

*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)

### **(1) UPDATES TO THE STRATEGIC INVESTMENT AGREEMENT WITH THE “LA CAIXA” GROUP**

**AND**

### **(2) PROPOSED SUBSTITUTION OF CRITERIA FOR CAIXABANK IN AGREEMENTS WITH THE “LA CAIXA” GROUP**

#### **INTRODUCTION**

Reference is made to the announcement by the Bank on 22<sup>nd</sup> June, 2009 regarding the entry into a Strategic Investment Agreement between the Bank and CaixaBank and a Strategic Collaboration Agreement between the Bank, CaixaBank and “la Caixa”.

The Bank, CaixaBank and Criteria have agreed to amend certain provisions of the Strategic Investment Agreement and the Strategic Collaboration Agreement, as further described below.

#### **TRANSACTIONS WITHIN “LA CAIXA” GROUP**

As announced by CaixaBank on 3<sup>rd</sup> December, 2015, CaixaBank and Criteria agreed to transfer to Criteria its stake of approximately 17.24 per cent. in the Bank and its stake of approximately 9.01 per cent. in Grupo Financiero Inbursa, S.A.B. de C.V. in exchange for shares representing 9.9 per cent. of CaixaBank and a cash payment of €642 million (the “**Proposed Transfers**”). The Proposed Transfers will not alter CaixaBank’s banking activities. Criteria is the holding company of CaixaBank. Both Criteria and CaixaBank are subsidiaries of “la Caixa”. The Proposed Transfers are subject to certain conditions, and are expected to close during the first quarter of 2016.

To reflect the Proposed Transfers, the Bank, CaixaBank and Criteria have agreed that Criteria will become party to the Strategic Investment Agreement, since Criteria will be the entity holding a stake of approximately 17.24 per cent. in the Bank (the “**SIA Amendment**”).

In addition, the parties to the Strategic Collaboration Agreement have agreed that Criteria will adhere to the Strategic Collaboration Agreement to comply with exclusivity arrangements with respect to strategic banking or financial institution investments in the Asia Pacific region (the “**SCA Adherence**”).

Criteria will be bound to the SIA Amendment and SCA Adherence upon completion of the Proposed Transfers.

## THE STRATEGIC INVESTMENT AGREEMENT

As announced by the Bank on 22<sup>nd</sup> June, 2009, CaixaBank agreed under the Strategic Investment Agreement that CaixaBank will not increase its interest in Shares to more than 12.5 per cent. of the issued Shares without the prior agreement of the Bank, and will not, in any event, hold interests in more than 20 per cent. of the issued Shares (the “**Shareholding Cap**”).

CaixaBank also agreed that if an Offer is made for the Bank, it will follow any formal recommendation of the Board in relation to that Offer (provided this does not require the CaixaBank Group to sell its Shares at less than the value at which they are held in its accounts) (the “**Offer Undertaking**”).

In addition, CaixaBank agreed to vote in favour of any resolution proposed by the Board regarding any possible equity raising by the Bank (the “**Share Capital Raising Undertaking**”).

CaixaBank, Criteria and the Bank have agreed to remove the Offer Undertaking and the Share Capital Raising Undertaking from the Strategic Investment Agreement.

The Directors consider that the SIA Amendment, the SCA Adherence and the other amendments referred to are fair and reasonable and are in the interests of the Shareholders as a whole.

## DEFINITIONS

“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
“Board”	the Bank’s Board of Directors
“CaixaBank”	CaixaBank, S.A. (formerly known as Criteria CaixaCorp, S.A.), a Spanish banking entity
“Criteria”	Criteria Caixa, S.A., Sociedad Unipersonal, a Spanish holding company
“Directors”	the Directors of the Bank
“la Caixa”	Fundacion Bancaria Caixa d’Estalvis i Pensions de Barcelona “la Caixa”, a Spanish banking foundation
“Shareholders”	the shareholders of the Bank
“Shares”	ordinary shares in the share capital of the Bank
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Strategic Collaboration Agreement”	the strategic collaboration agreement between the Bank, CaixaBank and “la Caixa” dated 22 <sup>nd</sup> June, 2009 which sets out the principles under which the parties will seek to maximise their respective business opportunities
“Strategic Investment Agreement”	the strategic investment agreement between the Bank and CaixaBank dated 22 <sup>nd</sup> June, 2009 which sets out certain arrangements in respect of CaixaBank’s investment in the Bank

By Order of the Board  
**Alson Law Chun-tak**  
*Company Secretary*

Hong Kong, 19<sup>th</sup> January, 2016.

*As at the date of this announcement, the Board of Directors of the Bank comprises Dr. the Hon. Sir David LI Kwok-po<sup>#</sup> (Chairman & Chief Executive), Professor Arthur LI Kwok-cheung\* (Deputy Chairman), Dr. Allan WONG Chi-yun\*\* (Deputy Chairman), Mr. WONG Chung-hin\*\*, Mr. Aubrey LI Kwok-sing\*, Mr. Winston LO Yau-lai\*\*, Tan Sri Dr. KHOO Kay-peng\*\*, Mr. Richard LI Tzar-kai\*\*, Mr. Kenneth LO Chin-ming\*\*, Mr. Eric LI Fook-chuen\*, Mr. Stephen Charles LI Kwok-sze\*, Mr. William DOO Wai-hoi\*\*, Mr. KUOK Khoon-ean\*\*, Mr. Valiant CHEUNG Kin-piu\*\*, Dr. Isidro FAINÉ CASAS\*, Dr. Peter LEE Ka-kit\*, Mr. Adrian David LI Man-Kiu<sup>#</sup> (Deputy Chief Executive), Mr. Brian David LI Man-bun<sup>#</sup> (Deputy Chief Executive), Mr. Daryl NG Win-kong\*\* and Mr. Masayuki OKU\*.*

<sup>#</sup> *Executive Directors*

<sup>\*</sup> *Non-executive Directors*

<sup>\*\*</sup> *Independent Non-executive Directors*