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BEA 東亞銀行

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)

Board of Directors:

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^{*}

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^{**}

Mr William Junior Guilherme DOO^{**}

Dr. David MONG Tak-yeung^{**}

Dr. Francisco Javier SERRADO TREPAT^{*}

[#] *Executive Director*

^{*} *Non-executive Director*

^{**} *Independent Non-executive Director*

Registered Office:

10 Des Voeux Road Central
Hong Kong

19 September 2024

To the Shareholders

Dear Sir or Madam,

2024 INTERIM SCRIP DIVIDEND SCHEME

1. Particulars of the Scrip Dividend Scheme

On 22 August 2024, the Board of Directors of The Bank of East Asia, Limited (the "**Bank**") (the "**Board**") declared an interim dividend of HK\$0.31 per ordinary share of the Bank ("**Share**") for the six months ended 30 June 2024 (the "**2024 Interim Dividend**") in cash and that any shareholder of the Bank (the "**Shareholder**") entitled to receive such dividend would be given the option to elect to receive new, fully paid shares in lieu of cash (the "**Scrip Dividend Scheme**"). The 2024 Interim Dividend will be paid on or about Monday, 14 October 2024 to Shareholders whose names were on the Register of Members of the Bank (the "**Register of Members**") at the close of business on Tuesday, 10 September 2024.

Shareholders thus have the choice of receiving:

- (a) cash of HK\$0.31 in respect of each Share; or
- (b) by way of an allotment of new shares ("**New Shares**") at the market value as set out below (except for adjustments for fractions) equal to the total amount of the dividend that such Shareholder would otherwise be entitled to receive in cash; or
- (c) partly in cash and partly in New Shares.

For the purpose of calculating the number of New Shares to be allotted, the market value of the New Shares is HK\$9.3625 per Share, which is the average closing price of the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") from Wednesday, 4 September 2024 (being the first day that the Shares were traded ex-dividend) to Tuesday, 10 September 2024 (both days inclusive). Accordingly, the number of New Shares which a Shareholder will receive pursuant to such Shareholder's election will be calculated as follows:

$$\begin{array}{rcccl} \text{Number of New Shares} & & \text{Number of Shares} & & \text{HK\$0.31} \\ \text{to be received} & = & \text{elected for scrip} & \times & \hline & & & & \text{HK\$9.3625} \end{array}$$

The number of New Shares to be received will be rounded down to the nearest whole number. Fractional entitlements to the New Shares in respect of choices (b) and (c) above will be refunded in cash to the respective Shareholders concerned. The New Shares will, on issue, not be entitled to the 2024 Interim Dividend, but will rank pari passu in all other respects with the existing Shares. The dividend warrants and the share certificates for the New Shares will be sent to Shareholders by ordinary mail at their own risk on or about Monday, 14 October 2024. Dealings in the New Shares on the Stock Exchange are expected to commence on or about Monday, 14 October 2024. Shareholders who elect for the 2024 Interim Dividend wholly or partly in scrip form will receive one share certificate for the New Shares.

The Scrip Dividend Scheme will give Shareholders an opportunity to increase their investment in the Bank at market value without incurring brokerage fees, stamp duty and related dealing costs. It will also benefit the Bank to the extent that such cash which would otherwise have been paid to Shareholders who elect to receive the New Shares, in whole or in part in lieu of cash dividend, will be retained for use as working capital by the Bank.

2. Book Closure Period and Last Date of Transfer

For the purpose of determining Shareholders who qualify for the 2024 Interim Dividend, the Register of Members was closed from Friday, 6 September 2024 to Tuesday, 10 September 2024. The last date on which transfers were accepted for registration for participation in the Scrip Dividend Scheme was Thursday, 5 September 2024 (at 4:00pm).

3. Condition of Scrip Dividend Scheme

The Scrip Dividend Scheme is conditional upon the Stock Exchange granting the listing of and permission to deal in the New Shares.

4. Stock Exchange Listing

Application has been made to the Stock Exchange for the listing of and permission to deal in the New Shares.

The following debt securities of the Bank are listed on the Stock Exchange:

- US\$650 million 5.875% Additional Tier 1 Undated Capital Securities issued in 2019 (redeemed on 19 September 2024);
- US\$600 million 4.00% Dated Subordinated Notes due 2030 issued in 2020;
- US\$650 million 5.825% Additional Tier 1 Undated Capital Securities issued in 2020;
- US\$500 million 4.875% Dated Subordinated Notes due 2032 issued in 2022;
- US\$250 million 5.125% Non-Preferred Loss Absorbing Notes due 2028 issued in 2022;
- US\$500 million 6.75% Non-Preferred Loss Absorbing Notes due 2027 issued in 2023;
- US\$500 million 6.625% Non-Preferred Loss Absorbing Notes due 2027 issued in 2024; and
- US\$650 million 6.75% Dated Subordinated Notes due 2034 issued in 2024.

Save as disclosed, no part of the Shares or other debt securities of the Bank is listed or dealt in on any stock exchanges other than the Stock Exchange.

5. Central Clearing and Settlement System

Shares issued by the Bank have been admitted as eligible securities for deposit and settlement in Central Clearing and Settlement System ("CCASS") established and operated by Hong Kong Securities Clearing Company Limited. Dealings in the Shares may be settled through CCASS. Investors should seek the advice of their stockbroker or other professional adviser for details of these settlement arrangements and how such arrangements will affect their rights and interests.

6. Form of Election

A Form of Election is enclosed (see Note) with this letter for use by Shareholders who wish to receive the 2024 Interim Dividend in New Shares or to make a permanent election to receive Shares in lieu of any future dividends to be payable in cash with a scrip alternative. Please complete and return the enclosed Form of Election to reach the Bank's Share Registrar, Tricor Standard Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, **by 4:00pm on Monday, 7 October 2024 (the "Closing Time")**.

If there is a tropical cyclone warning signal no. 8 or above, a "black" rainstorm warning or "extreme conditions" announced by the Government of the Hong Kong Special Administrative Region:

- (a) in force in Hong Kong at any time before 12:00 noon but cancelled at or prior to 12:00 noon on Monday, 7 October 2024, the Closing Time will be deferred to 5:00pm on the same day; or
- (b) in force in Hong Kong at any time between 12:00 noon and 4:00pm on Monday, 7 October 2024, the Closing Time will be deferred to 4:00pm on the next business day which does not have any of those warnings in force at any time between 9:00am and 4:00pm.

*Note: The Form of Election has not been enclosed for the Shareholders who have previously elected to receive their dividends in scrip or in cash permanently. If you wish to change the permanent election, please inform the Bank's Share Registrar, Tricor Standard Limited, by notice in writing **by the Closing Time**.*

If you wish to receive your dividend in cash in respect of the 2024 Interim Dividend, you need not take any action. Shareholders who do not make an election to receive their dividend in scrip will receive the dividend in cash.

If you wish to receive New Shares in lieu of cash dividend, or partly cash and partly New Shares, in respect of the 2024 Interim Dividend, you should complete Box D in the Form of Election and fill in the number of registered Shares for which you wish your dividend to be paid in Shares.

If you wish to receive New Shares in lieu of cash dividend in respect of the 2024 Interim Dividend and all future dividends permanently, you should enter a (✓) in Box E in the Form of Election. Such permanent election cannot be made in respect of part of your registered Shares.

If you wish to receive all future dividends in cash permanently, you should sign the section on Permanent Receipt of Cash Dividend on the reverse side of the Form of Election.

7. Shareholders Resident Outside Hong Kong

All Shareholders resident outside Hong Kong should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to participate in the Scrip Dividend Scheme. Such Shareholders receiving a copy of this document and/or a Form of Election outside Hong Kong may not treat the same as an invitation to participate in the Scrip Dividend Scheme unless in the relevant jurisdictions such invitation could lawfully be made to him/her without the Bank and/or any Shareholder having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities.

The Bank has made enquiries regarding the feasibility of extending the Scrip Dividend Scheme to Shareholders with registered addresses in relevant overseas jurisdictions including New Zealand and the United States of America. Since registration or filing or other procedure will need to be carried out in relation to the Scrip Dividend Scheme to comply with the relevant securities legislation, the Board has formed the view that it is not expedient to make available the Scrip Dividend Scheme to Shareholders whose registered addresses are in New Zealand and the United States of America or any of its territories or possessions. Therefore, such Shareholders will not be permitted to participate in the Scrip Dividend Scheme. Such Shareholders will receive the 2024 Interim Dividend wholly in cash and no Form of Election will be sent to such Shareholders. Apart from Shareholders in New Zealand and the United States of America, according to the Register of Members, there are some other Shareholders whose registered addresses are outside Hong Kong. Such Shareholders are allowed to participate in the Scrip Dividend Scheme. It is the responsibility of any Shareholder who receives New Shares in lieu of a cash dividend to comply with any restrictions on the resale of the Shares which may apply outside Hong Kong.

Yours faithfully,

Alson LAW Chun-tak
Company Secretary