For Immediate Release

Hong Kong, 20 August 2026

The Bank of East Asia, Limited
2026 Interim Results – Financial Highlights
(for the six months ended 30 June 2026)

- ***Stronger top-line performance amid macro challenges***
- ***Robust non-interest income growth driven by wealth fees***
- ***Proactive management of asset quality to build a sustainable growth platform***

For the half-year ended 30 June 2026	
Operating profit before impairment losses - representing an increase of 16.5% compared with the first half of 2025	HK$6,348 million
Profit attributable to owners of the parent - representing an increase of 0.4% compared with the first half of 2025	HK$2,416 million
Return on average assets (annualised)	0.5%
Return on average equity (annualised)	4.6%
Basic earnings per share	HK$0.91
Interim dividend per share (with scrip option)	HK$0.46
Dividend payout ratio	50.3%
Net interest margin (annualised)	1.85%
Cost-to-income ratio	43.2%
At period-end	
Total assets	HK$936,881 million
Total loans and advances to customers and trade bills	HK$551,345 million
Impaired loan ratio	2.71%
Total customer deposits and certificates of deposit issued	HK$712,930 million
Loan to deposit ratio	77.1%
Common Equity Tier 1 capital ratio	25.0%
Tier 1 capital ratio	25.0%
Total capital ratio	28.4%

For the second quarter	
Average liquidity coverage ratio	167.9%

FINANCIAL REVIEW

Financial Performance

2026 began on an optimistic note, with positive momentum carried over from 2025. The financial markets remained active, with an IPO pipeline at a multi-year high. Hong Kong's real GDP achieved 5.9% year-on-year growth in the first quarter, the strongest expansion in nearly five years. However, investor sentiment turned cautious in March as military conflicts broke out in the Middle East. Uncertainty from the prolonged closure of the Strait of Hormuz, a critical waterway for oil and gas transit, drove up energy prices, raising prospects of global stagflation and a potential rate hike by the Federal Reserve.

Against this backdrop, BEA and its subsidiaries recorded a profit attributable to owners of the parent of HK$2,416 million for the first six months of 2026, representing an increase of 0.4% compared to the HK$2,407 million earned during the same period in 2025.

Basic earnings per share were HK$0.91 for the first half of 2026, an increase of 5.8% compared to HK$0.86 for the same period last year. The annualised return on average assets remained stable at 0.5%, while the annualised return on average equity increased by 0.1 percentage points to 4.6%.

Top-line performance was resilient. Pre-provision operating profit ("PPOP") increased by HK$901 million, or 16.5%, to HK$6,348 million.

Net interest income ("NII") increased by HK$353 million, or 4.8%, to HK$7,697 million. Group net interest margin ("NIM") narrowed by 3 basis points year-on-year from 1.88% to 1.85%.

Non-interest income rose by 19.0% to HK$3,470 million. Net fee and commission income increased by 16.1% year-on-year to HK$1,921 million, supported by higher fees from sales of third-party insurance policies, investment activities, and lending-related activities. Net profit from trading, revaluation of financial instruments, and related hedging also improved by HK$148 million, or 13.2%, mainly driven by higher trading revenue as a result of increased customer activities.

Operating expenses were held stable at HK$4,819 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 six months of 2026 improved by 3.7 percentage points to 43.2%.

Impairment losses on financial instruments increased by HK$419 million, or 16.5%, to HK$2,958 million. The Group's impaired loan ratio stood at 2.71% at the end of June 2026, compared to 2.69% at the end of December 2025.

Meanwhile, valuation losses on the Group's investment properties increased by HK$309 million to HK$407 million.

Financial Position

The Group has remained focused on portfolio diversification and risk management. Gross advances to customers remained stable at HK$549,752 million. Total consolidated assets of the Group stood at HK$936,881 million at the end of June 2026, representing an increase of HK$15,888 million, or 1.7%, compared to HK$920,993 million at the end of 2025.

Total deposits from customers decreased by 1.9% to HK$693,431 million. Current account and savings account balances as a percentage of total customer deposits increased from 35.6% at the end of 2025 to 36.0% at the end of June 2026. Total deposit funds, comprising deposits from customers and certificates of deposit issued, amounted to HK$712,930 million. The loan-to-deposit ratio stood at 77.1% at the end of June 2026, compared to 75.3% at the end of 2025.

Total equity attributable to owners of the parent rose by 1.8% to HK$107,201 million at the end of the first half.

As at 30 June 2026, the total capital ratio, tier 1 capital ratio, and common equity tier 1 capital ratio rose to 28.4%, 25.0%, and 25.0%, respectively. The average liquidity coverage ratio for the quarter ended 30 June 2026 was 167.9%, well above the statutory minimum of 100%.

Mr Adrian Li and Mr Brian Li, Co-Chief Executives of BEA (third and fourth from the left), along with other members of the senior management at the 2026 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$936.9 billion (US$119.5 billion) as of 30 June 2026.

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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