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If you are in any doubt as to any aspect of this Circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in The Bank of East Asia, Limited, you should at once hand this Circular to the purchaser or transferee or to the bank, the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**NOTICE OF ANNUAL GENERAL MEETING,
RE-ELECTION OF DIRECTORS,
ADOPTION OF
THE STAFF SHARE OPTION SCHEME 2026,
GENERAL MANDATES TO ISSUE SHARES
AND BUY-BACK SHARES
AND
CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO FRAMEWORK AGREEMENT
FOR LOAN TRANSACTIONS**

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders



Gram Capital Limited

嘉林資本有限公司

The notice of Annual General Meeting of The Bank of East Asia, Limited to be held in the Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Friday, 8 May 2026 at 11:30 am is set out on pages 7 to 11 of this Circular.

A proxy form for use at the 2026 AGM is enclosed in this Circular and can be downloaded from the websites of the Bank (www.hkbea.com) and HKEX (www.hkexnews.hk). Whether or not you are able to attend the 2026 AGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Bank's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2026 AGM or adjourned meeting (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting at the 2026 AGM should you so wish.

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DEFINITIONS

In this Circular, the following expressions shall have the following meanings unless the context requires otherwise:

"2026 AGM"	an annual general meeting of the Bank to be held in the Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Friday, 8 May 2026 at 11:30 am or any adjournment thereof
"Adoption Date"	the date on which the Staff Share Option Scheme 2026 is conditionally adopted by resolution of the Shareholders in the 2026 AGM
"AGM"	an annual general meeting of the Bank
"Allotment Date"	the date on which new Shares are allotted and issued to a Grantee pursuant to the exercise of the rights attaching to an Option granted and exercised under the Staff Share Option Scheme 2026, whereas for the purpose of the Staff Share Option Scheme 2026, references to new Shares include Treasury Shares, and references to the allotment and issue of Shares include the transfer of Treasury Shares.
"Annual Cap(s)"	the annual caps set by the Bank for the Loan Transactions in respect of each of the financial years ending 31 December 2026 (commencing on 8 May 2026), 2027 and 2028 and the period from 1 January 2029 to 7 May 2029
"Articles of Association"	the articles of association of the Bank (as amended, supplemented or otherwise modified from time to time)
"Associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the Audit Committee of the Board
"Auditor"	the auditor of the Bank for the time being
"Bank" or "BEA"	The Bank of East Asia, Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 23)
"Bank Group", "BEA Group" or "Group"	the Bank and its Subsidiaries, and "BEA Group Company" means any member of the BEA Group
"Board"	the board of Directors
"Bond(s)"	bond(s) issued by third party issuer(s) and held by the Seller as a bondholder

DEFINITIONS

"Business Day"	has the meaning ascribed to it under the Listing Rules
"Buy-back Mandate"	the general mandate to buy back Shares
"Buyer"	the relevant BEA Group Company or CaixaBank which acquires a Loan or a Bond or takes a Risk Participation (as the case may be)
"CaixaBank"	CaixaBank, S.A., a company incorporated in Spain and the shares of which are listed on the stock exchanges of Barcelona, Madrid, Valencia and Bilbao through the Continuous Market in Spain
"CCASS"	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
"Chief Executive(s)"	has the meaning ascribed to it under the Listing Rules
"Circular"	the Circular to the Shareholders dated 26 March 2026
"Close Associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Condition"	has the meaning ascribed to it in the paragraph headed "The Framework Agreement – Condition" in the "Letter from the Board"
"Continuing Connected Transaction(s)"	the Loan Transaction(s) as contemplated under the Framework Agreement
"Connected Person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Core Connected Person(s)"	has the meaning ascribed to it under the Listing Rules
"Criteria Caixa"	Criteria Caixa, S.A., Sociedad Unipersonal, a company incorporated in Spain
"Date of Grant"	the date on which an Option Letter is issued upon acceptance of an Offer provided that the Option Letter shall be issued within seven days after the end of the acceptance period stipulated in the provisions of the Staff Share Option Scheme 2026
"Default"	for a Risk Participation Transaction, the failure of the borrower to make payment of any moneys due (or expressed to be due, or determined by the Seller acting in good faith to be due) on or before the relevant due date of the Loan

DEFINITIONS

"Director(s)"	includes any person who occupies the position of a director, by whatever name called, of the Bank or otherwise as the context may require
"Eligible Person(s)"	any Employee (including Executive Directors and the Chief Executive(s)), as the Directors may determine, in the service of the Bank or a Subsidiary
"Employee(s)"	any full-time or part-time employee of the Bank or its Subsidiaries
"ESG Committee"	the Environmental, Social, and Governance Committee of the Board
"Exercise Period"	in respect of any particular Option or any part thereof, the period beginning on the Vesting Date and ending on the fifth anniversary of the Vesting Date during which the Option may be exercised
"Exercise Price"	the price per share at which a Grantee may subscribe for new Shares upon the exercise of an Option pursuant to the terms and conditions of the Staff Share Option Scheme 2026
"Grantee(s)"	any Eligible Person who accepts an Offer
"financial year"	a financial year of the Bank
"Framework Agreement"	the framework agreement dated 26 February 2026 and entered into between BEA and CaixaBank
"Guidance on Empowerment of INEDs"	the guidance on Empowerment of Independent Non-Executive Directors (INEDs) in the Banking Industry in Hong Kong issued by the Hong Kong Monetary Authority
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKEX"	Hong Kong Exchanges and Clearing Limited
"Hong Kong" or "HKSAR"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	a committee of the Board comprising all the INEDs, namely Dr Allan WONG Chi-yun, 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 and Dr David MONG Tak-yeung
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to provide advice to the Independent Board Committee and the Independent Shareholders regarding the Continuing Connected Transactions

DEFINITIONS

"Independent Shareholder(s)"	Shareholders who are not required to abstain from voting on Ordinary Resolution (8) at the 2026 AGM (i.e. Shareholders other than CaixaBank and its Associates)
"INED(s)"	Independent Non-executive Director(s) of the Bank
"Issue Mandate"	the general mandate to issue, allot and/or deal with Shares, including any sale or transfer of treasury shares out of treasury
"Latest Practicable Date"	18 March 2026, being the latest practicable date prior to the printing of this Circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Loan(s)"	exclusively syndicated loan(s) and trade-related loan(s), each entered into by a Seller as the lender, without including, amongst others, swaps (whether or not related to such loans)
"Loan Transaction(s)"	the Transfer Transaction(s), the Risk Participation Transaction(s), or any combination thereof
"Nomination Committee"	the Nomination Committee of the Board
"Notice of Annual General Meeting"	the notice convening the 2026 AGM as set out on pages 7 to 11 of this Circular
"Offer"	an offer by the Bank to an Eligible Person to accept an Option in accordance with the Staff Share Option Scheme 2026
"Option(s)"	a right to subscribe for new Shares granted pursuant to the Staff Share Option Scheme 2026
"Option Letter"	a notification in such form as the Board may from time to time determine issued by the Bank to the Grantee in respect of the Option granted
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"Register of Members"	register of members of the Bank
"Remuneration Committee"	the Remuneration Committee of the Board
"Risk Committee"	the Risk Committee of the Board
"Risk Participation"	the risk participation of a Buyer in a Loan provided by a Seller, on either a funded or unfunded basis

DEFINITIONS

"Risk Participation Agreement"	the agreement to be entered into between a Seller and a Buyer in respect of a Risk Participation
"Risk Participation Transaction"	a transaction in which a Buyer participates in the risk of a Loan provided by a Seller pursuant to the relevant Risk Participation Agreement
"RMB"	Renminbi, the lawful currency of the PRC
"RSU Scheme"	the Restricted Share Unit Scheme adopted by the Bank with effect from 1 January 2025
"Scheme Mandate Limit"	has the meaning ascribed to it under the Listing Rules
"Seller"	a relevant BEA Group Company or CaixaBank which offers to assign a Loan or assign a commitment of a Loan or transfer a Bond
"Senior Management"	Co-Chief Executives and Deputy Chief Executives of the Bank
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	fully paid ordinary share(s) of the Bank
"Share Scheme(s)"	has the meaning ascribed to it under the Listing Rules
"Shareholder(s)"	the holder(s) of Share(s)
"Staff Share Option Scheme 2021"	the Staff Share Option Scheme 2021 approved by the Shareholders and adopted on 6 May 2021
"Staff Share Option Scheme 2026"	the Staff Share Option Scheme 2026 to be adopted by the Bank pursuant to the Ordinary Resolution (4) as set out in the Notice of Annual General Meeting
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary" or "Subsidiaries"	a subsidiary or subsidiaries (within the meaning of the Companies Ordinance) for the time being and from time to time of the Bank
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	The Codes on Takeovers and Mergers and Share Buy-backs
"Term"	has the meaning ascribed to it in the paragraph headed "The Framework Agreement – Term" in the "Letter from the Board"

DEFINITIONS

"Transfer Document"	the documents to be entered into between the Seller and the Buyer in relation to the assignment of a Loan or transfer of a Bond
"Transfer Transaction"	the assignment of a Loan or transfer of a Bond from the Seller to the Buyer pursuant to the relevant Transfer Document
"Treasury Shares"	has the meaning ascribed to it under the Listing Rules
"Trustee"	Computershare Hong Kong Trustees Limited, the independent trustee appointed by the Bank to administer the RSU Scheme
"Unvested Option(s)"	an Option or part thereof which has not been vested and has not yet become exercisable pursuant to the terms on which the Option is granted
"Vesting Date"	in respect of any particular Option or any part thereof, the date on which such Option is vested and becomes exercisable in accordance with the terms and conditions on which the Option is granted, and the terms "vest", "vested" and "vesting" shall be construed accordingly
"Vested Option(s)"	an Option or part thereof which has been vested and has become exercisable pursuant to the terms on which the Option is granted
"Vesting Period"	in respect of any particular Option or any part thereof, the period between the Date of Grant and the Vesting Date
"US"	the United States of America
"US\$"	United States dollars, the lawful currency of the US
"%"	per cent.

NOTICE OF ANNUAL GENERAL MEETING

The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

Notice of One Hundred and Seventh Annual General Meeting

NOTICE IS HEREBY GIVEN that the One Hundred and Seventh Annual General Meeting (the "**2026 AGM**") of the members of The Bank of East Asia, Limited (the "**Bank**") will be held in the Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Friday, 8 May 2026 at 11:30 am for the following purposes:

1. To receive the Audited Financial Statements for the year ended 31 December 2025 together with the Report of the Directors and the Independent Auditor's Report thereon.
2. To re-appoint KPMG as Auditor of the Bank and authorise the Directors to fix the Auditor's remuneration.
3. To re-elect the following Directors:
 - (a) Professor Arthur LI Kwok-cheung
 - (b) Mr Meocre LI Kwok-wing
 - (c) Dr the Hon. Henry TANG Ying-yen
 - (d) Dr Delman LEE
 - (e) Mr William Junior Guilherme DOO

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions:

Ordinary Resolutions

4. "**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granting approval for the listing of and permission to deal in any new shares to be issued and allotted (including by way of sale or transfer of any treasury shares) pursuant to the exercise of the options in accordance with the terms and conditions of the Staff Share Option Scheme 2026 of the Bank (the "**Scheme 2026**"), the rules of which is tabled at this Meeting and marked "A" and initialled by the Chairman of this Meeting for identification purpose, the Scheme 2026 be and is hereby approved and be adopted on 8 May 2026, and the Directors of the Bank be and are hereby authorised for and on behalf of the Bank to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme 2026 including but without limitation:
 - (a) to administer the Scheme 2026 under which options will be granted to Eligible Persons under the Scheme 2026 to subscribe for ordinary shares of the Bank (the "**Shares**");
 - (b) to modify and/or amend the Scheme 2026 from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Scheme 2026 relating to modification and/or amendment, provided always that the total number of Shares subject to the Scheme 2026 shall not exceed the limit referred to therein;

NOTICE OF ANNUAL GENERAL MEETING

- (c) to issue and allot from time to time such number of new Shares as may be required to be issued (including by way of sale or transfer of any treasury shares) pursuant to the exercise of the options under the Scheme 2026 provided always that the total number of Shares in respect of which options may be granted under the Scheme 2026 (and any other share schemes) shall not, in aggregate, exceed 5% of the relevant class of the issued shares of the Bank (excluding treasury shares, if any) as at the date of passing this Resolution;
- (d) to make application at the appropriate time or times to the Stock Exchange; and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of and permission to deal in any new Shares which hereafter from time to time be issued and allotted (including by way of sale or transfer of any treasury shares) pursuant to the exercise of the options under the Scheme 2026; and
- (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Scheme 2026."

5. **"THAT:**

- (a) subject to paragraph (b) of this Resolution, a general mandate be and is hereby unconditionally given to the Directors of the Bank to exercise during the Relevant Period (as defined below) all the powers of the Bank to allot, issue and otherwise deal with additional shares of the Bank (including by way of sale or transfer of any treasury shares) and to make, issue or grant offers, agreements, options, warrants, rights to subscribe for or convert any securities into shares of the Bank or other securities which would or might require shares in the Bank to be allotted, issued or otherwise dealt with either during or after the Relevant Period;
- (b) the total number of ordinary shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option, warrant, right to subscribe for or convert or otherwise) by the Directors of the Bank pursuant to the mandate in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) any option scheme or similar arrangement for the time being adopted and approved by the shareholders of the Bank for the grant or issue of options or rights to subscribe for or acquire shares of the Bank;
 - (iii) any scrip dividend or similar arrangement in accordance with the Articles of Association of the Bank; or
 - (iv) the exercise of rights of subscription or conversion under the terms of any existing options, warrants, rights of subscription, convertible securities or similar rights granted or issued by the Bank,

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 10% of the number of ordinary shares of the Bank in issue (excluding treasury shares, if any) as at the date of this Resolution (subject to adjustment in the case of any conversion, consolidation or subdivision of any or all of the shares of the Bank into a larger or smaller number of shares during the Relevant Period), and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next Annual General Meeting of the Bank;
- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of shareholders of the Bank in general meeting.

"Rights Issue" means an offer of shares of the Bank or options, warrants or other securities giving the right to subscribe for shares of the Bank or which are convertible into shares of the Bank, open for a period fixed by the Board of Directors of the Bank to holders of shares of the Bank on the Register of Members on a fixed record date in proportion to their then holdings of such shares of the Bank (subject to such exclusions or other arrangements as the Board of Directors of the Bank may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory outside of Hong Kong)."

6. **"THAT:**

- (a) a general mandate be and is hereby unconditionally granted to the Directors of the Bank to exercise during the Relevant Period (as defined below) all the powers of the Bank to buy back ordinary shares of the Bank in accordance with all applicable laws and regulations and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other relevant stock exchange as amended from time to time provided however that the maximum number of the shares to be bought back pursuant to the approval in this paragraph shall not exceed 10% of the number of ordinary shares of the Bank in issue (excluding treasury shares, if any) as at the date of this Resolution (subject to adjustment in the case of any conversion, consolidation or subdivision of any or all of the shares of the Bank into a larger or smaller number of shares during the Relevant Period), and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(b) for the purposes of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next Annual General Meeting of the Bank;
- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of shareholders of the Bank in general meeting."

7. **"THAT**, conditional on the passing of the Resolutions in item 5 and item 6 of the Notice of this Meeting, the general mandate granted to the Directors of the Bank to allot, issue and otherwise deal with additional shares of the Bank pursuant to the Resolution set out in item 5 of the Notice of this Meeting be and is hereby extended by the addition thereto of the number of shares of the Bank bought back by the Bank under the authority granted pursuant to the Resolution set out in item 6 of the Notice of this Meeting."

8. **"THAT**:

(a) the entering into of the framework agreement dated 26 February 2026 between the Bank and CaixaBank, S.A. (the **"Framework Agreement"**), a copy of which is tabled at this Meeting and marked "B" and initialled by the chairman of this Meeting for identification purpose, and all the transactions contemplated thereunder, and the proposed annual caps set out in the Circular, be and are hereby approved and confirmed; and

(b) any one Director of the Bank be and is hereby authorised for and on behalf of the Bank to do all such acts and things and sign, agree, ratify or execute all such documents which he/she in his/her discretion consider(s) necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Framework Agreement and any of the transactions contemplated thereunder and to agree to such variations, amendments or waivers of matters relating thereto as are, in the opinion of such Director, in the interests of the Bank."

By Order of the Board
Alson LAW Chun-tak
Company Secretary

Hong Kong, 26 March 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) For the purpose of determining the Bank's shareholders ("**Shareholders**") who are entitled to attend and vote at the 2026 AGM, the Register of Members of the Bank will be closed from Tuesday, 5 May 2026 to Friday, 8 May 2026 (both days inclusive). Shareholders whose names appear on the Register of Members of the Bank on Friday, 8 May 2026 (Record Date) will be entitled to attend and vote at the 2026 AGM. In order to qualify for attending and voting at the 2026 AGM, all transfer documents accompanied by the relevant share certificates should be lodged for registration with the Bank's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:00 pm on Monday, 4 May 2026.
- (b) A member entitled to attend and vote at the 2026 AGM may appoint one or more proxies to attend and vote in his/her place at the 2026 AGM (or at any adjournment thereof) provided that each proxy is appointed to represent the respective number of shares held by the member as specified in the relevant proxy form. A proxy need not be a member of the Bank.
- (c) To be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, shall be delivered to the Bank's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the 2026 AGM or any adjournment thereof (as the case may be). Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.
- (d) As set out in the Letter from the Board included in the circular to the Shareholders dated 26 March 2026 (the "**Circular**"), each of the resolutions set out in this Notice shall be voted on by poll and the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the 2026 AGM. Please refer to the Circular for details of the matters for which the resolutions are concerned.
- (e) The biographical details of all Directors who offer themselves for re-election at the 2026 AGM, the summary of the principal terms of the Staff Share Option Scheme 2026 and an explanatory statement on share buy-back mandate are set out in Appendices 1 to 3 to the Circular, respectively.
- (f) The Letter from the Independent Board Committee, the Letter from Gram Capital and general information of the Bank Group are set out in Appendices 4 to 6 to the Circular, respectively.
- (g) 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 is in force in Hong Kong at or at any time after 8:30 am on the date of the 2026 AGM, the meeting will be postponed or adjourned. The Bank will post an announcement on the websites of the Bank (www.hkbea.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.

The 2026 AGM will be held as scheduled when an "amber" or "red" rainstorm warning is in force. Shareholders should make their own decision as to whether they would attend the meeting in person under bad weather conditions, taking into account their own situations.

LETTER FROM THE BOARD

The Bank of East Asia, Limited

(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 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*

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

26 March 2026

To the Shareholders

Dear Sir or Madam,

INTRODUCTION

The purpose of this Circular is to provide you with information in connection with the convening of the 2026 AGM and explanation in connection with the matters to be dealt with at the 2026 AGM. In accordance with the relevant requirements under the Listing Rules and the Articles of Association, each of the resolutions set out in the Notice of Annual General Meeting shall be voted on by poll.

A notice convening the 2026 AGM is set out on pages 7 to 11 of this Circular.

LETTER FROM THE BOARD

A proxy form for use at the 2026 AGM is enclosed in this Circular and can be downloaded from the websites of the Bank (www.hkbea.com) and HKEX (www.hkexnews.hk). Whether or not you are able to attend the 2026 AGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Bank's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2026 AGM or adjourned meeting (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting at the 2026 AGM should you so wish.

RESOLUTION (1) – RECEIVING THE AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Bank for the year ended 31 December 2025, together with the Report of the Directors and the Independent Auditor's Report, are set out in the Bank's Annual Report 2025. The Bank's Annual Report 2025 can be downloaded and viewed in the section headed "About BEA – Investor Communication – Annual Reports/Interim Reports" on the Bank's website (www.hkbea.com), and on HKEX's website (www.hkexnews.hk). The audited financial statements have been reviewed by the Audit Committee and approved by the Board.

RESOLUTION (2) – RE-APPOINTMENT OF AUDITOR

With reference to the *Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors* published by the Accounting and Financial Reporting Council on 16 December 2021, the Audit Committee has given due consideration to the audit quality and audit fees when selecting and making recommendation to the Board on the re-appointment of KPMG as the Bank's external auditor for 2026.

The Board (which agreed with the view of the Audit Committee) recommended that, subject to the approval of the Shareholders at the 2026 AGM, KPMG be re-appointed as the external auditor of the Bank for 2026.

RESOLUTION (3) – RE-ELECTION OF DIRECTORS

In accordance with Articles 87, 93 and 94 of the Articles of Association, Professor Arthur LI Kwok-cheung, Mr Meocre LI Kwok-wing, Dr the Hon. Henry TANG Ying-yen, Dr Delman LEE and Mr William Junior Guilherme DOO shall retire at the 2026 AGM. All the retiring Directors, being eligible, shall offer themselves for re-election at the 2026 AGM.

Details (including biographies) of the Directors who are proposed to be re-elected at the 2026 AGM are set out in Appendix 1 to this Circular.

The re-election of Directors has been reviewed by the Nomination Committee, which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the 2026 AGM. The recommendation was made in accordance with the *Procedures for Nomination of Directors and Board Succession and Diversity Policy*, and objective criteria including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, independence and length of service. A Board skill matrix is set out on page 94 of the Corporate Governance Report of the Bank's Annual Report 2025.

LETTER FROM THE BOARD

The Board, through the Nomination Committee, has also assessed the time commitment of each of the Directors to ensure all Directors are fit and proper for their roles and make adequate contributions to the Board, taking into account, inter alia, (i) the time devoted by each Director on the Bank Group's affairs; (ii) the number and nature of offices he/she holds in other listed public companies and other significant external time commitments, as well as the time involved; (iii) the skill set he/she possesses (as mapped to the Board skill matrix); and (iv) the review on each Director's contributions to the Board. Following its review, the Nomination Committee is satisfied that all existing Directors (including all those Directors who will seek re-election at the 2026 AGM) have dedicated sufficient time and made effective contributions to the Board.

Among the Directors seeking re-election at the 2026 AGM, Mr Meocre Li, Dr Henry Tang, Dr Delman Lee and Mr William Doo are INEDs. The Nomination Committee has assessed the independence of all INEDs (including those INEDs who will seek re-election at the 2026 AGM) based on the independence guidelines set out in Rule 3.13 of the Listing Rules and the requirements of the Guidance on Empowerment of INEDs, and confirmed that all of them remain independent.

In addition to assessing compliance with the regulatory requirements on independence of INEDs, the independence assessment includes also, inter alia, an assessment of all credit facilities granted to the INEDs and their relatives. The Nomination Committee considers that all facilities, which are granted on normal commercial terms, at arm's length and in the ordinary course of business of the Bank, are not material business dealings between the Bank and each of the INEDs. Therefore, the independence of the respective INEDs is not affected.

Mr Meocre Li was appointed as an INED in 2016. He was appointed as the Chairman of the Audit Committee in 2018. Mr Li is a member of the Hong Kong Institute of Certified Public Accountants and has also earned a Postgraduate Management Diploma from the Harvard Business School. He was awarded the Financial Executives Institute Silver Medal for "Highest Standing in Finance" upon graduation from University of Alberta, Canada. The Nomination Committee believes that Mr Li's strong accounting and financial background will continue to bring valuable knowledge and experience to the Board and the Bank, and benefit the Bank and the Shareholders as a whole.

Dr Henry Tang was appointed as an INED in 2017. He was appointed as the Chairman of the Risk Committee in 2019. Dr Tang was the Chief Secretary for Administration of the HKSAR Government from 2007 to 2011 and the Financial Secretary of the HKSAR Government from 2003 to 2007. He had also served extensively on various government boards and public bodies. Prior to joining the HKSAR Government, Dr Tang was a leading industrialist in Hong Kong. The Nomination Committee believes that Dr Tang's unique skills, knowledge and experience, particularly in policy formulation and implementation in financial, monetary, economic, trade and employment matters, will continue to provide great benefit to the Board, the Bank and the Shareholders as a whole.

LETTER FROM THE BOARD

Dr Delman Lee was appointed as an INED in 2017. He was appointed as the Chairman of the ESG Committee of the Board in 2020. He is the Vice Chairman of TAL Apparel Limited. Dr Lee possesses extensive experience in information technology ("IT") and management in global operations. He also has a strong background in research. Dr Lee has extensive sustainability experience, and serves as the Chairman/board member of a number of industry associations and coalitions, including the Board of Examiners of the Hong Kong Sustainability Award launched by the Hong Kong Management Association and the Board of Cascale. The Nomination Committee believes that Dr Lee's extensive professional knowledge, particularly his strong sustainability, IT and research experience, will continue to bring valuable contribution and diversity to the Board, and benefit the Bank and the Shareholders as a whole.

Mr William Doo was appointed as an INED in 2019. He is the Chief Executive Officer and Director of Fungseng Prosperity Holdings Limited. Mr Doo is a qualified lawyer with legal practice experience specialising in finance-related fields. The Nomination Committee believes that Mr Doo's extensive experience in law, finance, and corporate governance can provide a wide range of insights that will continue to benefit the Board, the Bank and the Shareholders as a whole.

For biographical details of Mr Meocre Li, Dr Henry Tang, Dr Delman Lee and Mr William Doo, please refer to Appendix 1 to this Circular.

Mr Meocre Li, Dr Henry Tang and Dr Delman Lee would have served the Board for more than nine years at the time of the 2026 AGM and therefore be regarded as long-serving INEDs. The Nomination Committee, taking into account the following factors, has specifically assessed the independence of Mr Meocre Li, Dr Henry Tang and Dr Delman Lee, and is satisfied that all of them (notwithstanding their length of service) remain independent:

- (i) All of them met the independence criteria set out in Rule 3.13 of the Listing Rules and the Guidance on Empowerment of INEDs. Each of them has provided an annual independence confirmation to the Bank.
- (ii) All of them are not involved in the daily management of the Bank nor in any relationships or circumstances which would interfere with the exercise of their independent judgment.
- (iii) Each of them continues to demonstrate his ability to provide an independent, balanced and objective view of the affairs of the Bank Group as in previous years.
- (iv) Each of them has the required skills, experience, integrity and independence to continue to be an INED.

In view of the above, the Board and the Nomination Committee is of the view that each of Mr Meocre Li, Dr Henry Tang and Dr Delman Lee remains independent, notwithstanding their length of service.

All Directors offering themselves for re-election at the 2026 AGM have provided valuable advice and contributed their respective experience and expertise to the Board and the Bank Group. In view of the Directors' diversified background, invaluable experience and their commitment to their roles, the Board believes that their re-election is in the best interests of the Bank and the Shareholders.

LETTER FROM THE BOARD

After taking into account the above factors, the Board, on the recommendation of the Nomination Committee, is of the view that Professor Arthur Li, Mr Meocre Li, Dr Henry Tang, Dr Delman Lee and Mr William Doo should be re-elected as Directors at the 2026 AGM.

Procedures for the appointment and re-election of Directors are disclosed on page 90 of the Bank's Annual Report 2025.

RESOLUTION (4) – ADOPTION OF THE STAFF SHARE OPTION SCHEME 2026

Pursuant to Rule 17.02(1)(a) of the Listing Rules, the adoption of a share option scheme is subject to, inter alia, approval of the shareholders of the listed issuer at the general meeting.

The Staff Share Option Scheme 2021, which was adopted by the Bank on 6 May 2021, will expire on 5 May 2026. As at the Latest Practicable Date, save for the Staff Share Option Scheme 2021, the Bank had no other subsisting Share Scheme involving the issue of new Shares. The Bank has also adopted the RSU Scheme, which runs parallel with the Staff Share Option Scheme 2021. The RSU Scheme is solely funded by existing Shares and does not involve any issue of new Shares. The Staff Share Option Scheme 2021 and the RSU Scheme together form the share-based incentive framework of the Bank.

To ensure the continuity of the Bank's share-based incentive framework beyond the expiry of the Staff Share Option Scheme 2021, the Board proposes to adopt the Staff Share Option Scheme 2026 by putting forward an ordinary resolution at the 2026 AGM to seek Shareholders' approval.

Purposes

The Directors consider that adopting the Staff Share Option Scheme 2026 will allow the Bank to continue offering incentives and rewards to suitable Eligible Persons in the form of share options under its share-based incentive framework. This will enable the Bank to:

- (i) recognise and acknowledge the contributions that Eligible Persons have made or may make to the Group;
- (ii) encourage and retain suitable Eligible Persons for the continual operation and development of the Group;
- (iii) provide additional incentives for Eligible Persons to achieve performance goals;
- (iv) attract suitable personnel for further development of the Group; and
- (v) achieve value creation for the Group by aligning the interests of the selected participants directly to the Shareholders through ownership of a personal stake in the Bank, with a view to motivating Eligible Persons to optimise their performance and efficiency for the benefit of the Group.

LETTER FROM THE BOARD

Conditions Precedent

The Staff Share Option Scheme 2026 will become effective upon the satisfaction of the following conditions:

- (i) the passing of Resolution (4) by the Shareholders to approve and adopt the Staff Share Option Scheme 2026 and to authorise the Board to grant Options under the Staff Share Option Scheme 2026 and to allot and issue Shares pursuant to the exercise of any Options; and
- (ii) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which fall to be issued pursuant to the exercise of any Options in accordance with the terms and conditions of the Staff Share Option Scheme 2026.

Provisions of the Staff Share Option Scheme 2026

The provisions of the Staff Share Option Scheme 2026 will comply with the requirements of Chapter 17 of the Listing Rules.

A summary of the principal terms of the Staff Share Option Scheme 2026 is set out in Appendix 2 to this Circular ("**Appendix 2**"). This serves as a summary of the terms of the Staff Share Option Scheme 2026 but does not constitute the full terms thereof.

(a) Eligible Persons

The Staff Share Option Scheme 2026 specifies that Eligible Persons include any full-time or part-time employee (including Executive Directors and the Chief Executive(s)) of the Bank or a Subsidiary. All of these individuals are stakeholders of the Group whose quality of performance or advice (where appropriate) may directly or indirectly affect the operation and performance of the Group.

The Board will select Grantees among Eligible Persons and determine the number of Options to be granted, taking into consideration, inter alia, (i) the past, present and expected contribution of the relevant Grantee to the profits of the Group; (ii) the performance of the relevant Grantee; and (iii) any other factors in respect of the Eligible Persons which the Board considers relevant. The Board considers that the Staff Share Option Scheme 2026 will provide Eligible Persons with an opportunity to have a personal stake in the Bank, thereby motivating them to optimise their performance and efficiency, and helping attract and retain individuals whose contributions are vital for the Group's long-term growth and profitability. This approach directly aligns with the stated purposes of the Staff Share Option Scheme 2026.

(b) Vesting Period

Under the terms of the Staff Share Option Scheme 2026, the vesting period of an Option shall not be less than 12 months. Unless otherwise determined by the Board, an Option shall be vested and become exercisable in three tranches, with vesting periods of one, two and three years respectively.

LETTER FROM THE BOARD

Under the following specific circumstances as set out in the Staff Share Option Scheme 2026 and Appendix 2, vesting of an Option will be accelerated in accordance with the relevant terms:

- (i) the death of the Grantee (as specified in paragraph 11(a)(ii) of Appendix 2);
- (ii) termination of employment of the Grantee due to physical injury or ill-health (as specified in paragraph 11(b)(ii) of Appendix 2); and
- (iii) uncontrollable corporate events (as specified in paragraph 11(h) to (i) of Appendix 2).

The Board considers that the accelerated vesting on such grounds is in line with market practices, will enable the Group to attract and retain talent, and aligns with the stated purposes of the Staff Share Option Scheme 2026.

(c) Performance Targets and Clawback Mechanism

According to the terms of the Staff Share Option Scheme 2026, vesting of an Option shall be subject to the fulfilment of performance-related conditions. The Board may, at its sole discretion, impose such conditions to be fulfilled before an Option can be vested and exercised. Such conditions may include, but are not limited to, those related to (i) the achievement of performance measurements (e.g. financial and non-financial performance thresholds and risk adjustment qualifiers) as may be adopted by the Bank from time to time, (ii) the negative impact of business decisions or actions made in prior periods on the overall profitability of the Group in the subsequent year(s), and/or (iii) misstatement of performance measurement data or commitment of fraud, malfeasance or violations of internal control policies.

In addition, in circumstances where it is later established by the Board's determination at its sole and absolute discretion that (i) any performance measurement was based on data which is later proven to have been manifestly misstated, (ii) the Grantee has committed fraud, malfeasance or violations of internal control policies of the Group, or (iii) decisions or actions made by the Grantee and/or the Grantee's business unit in a given year had a severe negative impact on the overall profitability of the Group in the subsequent year(s), the Board shall have the right to exercise its discretion to reduce or cancel the Options and/or claw back all or part of any gain or income derived from the Options.

Given that the Directors are entitled to determine appropriate performance-related conditions for vesting and exercise, and/or to exercise their discretion under the clawback mechanism on a case-by-case basis, it is expected that these mechanisms will (i) encourage and incentivise Grantees to strive to achieve performance goals with integrity, in turn benefiting the Bank and the Shareholders as a whole, (ii) prevent Grantees from over-focusing on short-term interests or pursuing personal interests through unethical behaviour or misconduct, and (iii) protect the Bank's value by clawing back options granted or vested based on misstated results. As such, the Board considers that the relevant terms of the Staff Share Option Scheme 2026 align with its purposes by aligning the interests of the Grantees with the Shareholders.

LETTER FROM THE BOARD

(d) Exercise Price of an Option

According to the terms of the Staff Share Option Scheme 2026, the exercise price of an Option shall be determined by the Board, and shall be at least the higher of: (i) the closing price of a Share as stated in the daily quotation sheet of the Stock Exchange on the Date of Grant of the relevant Option; and (ii) an amount equivalent to the average of the closing price of a Share as stated in the daily quotation sheets of the Stock Exchange for the five Business Days immediately preceding the Date of Grant of the relevant Option.

The Board considers that since the exercise price of an Option cannot fall below the minimum price stipulated in the Listing Rules (or such higher price as may be fixed by the Directors), Grantees are expected to contribute to the Group's development to increase the market price of the Shares. This allows them to capitalise on the benefits of the Options granted under the Staff Share Option Scheme 2026, thereby benefiting the Bank and the Shareholders as a whole. As such, the Board considers that the provision in relation to the exercise price of an Option aligns with the stated purposes of the Staff Share Option Scheme 2026.

Based on the above, the Board considers that the adoption of the Staff Share Option Scheme 2026 is in the interests of the Bank and the Shareholders as a whole, and will enable the achievement of its stated purposes. The Board believes that the key terms of the Staff Share Option Scheme 2026, including, inter alia, the scope of Eligible Persons, the vesting period, performance-related conditions, the clawback mechanism and the Exercise Price, will serve to protect the value of the Bank and achieve its objectives.

Scheme Mandate Limit

In respect of the Scheme Mandate Limit, based on the 2,642,058,642 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the number of issued Shares and no Shares were bought back and cancelled or held as Treasury Shares after the Latest Practicable Date and up to the passing of the relevant resolution), the number of Shares that may be issued upon exercise of all options and awards to be granted under the Staff Share Option Scheme 2026 and any other Share Schemes of the Bank (if any) will be 132,102,932 Shares, being 5% of the Shares in issue as at the Latest Practicable Date. Such Scheme Mandate Limit is lower than the 10% limit allowed under the Listing Rules and is set voluntarily by the Bank, as the Bank does not intend or anticipate the need to grant Options beyond the 5% limit.

General

The Board considers it inappropriate to state the value of all Options that could be granted under the Staff Share Option Scheme 2026 (as if they had been granted as at the Latest Practicable Date) as a number of crucial variables for such a calculation cannot be determined.

These variables include the Exercise Price, the exercise period, any conditions to which the Options are subject, and other relevant variables. The Board believes that any valuation based on a large number of assumptions would not be meaningful to Shareholders.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, except for the Trustee which is required to abstain from voting on matters that require Shareholders' approval under the Listing Rules, no Shareholder is required to abstain from voting on the resolution approving the adoption of the Staff Share Option Scheme 2026 at the 2026 AGM. As at the latest Practicable Date, the Trustee held a total of 596,988 unvested Shares on trust for the grantees under the RSU Scheme. The Bank will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules concerning the operation of the Staff Share Option Scheme 2026.

The Board has sought advice from its Hong Kong legal advisers and understands the adoption of the Staff Share Option Scheme 2026 does not constitute an offer of shares or debentures under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) ("**Companies (WUMP) Ordinance**") and therefore the prospectus requirements under Companies (WUMP) Ordinance are not applicable to the adoption of the Staff Share Option Scheme 2026. The Bank will continue to observe the requirements under Companies (WUMP) Ordinance and ensure any grant of the Options under the Staff Share Option Scheme 2026 does not constitute an offer of shares or debentures under the Companies (WUMP) Ordinance or will qualify under the exemption thereof.

As at the latest Practicable Date, the Bank did not hold any Treasury Shares and had no intention to use Treasury Shares (if any) for the Staff Share Option Scheme 2026.

An ordinary resolution will be proposed at the 2026 AGM for the adoption of the Staff Share Option Scheme 2026.

The Staff Share Option Scheme 2026 does not have a trustee and none of the Directors is or will be a trustee of the Staff Share Option Scheme 2026.

RESOLUTIONS (5), (6) AND (7) – GENERAL MANDATES TO ISSUE SHARES AND BUY-BACK SHARES

At the annual general meeting of the Bank held on 9 May 2025, approval was given by the Shareholders for the granting of, inter alia, the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 10% of the number of ordinary shares in issue of the Bank; and (ii) to buy back Shares on the Stock Exchange up to 10% of the number of ordinary shares in issue of the Bank, as at the date of passing the relevant resolutions. In accordance with the terms of the approval, these general mandates will expire on 8 May 2026 upon the conclusion of the 2026 AGM.

At the 2026 AGM, approval will be sought from the Shareholders for the ordinary resolutions to grant the Issue Mandate and the Buy-back Mandate as follows:

- (i) to authorise the Directors to allot, issue and otherwise deal with Shares (including by way of sale or transfer of any Treasury Shares out of treasury) not exceeding 10% of the number of ordinary shares in issue of the Bank (excluding Treasury Shares, if any); and
- (ii) to authorise the Directors to buy back Shares on the Stock Exchange up to 10% of the number of ordinary shares in issue of the Bank (excluding Treasury Shares, if any).

LETTER FROM THE BOARD

In respect of the Issue Mandate, based on the 2,642,058,642 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the number of issued Shares and no Shares were bought back and cancelled or held as Treasury Shares after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will be allowed under the mandate to issue (or sell or transfer, in the case of Treasury Shares) a maximum of 264,205,864 Shares.

The purpose of the Issue Mandate is to ensure the Board has the flexibility to issue additional Shares should the need ever arise, or if there is a suitable opportunity to broaden the Bank's capital base and strengthen its capital position to effectively support business development initiatives.

The Board acknowledges the concern of minority Shareholders with respect to the possible dilution of their shareholding interest resulting from the exercise of the Issue Mandate, and reaffirms its commitment to only use the mandate in the interests of all Shareholders. Should the Board consider an issuance of Shares, the Board will clearly communicate the rationale behind that decision and ensure it is fair and reasonable, and in the interests of the Shareholders as a whole.

The Board wishes to state that it has no immediate plan to issue any new Shares or sell or transfer any Treasury Shares other than relating to scrip dividends and exercise of employee share options, where appropriate.

In respect of the Buy-back Mandate, the Board believes that the flexibility granted to the Board by the Buy-back Mandate will enable the Bank to adopt share buy-back programme(s) and conduct share buy-backs under such programme(s), where considered appropriate.

According to the Companies Ordinance, if the Bank buys back Shares pursuant to the Buy-back Mandate, the Bank may (i) cancel the Shares bought back and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Bank at the relevant time such buy-back of Shares are made. If the Bank holds Shares in treasury, any resale of Shares held in treasury will be subject to the ordinary resolution relating to the Issue Mandate at the 2026 AGM in accordance with the Listing Rules and the Companies Ordinance.

The Explanatory Statement required under the Listing Rules in connection with the proposed resolution for the Buy-back Mandate is set out in Appendix 3 to this Circular.

Conditional upon the passing of Resolutions (5) and (6), an ordinary resolution to authorise the Directors to also exercise the power to allot, issue and otherwise deal with additional Shares (including the sale or transfer of Treasury Shares out of treasury) under the Issue Mandate in respect of the number of ordinary shares of the Bank bought back by the Bank will also be proposed for approval by the Shareholders at the 2026 AGM.

LETTER FROM THE BOARD

RESOLUTION (8) – CONTINUING CONNECTED TRANSACTIONS IN RELATION TO FRAMEWORK AGREEMENT FOR LOAN TRANSACTIONS

Reference is made to the announcement of the Bank dated 26 February 2026 in relation to the Framework Agreement.

The Framework Agreement

On 26 February 2026, BEA entered into the Framework Agreement with CaixaBank, pursuant to which the BEA Group and CaixaBank may engage in Loan Transactions in accordance with the terms of the Framework Agreement.

The principal terms of the Framework Agreement are set out below:

Date:	26 February 2026
Parties:	(1) BEA (2) CaixaBank
Term:	Subject to fulfilment of the Condition, the Framework Agreement shall be effective on and from 8 May 2026 until 7 May 2029.
Condition:	The Framework Agreement is conditional upon BEA obtaining Independent Shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the execution of the Framework Agreement by BEA and the transactions contemplated thereunder, and (ii) the Annual Caps for the Term.
Subject matter:	<p>At any time and from time to time during the Term, any BEA Group Company and CaixaBank may enter into Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each Loan Transaction shall fully comply with the terms and conditions of the Framework Agreement.</p> <p>Each Loan Transaction may take the form of Transfer Transaction and/or Risk Participation Transaction, as applicable.</p> <p>Loans cover exclusively syndicated loan(s) and trade-related loan(s), each entered into by a Seller as the lender. For clarity purpose, Loans do not include, amongst others, swaps (whether or not related to such syndicated loan(s) and trade-related loan(s)).</p>
Payment terms:	For a Transfer Transaction, the Buyer shall make all payments to the Seller in immediately available funds upon completion of the relevant transaction (or as otherwise agreed between the parties in the relevant Transfer Document).

LETTER FROM THE BOARD

For a Risk Participation Transaction that is on funded basis, the Buyer shall make all payments to the Seller in accordance with the terms of the relevant Risk Participation Agreement in immediately available funds on the start date of the relevant Risk Participation Agreement (or as otherwise agreed between the parties in the relevant Risk Participation Agreement). When the Seller receives a repayment from the borrower of the relevant Loan, the relevant principal amount of the Loan in which the Buyer participated shall be passed on to the Buyer within the timeframe as agreed between the parties and set out in the relevant Risk Participation Agreement. The Seller shall pay to the Buyer the relevant amount of interest on the Loan in which the Buyer participated at such rate and at such time as agreed between the parties and set out in the relevant Risk Participation Agreement.

For a Risk Participation Transaction that is on unfunded basis, the Buyer shall make all payments to the Seller in accordance with the terms of the relevant Risk Participation Agreement and within the timeframes specified in the relevant transaction documents in immediately available funds (or as otherwise agreed between the parties in the relevant Risk Participation Agreement). The Seller shall also pay an upfront fee to the Buyer for its Risk Participation in the Loan in the amount as agreed between the parties and set out in the relevant Risk Participation Agreement.

Pricing:

The consideration payable by the Buyer to the Seller on all Loan Transactions contemplated under the Framework Agreement shall be negotiated and agreed in good faith on arm's length basis reflecting normal commercial terms, having regarded to a range of factors, including but not limited to:

- (a) the value of the Loan or the Bond;
- (b) the prevailing market value of the Bond;
- (c) appropriate adjustment to the value to reflect the relevant risks;
- (d) the interest rate of the Loan or the coupon rate of the Bond and the prevailing market interest rates;
- (e) the remaining tenure of the Loan or the Bond;
- (f) each party's internal credit control policy and/or any other risk considerations;
- (g) the risk profile of the borrower, the transaction parties or the issuer of the Bond; and
- (h) the terms available from independent third parties for similar or comparable transactions.

LETTER FROM THE BOARD

The table below sets out the historical transaction amounts and the Annual Caps in respect of the total transaction amount for the Continuing Connected Transactions:

	For the financial year ended 31 December			For the period from
	2023	2024	2025	1 January 2026
				to the Latest Practicable Date
Historical transaction amount (HK\$ million)	Nil	Nil	1,177.5	Nil
	For the period from	For the financial year		For the period from
	8 May 2026 to	ending 31 December		1 January 2029
	31 December	2027	2028	to 7 May
	2026			2029
Annual Cap (HK\$ million)	5,000	5,000	5,000	2,000

The Annual Caps cover the gross amount of all the Loans and Bonds subject to the Loan Transactions whether the relevant BEA Group Companies act as the Buyer or the Seller.

The Risk Participation Transaction, depending on its detailed terms and conditions (including but not limited to funding arrangement, risk exposure and interest/fee structure) as agreed between the parties and set out in the relevant Risk Participation Agreement, may constitute a receipt or provision of financial assistance by the BEA Group under the Listing Rules. As the Transfer Transaction and the Risk Participation Transaction will in effect involve redistributing credit risk and financial exposure of a Loan between the BEA Group and CaixaBank and are transactions of similar nature, the Framework Agreement covers both types of transactions.

The Annual Caps have been determined with reference to (i) the historical transaction amounts for Loan Transactions between the BEA Group and CaixaBank for the financial year ended 31 December 2025; and (ii) the anticipated transaction amounts between the BEA Group and CaixaBank for each of the financial years ending 31 December 2026 (commencing on 8 May 2026), 2027 and 2028 and for the period from 1 January 2029 to 7 May 2029.

LETTER FROM THE BOARD

Internal Control Procedures

BEA has formulated specific measures and policies, including connected transactions management policies and management measures for connected transactions under the Listing Rules, to ensure that all connected transactions of the Bank Group are properly controlled and monitored. The policies aim to establish an effective framework for monitoring connected transactions (including the transactions with connected parties stipulated under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and connected transactions under the Listing Rules), help maintain sound business operations, establish risk monitoring system and ensure that all the connected transactions are conducted in the interests of the Shareholders as a whole. The management measures aim to standardise and specify the division of management responsibilities and duties as well as monitoring mechanism in connection with the connected transactions of the Bank Group, protect the Shareholders' overall interests and also the interests of BEA and its stakeholders. The connected transactions of the Bank Group shall be implemented in accordance with the principles, rules and procedures stipulated in the policies and management measures.

As part of the internal control and risk management procedures, the relevant business units/branches/subsidiaries and/or the Credit Committee of the Bank shall carry out certain procedures prior to the signing of any Transfer Document or Risk Participation Agreement, which include reviewing the terms of specific Loan Transactions between the BEA Group and CaixaBank including but not limited to the risk assessment of the relevant Loans and Bonds and repayment/maturity terms, reviewing the factors taken into consideration in determining the pricing as set out in the paragraph headed "The Framework Agreement – Pricing" above, and/or comparing the terms with terms of comparable transactions, which may involve (i) obtaining quote from other syndicated lenders or lenders of other loans to the same borrowers and comparing the terms with the specific Loans and (ii) comparing the pricing of the specific Bonds with the prevailing market value of such Bonds and/or comparable bonds, to ensure that (i) the Loan Transactions are entered into in the ordinary and usual course of business of the Bank Group and are on normal commercial terms and arm's length basis; (ii) the pricing policies and/or other contract terms of the Loan Transactions are fair and reasonable and in the interests of the Bank and the Shareholders as a whole; and (iii) the terms of the specific Loan Transactions are no less favourable to the Bank than those available to the Bank from independent third parties for similar or comparable transactions.

In addition, as part of the internal control and risk management procedures and to ensure that the Continuing Connected Transactions do not exceed the relevant Annual Caps, an independent unit of the Bank shall be responsible for monitoring the transaction amounts.

The Bank's management shall report on the Continuing Connected Transactions to the Board and/or relevant Board committees each year, such that they may conduct review to ensure that the Continuing Connected Transactions have been entered into (i) in the ordinary and usual course of business of the Bank Group and are on normal commercial terms; and (ii) the terms of the Continuing Connected Transactions are fair and reasonable and in the interests of the Bank and the Shareholders as a whole.

The INEDs will also conduct an annual review of the Continuing Connected Transactions in accordance with the Listing Rules. The Bank will engage its external auditor to report on the Continuing Connected Transactions every financial year. The external auditor will provide a letter to the Board confirming the matters required under the Listing Rules including whether the Continuing Connected Transactions are carried out in accordance with the relevant pricing policies.

LETTER FROM THE BOARD

Reasons for and benefits of entering into the Framework Agreement

In the ordinary course of business, the Bank Group may engage in Loan Transactions with CaixaBank from time to time. The Directors consider that it is in the best interests of the Bank to enter into the Framework Agreement, as it will enhance cooperation in the loan financing and bond businesses between the BEA Group and CaixaBank. The Framework Agreement will facilitate both parties in pursuing suitable Loan Transactions, thereby diversifying the Bank Group's loan and bond portfolio.

By establishing the Annual Caps, the Bank will not be required to make separate announcement(s) and/or seek independent shareholders' approval, as applicable, for each Loan Transaction to be entered into with CaixaBank during the term of the Framework Agreement, provided that the respective Annual Caps are not exceeded and relevant internal control procedures are adhered to. This will enable the Bank Group to capture opportunities in suitable Loan Transactions more efficiently.

To the best knowledge of the Directors, none of the Directors has a material interest in the transactions contemplated under the Framework Agreement. Accordingly, no Director is required to abstain from voting on the relevant resolutions of the Board approving the Framework Agreement.

General Information

BEA

Incorporated in Hong Kong in 1918, BEA is a leading Hong Kong-based financial services group listed on the Stock Exchange, with total consolidated assets of HK\$921.0 billion (US\$118.3 billion) as of 31 December 2025.

BEA provides a comprehensive range of wholesale banking, personal banking, wealth management and investment services to customers through an extensive network of about 120 outlets covering Hong Kong, the Chinese Mainland, Macau, Taiwan, Southeast Asia, the United Kingdom, and the United States. For more information, please visit: www.hkbea.com.

CaixaBank

CaixaBank and its group companies offer a broad range of financial services. Based on the most recent publicly available information as at the Latest Practicable Date, Criteria Caixa is the single largest shareholder of CaixaBank with a shareholding of approximately 31.3%. Criteria Caixa is in turn wholly-owned by Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa", a not-for-profit banking foundation based in Spain.

Implications under the Listing Rules

As CaixaBank is an associate of Criteria Caixa, a substantial shareholder of the Bank, CaixaBank is a connected person of the Bank for the purpose of the Listing Rules. Therefore, the entering into of the Framework Agreement between BEA and CaixaBank and the transactions contemplated thereunder constitute continuing connected transactions of the Bank under the Listing Rules.

LETTER FROM THE BOARD

As one or more applicable percentage ratios in respect of the Framework Agreement exceed 5%, the Framework Agreement and the Continuing Connected Transactions are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquires, Criteria Caixa is interested in 508,519,684 Shares (representing approximately 19.25% of the issued Shares). Therefore, Criteria Caixa and its Associates shall abstain from voting on the resolution in relation to the Framework Agreement and transactions contemplated thereunder (including the Annual Caps) at the 2026 AGM. Save as aforesaid, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no other Shareholder has a material interest in the Framework Agreement and is required to abstain from voting on the resolution in relation to the Framework Agreement and transactions contemplated thereunder (including the Annual Caps) at the 2026 AGM.

Recommendations

The Board has set up the Independent Board Committee to review the Continuing Connected Transactions and provide advice to the Independent Shareholders. The Bank has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders regarding the Continuing Connected Transactions.

Your attention is drawn to the letter from the Independent Board Committee which contains the advice of the Independent Board Committee to the Independent Shareholders regarding the resolution(s) to approve the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps) in Appendix 4, and the letter of advice from Gram Capital which contains its advice to the Independent Board Committee and the Independent Shareholders regarding the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps) in Appendix 5.

The Directors (including the INEDs whose opinion has been set out in the letter from the Independent Board Committee after taking into consideration the advice of Gram Capital) are of the view that the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps) are entered into in the ordinary and usual course of business of the Bank Group, on normal commercial terms after arm's length negotiations between the parties, and the terms of the Framework Agreement together with the Annual Caps are fair and reasonable and in the interests of the Bank and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolution(s) relating thereto at the 2026 AGM.

RECOMMENDATION

The Directors consider that all the above proposals are in the interests of the Bank and the Shareholders and accordingly recommend that all Shareholders vote in favour of the above resolutions to be proposed at the 2026 AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

Yours faithfully,
For and on behalf of the Board of
The Bank of East Asia, Limited

David LI Kwok-po
Executive Chairman

The following are the particulars of the Directors proposed to be re-elected at the 2026 AGM:

1. **Professor Arthur Li Kwok-cheung**, *GBM, GBS, MA, MD, M.B.B. Chir (Cantab), DSc (Hon), DLitt (Hon), Hon DSc (Med), LLD (Hon), Hon Doc (Soka), Hon Doc (KNUA), FRCS (Eng & Edin), FRACS, Hon FACS, Hon FRCS (Glasg & I), Hon FRSM, Hon FPCS, Hon FCCHK, Hon FRCP (Lond), JP*
Deputy Chairman, Non-executive Director, Member of the Nomination Committee and the Remuneration Committee

Professor Li, aged 80, was a Director of the Bank (1995 – 2002) and was re-appointed a Director in 2008 and appointed a Deputy Chairman in 2009.

Professor Li is a Member of the Executive Council of the HKSAR (he was/has been a Member from 2002 to June 2007 and from July 2012 to present). He also serves as a Member of the Committee for the Basic Law of the HKSAR under the Standing Committee of the National People's Congress. Professor Li was a Member of the National Committee of the Chinese People's Political Consultative Conference (1998 – 2018).

Professor Li is an Independent Non-executive Director of Shangri-La Asia Limited (listed in Hong Kong) and a Non-executive Director of Greater Bay Airlines Company Limited.

Professor Li was the Secretary for Education and Manpower of the Government of the HKSAR (2002 – June 2007). Before these appointments, he was the Vice Chancellor of the Chinese University of Hong Kong (1996 – 2002) and was the Chairman of Department of Surgery and the Dean of Faculty of Medicine of the Chinese University of Hong Kong. He was also the Chairman of the Council of the University of Hong Kong.

Professor Li had held many important positions in various social service organisations, medical associations, and educational bodies, including the Education Commission, Committee on Science and Technology, the Hospital Authority, the Hong Kong Medical Council, the University Grants Committee, the College of Surgeons of Hong Kong, and the United Christian Medical Services Board. He was a Member of the Board of Directors of the Hong Kong Science and Technology Parks Corporation and the Hong Kong Applied Science and Technology Research Institute, and Vice President of the Association of University Presidents of China. He was a Hong Kong Affairs Adviser to China.

Professor Li is the brother of Dr the Hon. Sir David Li Kwok-po, the cousin of Mr Aubrey Li Kwok-sing and Mr Stephen Charles Li Kwok-sze, and the uncle of Mr Adrian David Li Man-kiu and Mr Brian David Li Man-bun.

Save as disclosed above, Professor Li (i) has not held any directorship in other listed public companies in last three years; (ii) does not hold any other position in the Bank Group; and (iii) does not have any relationship with any Directors, Senior Management or Substantial Shareholders of the Bank.

There is an appointment letter between the Bank and Professor Li providing that the term of his appointment as a Director shall be for a term of a maximum period up to the conclusion of the AGM held in the third year following his re-election, and on expiration of his term, he shall be deemed a retiring Director and eligible for re-election. The fees payable to the Directors are determined by the Board with reference to market trends. Professor Li receives a Director's fee of HK\$475,000 per annum (for being the Deputy Chairman of the Board), a Nomination Committee member's fee of HK\$70,000 per annum and a Remuneration Committee member's fee of HK\$70,000 per annum.

As at the Latest Practicable Date, Professor Li was interested or deemed to be interested in a total of 39,272,467 Shares within the meaning of Part XV of the SFO. These interests comprise (i) 21,257,812 Shares held by Professor Li personally; and (ii) 18,014,655 Shares held by Dapa Company Limited, which is wholly-owned by Professor Li.

There is no information relating to Professor Li that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders.

2. **Mr Meocre Li Kwok-wing**, *BCom, CPA*

Independent Non-executive Director, Chairman of the Audit Committee and Member of the Risk Committee

Mr Li, aged 70, was appointed a Director in 2016. He is the Chief Executive of Alpha Alliance Finance Holdings Limited.

Mr Li was the Managing Partner of Arthur Andersen, one of the major international accounting firms, taking charge of its Hong Kong and Chinese Mainland operations from September 1993 to February 1995. He was the Managing Director and Head of Corporate Finance of NatWest Securities Asia from March 1995 to March 1998. He was the Chief Executive of ICEA Finance Holdings Limited (from March 1998 to March 2002), an investment banking joint venture between The Industrial and Commercial Bank of China and the Bank, prior to the company's becoming a wholly-owned subsidiary of the Bank, which was subsequently renamed as Tung Shing Holdings Company Limited and disposed to SinoPac Securities (Cayman) Holdings Limited on 6 April 2016. He was an Independent Non-executive Director of The Bank of East Asia (China) Limited (from May 2016 to July 2022).

Mr Li received a Bachelor of Commerce degree, with distinction, from University of Alberta, Canada. Upon graduation, he was awarded the Financial Executives Institute Silver Medal for "Highest Standing in Finance". He also earned a Postgraduate Management Diploma from the Harvard Business School, and is a member of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, Mr Li (i) has not held any directorship in other listed public companies in last three years; (ii) does not hold any other position in the Bank Group; and (iii) does not have any relationship with any Directors, Senior Management or Substantial Shareholders of the Bank.

There is an appointment letter between the Bank and Mr Li providing that the term of his appointment as a Director shall be for a term of a maximum period up to the conclusion of the AGM held in the third year following his re-election, and on expiration of his term, he shall be deemed a retiring Director and eligible for re-election. The fees payable to the Directors are determined by the Board with reference to market trends. Mr Li receives a Director's fee of HK\$450,000 per annum, an Audit Committee Chairman's fee of HK\$300,000 per annum and a Risk Committee member's fee of HK\$170,000 per annum.

As at the Latest Practicable Date, Mr Li was not interested in any Shares within the meaning of Part XV of the SFO.

There is no information relating to Mr Li that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders.

3. **Dr the Hon. Henry TANG Ying-yen**, *GBM, GBS, JP*
Independent Non-executive Director, Chairman of the Risk Committee, Member of the Audit Committee, the Nomination Committee and the Remuneration Committee

Dr Tang, aged 73, was appointed a Director in 2017. He was the Chief Secretary for Administration of the HKSAR Government from 2007 to 2011 and the Financial Secretary of the HKSAR Government from 2003 to 2007. He served as a member of the Executive Council of Hong Kong from 1997 to 2011 and was a member of the Legislative Council of Hong Kong from 1991 to 1998.

Dr Tang is a Standing Committee Member of the Chinese People's Political Consultative Conference and the Chairman of Shanghai Tang Junyuan Education Foundation.

Dr Tang received a Bachelor of Arts degree from the University of Michigan. In 1993, Dr Tang was named Global Leader for Tomorrow by the World Economic Forum. In 1989, he won the Young Industrialist of Hong Kong award.

Dr Tang is the Chairman of the Board of Supervisors of The Bank of East Asia (China) Limited ("**BEA China**").

Save as disclosed above, Dr Tang (i) has not held any directorship in other listed public companies in last three years; (ii) does not hold any other position in the Bank Group; and (iii) does not have any relationship with any Directors, Senior Management or Substantial Shareholders of the Bank.

There is an appointment letter between the Bank and Dr Tang providing that the term of his appointment as a Director shall be for a term of a maximum period up to the conclusion of the AGM held in the third year following his re-election, and on expiration of his term, he shall be deemed a retiring Director and eligible for re-election. The fees payable to the Directors are determined by the Board with reference to market trends. Dr Tang receives a Director's fee of HK\$450,000 per annum, a Risk Committee Chairman's fee of HK\$300,000 per annum, an Audit Committee member's fee of HK\$170,000 per annum, a Nomination Committee member's fee of HK\$70,000 per annum and a Remuneration Committee member's fee of HK\$70,000 per annum. In addition, as the Chairman of the Board of Supervisors of BEA China, Dr Tang is entitled to a fee of RMB150,000 per annum.

As at the Latest Practicable Date, Dr Tang was not interested in any Shares within the meaning of Part XV of the SFO.

There is no information relating to Dr Tang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders.

4. **Dr Delman LEE**, *BEng, DPhil*

Independent Non-executive Director, Chairman of the ESG Committee, Member of the Audit Committee, the Nomination Committee and the Risk Committee

Dr Lee, aged 58, was appointed a Director in 2017. He is currently the Vice Chairman of TAL Apparel Limited. He is also a Non-executive Director of Tradelink Electronic Commerce Limited (listed in Hong Kong).

Dr Lee is a Council Member of The Hong Kong Management Association. Dr Lee possesses extensive experience in information technology and management in global operations. He also has a strong background in research.

Dr Lee holds a doctorate from the University of Oxford and a Bachelor's degree in Electrical and Electronic Engineering from the Imperial College, London.

Save as disclosed above, Dr Lee (i) has not held any directorship in other listed public companies in last three years; (ii) does not hold any other position in the Bank Group; and (iii) does not have any relationship with any Directors, Senior Management or Substantial Shareholders of the Bank.

There is an appointment letter between the Bank and Dr Lee providing that the term of his appointment as a Director shall be for a term of a maximum period up to the conclusion of the AGM held in the third year following his re-election, and on expiration of his term, he shall be deemed a retiring Director and eligible for re-election. The fees payable to the Directors are determined by the Board with reference to market trends. Dr Lee receives a Director's fee of HK\$450,000 per annum, an ESG Committee Chairman's fee of HK\$110,000 per annum, an Audit Committee member's fee of HK\$170,000 per annum, a Nomination Committee member's fee of HK\$70,000 per annum and a Risk Committee member's fee of HK\$170,000 per annum.

As at the Latest Practicable Date, Dr Lee was not interested in any Shares within the meaning of Part XV of the SFO.

There is no information relating to Dr Lee that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders.

5. **Mr William Junior Guilherme DOO**, *BBS, BA, MA (Oxon), JP*
Independent Non-executive Director, Member of the Audit Committee, the Risk Committee and the ESG Committee

Mr Doo, aged 52, was appointed a Director in 2019. He is currently the Chief Executive Officer and Director of Fungseng Prosperity Holdings Limited, the Deputy Chief Executive Officer and Executive Director of FSE Holdings Limited, an Executive Director of FSE Lifestyle Services Limited (listed in Hong Kong), a Non-executive Director of CTF Services Limited (formerly known as NWS Holdings Limited) (listed in Hong Kong) and an Independent Director of Shengyi Technology Co., Ltd. (listed in Shanghai).

Mr Doo is a solicitor admitted in Hong Kong and is currently a non-practising solicitor in England and Wales. He had legal practice experience in one of the largest global law firms specialising in finance and corporate transactions. He is a Member of the National Committee of the Chinese People's Political Consultative Conference. He serves in different committees of the Government of the HKSAR, including a member of the Correctional Services Department Complaints Appeal Board, a member of the Election Committee, a member of the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption and a member of the HKSAR Government Scholarship Fund Steering Committee.

Mr Doo graduated from University of Oxford with B.A. and M.A. degrees in Jurisprudence and he is elected as Foundation Fellow of Wadham College, University of Oxford and a member of Chancellor's Court of Benefactors, University of Oxford. He was appointed as Justice of the Peace, and was awarded the honour of Chevalier de l'Ordre National du Mérite by the President of the French Republic. Mr Doo was awarded the Bronze Bauhinia Star by the Government of the HKSAR.

Save as disclosed above, Mr Doo (i) has not held any directorship in other listed public companies in last three years; (ii) does not hold any other position in the Bank Group; and (iii) does not have any relationship with any Directors, Senior Management or Substantial Shareholders of the Bank.

There is an appointment letter between the Bank and Mr Doo providing that the term of his appointment as a Director shall be for a term of a maximum period up to the conclusion of the AGM held in the third year following his re-election, and on expiration of his term, he shall be deemed a retiring Director and eligible for re-election. The fees payable to the Directors are determined by the Board with reference to market trends. Mr Doo receives a Director's fee of HK\$450,000 per annum, an Audit Committee member's fee of HK\$170,000 per annum, a Risk Committee member's fee of HK\$170,000 per annum and an ESG Committee member's fee of HK\$70,000 per annum.

As at the Latest Practicable Date, Mr Doo was not interested in any Shares within the meaning of Part XV of the SFO.

There is no information relating to Mr Doo that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders.

The following is a summary of the principal terms of the Staff Share Option Scheme 2026 proposed to be adopted at the 2026 AGM. It does not form part of, nor is it intended to be part of the rules of the Staff Share Option Scheme 2026.

1. PURPOSES

The Staff Share Option Scheme 2026 (hereinafter referred to as "**this Scheme**") is a share incentive scheme established to:

- (a) recognise and acknowledge the contributions that Eligible Persons have made or may make to the Group;
- (b) encourage and retain such individuals for the continual operation and development of the Group;
- (c) provide additional incentives for them to achieve performance goals;
- (d) attract suitable personnel for further development of the Group; and
- (e) achieve value creation for the Group by aligning the interests of the Grantees directly to the Shareholders through ownership of a personal stake in the Bank, with a view to motivating Eligible Persons to optimise their performance and efficiency for the benefit of the Group.

2. LIFE OF THIS SCHEME

Unless being terminated in accordance with the terms of this Scheme, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which no further Options will be granted but the provisions of this Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.

3. PARTICIPANTS AND ELIGIBILITY

The Board may at its discretion grant Options to any Eligible Person.

An Eligible Person includes any full-time or part-time employee (including Executive Directors and the Chief Executive(s)) in the service of the Bank or a Subsidiary.

4. SCHEME MANDATE LIMIT

Subject to the provisions of this Scheme, the total number of new Shares which may be issued in respect of all options and awards to be granted under this Scheme and any other Share Schemes of the Group shall not, in aggregate, exceed 5% of the Shares in issue (excluding Treasury Shares) as at the date of approval of this Scheme (i.e. the Scheme Mandate Limit) unless such issue or grant is approved by the Shareholders pursuant to the Listing Rules. Options or awards lapsed in accordance with the terms of the Share Schemes under which they were granted shall not be regarded as being utilised for the purpose of calculating the Scheme Mandate Limit.

Subject to the provisions in this Scheme and the requirements of the Listing Rules, the Scheme Mandate Limit may be refreshed by the Shareholders in general meeting provided always that the Scheme Mandate Limit so refreshed must not exceed 5% of the Shares in issue (excluding Treasury Shares) as at the date of approval of such refreshment by Shareholders in general meeting.

Subject to the requirements of the Listing Rules, the Board may seek separate Shareholders' approval in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Person(s) specifically identified by the Bank before such approval is sought.

5. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

Subject to the requirements of the Listing Rules, where any proposed grant of Options to an Eligible Person will result in the total number of new Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the Share Schemes under which they were granted) under this Scheme and any other Share Schemes of the Group in the 12-month period up to and including the date of such grant in aggregate exceeding 1% of the Shares in issue (excluding Treasury Shares), such proposed grant shall be subject to the approval by the Shareholders in general meeting.

Any grant of Options to an Executive Director, Chief Executive or Substantial Shareholder of the Bank or any of their respective Associates must be approved by the INEDs. Where any proposed grant of Options to a Substantial Shareholder of the Bank, or any of their respective Associates, will result in the total number of new Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the Share Schemes under which they were granted) under this Scheme and any other Share Schemes of the Group in the 12-month period up to and including the date of such grant in aggregate exceeding 0.1% of the Shares in issue (excluding Treasury Shares), such proposed grant shall be subject to the approval by the Shareholders in general meeting in the manner set out in the Listing Rules. The Grantee, his or her Associates and all Core Connected Persons of the Bank must abstain from voting in favour of the proposed grant at such general meeting. A circular must be sent to the Shareholders containing such information from time to time required by the Stock Exchange.

6. GRANT OF OPTIONS

On and subject to the terms of this Scheme, the Board shall be entitled to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select.

In determining the number of Options to be granted to an Eligible Person, the Board may take into consideration matters including, but without limitation to:

- (i) the value of the Options from time to time;
- (ii) the past, present and expected contribution of the relevant Grantee to the profits of the Group;

- (iii) the performance of the relevant Grantee;
- (iv) the general financial condition of the Group;
- (v) the Group's overall business objectives and future development plan; and
- (vi) any other matter which the Board considers relevant.

7. ACCEPTANCE OF THE OPTION

No fee shall be payable upon acceptance of an Offer by the eligible Grantee. An Offer of the grant of an Option shall be considered as being accepted by the Grantee when the Bank receives the acceptance form duly executed by the Grantee no later than 14 days after the date of the offer letter issued by the Bank. Upon acceptance of an Offer, the Bank shall on the Date of Grant issue an Option Letter to the Grantee.

8. VESTING CONDITIONS AND PERFORMANCE TARGETS

Subject to the provisions of this Scheme, the Listing Rules and other applicable rules and regulations and having regard to applicable guidelines and standards, the Board may, on a case-by-case basis and at its discretion when offering the grant of an Option, impose any criteria, conditions, restrictions or limitations in relation thereto additional to those expressly set forth in this Scheme as it may think fit, failing which the Option shall lapse unless otherwise resolved to the contrary by the Board.

Without prejudice to the generality of the foregoing, vesting of an Option shall be subject to the fulfilment of performance-related conditions. Such conditions, as determined by the Board at its discretion, may include but not limited to those related to (i) the achievement of performance measurement (e.g. financial and non-financial performance thresholds and risk adjustment qualifiers) as may be adopted by the Bank from time to time, (ii) the negative impact of business decisions or actions made in prior periods on the overall profitability of the Group in the subsequent year(s), and/or (iii) misstatement of performance measurement data or commitment of fraud, malfeasance or violations of internal control policies.

9. VESTING PERIOD

Save for the situations described under (a) to (j) in paragraph 11 below, the Vesting Period of an Option shall not be less than 12 months. Unless otherwise determined by the Board, an Option granted under this Scheme shall be vested and become exercisable as follows:

- (a) not more than one third of the Option shall be vested and become exercisable on the first anniversary of the Date of Grant;
- (b) not more than one third of the Option shall be vested and become exercisable on the second anniversary of the Date of Grant; and

- (c) the remaining balance of the Option shall be vested and become exercisable on the third anniversary of the Date of Grant.

10. EXERCISE PRICE

The Exercise Price shall be a price determined by the Board and shall be at least the higher of:

- (a) the closing price of a Share as stated in the Stock Exchange's daily quotation sheet on the Date of Grant of the relevant Option, which must be a Business Day; and
- (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Date of Grant of the relevant Option.

11. EXERCISE PERIOD

An Option or any part thereof may be exercised by the Grantee at any time during the Exercise Period beginning on the Vesting Date and ending on the fifth anniversary of the Vesting Date, provided that:

- (a) in the event of death of the Grantee:
 - (i) his legal personal representative(s) may exercise the Vested Options which the Grantee is entitled to as at the date of death of the Grantee in whole or in part (to the extent not exercised) within the relevant Exercise Period; and
 - (ii) any Unvested Options of the Grantee shall become Vested Options as at the date of death of the Grantee, and his legal personal representative(s) may exercise such Options in whole or in part within the period beginning on such Vesting Date and ending on the fifth anniversary of the Vesting Date,

and any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period;

- (b) where the Grantee's employment is terminated on the ground of disability due to physical injury or ill-health:
 - (i) the Grantee may exercise the Vested Options which he is entitled to as at the date of cessation as an Employee in whole or in part (to the extent not exercised) within the relevant Exercise Period; and
 - (ii) any Unvested Options of the Grantee shall become Vested Options as at the date of cessation as an Employee, and the Grantee may exercise such Options in whole or in part within the period beginning on such Vesting Date and ending on the fifth anniversary of the Vesting Date,

and any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period;

- (c) if the Grantee ceases to be an Employee by reason of retirement:
 - (i) the Grantee may exercise the Vested Options which he is entitled to as at the date of retirement in whole or in part (to the extent not exercised) within the relevant Exercise Period; and
 - (ii) any Unvested Options of the Grantee as at the date of retirement shall continue to vest in accordance with the terms on which they are granted (unless the Board shall determine that the vesting of such Unvested Options or any part thereof shall be accelerated in the relevant circumstances such as on compassionate grounds for ill-health), and the Grantee may exercise such Options in whole or in part within the period beginning on such Vesting Date and ending on the fifth anniversary of the Vesting Date,

and any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period. The determination of whether the Grantee ceases to be an Employee by reason of retirement shall be determined by the Bank in its absolute discretion;

- (d) if the Grantee ceases to be an Employee by reason of termination of his employment by the Bank or the Subsidiary (as the case may be) employing him upon any of the following grounds, then all his Options (whether vested or not, and to the extent not exercised) shall lapse and terminate on the date of such cessation:
 - (i) wilfully disobeying a lawful and reasonable order;
 - (ii) misconducting himself, such conduct being inconsistent with the due and faithful discharge of his duties;
 - (iii) being guilty of fraud or dishonesty;
 - (iv) being habitually neglectful in his duties; or
 - (v) upon any other grounds on which the Bank or the Subsidiary (as the case may be) employing him would be entitled to terminate the contract of employment without notice at common law;
- (e) if the Grantee ceases to be an Employee by resignation:
 - (i) the Grantee may exercise the Vested Options which he is entitled to as at the date of cessation as an Employee in whole or in part (to the extent not exercised) within the relevant Exercise Period or the period beginning on the date of cessation and ending on the first anniversary of such date (whichever expires earlier); and

- (ii) any Unvested Options of the Grantee shall lapse on the date of cessation as an Employee, unless the Board shall determine that, in the relevant circumstances, such Unvested Options or any part thereof shall continue to vest in accordance with the terms on which they are granted, in which event the Grantee may exercise such Options in whole or in part within the period beginning on the relevant Vesting Date and ending on the first anniversary of the Vesting Date;
- and any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period;
- (f) if any of the following events occurs, all of the Vested Options (to the extent not exercised) and Unvested Options of the Grantee shall lapse immediately:
 - (i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the asset or undertaking of the Grantee;
 - (ii) there is unsatisfied judgment, order or award outstanding against the Grantee or the Bank has reason to believe that the Grantee is unable to pay or has no reasonable prospect of being able to pay his debts;
 - (iii) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in (i) and (ii) above;
 - (iv) a bankruptcy order has been made against the Grantee in any jurisdiction; or
 - (v) a petition for bankruptcy has been presented against the Grantee in any jurisdiction;
 - (g) if the Grantee ceases to be an Employee for any reason other than as described in (a) to (f) above, then:
 - (i) any Vested Options which the Grantee is entitled to as at the date he so ceases may be exercised to the extent then exercisable within the relevant Exercise Period or the period beginning on the date of cessation and ending on the first anniversary of the date of cessation (whichever expires earlier); and
 - (ii) any Unvested Options shall continue to vest in accordance with the terms on which they are granted (unless the Board shall determine that the vesting of such Unvested Options or any part thereof shall be accelerated in the relevant circumstances such as on compassionate grounds for ill-health) and the Grantee may exercise such Options in whole or in part within the period beginning on such Vesting Date and ending on the first anniversary of the Vesting Date;

and any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period, and provided that in any such case the Board may in its absolute discretion determine that any Vested Options (to the extent not exercised) or Unvested Options shall be cancelled or otherwise subject to such conditions or limitations as the Board may decide;

- (h) if a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Grantee shall be entitled to exercise (i) the Vested Option which the Grantee is entitled to as at the date on which the general offer becomes or is declared unconditional (within the meaning of the Takeovers Code) (the "**Unconditional Date**") (to the extent not exercised), and (ii) any Unvested Options which shall become Vested Options as at the Unconditional Date, in whole or in part at any time within the period beginning on the Unconditional Date and ending on the date which is 30 days after the Unconditional Date. Any of his Options not exercised shall lapse on the date immediately after the expiry of the relevant period;
- (i) in the event of a proposed voluntary winding up of the Bank, the Grantee may exercise the Vested Option which the Grantee is entitled to as at the date of the notice given by the Bank to the Grantee (to the extent not exercised) and any Unvested Options which shall become Vested Options as at such date in whole or in part; and
- (j) in the event of a compromise or arrangement between the Bank and its Shareholders or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Bank (other than any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Grantee may exercise the Vested Option which the Grantee is entitled to as at the date of the notice given by the Bank to the Grantee (to the extent not exercised) and any Unvested Options which shall become Vested Options as at such date in whole or in part.

12. CLAWBACK AND MALUS

In circumstances where it is later established by the Board's determination at its sole and absolute discretion that (i) any performance measurement was based on data which is later proven to have been manifestly misstated, (ii) the Grantee has committed fraud, malfeasance or violations of internal control policies of the Group, or (iii) decisions or actions made by the Grantee and/or the Grantee's business unit in a given year had a severe negative impact on the overall profitability of the Group in the subsequent year(s):

- (i) for Options that have not been vested, the Board shall have the right to exercise its discretion to reduce or cancel such Options as determined by the Board;
- (ii) for Options that have been vested but not yet exercised, such Options shall be reduced or cancelled in entirety accordingly on a date as determined by the Board; and

- (iii) for Options that have been vested and exercised, the Board shall have the right to exercise its discretion to claw back all or part of any gain or income derived from the Options.

13. LAPSE OF OPTIONS

An Option (to the extent such Option has not already been vested or exercised, as the case may be) shall lapse and not be exercisable on the earliest of:

- (a) the date immediately after the expiry of the Exercise Period;
- (b) the date immediately after the expiry of any of the periods referred to in paragraph 11(a) to (f) above;
- (c) the date on which a situation as contemplated under paragraph 11(g) above arises;
- (d) in respect of the situation contemplated in paragraph 11(h) above, the date immediately after the expiry of the period referred to therein;
- (e) the date of the commencement of the winding-up of the Bank in respect of the situation contemplated in paragraph 11(i) above;
- (f) the date when the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 11(j) above;
- (g) the date on which a situation as contemplated under paragraph 16 below arises;
- (h) the date on which the Grantee commits a breach of any terms or conditions attached to the grant or vesting of the Option, unless otherwise resolved to the contrary by the Board; or
- (i) the date on which it is established that any data previously taken into account in assessing the performance of the Grantee and in granting the Option is later proven to have been manifestly misstated, or that there has been fraud or other malfeasance on the part of the Grantee or violation by the Grantee of internal control policies of the Bank.

14. CANCELLATION OF OPTIONS

The Board shall have the absolute discretion to cancel any Options granted but not vested or exercised (as the case may be) at any time at the request of the Grantee provided that where an Option is cancelled and a new Option is proposed to be issued to the same Grantee, the issue of such new Option may only be made with available and ungranted Options within the limits referred to in paragraphs 4 and 5 above (but excluding for this purpose all cancelled Options).

15. RIGHTS ATTACHING TO THE SHARES AND THE OPTIONS AND RANKING OF SHARES

The new Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the Articles of Association in force as at the Allotment Date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the Allotment Date and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to other fully paid Shares in issue on the Allotment Date, and, accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the Allotment Date.

16. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee to whom it is made and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option granted to the Grantee under this Scheme, failing which the Option (to the extent it has not already been vested or exercised) shall lapse.

17. ADJUSTMENT IN ALTERATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Bank while an Option remains exercisable, and such event arises from a capitalisation issue (other than any scrip dividend or similar arrangement in accordance with the Articles of Association), rights issue, sub-division or consolidation of Shares or reduction of capital of the Bank, such corresponding alterations (if any) shall be made in:

- (a) the number of new Shares subject to the Option so far as unexercised; and/or
- (b) the Exercise Price.

In the event of any alteration in the capital structure of the Bank while an Option remains exercisable, and such event arises from a consolidation or subdivision, such corresponding alterations (if any) shall be made to the maximum number of Shares referred to in paragraphs 4 and 5 above.

The auditor or the independent financial adviser of the Bank shall certify in writing to the Board the alterations, and according to their opinion based on fairness and reasonableness either generally or as regards any particular Grantee (except in the case of a capitalisation issue where no such certification shall be required unless otherwise expressly required by the Board) and satisfy the requirement that such alterations give the Grantee the same proportion of the equity capital as that to which the Grantee was previously entitled, provided that:

- (a) any such alterations shall be made on the basis that the relevant total Exercise Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and

- (b) no such alterations shall be made the effect of which would be to increase the proportion of the Shares in issue (excluding Treasury Shares) for which any Grantee is entitled to subscribe pursuant to the Options held by him.

For the avoidance of doubt, the issue of securities as consideration in a transaction to which the Bank is a party or the reduction in the number of the Bank's total issued Shares as a result of share buy-back conducted on the Stock Exchange shall not be regarded as a circumstance requiring any such alterations.

18. ALTERATION TO THIS SCHEME

This Scheme may be altered in any respect by resolution of the Board except for the following matters which shall require Shareholders' approval in general meeting:

- (a) any alternations to the provisions of this Scheme as to the definitions of "Eligible Person", "Grantee", "Exercise Period" and "Vesting Period" and other terms and conditions of this Scheme which are of a material nature and other provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees or prospective Grantees; and
- (b) any change to the authority of the Board to alter the terms of this Scheme,

provided always that the amended terms of this Scheme or the Options must continue to comply with the relevant requirements of the Listing Rules as may be amended from time to time.

Any change to the terms of Options granted to an Eligible Person must be approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of this Scheme.

Subject to the above, the Board may at any time alter, amend or modify the terms and conditions of this Scheme such that the provisions of this Scheme shall comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by the Board to implement the terms of this Scheme.

19. TERMINATION

The Bank by resolution in general meeting or the Board may at any time terminate the operation of this Scheme and in such event, no further Options will be offered under this Scheme but the provisions of this Scheme shall remain in force in all other respects. In such case, the provisions of this Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.

The following is the Explanatory Statement required under the Listing Rules in connection with the Buy-back Mandate and also constitutes the memorandum required under Section 239 of the Companies Ordinance:

- (i) At the 2026 AGM, a resolution will be proposed that the Directors be given a Buy-back Mandate to exercise all powers of the Bank to buy back on the Stock Exchange Shares representing up to a maximum of 10% of number of Shares in issue of the Bank (excluding Treasury Shares, if any) as at the date of passing the resolution. Based on the 2,642,058,642 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the number of issued Shares and no Shares were bought back and cancelled or held as Treasury Shares after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will therefore be allowed under the Buy-back Mandate to buy back a maximum of 264,205,864 Shares.
- (ii) The Board believes that the flexibility afforded by the Buy-back Mandate will be beneficial to the Bank and the Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years and if there are occasions in the future when depressed market conditions arise and Shares are trading at a discount to their underlying value, the ability of the Bank to buy back Shares will be beneficial to those Shareholders who retain their investment in the Bank since their percentage interests in the assets of the Bank will increase in proportion to the number of Shares bought back by the Bank. Furthermore, the Directors' exercise of the mandate granted under the Buy-back Mandate may lead to an increased volume of trading in Shares on the Stock Exchange.
- (iii) The Board proposes that buy-back of Shares under the Buy-back Mandate will be financed from the available cash flow or working capital facilities of the Bank and its Subsidiaries. In the buy-back of Shares, the Bank may only apply funds legally available for such purpose in accordance with the Articles of Association and the laws of Hong Kong.
- (iv) There may be a material adverse impact on the working capital or gearing position of the Bank (as compared with the position disclosed in the Bank's most recent published audited financial statements) in the event that the proposed share buy-back is to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as will, in the circumstances, have a material adverse effect on the working capital requirements of the Bank or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Bank.
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any Close Associates of the Directors who have a present intention, in the event that the Buy-back Mandate is granted by Shareholders, to sell Shares to the Bank.
- (vi) The Directors have undertaken to exercise the power of the Bank to make purchases pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of Hong Kong.
- (vii) If as a result of a share buy-back a Shareholder's proportionate interest in the voting rights of the Bank increases, such increase will be treated as an acquisition of voting rights for purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, may be treated as having obtained or consolidated control of the Bank and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Board is not aware of any consequence which would arise under the Takeovers Code as a consequence of any purchases pursuant to the Buy-back Mandate.

- (viii) No purchases of the Shares have been made by the Bank in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).
- (ix) No Core Connected Persons of the Bank have notified it of a present intention to sell Shares to the Bank and no such persons have undertaken not to sell any such Shares to the Bank in the event that the Buy-back Mandate is granted by the Shareholders.
- (x) The highest and lowest prices at which Shares had been traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date are as follows:

		Highest	Lowest
		HK\$	HK\$
2025	March	12.24	11.34
	April	11.80	9.99
	May	11.48	10.64
	June	12.50	10.78
	July	12.58	12.00
	August	13.52	12.10
	September	12.86	11.64
	October	13.50	12.03
	November	13.98	12.90
	December	13.80	12.91
2026	January	14.92	13.30
	February	16.44	13.72
	March (up to the Latest Practicable Date)	15.22	13.35

- (xi) Neither this Explanatory Statement nor the proposed share buy-back has any unusual features.
- (xii) Shares bought back by the Bank may be held as Treasury Shares or may be cancelled subject to, among others, market conditions and the capital management needs of the Bank at the relevant time of the buy-back(s), which may change due to actual circumstances. Shareholders and potential investors should pay attention to any announcement to be published by the Bank in the future, including but not limited to, any next day disclosure return (which shall identify, among others, the number of Shares bought back that are to be held in treasury or cancelled upon such buy-back) and relevant monthly return.

For any Treasury Shares of the Bank deposited with CCASS, the Bank shall hold the repurchased Shares as Treasury Shares in a segregated account in CCASS. The Bank shall, upon completion of the share repurchase, give clear written instructions to its Share Registrar and the relevant broker to update the record to clearly identify those repurchased Shares held in CCASS as Treasury Shares. The listing of all Shares which are bought back by the Bank but not held as Treasury Shares shall be automatically cancelled upon buy-back.

The following is the text of a letter of advice from the Independent Board Committee setting out its recommendation to the Independent Shareholders for the purpose of inclusion in this Circular.

The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

26 March 2026

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS – FRAMEWORK AGREEMENT FOR LOAN TRANSACTIONS

We refer to the circular dated 26 March 2026 of the Bank (the "**Circular**") of which this letter forms part.

Capitalised terms used in the Circular shall have the same meanings in this letter unless the context otherwise requires. We have been appointed by the Board to form the Independent Board Committee to advise you in connection with the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps), details of which are set out in the "Letter from the Board" in the Circular.

Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Framework Agreement (including the Annual Caps) are fair and reasonable and on normal commercial terms or better and whether the entering into of the Framework Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Bank Group and in the interests of the Bank and the Shareholders as a whole.

We wish to draw your attention to the section headed "Resolution (8) – Continuing Connected Transactions in relation to Framework Agreement for Loan Transactions" in the "Letter from the Board", as set out on pages 12 to 28 of the Circular, and the letter of advice from Gram Capital, as set out on pages 49 to 59 of the Circular. Having considered the terms of the Framework Agreement and the Annual Caps and the advice given by Gram Capital and the principal factors and reasons taken into consideration by it in arriving at its advice, we are of the opinion that the entering into of the Framework Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Bank Group and in the interests of the Bank and the Shareholders as a whole, and the terms of the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps) are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the 2026 AGM to approve the Framework Agreement and the transactions contemplated thereunder (including the Annual Caps).

Yours faithfully,

Independent Board Committee
The Bank of East Asia, Limited

Independent Non-executive Directors:

Dr Allan WONG Chi-yun

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

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

26 March 2026

To: *The independent board committee and the independent shareholders
of The Bank of East Asia, Limited*

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the Circular dated 26 March 2026 issued by the Bank to the Shareholders, of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 26 February 2026, the Bank entered into the Framework Agreement with CaixaBank, pursuant to which the BEA Group and CaixaBank may engage in Loan Transactions in accordance with the terms of the Framework Agreement with a term of three years from 8 May 2026 until 7 May 2029, subject to fulfilment of the Condition.

With reference to the Board Letter, the Continuing Connected Transactions constitute continuing connected transactions under Chapter 14A of the Listing Rules, and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Dr Allan WONG Chi-yun, 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 and Dr David MONG Tak-yeung (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Continuing Connected Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Continuing Connected Transactions are in the interests of the Bank and the Shareholders as a whole and are in the ordinary and usual course of business of the BEA Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Continuing Connected Transactions at the 2026 AGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as the independent financial adviser to the independent board committee and independent shareholders of the Bank in relation to the Bank's continuing connected transactions as set out in the Bank's circular dated 14 April 2025 (the **"IFA Engagement"**). Save for the IFA Engagement, there was no other service provided by Gram Capital to the Bank relating to any transaction of the Bank with executed agreement during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the IFA Engagement, as at the Latest Practicable Date, we were not aware of any relationships or interests between Gram Capital and the Bank, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Bank, the Directors and the management of the Bank (collectively, the **"Management"**). We have assumed that all information and representations that have been provided by the Management, for which they are solely and wholly responsible, are true and accurate in all material respects at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the Continuing Connected Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Bank, CaixaBank and each of their respective subsidiaries or associates, nor have we considered the taxation implications on the BEA Group or the Shareholders as a result of the Continuing Connected Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Bank.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Continuing Connected Transactions, we have taken into consideration the following principal factors and reasons:

Information on the BEA Group

With reference to the Board Letter, the BEA Group provides a comprehensive range of wholesale banking, personal banking, wealth management and investment services to customers through an extensive network of about 120 outlets covering Hong Kong, the Chinese Mainland, Macau, Taiwan, Southeast Asia, the United Kingdom, and the US.

Set out below are the audited consolidated financial information of the BEA Group for the two years ended 31 December 2025 as extracted from the Bank's annual results announcement for the year ended 31 December 2025 (the "**2025 AR Announcement**"):

	For the year ended 31 December 2025 (" FY2025 ") HK\$ million	For the year ended 31 December 2024 (" FY2024 ") HK\$ million	Year-on-year change %
Operating income	21,019	20,979	0.19
– Net interest income	15,322	16,529	(7.30)
– Net non-interest income	5,697	4,450	28.02
Profit for the year before taxation	4,527	5,840	(22.48)
Profit for the year	3,532	4,629	(23.70)

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million	Year-on-year change %
Loans and advances to customers	543,235	527,829	2.92
Debt securities under trading assets	343	Nil	N/A
Debt securities under investment securities	173,816	155,880	11.51
Net assets	105,631	105,739	(0.10)

According to the above table, the BEA Group recorded net interest income of approximately HK\$15.32 billion for FY2025, representing a decrease of approximately 7.30% as compared to that for FY2024; while the BEA Group's net non-interest income was approximately HK\$5.70 billion for FY2025, representing an increase of approximately 28.02% as compared to that for FY2024. With reference to the 2025 AR Announcement, (i) the decrease in net interest income was mainly due to narrowed net interest margin and lower returns on reserve deposits and treasury securities held with central banks; and (ii) the increase in net non-interest income was mainly due to increase in net fee and commission income and net trading profit. As the decrease in the BEA Group's net interest income was offset by the increase in the BEA Group's net non-interest income, the BEA Group's operating income for FY2025 remained similar as compared to that for FY2024.

Mainly driven by increases in "impairment losses on financial instruments" and "valuation losses on investment properties", and negative "share of profits less losses of associates and joint ventures" for FY2025, the BEA Group's profit for FY2025 decreased by approximately 23.70% as compared to that for FY2024.

As at 31 December 2025, the BEA Group's (i) loans and advances to customers was HK\$543,235 million; (ii) debt securities under trading assets was HK\$343 million; (iii) debt securities under investment securities was HK\$173,816 million; and (iv) net assets were approximately HK\$105,631 million.

With reference to the 2025 AR Announcement, looking ahead, the Bank is well-positioned to grow its franchise. Hong Kong is anticipating significant wealth inflows and financing demand as it further integrates with the Chinese Mainland economy. To capture these growing opportunities, the Bank has established strong collaborative and coordinated cross-boundary banking capabilities. In the coming three years, the Bank looks to build a resilient and sustainable growth platform by driving non-interest income growth. This will be accomplished through a dedicated focus on becoming a wealth management specialist, and deepening relationships beyond lending.

Information on CaixaBank

With reference to the Board Letter, CaixaBank and its group companies offer a broad range of financial services. As CaixaBank is an associate of Criteria Caixa, a substantial shareholder of the Bank, CaixaBank is a connected person of the Bank.

Reasons for and benefits of entering into the Framework Agreement

With reference to the Board Letter,

- (i) in the ordinary course of business, the Bank Group may engage in Loan Transactions with CaixaBank from time to time. The Directors consider that it is in the best interests of the Bank to enter into the Framework Agreement, as it will enhance cooperation in the loan financing and bond businesses between the BEA Group and CaixaBank. The Framework Agreement will facilitate both parties in pursuing suitable Loan Transactions, thereby diversifying the Bank Group's loan and bond portfolio.
- (ii) by establishing the Annual Caps, the Bank will not be required to make separate announcement(s) and/or seek independent shareholders' approval, as applicable, for each Loan Transaction to be entered into with CaixaBank during the term of the Framework Agreement, provided that the respective Annual Caps are not exceeded and relevant internal control procedures are adhered to. This will enable the Bank Group to capture opportunities in suitable Loan Transactions more efficiently.

As illustrated in the section headed "Information on the BEA Group" above, the BEA Group's (i) loans and advances to customers was HK\$543,235 million; (ii) debt securities under trading assets was HK\$343 million; and (iii) debt securities under investment securities was HK\$173,816 million, as at 31 December 2025. As advised by the Management, the BEA Group engages in loan transfer, risk participation business and bond business activities, which are part of its ordinary operations.

Having considered the above, we are of the view that the Continuing Connected Transactions are conducted in the ordinary and usual course of business of the BEA Group and in the interests of the Bank and the Shareholders as a whole.

Principal terms of the Continuing Connected Transactions

Set out below are the summarised terms of the Continuing Connected Transactions as contemplated under the Framework Agreement. Details of the Framework Agreement are set out under the sub-section headed "The Framework Agreement" under the section headed "RESOLUTION (8) – CONTINUING CONNECTED TRANSACTIONS IN RELATION TO FRAMEWORK AGREEMENT FOR LOAN TRANSACTIONS" of the Board Letter.

Agreement date

26 February 2026

Parties

1. BEA
2. CaixaBank

Term

Subject to fulfilment of the Condition, the Framework Agreement shall be effective on and from 8 May 2026 until 7 May 2029.

Condition

The Framework Agreement is conditional upon BEA obtaining Independent Shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the execution of the Framework Agreement by BEA and the transactions contemplated thereunder, and (ii) the Annual Caps for the Term.

Subject matter

At any time and from time to time during the Term, any BEA Group Company and CaixaBank may enter into Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each Loan Transaction shall fully comply with the terms and conditions of the Framework Agreement.

Each Loan Transaction may take the form of Transfer Transaction and/or Risk Participation Transaction, as applicable.

Loans cover exclusively syndicated loan(s) and trade-related loan(s), each entered into by a Seller as the lender. For clarity purpose, Loans do not include, amongst others, swaps (whether or not related to such syndicated loan(s) and trade-related loan(s)).

Pricing

The consideration payable by the Buyer to the Seller on all Loan Transactions contemplated under the Framework Agreement shall be negotiated and agreed in good faith on arm's length basis reflecting normal commercial terms (the "**Pricing Policies**"), having regarded to a range of factors (the "**Consideration Factors**"), including but not limited to:

- (a) the value of the Loan or the Bond;
- (b) the prevailing market value of the Bond;
- (c) appropriate adjustment to the value to reflect the relevant risks;
- (d) the interest rate of the Loan or the coupon rate of the Bond and the prevailing market interest rates;
- (e) the remaining tenure of the Loan or the Bond;
- (f) each party's internal credit control policy and/or any other risk considerations;
- (g) the risk profile of the borrower, the transaction parties or the issuer of the Bond; and
- (h) the terms available from independent third parties for similar or comparable transactions.

With reference to the Board Letter, the Bank has formulated specific measures and policies (the "**IC Procedures**"), including connected transactions management policies and management measures for connected transactions under the Listing Rules, to ensure that all connected transactions of the BEA Group are properly controlled and monitored. Details of the IC Procedures are set out in the sub-section headed "Internal Control Procedures" under the section headed "RESOLUTION (8) – CONTINUING CONNECTED TRANSACTIONS IN RELATION TO FRAMEWORK AGREEMENT FOR LOAN TRANSACTIONS" of the Board Letter.

As (i) the Pricing Policies cover key factors to be considered under a loan/bond transaction (e.g. value, interest rate, remaining tenure and risk); and (ii) the IC Procedures involve relevant business units/branches/subsidiaries and/or the Credit Committee of the Bank to carry out certain procedures prior to the signing of any Transfer Document or Risk Participation Agreement, which include reviewing the terms of specific Loan Transactions between the BEA Group and CaixaBank including but not limited to the risk assessment of the relevant Loans and Bonds and repayment/maturity terms, reviewing the Consideration Factors, and/or comparing the terms with terms of comparable transactions, we consider that the Pricing Policies (including the Consideration Factors) and the IC Procedures will facilitate fair pricing of the Loan Transactions.

We noted from the Bank's announcement dated 25 June 2025 that the BEA Group conducted certain Loan Transactions with CaixaBank in June 2025 (the "**Historical Transactions**"), being all of the Loan Transactions conducted with CaixaBank during FY2025. For our due diligence purpose, we obtained from the Bank relevant assessment and approval records of the Historical Transactions. We noted from the aforesaid records that (i) the Bank assessed the Consideration Factors applicable to the Historical Transactions (including loan value, interest rate, remaining tenure, risks associated with the loan and risk profile of the borrower); and (ii) the aforesaid assessments involved review by the risk management units of the Bank and/or its relevant overseas branches and, where applicable, approval by the Credit Committee of the Bank. Nothing from the aforesaid records had come to our attention that causes us to doubt the compliance of the Pricing Policies and the IC Procedures in respect of the Historical Transactions.

Annual Caps

Set out below are (i) the historical transaction amounts for each of the three years ended 31 December 2025 and the period from 1 January 2026 to the Latest Practicable Date; and (ii) the Annual Caps for the Term as extracted from the Board Letter:

	For the year ended 31 December 2023 HK\$ million	For the year ended 31 December 2024 HK\$ million	For the year ended 31 December 2025 HK\$ million	For the period from 1 January 2026 to the Latest Practicable Date HK\$ million
Historical transaction amount	Nil	Nil	1,177.5	Nil
	For the period from 8 May 2026 to 31 December 2026 ("2026 Period") HK\$ million	For the year ending 31 December 2027 ("FY2027") HK\$ million	For the year ending 31 December 2028 ("FY2028") HK\$ million	For the period from 1 January 2029 to 7 May 2029 ("2029 Period") HK\$ million
Annual Caps	5,000	5,000	5,000	2,000

With reference to the Board Letter, the Annual Caps have been determined with reference to (i) the historical transaction amounts for Loan Transactions between the BEA Group and CaixaBank for the financial year ended 31 December 2025; and (ii) the anticipated transaction amounts between the BEA Group and CaixaBank for each of the financial years ending 31 December 2026 (commencing on 8 May 2026), 2027 and 2028 and for the period from 1 January 2029 to 7 May 2029.

To assess the fairness and reasonableness of the Annual Caps, we discussed with the Management with the following figures considered in determining the Annual Caps:

(i) BEA possible loan purchase amount

As advised by the Management, from time to time, (i) CaixaBank provides a list of Loans that CaixaBank might transfer to the BEA Group or make available for the BEA Group's risk participation; and (ii) BEA Group assesses the aforesaid list, identifies Loans that it might be interested in (the "**Preliminary Assessment**"), and further negotiates with CaixaBank for potential Loan Transactions. We obtained from the Bank the record on the latest Preliminary Assessment conducted in 2026. According to the aforesaid record, the aggregated book value of the Loans in which the Bank might be interested for further negotiation was approximately HK\$6,000 million.

(ii) No purchase of or participation in the BEA Group's Loans by CaixaBank

As advised by the Management, CaixaBank did not purchase or participate in any of the BEA Group's Loans during the three years ended 31 December 2025.

(iii) Possible Bond transfer amount

In respect of the Bond transfer, the Management advised us that the median bond transaction volume for the Bank's top 20 counterparties was approximately US\$170 million (equivalent to approximately HK\$1,326 million) for FY2025. This indicates the possible Bond transfer amount that the Bank may conduct with CaixaBank, as if it were an independent third-party financial institution, on an annual basis during the ordinary course of business of the Bank Group.

As advised by the Management, the Bank does not have specific schedule to conduct the Loan Transactions; and the Loan Transactions to be conducted will depend on the market conditions and the Bank Group's further assessment of the available Loans and Bonds offered by/to CaixaBank from time to time during the Term. The above figures demonstrated the feasibility of an annual Loan Transaction amount of HK\$5,000 million.

Notwithstanding that (a) the sum of (i) the aggregated book value of the Loans in which the Bank might be interested for further negotiation with CaixaBank regarding potential Loan Transactions; and (ii) the possible Bond transfer amount that the Bank may conduct with CaixaBank on an annual basis, exceed HK\$5,000 million; and (b) CaixaBank may purchase or participate in the BEA Group's Loans in future, the Bank considered that an annual Loan Transaction amount of HK\$5,000 million to be feasible and commercially optimal, and set the Annual Caps at HK\$5,000 million on an annual basis (the "**Base Annual Cap**").

We also noted from the 2025 AR Announcement that the Base Annual Cap represents only approximately 0.70% of the aggregated amount of the BEA Group's (i) loans and advances to customers; (ii) debt securities under trading assets; and (iii) debt securities under investment securities, as at 31 December 2025 (i.e. HK\$717,394 million).

As aforementioned, the Framework Agreement shall be conditional upon BEA obtaining Independent Shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the execution of the Framework Agreement by BEA and the transactions contemplated thereunder, and (ii) the Annual Caps for the Term. As a result, the BEA Group did not conduct any Loan Transaction with CaixaBank during the period from 1 January 2026 to the Latest Practicable Date. Accordingly, the Bank applied the Base Annual Cap as the Annual Cap for the 2026 Period to cater for the Loan Transactions to be conducted during the 2026 Period after obtaining Independent Shareholders' approval in the 2026 AGM.

The Bank also applied the Base Annual Cap as the Annual Cap for each of FY2027 and FY2028. In addition, as the 2029 Period represents around one-third of the year 2029, the Bank sets the Annual Cap of HK\$2,000 million for the 2029 Period with reference to the aforesaid time proportion and top-up buffer.

Having considered the above, we are of the view that the Annual Caps for the Term are fair and reasonable.

Shareholders should note that as the Annual Caps for the Term relate to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to the end of the Term, they do not represent forecasts of amount of the Loan Transactions under the Continuing Connected Transactions. Consequently, we express no opinion as to how closely the actual amount of the Loan Transactions under the Continuing Connected Transactions will correspond with the Annual Caps.

Listing Rules implication

As confirmed by the Management, the Bank shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the value of the Continuing Connected Transactions must be within the Annual Caps for the Term; (ii) the terms of the Continuing Connected Transactions must be reviewed by the independent non-executive Directors annually; and (iii) details of the independent non-executive Directors' annual review on the terms of the Continuing Connected Transactions (together with the Annual Caps) must be included in the Bank's subsequent published annual reports. Furthermore, it is also required by the Listing Rules that the Auditor must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Continuing Connected Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the BEA Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transaction; and (iv) have exceeded the Annual Caps.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Continuing Connected Transactions and thus the interest of the Independent Shareholders will be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Continuing Connected Transactions (including the Annual Caps) are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Continuing Connected Transactions are conducted in the ordinary and usual course of business of the BEA Group and are in the interests of the Bank and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the 2026 AGM to approve the Framework Agreement and the Continuing Connected Transactions (including the Annual Caps) and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Notes: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. DISCLOSURE OF DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors or Chief Executives of the Bank in the shares, underlying shares or debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Bank and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Bank and the Stock Exchange, were as follows:

A. Interests in shares and underlying shares of the Bank

Name	Capacity and nature	No. of Shares	No. of Share Options	Total	% of the issued voting Shares
David LI Kwok-po	Beneficial owner	137,041,743	9,230,246	153,649,056	5.82
	Interest of spouse	6,881,086			
	Interest of corporation	495,981			
Arthur LI Kwok-cheung	Beneficial owner	21,257,812		39,272,467	1.49
	Interest of corporation	18,014,655			
Allan WONG Chi-yun	Beneficial owner	464,393		25,423,190	0.96
	Interest of spouse	136			
	Interest of corporation	7,543,427			
	Founder and beneficiary of discretionary trust	17,415,234			
Aubrey LI Kwok-sing	Beneficial owner	1,071,951		19,438,578	0.74
	Interest of spouse	32,345			
	Founder/Settlor of trust	18,334,282			
Stephen Charles LI Kwok-sze	Beneficial owner	12,878,472		12,878,472	0.49

Name	Capacity and nature	No. of Shares	No. of Share Options	Total	% of the issued voting Shares
Adrian David LI Man-kiu	Beneficial owner	1,768,597	14,733,139		
	Settlor/Founder of discretionary trust	2,261,292		18,763,028	0.71
Brian David LI Man-bun	Beneficial owner	3,544,386	14,403,907		
	Interest of corporation	889,307		18,837,600	0.71
David MONG Tak-yeung	Interest of corporations	6,041,926		6,041,926	0.23

Notes:

- Dr the Hon. Sir David LI Kwok-po was the beneficial owner of 137,041,743 Shares and he was deemed to be interested in 6,881,086 Shares through the interests of his spouse, Madam Penny POON Kam-chui. He was also deemed to be interested in 495,981 Shares held by David Li Kwok-po Charitable Foundation Limited, a charitable institution of which Dr the Hon. Sir David LI Kwok-po is a director and the sole member.
- Professor Arthur LI Kwok-cheung was the beneficial owner of 21,257,812 Shares and he was deemed to be interested in 18,014,655 Shares held by Dapa Company Limited, which is wholly-owned by him.
- Dr Allan WONG Chi-yun was the beneficial owner of 464,393 Shares and he was deemed to be interested in 136 Shares through the interests of his spouse, Madam Margaret KWOK Chi-wai (deceased). He was also deemed to be interested in 7,543,427 Shares held by Wong Chung Man Limited, which is wholly-owned by him. He was also deemed to be interested in 17,415,234 Shares held by a discretionary trust, The Allan Wong 2020 Trust, of which Dr Allan WONG Chi-yun is a founder and an eligible beneficiary.
- Mr Aubrey LI Kwok-sing was the beneficial owner of 1,071,951 Shares and he was deemed to be interested in 32,345 Shares through the interests of his spouse, Madam Elizabeth WOO. He was also deemed to be interested in 18,334,282 Shares held by a trust, LEVA Trust, of which he is the founder/settlor.
- Mr Adrian David LI Man-kiu was the beneficial owner of 1,768,597 Shares. He has made a voluntary disclosure of 2,261,292 Shares indirectly held by a discretionary trust of which he was the settlor/founder but has no influence on how the trustee exercises its discretion.
- Mr Brian David LI Man-bun was the beneficial owner of 3,544,386 Shares. He was also deemed to be interested in 889,307 Shares held by Triple Kingdom Limited, which is wholly-owned by him.
- Dr David MONG Tak-yeung was deemed to be interested in 6,041,926 Shares held by certain corporations, out of which (i) 5,306,771 Shares were held by Shun Hing Electronic Trading Co., Ltd., and (ii) 735,155 Shares were held by Shun Hing Technology Co. Ltd.. He directly/indirectly controls one-third or more of the voting power at a general meeting of these corporations.
- The percentages of shareholding in the table were calculated based on the number of total issued Shares as at the Latest Practicable Date, being 2,642,058,642 Shares.

B. Interest in debt securities of the Bank

Name	Capacity and nature	Type of debt securities	Amount of debentures
David LI Kwok-po	Interest of spouse	6.75% Dated Subordinated Notes due 2034 with a face value of US\$650 million (the " Subordinated Notes ")	US\$2,000,000

Note:

1. Dr the Hon. Sir David LI Kwok-po was deemed to be interested in the Subordinated Notes through the interests of his spouse, Madam Penny POON Kam-chui. The Subordinated Notes were issued by the Bank under its US\$6 billion Medium Term Note Programme and listed on the Stock Exchange in June 2024.

Save as disclosed above, each of the other Directors did not have any interest or short position in the shares, underlying shares or debentures of the Bank or any of its associated corporations as at Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or Chief Executives of the Bank had any interests or short positions in the shares, underlying shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Bank and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Bank and the Stock Exchange.

2. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, so far as was known to the Directors, the following persons (not being Directors or Chief Executives of the Bank) had, or were deemed to have, interests or short positions in the shares, underlying shares and debentures of the Bank which would fall to be disclosed to the Bank under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register kept by the Bank pursuant to section 336 of the SFO:

Name	Capacity and nature	No. of Shares	% of the issued voting Shares
Sumitomo Mitsui Banking Corporation	Beneficial owner	521,716,317 ¹	19.75
Sumitomo Mitsui Financial Group, Inc.	Interest of corporation	521,716,317 ¹	19.75
Criteria Caixa	Beneficial owner	508,519,684 ²	19.25
Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa"	Interest of corporation	508,519,684 ²	19.25
Guoco Management Company Limited	Beneficial owner	435,691,137 ^{3, 4}	16.49
Guoco Group Limited	Interest of corporation	435,691,137 ³	16.49
GuoLine Overseas Limited	Interest of corporation	435,691,137 ³	16.49
GuoLine Capital Assets Limited	Interest of corporation	435,691,137 ³	16.49
QUEK Leng Chan	Interest of corporation	435,691,137 ³	16.49
Hong Leong Investment Holdings Pte. Ltd.	Interest of corporation	435,691,137 ⁴	16.49
Davos Investment Holdings Private Limited	Interest of corporation	435,691,137 ⁴	16.49
KWEK Leng Kee	Interest of corporation	435,691,137 ⁴	16.49

Notes:

- Sumitomo Mitsui Financial Group, Inc. owned a 100% interest in Sumitomo Mitsui Banking Corporation. Sumitomo Mitsui Financial Group, Inc. was deemed to be interested in the 521,716,317 Shares held by Sumitomo Mitsui Banking Corporation.
- Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" ("**la Caixa**") owned a 100% interest in Criteria Caixa. "la Caixa" was deemed to be interested in the 508,519,684 Shares held by Criteria Caixa.

3. The references to 435,691,137 Shares in Notes 3 and 4 relate to the same block of Shares. Guoco Management Company Limited was the beneficial owner of 435,691,137 Shares. GuoLine Overseas Limited held a 71.88% interest in Guoco Group Limited, which in turn owned a 100% interest in Guoco Management Company Limited. GuoLine Overseas Limited and Guoco Group Limited were both deemed to be interested in the 435,691,137 Shares held by Guoco Management Company Limited. GuoLine Capital Assets Limited was deemed to be interested in the 435,691,137 Shares held by Guoco Management Company Limited by virtue of its 100% interest in GuoLine Overseas Limited.

QUEK Leng Chan was deemed to be interested in the 435,691,137 Shares held by Guoco Management Company Limited by virtue of his 49.11% interest in GuoLine Capital Assets Limited.

4. The references to 435,691,137 Shares in Notes 3 and 4 relate to the same block of Shares. GuoLine Capital Assets Limited was 34.49% 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 435,691,137 Shares held by Guoco Management Company Limited by virtue of their interests in GuoLine Capital Assets Limited.

KWEK Leng Kee was deemed to be interested in the 435,691,137 Shares held by Guoco Management Company Limited by virtue of his 41.92% interest in Davos Investment Holdings Private Limited.

5. The percentages of shareholding in the table were calculated based on the number of total issued Shares as at Latest Practicable Date, being 2,642,058,642 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons (not being a Director or Chief Executives of the Bank) who had, or was deemed to have, interests or short positions in the shares, underlying shares and debentures of the Bank which would fall to be disclosed to the Bank under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register kept by the Bank pursuant to section 336 of the SFO.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract or a proposed service contract with any member of the Bank Group which was not expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Bank Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Bank Group were made up.

5. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors nor their Close Associates had any interest in a business other than the Bank Group, which competes or is likely to compete, either directly or indirectly, with the businesses of the Bank Group, and required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

6. DIRECTORS' INTERESTS IN THE BANK GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE BANK GROUP

As at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which have been, since 31 December 2025 (the date to which the latest published audited consolidated financial statements of the Bank Group were made up), acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to, any member of the Bank Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which is significant in relation to the business of the Bank Group.

7. QUALIFICATIONS AND CONSENT OF EXPERT

The following is the qualification of the expert who has given opinion or advice in respect of the Continuing Connected Transactions contained in this Circular:

Name	Qualification
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to provide advice to the Independent Board Committee and the Independent Shareholders regarding the Continuing Connected Transactions

As at the Latest Practicable Date, Gram Capital did not have: (a) any shareholding, directly or indirectly, in any member of the Bank Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Bank Group; and (b) any interest, either direct or indirect, in any assets which had been, since 31 December 2025 (the date to which the latest published audited consolidated financial statements of the Bank Group were made up), acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Bank Group. The above expert has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its letter and/or references to its name in the form and context in which they respectively appear.

8. DOCUMENTS ON DISPLAY

A copy of the Framework Agreement will be published on the websites of the Bank (www.hkbea.com) and HKEX (www.hkexnews.hk) for a period of 14 days from the date of this Circular (both days inclusive).

The Rules of the Staff Share Option Scheme 2026 will not be circulated to Shareholders. A copy of the Rules of the Staff Share Option Scheme 2026 will be published on the websites of the Bank (www.hkbea.com) and HKEX (www.hkexnews.hk) for no less than 14 days before the date of the 2026 AGM. A copy of the Rules of the Staff Share Option Scheme 2026 will also be made available for inspection at the 2026 AGM.