



**The Bank of East Asia, Limited,
Macau Branch**

**Disclosure of unaudited financial information
for the six months ended
30th June, 2014**

Compiled by The Bank of East Asia, Limited, Macau Branch
由東亞銀行有限公司澳門分行編製

Balance sheet as at 30th June, 2014

(Expressed in Macau Patacas)

	<i>As at 30th June, 2014</i>		
	<i>Amounts</i> MOP	<i>Reserves, depreciation and provision</i> MOP	<i>Net amount</i> MOP
Assets			
Cash	126,425,466	-	126,425,466
Deposits at AMCM	112,561,436	-	112,561,436
Accounts receivables	23,239,882	-	23,239,882
Current deposits at other local credit institutions	32,810,220	-	32,810,220
Current deposits at other overseas credit institutions	229,432,901	-	229,432,901
Loans and advances	10,640,647,959	-	10,640,647,959
Placements to local credit institutions	116,830,510	-	116,830,510
Call and fixed deposits at overseas credit institutions	1,224,395,021	-	1,224,395,021
Debtors	1,564,898	-	1,564,898
Properties	144,877,844	19,094,123	125,783,721
Equipments	71,662,106	52,757,149	18,904,957
Internal and adjustment accounts	20,131,948	-	20,131,948
Total	<u>12,744,580,191</u>	<u>71,851,272</u>	<u>12,672,728,919</u>

Balance sheet as at 30th June, 2014 (continued)

(Expressed in Macau Patacas)

	<i>As at 30th June, 2014</i>	
	<i>Subtotal</i>	<i>Total</i>
	MOP	MOP
Liabilities		
Current deposits	874,022,451	
Fixed deposits	3,241,169,260	4,115,191,711
Amount due to local credit institutions	154,500,000	
Amount due to overseas credit institutions	8,074,885,369	
Cheques and bills payable	19,519,919	
Creditors	3,996,253	
Other liabilities	206,683	8,253,108,224
Internal and adjusting accounts		133,903,728
Provisions		10,630,728
Other reserves		85,472,074
Retained profits		53,222,021
Current profits		21,200,433
		<u>12,672,728,919</u>

Off-balance sheet accounts as at 30th June, 2014

(Expressed in Macau Patacas)

<i>Off-balance sheet accounts</i>	
	<i>As at 30th June, 2014 MOP</i>
Values received for custody	-
Values received for Collection	3,408,229
Values received as collateral	9,823,307,289
Guarantees on account of customers	127,116,609
Letters of credit	3,915,046
Acceptances	1,941,364
Values deposits by bank as collateral	
Forward exchange contracts-purchases	1,055,488,904
Forward exchange contracts-sales	1,055,488,904
Other memorandum items	1,872,958,838

Profit and loss account
for the six months ended 30th June, 2014
(Expressed in Macau Patacas)

<i>Income statement</i>			
	<i>6 months ended</i>		<i>6 months ended</i>
	<i>30th June, 2014</i>		<i>30th June, 2014</i>
<i>Debit</i>	<i>Amount</i>	<i>Credit</i>	<i>Amount</i>
	<i>MOP</i>		<i>MOP</i>
Operating costs	69,446,269	Operating income	146,453,050
Personnel expenses		Income from banking	
Staff costs	20,406,561	services	10,767,373
Supplies by third party	766,518	Other operating	
Services provided by		income	4,212,320
third party	9,129,655	Other banking income	76,668
Other banking expenses	1,968,894	Non-operating income	4,477
Tax expenses	131,053		
Non-operating expenses	897		
Depreciation expenses	5,133,953		
Provisions	3,366,860		
Operating profits	51,163,228		
Total	161,513,888	Total	161,513,888

**Profit and loss account
 for the six months ended 30th June, 2014 (continued)**
 (Expressed in Macau Patacas)

<i>Profit and loss account</i>			
	<i>6 months ended 30th June, 2014</i>		<i>6 months ended 30th June, 2014</i>
<i>Debit</i>	<i>Amount MOP</i>	<i>Credit</i>	<i>Amount MOP</i>
Tax on profit	2,905,310	Operating profit	51,163,228
Additional provision under AMCM rules	29,930,031	Income related to prior years	2,872,546
Profit	<u>21,200,433</u>		
Total	<u>54,035,774</u>	Total	<u>54,035,774</u>

Approved and authorised for issue by the management of the Branch on 15 August 2014.

Management

Cash flow statement for the six months ended 30th June, 2014

(Expressed in Macau Patacas)

	<i>6 months ended 30th June, 2014 MOP</i>
Operating activities	
Profit before taxation	54,035,774
Adjustments for:	
Loss on disposal of fixed asset	898
Depreciation	5,133,953
Charge of impairment losses on loans and advances	<u>515,162</u>
Operating profit before changes in working capital	59,685,787
(Increase)/decrease in operating assets:	
Placements with banks and other financial institutions with original maturity over three months	235,739,252
Trade bills	(2,739,648,780)
Trading assets	(116,839)
Loans and advances to customers	(343,441,108)
Accrued interest and other accounts	11,903,329
Increase/(decrease) in operating liabilities:	
Deposits and balances of banks and other financial institutions	3,521,101,324
Deposits from customers	(974,138,377)
Trading liabilities	(53,369)
Other accounts and provisions	<u>(386,008,779)</u>
Net cash outflow from operations	(614,977,560)
Complementary tax paid	<u>(25,435)</u>
Net cash used in operating activities	<u>(615,002,995)</u>

Cash flow statement
for the six months ended 30th June, 2014 (continued)
(Expressed in Macau Patacas)

	<i>6 months ended 30th June, 2014 MOP</i>
Investing activities	
Proceeds from sale of fixed assets	1,000
Purchase of fixed assets	<u>(2,321,833)</u>
Net cash used in investing activities	<u>(2,320,833)</u>
Net decrease in cash and cash equivalents	<u>(617,323,828)</u>
Cash and cash equivalents at 1 January	<u>2,407,622,874</u>
Cash and cash equivalents at 30 June	<u>1,790,299,046</u>
Cash flow from operating activities include:	
Interest received	212,483,742
Interest paid	<u>(52,205,142)</u>
Components of cash and cash equivalents in the cash flow statement	
Cash and balances with banks and other financial institutions	501,230,022
Placements with banks and other financial institutions (original maturity within three months)	1,254,069,311
Monetary bills - held-to-maturity (original maturity within three months)	<u>34,999,713</u>
	<u>1,790,299,046</u>

Off-balance-sheet exposures for the six months ended 30th June, 2014

(Expressed in Macau Patacas)

(a) *Contingent liabilities and commitments*

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	<i>As at 30th June, 2014 MOP</i>
Direct credit substitutes	127,116,609
Trade-related contingencies	3,915,046
Undrawn credit facilities	<u>1,868,859,438</u>
	<u>1,999,891,093</u>

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit and guarantees. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contract amounts is not representative of future liquidity requirements.

Autoridade Monetária de Macau (“AMCM”) requires that general provision be maintained at 1% of the guarantees given by the credit institutions. Specific provisions on contingent credit are made when there is evidence that the guarantees given by the credit institutions are not fully recoverable.

(b) *Derivatives*

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

**Off-balance-sheet exposures
 for the six months ended 30th June, 2014 (continued)**
 (Expressed in Macau Patacas)

(b) Derivatives (continued)

The following is a summary of the notional amounts of each significant type of derivatives:

	<i>As at 30th June, 2014</i>
	MOP
Exchange rate contracts	<u>1,059,588,304</u>

Derivatives arise from forward and swap transactions undertaken in the foreign exchange and equity markets. The notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

The fair values and credit risk weighted amounts of the aforesaid derivative exposures are as follows:

	<i>As at 30th June, 2014</i>	
	<i>Assets</i>	<i>Liabilities</i>
	MOP	MOP
Fair value		
- Exchange rate contracts	<u>119,015</u>	<u>51,447</u>

	<i>As at 30th June, 2014</i>
	MOP
Credit risk weighted amounts	
- Exchange rate contracts	<u>4,250,651</u>

**Off-balance-sheet exposures
for the six months ended 30th June, 2014 (continued)**
(Expressed in Macau Patacas)

(b) Derivatives (continued)

Credit risk weighted amount refers to the amount as computed in accordance with AMCM Guideline Notice 013/93-AMCM on capital adequacy and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 50% for exchange rate and interest rate contracts and from 0% to 100% for other derivative contracts.

The Branch did not enter into any bilateral netting arrangements during the period and accordingly these amounts are shown on a gross basis.

Significant related party transactions

(Expressed in Macau Patacas)

(a) Amounts due from/(to) Head office and other related parties

During the period, the Branch entered into transactions with its head office and certain other branches and subsidiaries of The Bank of East Asia, Limited in the ordinary course of its banking business. In the opinion of management, the transactions were conducted on an arm's length basis. Included in the following balance sheet captions are balances with head office and other branches and subsidiaries:

	<i>As at 30th June, 2014 MOP</i>
Cash and balances with banks and other financial institutions	219,888,361
Placements with banks and other financial institutions	1,224,395,021
Other accounts	<u>2,627,768</u>
	<u>1,446,911,150</u>
Establishment fund	221,251,000
Deposits and balances of banks and other financial institutions	7,830,769,874
Other accounts and provisions	<u>22,865,060</u>
	<u>8,074,885,934</u>

The establishment fund of the Branch is interest-free and with no fixed repayment terms.

(b) Related party transactions

Operating profits for the period are stated after taking into account significant transactions with Head Office and other branches and subsidiaries as follows:

	<i>6 months ended 30th June, 2014 MOP</i>
Interest income	8,753,071
Interest expense	<u>(42,001,604)</u>
	<u>(33,248,533)</u>

Credit risk management

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures

The geographical distribution is based on the countries where the counterparties were operated or located after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

Credit risk management (continued)

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures (continued)

Exposures to individual countries or jurisdiction, groups of countries or regions within countries amounting to 10% or more of the relevant major types of credit exposures at balance sheet date are shown as follows:

Region	As at 30 th June, 2014		
	Gross loans and commitments MOP	Debt securities MOP	Financial derivatives MOP
Macau SAR	4,939,228,835	34,999,713	1,057,538,604
in which:			
- banks	-	-	1,055,488,904
- governments	-	34,999,713	-
- public sectors entities	122,500,000	-	-
- others	4,816,728,835	-	2,049,700
Hong Kong SAR	4,594,418,607	-	2,049,700
in which:			
- banks	3,560,600,669	-	2,049,700
- governments	-	-	-
- public sectors entities	-	-	-
- others	1,033,817,938	-	-
People's Republic of China	2,968,313,763	-	-
in which:			
- banks	1,359,252,011	-	-
- governments	-	-	-
- public sectors entities	-	-	-
- others	1,609,061,752	-	-
Others	138,577,847	-	-
in which:			
- banks	-	-	-
- governments	-	-	-
- public sectors entities	-	-	-
- others	138,577,847	-	-
	<u>12,640,539,052</u>	<u>34,999,713</u>	<u>1,059,588,304</u>

Credit risk management (continued)

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures (continued)

Geographic region with higher than or equal to 10% of the total loans and advances to customers at balance sheet date are shown as follows:

	<i>As at 30th June, 2014</i>	
	<i>Gross loans and advances MOP</i>	<i>Past due or impaired MOP</i>
Macau	3,896,721,280	44,718,081
Hong Kong	4,182,764,518	12,620,502
People's Republic of China	2,422,584,314	4,346,039
Others	138,577,847	-
	<u>10,640,647,959</u>	<u>61,684,622</u>

(b) Industry distribution on loans and advances to customers

The following table shows the industry distribution of the loans and advances at the balance sheet date:

	<i>As at 30th June, 2014</i>	
	<i>Gross balance MOP</i>	<i>Past due or impaired MOP</i>
Manufacturing	9,421,238	-
Electricity, gas and water	122,500,000	-
Construction and public works	633,393,828	-
Trade (wholesale and retail)	4,954,013,625	-
Restaurants, hotels and related activities	1,637,738,307	-
Individuals for house purchases	2,013,242,344	61,176,463
Individuals for other purchases	287,788,343	508,159
Others	982,550,274	-
	<u>10,640,647,959</u>	<u>61,684,622</u>

According to AMCM's requirements, a general provision is made at 1% of the aggregated balance of loans and advances (with overdue days less than 3 months), guarantees and contingent assets. As at 30th June, 2014, no specific provision is made against the loans and advances.

Credit risk management (continued)

(Expressed in Macau Patacas)

(c) Analysis on assets and liabilities by remaining maturity

	As at 30 th June, 2014						
	On demand MOP	Within 1 month MOP	3 months or less but over 1 month MOP	1 year or less but over 3 months MOP	3 years or less but over 1 year MOP	Over 3 years MOP	Total MOP
Assets							
Cash in hand	99,940,968	-	-	-	-	-	99,940,968
Cash and balances with banks and other financial institutions	401,289,054	-	-	-	-	-	401,289,054
Placements with banks and other financial institutions	546,003,040	474,159,924	234,658,567	51,404,000	-	-	1,306,225,531
Securities issued by AMCM	-	34,999,713	-	-	-	-	34,999,713
Loans and advances to customers	354,507,434	171,247,625	271,848,796	5,390,020,562	1,558,255,543	2,894,767,999	10,640,647,959
	<u>1,401,740,496</u>	<u>680,407,262</u>	<u>506,507,363</u>	<u>5,441,424,562</u>	<u>1,558,255,543</u>	<u>2,894,767,999</u>	<u>12,483,103,225</u>
Liabilities							
Deposits and balances of banks and other financial institutions	-	154,500,000	-	-	-	-	154,500,000
Deposits from Head Office and other branches	88,188,295	357,052,170	4,357,400	5,102,414,333	2,277,742,000	-	7,829,754,198
Deposits from non-bank customers	1,019,607,282	1,004,706,347	504,307,140	1,586,570,942	-	-	4,115,191,711
	<u>1,107,795,577</u>	<u>1,516,258,517</u>	<u>508,664,540</u>	<u>6,688,985,275</u>	<u>2,277,742,000</u>	<u>-</u>	<u>12,099,445,909</u>

Credit risk management (continued)

(Expressed in Macau Patacas)

(d) *Analysis on past due assets*

As at 30th June, 2014, there were no assets that have been past due for more than 3 months.

Foreign exchange risk management

(Expressed in Macau Patacas)

The Branch's foreign currency positions arise from foreign exchange dealing, commercial banking operations and structural foreign currency exposures. All foreign currency positions are managed within limits approved by the Head Office.

The Branch has no significant foreign currency risk because its business is principally conducted in Macau and most of the transactions are denominated in its functional currency, Hong Kong dollar and United States dollar. Since both the MOP and Hong Kong dollar are pegged to the United States dollar, the Branch's exposure to foreign currency risk in respect of the bank balances denominated in United States dollars is considered to be minimal.

The Branch has an established control framework with respect to the measurement of foreign currency risk. This framework includes the submission of foreign currency position to Risk Management Department on a daily basis.

The following table indicates the net long/(short) position of currencies other than MOP:

	<i>As at 30th June, 2014 MOP</i>
HKD	60,690,568
Renminbi ("RMB")	(16,790,791)
USD	5,031,907
Other currencies	<u>381,843</u>

Foreign exchange risk management (continued)

(Expressed in Macau Patacas)

Analysis on foreign currencies with net position constitute not less than 10% of the total net position in all currencies:

	<i>Transaction currencies</i>		
	<i>As at 30th June, 2014</i>		
	HKD	RMB	USD
Assets			
Cash and balances with banks and other financial institutions	160,391,238	177,360,971	2,980,760
Placements with banks and other financial institutions	-	489,751,610	633,728,116
Loans and advances to customers and other accounts	<u>5,818,319,661</u>	<u>3,407,772,097</u>	<u>1,152,794,093</u>
Spot assets	<u>5,978,710,899</u>	<u>4,074,884,678</u>	<u>1,789,502,969</u>
Liabilities			
Deposits and balances of banks and other financial institutions	(4,457,057,984)	(3,118,719,233)	(399,212,886)
Deposits from customers	(2,488,118,454)	(864,035,095)	(334,233,415)
Other accounts and provisions	<u>(17,202,393)</u>	<u>(102,495,641)</u>	<u>(1,961,357)</u>
Spot liabilities	<u>(6,962,378,831)</u>	<u>(4,085,249,969)</u>	<u>(735,407,658)</u>
Forward purchases	1,044,358,500	-	-
Forward sales	<u>-</u>	<u>(6,425,500)</u>	<u>(1,049,063,404)</u>
Net long/(short) position	<u>60,690,568</u>	<u>(16,790,791)</u>	<u>5,031,907</u>

Liquidity risk management

(Expressed in Macau Patacas)

The following table summarized the key quantitative indicators for liquidity risk for the six months ended 30th June, 2014:

(a)	The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held	97,276,833
(b)	The arithmetic mean of the average weekly amount of cash in hand	259,144,542
(c)	The arithmetic mean of the specified liquid assets at the end of each month	1,743,600,167
(d)	The average ratio of specified liquid asset to total basic liabilities at the end of month	38.67%
(e)	The arithmetic mean of its one-month liquidity ratio in the last week of each month	80.50%
(f)	The arithmetic mean of its three-month liquidity ratio in the last week of each month	96.30%

The above ratios and figures calculations are computed based on the data extracted from the weekly and monthly returns submitted to AMCM.

Other information

(Expressed in Macau Patacas)

(a) Capital commitments

Capital commitments outstanding at 30th June not provided for in the financial statements were as follows:

	<i>As at 30th June, 2014 MOP</i>
Authorised and contracted for	<u>2,108,171</u>

(b) Operating lease commitments

At 30th June, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	<i>As at 30th June, 2014 MOP</i>
Within 1 year	4,662,438
After 1 year but within 5 year	<u>1,541,683</u>
	<u>6,204,121</u>

The Branch leases a number of properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew. None of the leases includes contingent rentals.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries

(Expressed in Hong Kong dollars)

The Branch is one of the branches of The Bank of East Asia, Limited (“BEA”) and therefore, it is not required to prepare consolidated accounts. All information disclosed below is extracted from the corresponding information in the 2014 unaudited interim consolidated financial statements of BEA of which the Branch is a member.

The unaudited consolidated financial statements of BEA can be accessed through various channels, including its website (www.hkbea.com). For more comprehensive understanding of the financial position and results of operations of BEA, the information disclosed below should be read in conjunction with the unaudited consolidated financial statements.

(a) Consolidated capital adequacy ratio

	<i>As at 30th June, 2014 %</i>
Common Equity Tier 1 capital ratio	11.6
Tier 1 capital ratio	12.2
Total capital ratio	15.7

Capital adequacy ratios were compiled in accordance with the Banking (Capital) Rules (“the Capital Rules”) issued by the Hong Kong Monetary Authority (“HKMA”). The ratios as of 30 June, 2014 compiled in accordance with the amended Capital Rules effective from 1 January, 2013 for the implementation of the “Basel III” capital accord. In accordance with the Capital Rules, the Bank has adopted the foundation internal ratings-based approach for the calculation of the risk-weighted assets for credit risk and the internal models approach for the calculation of market risk and standardised approach for operational risk.

The basis of consolidation for regulatory purposes is different from the basis of consolidation for accounting purposes. Subsidiaries included in consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with section 3C of the Capital Rules. Subsidiaries not included in consolidation for regulatory purposes are non-financial companies and the securities and insurance companies that are authorised and supervised by a regulator and are subject to supervisory arrangements regarding the maintenance of adequate capital to support business activities comparable to those prescribed for authorised institutions under the Capital Rules and the Banking Ordinance. The Bank’s shareholdings in these subsidiaries are deducted from its Tier 1 capital and Tier 2 capital subject to the thresholds and transitional agreements as determined in accordance with Part 3 and Schedule 4H of the Capital Rules respectively.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(Expressed in Hong Kong dollars)

(b) Capital and reserves

	<i>As at 30th June, 2014</i>
	HKD million
Total capital	24,622
Total reserves	<u>42,036</u>

(c) Consolidated assets, liabilities and profits position

	<i>As at 30th June, 2014</i>
	HKD million
Total assets	805,349
Total liabilities	734,139
Total gross loans and advances to customers	438,802
Deposits and balances of banks and other financial institutions	27,753
Deposits from customers	559,512
Profit before taxation	<u>4,482</u>

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(d) List of shareholders with qualifying holdings

As at 30th June, 2014, the long positions in ordinary shares of the Bank as recorded in the register required to be kept under section 336 of the Securities and Futures Ordinance (the "SFO") were as follows:

Name	Capacity and nature	No. of shares	% of issued shares
CaixaBank, S.A.	Beneficial owner	396,883,785 ¹	16.38
Caja de Ahorros y Pensiones de Barcelona	Interest of corporation	396,883,785 ¹	16.38
Guoco Management Company Limited	Beneficial owner	339,766,793 ^{2,3}	15.02 ⁴
Guoco Group Limited	Interest of corporation	339,766,793 ²	15.02
GuoLine Overseas Limited	Interest of corporation	339,766,793 ²	15.02 ⁴
GuoLine Capital Assets Limited	Interest of corporation	339,766,793 ²	15.02 ⁴
Hong Leong Company (Malaysia) Berhad	Interest of corporation	339,766,793 ^{2,3}	15.02
HL Holdings Sdn Bhd	Interest of corporation	339,766,793 ²	15.02
QUEK Leng Chan	Interest of corporation	339,766,793 ²	15.02
Hong Leong Investment Holdings Pte. Ltd.	Interest of corporation	339,766,793 ³	15.02
Davos Investment Holdings Private Limited	Interest of corporation	339,766,793 ³	15.02
KWEK Leng Kee	Interest of corporation	339,766,793 ³	15.02
Sumitomo Mitsui Banking Corporation	Beneficial owner	211,553,938 ⁵	9.50
Sumitomo Mitsui Financial Group, Inc.	Interest of corporation	211,553,938 ⁵	9.50

Notes:

¹ As at 30th June, 2014, Caja de Ahorros y Pensiones de Barcelona (i.e. Caixa d'Estalvis i Pensions de Barcelona "la Caixa") held a controlling interest in CaixaBank, S.A. which directly held the above 396,883,785 shares of the Bank. Caja de Ahorros y Pensiones de Barcelona was deemed to be interested in the above 396,883,785 shares of the Bank.

The Bank has been notified that the shareholdings of the above two corporations have been increased such that, as at 30th June, 2014, they stood at 411,379,185 shares (equivalent to approximately 17.67% of the issued shares of the Bank as at 30th June, 2014). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

Subsequent to 30th June, 2014, the Bank was advised that in compliance with applicable Spanish regulations, Caixa d'Estalvis i Pensions de Barcelona "la Caixa" ceased to be a savings bank and became a foundation supervised by the Bank of Spain with regard to its shareholding interest in CaixaBank, S.A. As the consequence of the legal transformation, Caixa d'Estalvis i Pensions de Barcelona "la Caixa" Banking Foundation has become the holding company of CaixaBank, S.A.

- ² The references to 339,766,793 shares of the Bank in Notes 2 and 3 relate to the same block of shares. Guoco Management Company Limited was the beneficial owner of 339,766,793 shares (equivalent to approximately 15.02% of the issued shares of the Bank at the time of disclosure, i.e. 26th June, 2013, pursuant to Part XV of the SFO). Hong Leong Company (Malaysia) Berhad was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of its 100% interest in GuoLine Capital Assets Limited which owned a 100% interest in GuoLine Overseas Limited. GuoLine Overseas Limited held a 74.10% interest in Guoco Group Limited which in turn owned a 100% interest in Guoco Management Company Limited. GuoLine Capital Assets Limited, GuoLine Overseas Limited and Guoco Group Limited were all deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited.

Quek Leng Chan was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of his 100% interest in HL Holdings Sdn Bhd ("HLH"). Hong Leong Company (Malaysia) Berhad was 49.27% owned by Quek Leng Chan as to 2.424% under his personal name, 46.534% via HLH which was wholly-owned by him and 0.311% via Newton (L) Limited.

- ³ The references to 339,766,793 shares of the Bank in Notes 2 and 3 relate to the same block of shares. Hong Leong Company (Malaysia) Berhad was 34.69% held by Hong Leong Investment Holdings Pte. Ltd. which was in turn 33.59% held by Davos Investment Holdings Private Limited. Hong Leong Investment Holdings Pte. Ltd. and Davos Investment Holdings Private Limited were deemed to be interested in the 339,766,793 shares (equivalent to approximately 15.02% of the issued shares of the Bank at the time of disclosure, i.e. 26th June, 2013, pursuant to Part XV of the SFO) held by Guoco Management Company Limited by virtue of their interests in Hong Leong Company (Malaysia) Berhad.

KWEK Leng Kee was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of his 41.92% interest in Davos Investment Holdings Private Limited.

- ⁴ GuoLine Overseas Limited and GuoLine Capital Assets Limited are wholly-owned subsidiaries of Hong Leong Company (Malaysia) Berhad and Guoco Management Company Limited is a wholly-owned subsidiary of Guoco Group Limited. With the filing of the substantial shareholder notices by Hong Leong Company (Malaysia) Berhad and Guoco Group Limited, GuoLine Overseas Limited, GuoLine Capital Assets Limited and Guoco Management Company Limited do not need to file their respective substantial shareholder notices under the "wholly-owned group exemption" as provided in the SFO.

- ⁵ Sumitomo Mitsui Financial Group, Inc. owned a 100% interest in Sumitomo Mitsui Banking Corporation which directly held the above 211,553,938 shares of the Bank. Sumitomo Mitsui Financial Group, Inc. was deemed to be interested in the above 211,553,938 shares of the Bank.

The Bank has been notified that the shareholdings of the above two corporations have been increased to 224,381,038 shares (equivalent to approximately 9.64% of the issued shares of the Bank as at 30th June, 2014). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(e) Board of Directors

The Board of Directors of the Bank comprises:

Executive Director

Dr. the Hon. Sir David LI Kwok-po (*Chairman & Chief Executive*)

Non-executive Directors

Professor Arthur LI Kwok-cheung (*Deputy Chairman*)

Mr. Aubrey LI Kwok-sing

Mr. Richard LI Tzar-kai

Mr. Eric LI Fook-chuen

Mr. Stephen Charles LI Kwok-sze

Dr. Isidro FAINÉ CASAS

Mr. Peter LEE Ka-kit

Independent Non-executive Directors

Dr. Allan WONG Chi-yun (*Deputy Chairman*)

Mr. WONG Chung-hin

Mr. Winston LO Yau-lai

Tan Sri Dr. KHOO Kay-peng

Dr. Thomas KWOK Ping-kwong

Mr. Kenneth LO Chin-ming

Mr. William DOO Wai-hoi

Mr. KUOK Khoon-ean

Mr. Valiant CHEUNG Kin-piu