

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)

Voluntary Announcement Disposal of Shares in PRASAC Microfinance Institution Limited

The Bank is pleased to announce that it has entered into a Sale and Purchase Agreement and other documentation on 6th January, 2020 to dispose of its shares representing 21% of the registered share capital of PRASAC Microfinance Institution Limited.

The Disposal

The Bank of East Asia, Limited (the “**Bank**” or “**BEA**”) is pleased to announce that on 6th January, 2020, the Bank has entered into a sale and purchase agreement and other documentation (collectively, the “**Transaction Documents**”) with, amongst others, Kookmin Bank Co., Ltd. (“**Kookmin Bank**”) in relation to, *inter alia*, BEA's sale of shares representing 21% of the registered share capital of PRASAC Microfinance Institution Limited (“**PRASAC**”) (which were acquired by the Bank in early 2017), to Kookmin Bank (the “**Disposal**”). Completion of the Disposal is conditional on, amongst other conditions, approvals from the Financial Services Commission of South Korea and the National Bank of Cambodia.

The Disposal will take place in two phases:

- Phase 1: Each of the existing shareholders (including BEA) will sell 70% of its respective stake in PRASAC to Kookmin Bank on and subject to the terms of the Transaction Documents.
- Phase 2: Each of the existing shareholders (including BEA) has a put option to sell, and Kookmin Bank has a call option to buy, the remaining 30% of each existing shareholder's (including BEA's) respective stake in PRASAC, exercisable on and subject to the terms of the Transaction Documents after the finalisation of the audited accounts of PRASAC for the financial year ending 31st December, 2021.

Relevant Information on the Bank

Incorporated in 1918, BEA is a leading Hong Kong-based financial services group listed on The Stock Exchange of Hong Kong with total consolidated assets of HK\$876.8 billion (US\$112.2 billion) as of 30th June, 2019. BEA provides a comprehensive range of corporate banking, personal banking, wealth management, and investment services to customers throughout Greater China and beyond through an extensive network of nearly 200 outlets covering Hong Kong, Macau, Taiwan, Mainland China, Southeast Asia, the United Kingdom, and the United States. For more information, please visit www.hkbea.com.

Relevant Information on PRASAC

PRASAC was established in Cambodia in 1995 as a provider of credit to the agricultural sector and in the last 10 years, PRASAC has grown its assets from US\$112 million to US\$ 3.1 billion, and is now a leading deposit-taking microfinance company in Cambodia.

Relevant Information on Kookmin Bank

Kookmin Bank belongs to the KB Financial Group (“**KBFG**”), which was founded in 2008 and is listed on the Korea Stock Exchange and the New York Stock Exchange, with a current market capitalisation of some US\$17 billion. KBFG has more than 33 million customers across Korea, and has operations in 13 countries globally. The group entered the Cambodian market in 2009. Kookmin Bank Cambodia now has 6 branches and 170 employees, offering retail and corporate banking services.

Implications under the Listing Rules

As all the applicable percentage ratios (as defined under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Disposal are lower than 5%, and as the parties to the transaction are independent of the Bank, the Disposal does not constitute a notifiable transaction or a connected transaction of the Bank under Chapters 14 and 14A of the Listing Rules. This is a voluntary announcement made by the Bank.

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

Hong Kong, 7th January, 2020

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*, Dr. Isidro FAINÉ CASAS*, 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** and Mr. William Junior Guilherme Doo**.*

[#] Executive Director

* Non-Executive Director

** Independent Non-Executive Director