For Immediate Release

BEA and Leo Paper Enter Into HK$150 Million Sustainability-Linked Loan Agreement

Driving Green Transformation of Hong Kong's Printing Industry

Hong Kong, 13th June, 2022 – The Bank of East Asia, Limited ("BEA" or the "Bank") and Leo Paper Group (Hong Kong) Ltd ("Leo Paper") announce that they have entered into a HK$150 million sustainability-linked loan ("SLL") agreement. This is the fourth time the Bank has provided green and sustainable financing for Leo Paper since 2018.

Under the three-year loan agreement, there are three Sustainability Performance Targets, namely greenhouse gas emission reduction, renewable energy generation and information security management. During the loan tenure, Leo Paper will receive annual interest rebates when the specified requirements for these indicators are met.

Mr Kelvin Au, General Manager & Head of Wholesale Banking Division of BEA, said, "We are glad to work with Leo Paper again and enter into this SLL. Leo Paper is a leader in the printing industry in Hong Kong and has a long-standing business relationship with us. This SLL is another success story for both BEA and Leo Paper. As businesses pay more attention to climate change, we are optimistic about the outlook of green financing and expect to arrange more SLLs in the future."

Mr Samuel Leung, Group Chairman, Leo Paper Group, said, "We are delighted to enter into a new sustainability linked loan with BEA. Together with the previous three green loans, we have obtained a total of HK$300 million in financing, which has helped us accelerate our transition to low-carbon operation. This SLL is a key milestone for Leo Paper's development into a world class environmentally friendly enterprise. By establishing green factories, we are setting new standards for the printing industry."

Mr P C Chan, Deputy Chief Executive Officer of the Hong Kong Quality Assurance Agency ("HKQAA"), said, "We are delighted that green finance has been developing prosperously in recent years. Through the Green and Sustainable Finance Certification Scheme, we hope to assist more enterprises in financing by enhancing the credibility and transparency of green and sustainable finance. It is also our hope to encourage more capital flows towards environmental protection and social development uses. "

Earlier, the Bank and Leo Paper hosted a sharing session, during which they shared their experience on green loan and low-carbon transformation. A representative from HKQAA also highlighted the latest development on green finance and relevant certifications.

Green and sustainable finance is one of BEA's key development areas. In 2021, the Bank recorded a five-fold increase in relevant loans approved, from approximately HK$4 billion in 2020 to over HK$22 billion in 2021. Looking ahead, BEA will further expand its green financing portfolio by providing financing to targeted industries, including companies in the manufacturing, construction and recycling sectors, to improve their energy efficiency, build sustainable supply chains and further utilise renewable energy.

About The Bank of East Asia, Limited

Incorporated in 1918, The Bank of East Asia, Limited ("BEA") is a leading Hong Kong-based financial services group listed on The Stock Exchange of Hong Kong, with total consolidated assets of HK$907.47 billion (US$116.39 billion) as of 31st December, 2021.

BEA 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.

About Leo Paper Group (Hong Kong) Limited

Since 1982, the Group has engaged in business as a traditional printing company and since then, it has developed into a leading global printing communications company, providing its clients with comprehensive printing services. Over the years, the Group has continued to promote environmentally-friendly materials and cleaner production technologies. To enhance its green manufacturing capability, not only has the Group increased sourcing of "green" materials and developed products with green technologies, but it has also reduced waste and emissions and has reused resources. The Group strives to improve its environmental performance in the production and business operations to reduce the ecological footprint to help create a better future.

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Mr Kelvin Au, General Manager & Head of Wholesale Banking Division of BEA (right), Mr Samuel Leung, Group Chairman, Leo Paper Group (left) and Mr P C Chan, Deputy Chief Executive Officer of the Hong Kong Quality Assurance Agency (middle) were delighted about the approved sustainability-linked loan.

Mr Kelvin Au (second from right), Mr King Lai, CFO, Group Director of Leo Paper (second from left) and Mr P C Chan (first from left) shared their experience on green financing at the sharing session.