

Hong Kong, 20 February 2025

For Immediate Release

The Bank of East Asia, Limited
2024 Final Results – Financial Highlights
(for year ended 31st December, 2024)

- *Improved profitability despite challenging macroeconomic conditions*
- *Effectively managed costs while advancing digital platforms and cross-boundary capabilities*
- *Strengthened capital position lays solid foundation for growth*

For the year ended 31st December 2024

Operating profit before impairment losses

- Representing an increase of 0.3% compared with the year ended 31st December 2023 HK\$11,345 million

Profit attributable to owners of the parent

- Representing an increase of 11.9% compared with the year ended 31st December 2023 HK\$4,608 million

Return on average assets 0.5%

Return on average equity 4.0%

Basic earnings per share HK\$1.52

Second interim dividend per share (with scrip option) HK\$0.38

Dividend payout ratio 45%

Net interest margin 2.09%

Cost-to-income ratio 45.9%
At year-end

Total consolidated assets HK\$877,759 million

Total loans and advances to customers and trade bills HK\$534,387 million

Impaired loan ratio 2.72%

Total customer deposits and certificates of deposit issued HK\$664,671 million

Loan to deposit ratio 80.2%

Common Equity Tier 1 capital ratio 17.7%

Tier 1 capital ratio 18.7%

Total capital ratio 22.3%
For the fourth quarter

Average liquidity coverage ratio 204.6%

FINANCIAL REVIEW**Financial Performance**

The operating environment for the banking industry was complex in 2024. Despite lingering concerns over geopolitical tensions, investment sentiment picked up in the second half of the year driven by the onset of the US interest rate easing cycle, and a broad range of stimulus measures announced by the Central and local governments.

In 2024, BEA and its subsidiaries earned a profit attributable to owners of the parent of HK\$4,608 million, representing an increase of 11.9% compared with the HK\$4,118 million earned in 2023.

Basic earnings per share were HK\$1.52 in 2024, compared to HK\$1.32 the previous year. The return on average assets increased by 0.1 percentage point to 0.5%, while the return on average equity increased by 0.4 percentage point to 4.0%.

Core business was resilient. Pre-provision operating profit ("PPOP") was held stable at HK\$11,345 million, despite the challenging external conditions.

Net interest income decreased by HK\$345 million, or 2.0%, to HK\$16,529 million. With the reduction in interest rates, the net interest margin ("NIM") narrowed by 5 basis points year-on-year, from 2.14% to 2.09%.

Net fee and commission income increased by 6.2% year-on-year to HK\$2,802 million. This was driven by increased investment activities and third-party insurance sales.

Net trading and hedging results and net results from other financial instruments grew by HK\$391 million, or 41.3%, to HK\$1,336 million. Non-interest income rose by 14.9% to HK\$4,450 million.

Overall, total operating income was held stable at HK\$20,979 million.

Operating expenses rose by HK\$202 million, or 2.1%, to HK\$9,634 million. The Bank continued to invest in talent and digital capabilities while realising efficiency gains from its transformation initiatives. The cost-to-income ratio for 2024 increased by 0.4 percentage points to 45.9%.

Impairment losses on financial instruments were HK\$5,497 million. Group's impaired loan ratio stood at 2.72% at the end of December 2024, up from 2.69% at the end of December 2023.

Financial Position

The Group remains focused on risk management and portfolio diversification. Gross advances to customers increased by 0.2% to HK\$532,931 million. Total consolidated assets of the Group stood at HK\$877,759 million at the end of December 2024, representing an increase of HK\$17,398 million, or 2.0%, compared to HK\$860,361 million at the end of 2023.

Total deposits from customers increased by 2.3% to HK\$643,093 million. Of the total, demand deposits and current account balances increased by HK\$42 million, or 0.1%; savings deposits increased by HK\$16,745 million, or 14.2%; and time deposits decreased by HK\$2,292 million, or 0.5%. Total deposit funds, comprising deposits from customers and all certificates of deposit issued, amounted to HK\$664,671 million.

The loan-to-deposit ratio stood at 80.2% at the end of December 2024, compared to 81.1% at the end of 2023.

The Group continued its on-market share buyback programme. During 2024, 34,602,200 shares were repurchased on the Stock Exchange for a total consideration of HK\$342 million.

Total equity attributable to owners of the parent rose by 2.5% to HK\$100,443 million at the end of 2024.

As at 31 December 2024, the total capital ratio, tier 1 capital ratio, and common equity tier 1 capital ratio remained solid at 22.3%, 18.7%, and 17.7%, respectively. The average liquidity coverage ratio for the quarter ended 31 December 2024 was 204.6%, well above the statutory minimum of 100%.



Mr Adrian Li and Mr Brian Li, Co-Chief Executives of BEA (3rd and 4th from the left), along with other senior management at the 2024 Final Results media briefing.

About The Bank of East Asia, Limited

Incorporated in 1918, The Bank of East Asia, Limited ("BEA") is a leading Hong Kong-based financial services group with total consolidated assets of HK\$877.8 billion (US\$113.0 billion) as of 31 December 2024.

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.

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