disposal
“connected person”	has the meaning given to it in the Listing Rules
“Directors”	the directors of the Bank
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	an independent third party not connected with the Bank and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules
“Insurance Authority”	the Insurance Authority of Hong Kong

“Insurance Ordinance”	the Insurance Ordinance (Chapter 41 of the laws of Hong Kong)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Regional Distribution Agreement”	the regional distribution agreement dated 24 th March, 2021 between the Bank and AIA
“Portfolio”	the residual portfolio of the long-term business of Blue Cross
“Portfolio Transfer”	the transfer of the Portfolio from Blue Cross to AIA Everest pursuant to the Portfolio Transfer Agreement
“Portfolio Transfer Agreement”	the portfolio transfer agreement dated 24 th March, 2021 between Blue Cross and AIA Everest in relation to the Portfolio Transfer
“Previous Disposal”	the sale of all the issued share capital in AIA Everest by the Bank pursuant to the Previous Share Sale and Framework Agreement
“Previous Share Sale and Framework Agreement”	the share sale and framework agreement dated 24 th March, 2021 between the Bank and AIA in relation to the Previous Disposal
“Previous Transactions”	the Previous Disposal and the entry into of the arrangements under the Original Regional Distribution Agreement and other related agreements, including the Portfolio Transfer
“Remaining BC Shareholder”	an Independent Third Party, which is interested in 20% of the total issued share capital of Blue Care
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the Blue Cross Disposal, the Blue Care Disposal and the proposed entry into of the Amended and Restated Regional Distribution Agreement and the Blue Cross Distribution Agreement
“U Care”	U Care Hong Kong Medical Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Blue Care
“US\$”	United States dollars, the lawful currency of the United States of America

For the purpose of this announcement, translations of US\$ into HK\$ have been calculated by using an exchange rate of US\$1 equal to HK\$7.8. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

By Order of the Board
Alson LAW Chun-tak
Company Secretary

Hong Kong, 4 March, 2022

As at the date of this announcement, the Board of Directors of the Bank comprises Dr. the Hon. Sir David LI Kwok-po[#] (Executive Chairman), Professor Arthur LI Kwok-cheung^{} (Deputy Chairman), Dr. Allan WONG Chi-yun^{**} (Deputy Chairman), Mr. Aubrey LI Kwok-sing^{*}, Mr. Winston LO Yau-lai^{*}, Mr. Stephen Charles LI Kwok-sze^{*}, Mr. Adrian David LI Man-kiu[#] (Co-Chief Executive), Mr. Brian David LI Man-bun[#] (Co-Chief Executive), Dr. Daryl NG Win-kong^{*}, Mr. Masayuki OKU^{*}, Dr. the Hon. Rita FAN HSU Lai-tai^{**}, Mr. Meocre LI Kwok-wing^{**}, Dr. the Hon. Henry TANG Ying-yen^{**}, Dr. Delman LEE^{**}, Mr. William Junior Guilherme DOO^{**}, Dr. David MONG Tak-yeung^{**} and Dr. Francisco Javier SERRADO TREPAT^{*}.*

[#] Executive Director

^{} Non-executive Director*

*^{**} Independent Non-executive Director*

香港交易及結算所有限公司及香港聯合交易所有限公司對本公告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本公告全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。



The Bank of East Asia, Limited

東亞銀行有限公司

(1918 年在香港註冊成立之有限公司)

(股份代號：23)

須予披露交易

**出售藍十字（亞太）保險有限公司
及 BLUE CARE JV (BVI) HOLDINGS LIMITED 的權益
以及擬訂立分銷安排**

於 2022 年 3 月 4 日，(i) 本行（作為賣方）就向友邦控股香港（作為買方）出售藍十字一事，與友邦控股香港及友邦（作為買方的擔保人）訂立了藍十字售股協議；(ii) Blue Care Holdings（本行的間接全資附屬公司）（作為賣方）就向友邦控股香港（作為買方）出售全部 Blue Care Holdings 於 Blue Care 所持的已發行股份（佔 Blue Care 已發行股本總額的 80%）一事，與友邦控股香港及友邦（作為買方的擔保人）訂立了 Blue Care 售股協議。友邦已同意為友邦控股香港於藍十字售股協議及 Blue Care 售股協議項下的責任提供擔保。藍十字交易完成和 Blue Care 交易完成均取決於達成（或被豁免（如適用））某些條件及必要的監管批准。

根據藍十字售股協議、Blue Care 售股協議及藍十字分銷協議，應支付的總代價為現金 2.78 億美元（相當於 21.68 億港元）。藍十字出售事項及 Blue Care 出售事項完成後，本行預計將錄得約總計 15.34 億港元盈利。

由於按《上市規則》第 14.07 條計算之其中一項或多項適用百分比率為 5% 以上但均低於 25%，本交易按獨立基準及按照《上市規則》第 14.22 條與先前交易合併計算，均構成《上市規則》第 14 章下本行須予披露的交易，因此須遵守《上市規則》第 14 章之公告規定。

引言

謹提述：(i) 本行於 2022 年 2 月 24 日刊發的 2021 年度業績公告，當中公布（其中包括）藍十字被歸類為持有作出售資產；(ii) 本行於 2021 年 3 月 24 日刊發的公告，內容關於（其中包括）本行訂立先前售股和框架協議，該協議的內容關於（其中包括）先前出售事項及原區域分銷協議；以及 (iii) 本行於 2021 年 9 月 1 日刊發的公告，內容關於（其中包括）完成先前出售事項以及業務組合轉讓的狀況。

本行欣然宣布，於 2022 年 3 月 4 日：(i) 本行（作為賣方）就向友邦控股香港（作為買方）出售藍十字一事，與友邦控股香港及友邦（作為買方的擔保人）訂立了藍十字售股協議；(ii) Blue Care Holdings（本行的間接全資附屬公司）（作為賣方）就向友邦控股香港（作為買方）出售全部 Blue Care Holdings 於 Blue Care 所持的已發行股份（佔 Blue Care 已發行股本總額的 80%）一事，與友邦控股香港及友邦（作為買方的擔保人）訂立了 Blue Care 售股協議。

以下為藍十字售股協議及 Blue Care 售股協議的重要條款概覽。

藍十字售股協議

出售藍十字股份

本行（作為賣方）於 2022 年 3 月 4 日與友邦控股香港（作為買方）及友邦（作為買方的擔保人）訂立了藍十字售股協議。根據藍十字售股協議，本行有條件同意出售，而友邦香港有條件同意購買藍十字的全部已發行股本，並且友邦同意為友邦控股香港於藍十字售股協議下的責任提供擔保。

代價

根據藍十字售股協議就藍十字股份及本行訂立的藍十字分銷協議中擬進行的分銷安排，應支付的代價為現金 2.7 億美元（相當於 21.06 億港元），加上相當於由 2021 年 12 月 31 日（不包括當日）至藍十字交易完成之日（包括當日）止期間所產生名義利息之金額。該代價不包括根據業務組合轉讓協議就業務組合轉讓應付的任何代價。

截至 2021 年 12 月 31 日，藍十字（不包括有關業務組合）的相應資產淨值約為 5.32 億港元。截至 2020 年 12 月 31 日及 2021 年 12 月 31 日止兩個財政年度的每一財政年度，藍十字（不包括有關業務組合）的經審計利潤/（虧損）分別為約 2.67 億港元及虧損 2,000 萬港元（扣除稅項及特殊項目前）及約 2.12 億港元及虧損 3,200 萬港元（扣除稅項及特殊項目後）。該代價乃由本行和友邦控股香港於競投程序後及計及(i)藍十字的過往業務及財務業績表現；(ii)同業公司的估值；及(iii)近期交易先例，以及目前市場環境，按公平原則磋商後釐定。

條件

藍十字出售事項須待下列條件達成（或被豁免（如適用））或有關條件的達成僅受限於藍十字交易完成的情況下，方告完成：

- (i) 任何將因藍十字出售事項而成為藍十字的「控權人」（定義見《保險業條例》）之人士，已成為藍十字的「控權人」而取得保監局的書面批准或書面的不反對通知，且（如有需要）保監局已表示其對將於藍十字交易完成時訂立的過渡性服務協議下的安排無異議；
- (ii) 如需要，保監局已根據《保險業條例》第 95ZK 條批准藍十字售股協議擬進行的交易；
- (iii) 某些基礎保證的準確性；及
- (iv) 受限於某些例外情況，沒有發生且持續發生任何重大不利影響。

友邦控股香港可豁免任何第(iii)和(iv)段所載明的任何條件。如在 12 個月內有任何條件未達成（或被豁免（如適用）），則本行或友邦控股香港均可終止藍十字售股協議。由於藍十字出售事項是附帶條件的，因此，出售事項可能繼續進行亦可能無法繼續進行。建議本行股東和潛在投資者在買賣本行證券時須謹慎行事。

其他條款

根據藍十字售股協議，待藍十字交易完成後，原區域分銷協議將被修訂，以包括通過收購藍十字友邦香港於原區域分銷協議下的獨家安排將會擴展至向本行香港的個人銀行客戶分銷非人壽保險產品。載有此安排條款的藍十字分銷協議將由本行與藍十字於藍十字交易完成時訂立。以下為藍十字分銷協議的重要條款概覽。

此外，藍十字售股協議包含此類性質和規模的交易屬慣常的契諾、陳述、保證、承諾和彌償規定。

藍十字分銷協議

期限和終止

藍十字分銷協議的期限為自藍十字交易完成時起計 15 年，於某些情況下可能延續或者提前終止。

費用

根據藍十字分銷協議，藍十字須就透過本行於香港的分銷渠道銷售的非人壽保險產品向本行支付佣金。並根據藍十字分銷協議應向本行支付獎金，這受制於績效水平。藍十字亦應提供津貼，供任何一方用於償付銷售及營銷費用。

BLUE CARE 售股協議

出售 Blue Care 股份

Blue Care Holdings（本行間接全資附屬公司）（作為賣方）於 2022 年 3 月 4 日與友邦控股香港（作為買方）及友邦（作為買方的擔保人）訂立了 Blue Care 售股協議。根據 Blue Care 售股協議，Blue Care Holdings 有條件同意出售，而友邦控股香港有條件同意購買 Blue Care Holdings 於 Blue Care 所持全部已發行股份（佔 Blue Care 已發行股本總額的 80%），而且友邦已同意為友邦控股香港於 Blue Care 售股協議下的責任提供擔保。

代價

根據 Blue Care 售股協議就 Blue Care Holdings 所持 Blue Care 股份，應支付的代價為現金 800 萬美元（相當於 6200 萬港元），加上相等於由 2021 年 12 月 31 日（不包括當日）起至 Blue Care 交易完成（包括當日）時止期間所產生名義利息之金額。

該代價乃由 Blue Care Holdings 和友邦控股香港於競投程序後及計及(i)Blue Care 的過往業務及財務業績表現；及(ii)Blue Care 的資產淨值，按公平原則磋商後釐定。

條件

Blue Care 出售事項須待下列條件達成（或被豁免（如適用））或有關條件的達成僅受限於 Blue Care 交易完成的情況下，方告完成：

- (i) 如需要，保監局已根據《保險業條例》第 95ZK 條批准 Blue Care 售股協議擬進行的交易；
- (ii) 友邦控股香港已向其餘 BC 股東提出要約，以按照特定條款購買所有其餘 BC 股東於 Blue Care 持有的股份；
- (iii) 如果其餘 BC 股東不接受 (ii) 中提及的要約，則與 Blue Care 相關的股東協議的某些特定修訂在 Blue Care 交易完成時生效；
- (iv) 於 Blue Care 出售事項完成時或之前完成藍十字出售事項；
- (v) 某些基礎保證的準確性；及
- (vi) 受限於某些例外情況，沒有發生且持續發生任何重大不利影響。

Blue Care Holdings 可豁免第(ii)段所載的條件，友邦控股香港可豁免第(iii), (v)和(vi)段所載的任何條件，Blue Care Holdings 及友邦控股香港可共同豁免第(iv)段所載的條件。如在 12 個月內有任何條件未達成（或被豁免（如適用）），則 Blue Care Holdings 或友邦控股香港可終止 Blue Care 售股協議（但前提是，如果第(ii)段的條件因未向其餘 BC 股東提出要約而導致第(ii)段的條件未達成，則友邦控股香港不得終止 Blue Care 售股協議。由於 Blue Care 出售事項是附帶條件的，因此該出售事項可能繼續進行亦可能無法繼續進行。建議本行股東和潛在投資者在買賣本行證券時須謹慎行事。

其他條款

Blue Care 售股協議包含此類性質和規模的交易屬慣常的契諾、陳述、保證、承諾和彌償規定。

進行本交易之理由及裨益

董事認為，出售藍十字及本行於 **Blue Care** 的權益以及擬訂立經修訂及重述區域分銷協議及藍十字分銷協議符合本行的最佳利益。本交易所產生的價值符合本行股東的利益。藉着訂立藍十字分銷協議，本行將能夠擴展與友邦集團現有的獨家壽險合作夥伴關係，以納入非人壽保險產品，這預期將進一步提升本行的服務費用收入。

董事（包括獨立非執行董事）相信，藍十字售股協議、**Blue Care** 售股協議、經修訂及重述區域分銷協議及藍十字分銷協議以及作為本交易的一部分將予訂立的其他各份協議的條款及條件屬公平和合理，而本交易符合本行及其股東之整體利益。

據董事經作出一切合理查詢後所知、所悉及所信，友邦及友邦控股香港（以及友邦集團其他相關成員）及其最終實益擁有人均為獨立於本行及本行關連人士之第三方。

本交易的財務影響及所得款項用途

截至 2021 年 12 月 31 日，藍十字的賬面值約為 7.41 億港元，截至 2020 年 12 月 31 日及 2021 年 12 月 31 日止兩個財政年度的每一財政年度，藍十字的應佔經審計淨利潤分別約為 3.21 億港元和 4300 萬港元（扣除稅項及特殊項目前）以及約 2.67 億港元和 3100 萬港元（扣除稅項及特殊項目後）。

截至 2021 年 12 月 31 日，本行於 **Blue Care** 80% 的權益的賬面值約為 2300 萬港元，截至 2020 年 12 月 31 日及 2021 年 12 月 31 日止兩個財政年度的每一財政年度，**Blue Care** 的應佔經審計淨利潤分別約為 400 萬港元和 100 萬港元（扣除稅項及特殊項目前）以及約 400 萬港元和 100 萬港元（扣除稅項及特殊項目後）。

本行預期，藍十字出售事項及 **Blue Care** 出售事項所產生的利潤分別約為 15.02 億港元及 3200 萬港元。利潤計算是參照本行扣除相關交易費用和支出後應佔的淨銷售所得款項，以及藍十字及 **Blue Care** 截至 2021 年 12 月 31 日止各自的賬面值，並且包括來自相關按市價計算價值變動的儲備。

本交易完成後，董事會將考慮投資者的期望、市場狀況和監管指引，決定出售所得款項的用途，其中可能包括回報股東或董事會的任何其他董事認為可符合本行和本行股東最佳利益的用途。

一般資料

本行

本行於 1918 年成立，是一家具領導地位的香港金融服務集團。東亞銀行在香港聯合交易所上市，於 2021 年 12 月 31 日的綜合資產總額達港幣 9,074.7 億元（1,163.4 億美元）。

本行擁有龐大的服務網絡，於全球設有約 150 個網點，覆蓋香港、大中華其他地區、東南亞、英國和美國等地，為客戶提供全面的企業銀行、個人銀行、財富管理及投資服務。有關業務詳情，請瀏覽網頁：www.hkbea.com。

藍十字

藍十字為本行之全資附屬公司，為香港的個人及企業客戶提供種類齊全的非人壽保險產品及服務，包括醫療、旅遊及一般保險。藍十字通過多元化的分銷渠道分銷其產品，包括本行的龐大分行網絡、網上渠道、直銷渠道、代理商和經紀人，以及旅行社。本行將在緊隨藍十字交易完成後終止持有藍十字的任何股權，而藍十字將不再是本行的附屬公司，並將成為友邦控股香港的全資附屬公司。

Blue Care

Blue Care 為在英屬維京群島註冊成立之有限責任公司。本行於 **Blue Care** 已發行股本總額中持有 80% 權益。**Blue Care** 透過其全資附屬公司明康醫療及寶康醫療中心提供全面醫療保健服務，包括

諮詢、投保前檢查、入職體檢、健康普查項目、疫苗接種等。本行將在緊隨 Blue Care 交易完成後終止持有 Blue Care 的任何股權，而 Blue Care 將不再是本行的附屬公司，並將成為友邦控股香港的附屬公司。

Blue Care Holdings

Blue Care Holdings 為在英屬維京群島註冊成立之有限責任公司，是本行的間接非全資附屬公司。該公司主要業務為投資控股。

友邦控股香港

友邦控股香港為在香港註冊成立之有限責任公司，是友邦集團的全資附屬公司。該公司主要業務為投資控股。

友邦

友邦是友邦保險控股有限公司的全資附屬公司及友邦集團的主要營運實體。而友邦保險控股有限公司是最大的泛亞地區獨立上市人壽保險集團，覆蓋亞太區內 18 個市場，全資分支機構及附屬公司遍佈中國大陸、香港、泰國、新加坡、馬來西亞、澳洲、柬埔寨、印度尼西亞、緬甸、新西蘭、菲律賓、韓國、斯里蘭卡、中國台灣、越南、汶萊和澳門，並擁有印度合資公司 49% 的權益。

友邦集團今日的業務可追溯至逾一世紀前於 1919 年上海的發源地。按壽險保費計算，友邦集團在亞太地區（日本除外）領先同業，並於大部分市場穩佔領導地位。截至 2021 年 6 月 30 日，友邦集團總資產值為 3,300 億美元。

友邦集團提供一系列的產品及服務，涵蓋壽險、意外及醫療保險和儲蓄計劃，以滿足個人客戶在長期儲蓄及保障方面的需要。此外，友邦集團亦為企業客戶提供僱員福利、信貸壽險和退休保障服務。友邦集團透過遍佈亞洲的龐大專屬代理、夥伴及員工網絡，為超過 3,900 萬份個人保單的持有人及逾 1,600 萬名團體保險計劃的參與成員提供服務。

友邦保險控股有限公司於聯交所主板上市（股份代號為「1299」）；其美國預托證券（一級）於場外交易市場進行買賣（交易編號為「AAGIY」）。

據董事經作出一切合理查詢後所知、所悉及所信，友邦及友邦控股香港以及其最終實益擁有人均為獨立第三方，與本行並無關聯。

《上市規則》之涵義

由於按《上市規則》第 14.07 條計算之其中一項或多項適用百分比率為 5% 以上但均低於 25%，本交易按獨立基準及按照《上市規則》第 14.22 條與先前交易合併計算，均構成《上市規則》第 14 章下本行須予披露的交易，因此須遵守《上市規則》第 14 章之公告規定。

業務組合轉讓

截至本公告日期，關於藍十字擬議將業務組合轉讓給友邦雋峰的業務組合轉讓協議的條件尚未達成。本行將根據《上市規則》適時就此項擬議轉讓作出進一步公告。

釋義

除文義另有所指外，下列詞彙於本公告中具有以下涵義：

「友邦」 指友邦保險有限公司，在香港註冊成立之有限責任公司，於本公告日期為友邦保險控股有限公司的全資附屬公司

「友邦雋峰」 指友邦雋峰人壽有限公司（前稱東亞人壽保險有限公司），在香港註冊成立之有限公司，於本公告日期為友邦的全資附屬公司

「友邦集團」	指友邦保險控股有限公司及其附屬公司
「友邦控股香港」	指 AIA Holdings (Hong Kong) Limited，在香港註冊成立之有限公司，於本公告日期為友邦保險控股有限公司的全資附屬公司
「經修訂及重述區域分銷協議」	指本行與友邦於藍十字交易完成時擬訂立的經修訂及重述區域分銷協議，以修訂及重述原區域分銷協議
「本行」	指東亞銀行有限公司，在香港註冊成立之有限責任公司，其股份在聯交所主板上市
「Blue Care」	指 Blue Care JV (BVI) Holdings Limited，在英屬維京群島註冊成立之有限責任公司。本行於 Blue Care 已發行股本總額中持有 80%權益，其餘 20%由 其餘 BC 股東擁有
「Blue Care 交易完成」	指 Blue Care 出售事項的完成
「Blue Care 出售事項」	指根據 Blue Care 售股協議，擬議出售全部 Blue Care Holdings 於 Blue Care 所持的已發行股份，佔 Blue Care 已發行股本總額的 80%
「Blue Care Holdings」	指 Blue Care (BVI) Holdings Limited，在英屬維京群島註冊成立之有限責任公司，於本公告日期為本行的一家間接全資附屬公司
「Blue Care 售股協議」	指本行就 Blue Care 出售事項與友邦控股香港及友邦訂立的日期為 2022 年 3 月 4 日的售股協議
「藍十字」	指藍十字（亞太）保險有限公司，在香港註冊成立之有限責任公司，於本公告日期由本行全資擁有
「藍十字交易完成」	指藍十字出售事項的完成
「藍十字出售事項」	指本行根據藍十字售股協議擬議出售藍十字全部已發行股份
「藍十字分銷協議」	指本行與藍十字於藍十字交易完成時擬議訂立的分銷協議
「藍十字售股協議」	指本行就藍十字出售事項與友邦控股香港及友邦訂立的日期為 2022 年 3 月 4 日的售股協議
「關連人士」	指具有《上市規則》賦予該詞之涵義
「董事」	指本行董事
「港元」	指港元，香港法定貨幣
「香港」	指中華人民共和國香港特別行政區
「獨立第三方」	指《上市規則》所界定與本行及其附屬公司、彼等各自之董事、行政總裁及主要股東以及任何彼等之聯繫人概無關連之獨立第三方

「保監局」	指香港保險業監管局
「《保險業條例》」	指《保險業條例》（香港法律第 41 章）
「《上市規則》」	指《香港聯合交易所有限公司證券上市規則》
「原區域分銷協議」	指本行與友邦於 2021 年 3 月 24 日訂立的區域分銷協議
「有關業務組合」	指藍十字的長期業務剩餘組合
「業務組合轉讓」	指根據業務組合轉讓協議，藍十字將有關業務組合轉讓給友邦雋峰
「業務組合轉讓協議」	指藍十字與友邦雋峰於 2021 年 3 月 24 日就業務組合轉讓訂立的業務組合轉讓協議
「先前出售事項」	指本行按照先前售股和框架協議的規定出售友邦雋峰之全部已發行股本
「先前售股和框架協議」	指本行與友邦於 2021 年 3 月 24 日就先前出售事項訂立的售股和框架協議
「先前交易」	指先前出售事項以及根據原區域分銷協議及其他相關協議訂立的安排，包括業務組合轉讓
「其餘 BC 股東」	獨立第三方，持有 Blue Care 全部已發行股本 20%的權益
「聯交所」	指香港聯合交易所有限公司
「本交易」	指藍十字出售事項、Blue Care 出售事項以及擬議訂立經修訂及重述區域分銷協議及藍十字分銷協議
「明康醫療」	指明康醫療香港有限公司，在香港註冊成立之有限責任公司，Blue Care 的全資附屬公司
「美元」	美元，美國法定貨幣

在本公告中，採用 1 美元對港幣 7.8 元的匯率，將美元金額兌換為港幣金額。若適用，該匯率僅被用作舉例說明，不構成關於任何金額按、可能已經按或將按該匯率或其他匯率兌換或未兌換的陳述。

承董事會命
公司秘書
羅春德 謹啟

香港，2022 年 3 月 4 日

於本公告日期，本行董事會成員為李國寶爵士[#]（執行主席）、李國章教授^{*}（副主席）、黃子欣博士^{**}（副主席）、李國星先生^{*}、羅友禮先生^{*}、李國仕先生^{*}、李民橋先生[#]（聯席行政總裁）、李民斌先生[#]（聯席行政總裁）、黃永光博士^{*}、奧正之先生^{*}、范徐麗泰博士^{**}、李國榮先生^{**}、唐英年博士^{**}、李國本博士^{**}、杜家駒先生^{**}、蒙德揚博士^{**}及 Francisco Javier SERRADO TREPAT 博士^{*}。

[#] 執行董事

* 非執行董事
** 獨立非執行董事

Schedule 11

Leakage Disputes

1 Escalation

- 1.1** Either Party may refer a Leakage Dispute for resolution in accordance with the following provisions (unless the Parties have agreed an alternative resolution mechanism):
- 1.1.1** in the first instance, the Leakage Dispute shall be referred to the Liaison Committee; and
 - 1.1.2** if the Liaison Committee is unable to resolve the Leakage Dispute within 10 Business Days of the Leakage Dispute being referred to it, it shall be referred to the CEO of each party, but should they be unable to resolve the Leakage Dispute within a further period of 10 Business Days, the Leakage Dispute shall be resolved in accordance with paragraph 2 of this Schedule.

2 Leakage Dispute Resolution

- 2.1** To the extent that the Parties are unable to resolve the Leakage Dispute within ten Business Days after it is referred to the CEO of each party, the Leakage Dispute shall be determined by an independent firm of chartered accounts of international repute in Hong Kong (the "**Expert**") as the Parties may mutually agree and select in writing or, failing agreement within a further five Business Days, to such independent firm of chartered accountants of international repute in Hong Kong as the President of the Hong Kong Institute of Certified Public Accountants may, on the application of either of the Parties, nominate; provided that such Expert nominated by the President of the Hong Kong Institute of Certified Public Accountants must be a firm that does not have any material conflict of interest that might potentially impact its determination of such Leakage Dispute, in which case:
- 2.1.1** the Expert shall be directed to determine the matters in dispute (being the existence and/or value of any Leakage amount claimed) and notify the Seller and the Purchaser of its decision within 10 Business Days of receiving the reference or such longer reasonable period as the Expert may determine;
 - 2.1.2** the Expert shall act as an expert and not as an arbitrator and shall be directed to determine only the matters in dispute and shall be entitled, in rendering his decision, to take into account only such evidence and information as the Parties shall have put to him;
 - 2.1.3** the Expert shall be directed to determine any dispute by reference to the accounting policies, principles, practices, bases and methodologies that were used for the purposes of preparing the Accounts;
 - 2.1.4** the Expert, following consultation with the Parties, shall decide the procedure to be followed in the determination and shall be requested to make its determination in writing as soon as practicable, but in any case no later than two months, after its appointment, and shall set forth in such written determination the reasons for such determination;
 - 2.1.5** each Party shall be entitled to make written and/or oral representations to the Expert, and the Parties shall each co-operate with the Expert in resolving any disagreement or Leakage Dispute, and for that purpose shall provide to them all

such assistance, information and documentation as they may reasonably require in a timely manner;

2.1.6 the Expert's determination will (in the absence of fraud or manifest error) be final and binding on the Parties;

2.1.7 the costs of the Expert shall be split equally between the Parties; and

2.1.8 any amount payable by one Party to another as a result of the Expert's determination will be due and payable within 10 Business Days of the last of the Expert's determinations being notified to the Parties.

2.2 The Leakage Dispute and all related matters and proceedings shall be treated as confidential among the Parties and the Expert.

Schedule 12

Consent Contracts

1. All reinsurance agreements to which the Company is a party (including those listed in items 5.2 and 5.3 under “Additional Information” folder of the Data Room).
2. The software license and maintenance agreement dated 29 December 2014 entered into between SS&C Technologies Hong Kong and the Company agreement.
3. The distribution and services agreement dated 28 February 2006 entered into by and among the Company, the Seller, Cigna Worldwide Insurance Company, Cigna Worldwide Life Insurance Company Limited and Cigna Worldwide General Insurance Company Limited relating to the distribution and services covering life products of the Company, as amended and supplemented by the novation agreement dated 8 May 2006, supplemental agreement dated 3 August 2006, supplemental agreement dated 18 April 2007, supplemental agreement dated 23 April 2007, supplemental agreement dated 15 January 2008 and the fifth supplemental agreement dated 20 July 2009.
4. The lease agreement dated 27 January 2022 entered into between the Seller and the Company in relation to BEA Tower, Millennium City 5.
5. The lease agreement dated 27 January 2022 entered into between the Seller and the Company in relation to Vita Tower.
6. The Software Licence Agreements dated 31 December 2016 entered into between Infor (Hong Kong) Limited and the Company.

Schedule 13
Agreed Form Amended Regional Distribution Agreement
[Redacted]

Schedule 14
Interest Payment Calculation Template

	Base Consideration	Interest period			six-month HK\$ deposit rate (6m HIBOR historical)	Total interest payment
	HK\$	From	To	No. of days	Daily average	HK\$
	(a)			(b)	(c)	(a) x (c) x (b) / 365
Daily average of the HK\$ interest settlement rate for a maturity of six months published on the website of the Hong Kong Association of Banks in respect of the period from (but excluding) the Locked Box Date to (and including) the Closing Date	[x]	31-Dec-21 (exclusive) ^[1]	Closing Date (inclusive)	[x]	[x]%	[A]

^[1] Locked Box Date (i.e. 31 Dec 2021) is excluded from interest calculation.