

DBS Group Holdings Ltd
(Incorporated in the Republic of Singapore)
Co. Reg. no.: 199901152M

ANNOUNCEMENT

DBS TO INCREASE STAKE IN SHENZHEN RURAL COMMERCIAL BANK

DBS Group Holdings Ltd (“**DBSH**”) wishes to announce that its wholly-owned subsidiary, DBS Bank Ltd (“**DBS**”), has obtained the requisite regulatory approvals to increase its existing stake in Shenzhen Rural Commercial Bank Corporation Limited (“**SRCB**”) from 13% to 16.69%.

DBS first acquired a 13% stake in SRCB in October 2021 and had been in discussions since 1Q2023 with Shenzhen Huaqiang Asset Management Group Co., Ltd (“**Shenzhen Huaqiang**”) to acquire their stake in SRCB (the “**Transaction**”). DBS then entered into an agreement, which was subject to regulatory approval, with Shenzhen Huaqiang on 15 September 2023. The Transaction does not require DBS to commit any technology resources.

Pursuant to the Transaction, DBS will acquire 383.6 million shares in SRCB from Shenzhen Huaqiang at RMB 5.25 per share. This is equivalent to 1.05 times of the book value per share for the latest available quarter and the total consideration is RMB 2,013 million (SGD 376 million¹). DBS intends to fund the Transaction using internal cash resources.

The Transaction will have a less than 0.1 percentage points impact to the consolidated capital ratios of DBSH and its subsidiaries, and is expected to be immediately accretive to earnings and Return on Equity.

BY ORDER OF THE BOARD

Marc Tan
Group Secretary

29 December 2023

¹ Based on exchange rate of CNY 5.35 to SGD 1