

12 September 2018

### **BOCHK prices Capital Securities and accepts for purchase of subordinated notes**

Bank of China (Hong Kong) Limited (the “Company”), a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited, has successfully priced its proposed issuance of US\$3,000,000,000 Basel III-compliant undated non-cumulative subordinated Additional Tier 1 capital securities (the “Capital Securities”) under the Company’s US\$15,000,000,000 Medium Term Note Programme. The Capital Securities will have an initial rate of distribution of 5.90% per annum. They are perpetual securities in respect of which there is no fixed redemption date and are not callable within the first 5 years. The expected issue ratings for the Capital Securities are Baa2 from Moody's and BBB from S&P respectively. The issuance of the Capital Securities will further optimise the Company’s capital structure and support its future business developments.

Upon successful completion and closing of the Capital Securities, this is expected to be the largest 144A AT1 deal globally since 2015 and the largest single tranche AT1 deal globally in 2018 to date. Completion and closing of the Capital Securities is subject to the satisfaction of certain conditions and may or may not occur. The listing of the Capital Securities is subject to approval by The Stock Exchange of Hong Kong Limited (“HKSE”).

In addition, in relation to the HKSE’s notices made by the Company on its tender offer of its US\$2,500,000,000 5.55 per cent subordinated notes due 2020 (“subordinated notes”) on 30 August 2018 and 12 September 2018 respectively, to date, the Company has successfully accepted for purchase US\$ 876,749,000 in aggregate principal amount of the subordinated notes.

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”), OR OUTSIDE THE UNITED STATES EXCEPT TO PERSONS THAT ARE NOT U.S. PERSONS AS DEFINED UNDER REGULATION S OF THE U.S. SECURITIES ACT. NOT FOR DISTRIBUTION INTO ANY JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE PROHIBITED BY APPLICABLE LAW. A RATING IS NOT A RECOMMENDATION TO BUY, SELL, OR HOLD THE CAPITAL SECURITIES AND MAY BE SUBJECT TO SUSPENSION, REDUCTION OR WITHDRAWAL AT ANY TIME BY THE RATING AGENCY.

- End -

#### **About Bank of China (Hong Kong) Limited**

Bank of China (Hong Kong) Limited (“BOCHK”) is a leading commercial banking group in Hong Kong with strong market positions in all major businesses. We have the most extensive local branch network and diverse service platforms in Hong Kong, including approximately 200 branches, more than 250 automated banking centres, efficient e-channels of over 1,000 self-service machines, as well as Internet and Mobile Banking services. We offer a comprehensive range of financial, investment and wealth

management services to personal, corporate and institutional customers. To implement the overseas development strategy of BOC Group, we strive to drive our regional development by expanding our business in the Southeast Asian region. Our branches and subsidiaries have been extended to Southeast Asian countries such as Malaysia, Thailand, Indonesia, Cambodia, Brunei, Vietnam and the Philippines, with the provision of professional and high-quality financial services to local customers. We will also expedite our development into a top-class, full-service and internationalised regional bank.

BOCHK is one of the three note-issuing banks and the sole clearing bank for Renminbi (“RMB”) business in Hong Kong. With our strong RMB franchise, we are the first choice of customers in this business. Through the deep collaboration with our parent bank, BOC, we provide a full range of high-quality cross-border services to multinationals, cross-border customers, Mainland enterprises going global, central banks and super-sovereign organisations.

BOC Hong Kong (Holdings) Limited, BOCHK’s holding company, is one of the largest listed companies on the main board of the Stock Exchange of Hong Kong, with stock code “2388” and ADR OTC Symbol “BHKLY”.