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## 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)

### VOLUNTARY ANNOUNCEMENT

#### DISPOSAL OF CERTAIN EQUITY INTERESTS AND LOAN PORTFOLIO IN RELATION TO CONSUMER FINANCE BUSINESSES IN MAINLAND CHINA AND HONG KONG

This is a voluntary announcement made by the Bank.

On 29<sup>th</sup> November, 2017, the Bank and its wholly-owned subsidiary, Credit Gain, as sellers, entered into the Agreements with CFSH and its wholly-owned subsidiary, QL Finance, as buyers, in relation to the sale and purchase of certain equity interests and loan portfolio in relation to the consumer finance businesses carried out through the Bank's subsidiaries in Mainland China and Hong Kong, respectively. Goldman Sachs acted as sole financial advisor to the Bank.

This is a voluntary announcement made by The Bank of East Asia, Limited (the "**Bank**"). The Bank is pleased to announce that, on 29<sup>th</sup> November, 2017, the Bank and its wholly-owned subsidiary, Credit Gain Finance Company Limited ("**Credit Gain**", a licensed money lender in Hong Kong), as sellers, entered into the following agreements with China Financial Services Holdings Limited ("**CFSH**") and QL Finance Company Limited ("**QL Finance**", a wholly-owned subsidiary of CFSH), as buyers:

- (1) an equity transfer agreement (the "**Equity Transfer Agreement**") among the Bank and Credit Gain as sellers, and CFSH as buyer, for the sale and purchase of all equity interests in Shenzhen Credit Gain Finance Company Limited ("**Shenzhen Credit Gain**"), Chongqing Liangjiang New Area Credit Gain Finance Company Limited ("**Chongqing Credit Gain**") and Chongqing Dongrong Business Consultancy Company Limited ("**Chongqing Dongrong**") (collectively, the "**China Disposal**"). Shenzhen Credit Gain and Chongqing Credit Gain are licensed micro-finance loan companies in Shenzhen and Chongqing, respectively. Chongqing Dongrong is a business consultancy services provider in Chongqing. The total consideration of the China Disposal is RMB563,367,037 (equivalent to approximately HK\$664,773,103), subject to mutually agreed adjustments upon completion; and
- (2) an assets purchase agreement (the "**Asset Purchase Agreement**", together with the Equity Transfer Agreement, the "**Agreements**") among Credit Gain as seller, the Bank as seller's guarantor, QL Finance as buyer, and CFSH as buyer's guarantor, for the sale of certain loan portfolio advanced by Credit Gain in the course of its money lending business in Hong Kong (the "**Hong Kong Disposal**", together with the China Disposal, the "**Disposals**"). The consideration of the Hong Kong Disposal is expected to be around HK\$414,183,881, and will be determined based on the outstanding balance of the loan portfolio as of completion.

The Disposals are independent of each other and are not inter-conditional.

QL Finance is a licensed money lender in Hong Kong. Its indirect holding company, CFSH, is a company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 605), who guarantees the performance of QL Finance of its obligations under the Asset Purchase Agreement.

The Directors (including Independent Non-executive Directors) believe that the terms and conditions of the Agreements are fair and reasonable and the Disposals would be in the interests of the shareholders of the Bank as a whole.

**The completion of the Disposals is subject to the satisfaction and/or waiver of the respective conditions precedent set out in the Agreements, including, in the case of the China Disposal, the requisite Chinese regulatory approvals, and therefore may or may not proceed. Accordingly, the shareholders of the Bank and potential investors are advised to exercise caution when dealing in the securities of the Bank.**

*For illustration purpose only, translations of Renminbi (RMB) into Hong Kong dollars (HK\$) have been calculated by using an exchange rate of Renminbi (RMB) 1 = Hong Kong dollars (HK\$) 1.18.*

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

Hong Kong, 29<sup>th</sup> November, 2017

*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. Aubrey LI Kwok-sing\*, Mr. Winston LO Yau-lai\*\*, Mr. Stephen Charles LI Kwok-sze\*, 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), 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\*\*, The Hon. CHAN Kin-por\*\* and Dr. Delman LEE\*\*.*

<sup>#</sup> Executive Director

\* Non-executive Director

\*\* Independent Non-executive Director