

For Immediate Release**Hong Kong, 21 August, 2025****The Bank of East Asia, Limited
2025 Interim Results – Financial Highlights
(for the six months ended 30 June, 2025)**

- *Increased earnings per share despite volatile macro landscape*
- *Delivered robust non-interest income growth, with strict cost management*
- *Strong capital position provides opportunities to enhance shareholders' returns*

For the half-year ended 30 June, 2025

Operating profit before impairment losses	
- representing a decrease of 3.9% compared with the first half of 2024	HK\$5,447 million
Profit attributable to owners of the parent	
- representing an increase of 14.1% compared with the first half of 2024	HK\$2,407 million
Return on average assets (annualised)	0.5%
Return on average equity (annualised)	4.5%
Basic earnings per share	HK\$0.86
Interim dividend per share (with scrip option)	HK\$0.39
Dividend payout ratio	45.5%
Net interest margin (annualised)	1.88%
Cost-to-income ratio	46.9%

At period-end

Total assets	HK\$891,424 million
Total loans and advances to customers and trade bills	HK\$542,731 million
Impaired loan ratio	2.63%
Total customer deposits and certificates of deposit issued	HK\$690,001 million
Loan to deposit ratio	78.1%
Common Equity Tier 1 capital ratio	23.7%
Tier 1 capital ratio	25.1%
Total capital ratio	28.6%

For the second quarter

Average liquidity coverage ratio	176.5%
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FINANCIAL REVIEW**Financial Performance**

The first half of the year presented opportunities as well as challenges for the banking sector. Positive momentum from 2024 carried over, resulting in increased client activity, driving notable growth in fee income. The robust start, however, was tempered by unpredictable US policies and Middle East tensions, which caused sharp volatility across financial markets. Additionally, the influx of foreign capital into Hong Kong drove down local interest rates, putting pressure on the Bank's net interest margin ("NIM").

Against this backdrop, BEA and its subsidiaries recorded a profit attributable to owners of the parent of HK\$2,407 million for the first six months of 2025, representing an increase of 14.1% compared with the HK\$2,111 million earned during the same period in 2024.

Basic earnings per share increased by 24.6% year-on-year to HK\$0.86 in the first half of 2025. The annualised return on average assets was 0.5%, while the annualised return on average equity was 4.5%.

Core business was resilient. Pre-provision operating profit ("PPOP") experienced a modest decline by HK\$224 million, or 3.9%, to HK\$5,447 million amidst challenging external conditions.

Net interest income ("NII") fell by HK\$884 million, or 10.7%, to HK\$7,344 million. With the reduction in interest rates, NIM narrowed by 22 basis points year-on-year, from 2.10% to 1.88%.

Non-interest income increased by 29.2% to HK\$2,915 million. Net fee and commission income rose by HK\$236 million, or 16.7% year-on-year, to HK\$1,654 million, supported by a growing contribution of fees from investment activities and sales of third-party insurance policies. Net profit from trading, revaluation of financial instruments, and related hedging also improved by HK\$341 million, or 43.8%, mainly driven by higher revenue from structured products and FX dealings, which resulted from increased customer activities.

Overall, total operating income decreased by HK\$225 million, or 2.1%, to HK\$10,259 million.

Operating expenses was held stable at HK\$4,812 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 the first half of 2025 increased by 1.0 percentage point to 46.9%.

Impairment losses on financial instruments decreased by HK\$342 million, or 11.9%, to HK\$2,539 million for the first half of 2025. The Mainland and Hong Kong commercial real estate ("CRE") sector continued to be the main concern for asset quality, accounting for 70% of loan loss provisions. The Group's impaired loan ratio stood at 2.63% at the end of June 2025, down from 2.72% at the end of December 2024.

Financial Position

The Group remains focused on risk management and portfolio diversification. Gross loans and advances to customers increased by 1.2% to HK\$539,175 million in the period under review. Total consolidated assets of the Group stood at HK\$891,424 million at the end of June 2025, representing an increase of HK\$13,665 million, or 1.6%, compared to HK\$877,759 million at the end of 2024.

Total deposits from customers increased by 3.4% to HK\$665,226 million in the first six months of 2025. Of the total, demand deposits and current account balances increased by HK\$10,542 million, or 16.1%; savings deposits increased by HK\$24,215 million, or 18.0%; and time deposits decreased by HK\$12,624 million, or 2.9%. Total deposit funds, comprising deposits from customers and all certificates of deposit issued, amounted to HK\$690,001 million at the end of June 2025.

The loan-to-deposit ratio stood at 78.1% at the end of June 2025, compared to 80.2% at the end of 2024.

Total equity attributable to owners of the parent rose by 4.0% to HK\$104,436 million.

As of 30 June 2025, the total capital ratio, tier 1 capital ratio, and common equity tier 1 capital ratio rose to 28.6%, 25.1%, and 23.7%, respectively, benefiting from the implementation of the Basel III final reform on 1 January 2025. The average liquidity coverage ratio for the quarter ended 30 June 2025 was 176.5%, well above the statutory minimum of 100%.



Mr Adrian Li and Mr Brian Li, Co-Chief Executives of BEA (centre and third from the left), along with other members of the senior management at the 2025 Interim Results media briefing.

About The Bank of East Asia, Limited

Incorporated in Hong Kong in 1918, The Bank of East Asia, Limited ("BEA") is a leading Hong-Kong-based financial services group listed on The Stock Exchange of Hong Kong, with total consolidated assets of HK\$891.4 billion (US\$113.5 billion) as of 30 June 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.

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Media enquiries:

Ms Marcella Yeung
Acting Head of Corporate Communications
The Bank of East Asia, Limited
T +852 3608 0271
E yeungmps@hkbea.com

Mr Mill Seen
Senior Corporate Communications Manager
The Bank of East Asia, Limited
T +852 3608 5829
E seenmsl@hkbea.com