

Main features of the outstanding capital instruments

	Ordinary Shares	US\$318.3 million Hybrid Tier 1	US\$650 million Additional Tier 1	US\$500 million Additional Tier 1	US\$600 million Tier 2 due 2020	US\$500 million Tier 2 due 2024	US\$500 million Tier 2 due 2026
1 Issuer	The Bank of East Asia, Limited ("BEA")	1. Notes issued by BEA. 2. Preference shares issued by Innovate Holdings Limited ("Innovate"), a wholly-owned subsidiary of BEA	BEA	BEA	BEA	BEA	BEA
2 Unique identifier - ISIN	HK0023000190	1. Stapled unit (notes as component part of the unit) : XS0462883603 2. Preference shares : XS0462885053	XS1326527246	XS1615078141	XS0521073428	XS1138687162	XS1508842256
3 Governing law(s) of the instrument	Hong Kong	1. Notes: England (subordination governed by Hong Kong laws) 2. Preference shares: British Virgin Islands	England (Subordination governed by Hong Kong laws)	England (Subordination governed by Hong Kong laws)	England (subordination governed by Hong Kong laws)	England (subordination governed by Hong Kong laws)	England (subordination governed by Hong Kong laws)
<i>Regulatory treatment</i>							
4 Transitional Basel III rules#	Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2
5 Post-transitional Basel III rules+	Tier 1	Ineligible	Eligible	Eligible	Ineligible	Eligible	Eligible
6 Eligible at solo/group/group & solo	Solo and group	Solo and group	Solo and group	Solo and group	Solo and group	Solo and group	Solo and group
7 Instrument type	Transferable non-bearer shares	Stapled instrument : Tier 2 notes and perpetual non-cumulative preference share	Perpetual non-cumulative Additional Tier 1 capital securities	Perpetual non-cumulative Additional Tier 1 capital securities	Tier 2 notes	Tier 2 notes	Tier 2 notes
8 Amount recognised in regulatory capital	HK\$37,527 Mn	HK\$1,772 Mn	HK\$5,016 Mn	HK\$3,878 Mn	Total for Tier 2 instruments : HK\$9,658 Mn		
9 Par value of instrument	N.A.	Issue price : US\$500 million : 100%	Issue price: US\$650 million : 100%	Issue price: US\$500 million : 100%	Issue price : US\$450 million: 99.04% US\$150 million: 100.102%	Issue price : US\$500 million: 99.608%	Issue price : US\$500 million: 99.838%
10 Accounting classification	Equity	Solo level: Liability – fair value option Group level: Non-controlling interest	Equity	Equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11 Original date of issuance	Since incorporation	5th November, 2009	2nd December, 2015	18th May, 2017	US\$450 million: 16th July, 2010 US\$150 million: 23rd July, 2010	20th November, 2014	3rd November, 2016
12 Perpetual or dated	N.A.	Notes : dated Preference shares : perpetual	Perpetual	Perpetual	Dated	Dated	Dated
13 Original maturity date	N.A.	Notes : 5th November, 2059 Preference shares : No maturity	No maturity	No maturity	16th July, 2020	20th November, 2024	3rd November, 2026
14 Issuer call subject to prior supervisory approval	N.A.	Yes	Yes	Yes	No	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	N.A.	First call date : 5th November, 2019 Included tax and regulatory call options Redemptions in whole at 100% with accrued and unpaid dividends	First call date : 2nd December, 2020 Included tax and regulatory call options Redemptions in whole at 100% with accrued dividends	First call date : 18th May, 2022 Included tax and regulatory call options Redemptions in whole at 100% with accrued dividends	No issuer call option Included tax and regulatory call options Redemptions in whole at 100% with accrued interests	One-off call date: 20th November, 2019 Included tax and regulatory call options Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following occurrence of a Non-Viability Event	One-off call date: 3rd November, 2021 Included tax and regulatory call options Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following occurrence of a Non-Viability Event
16 Subsequent call dates, if applicable	N.A.	Any payment dates thereafter first call date	Any payment dates thereafter first call date	Any payment dates thereafter first call date	N.A.	N.A.	N.A.
<i>Coupons / dividends</i>							
17 Fixed or floating dividend/coupon	N.A.	Fixed to floating	Fixed	Fixed	Fixed	Fixed	Fixed
18 Coupon rate and any related index	N.A.	Up to 4th Nov., 2019 : 8.5% p.a. Thereafter : 3-month U.S. LIBOR + 7.3605% p.a.	Up to 1st December, 2020 : 5.5% p.a. Thereafter and every 5 years thereafter reset at : 5-year U.S. Treasury + 3.834%	Upto 17th May, 2022 : 5.625% p.a. Thereafter and every 5 years thereafter reset at : 5-year U.S. Treasury + 3.682%	6.125% p.a.	Up to 19th Nov, 2019: 4.25% p.a. Thereafter reset at : 5-year U.S. Treasury + 2.7%	Up to 2nd Nov, 2021: 4% p.a. Thereafter reset at : 5-year U.S. Treasury + 2.7%
19 Existence of a dividend stopper	N.A.	No	Yes	Yes	No	No	No
20 Fully discretionary, partially discretionary or mandatory	N.A.	Both the interest on notes and the dividend on preference shares are partially discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	N.A.	Yes	No	No	No	No	No
22 Noncumulative or cumulative	N.A.	Interest on notes : cumulative Dividend on preference shares : non-cumulative	Non-cumulative	Non-cumulative	Cumulative	Cumulative	Cumulative
23 Convertible or non-convertible	N.A.	Convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger (s)	N.A.	In case of substitution events, the notes will be transferred to Innovate whereas the preference shares will be converted into preference shares of BEA	N.A.	N.A.	N.A.	N.A.	N.A.
25 If convertible, fully or partially	N.A.	Fully	N.A.	N.A.	N.A.	N.A.	N.A.
26 If convertible, conversion rate	N.A.	1 : 1	N.A.	N.A.	N.A.	N.A.	N.A.
27 If convertible, mandatory or optional conversion	N.A.	Mandatory	N.A.	N.A.	N.A.	N.A.	N.A.
28 If convertible, specify instrument type convertible into	N.A.	Additional Tier 1	N.A.	N.A.	N.A.	N.A.	N.A.
29 If convertible, specify issuer of instrument it converts into	N.A.	BEA	N.A.	N.A.	N.A.	N.A.	N.A.
30 Write-down feature	N.A.	No	Yes	Yes	No	Yes	Yes

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31	If write-down, write-down trigger(s)	N.A.	N.A.	Occurrence of a "Non-Viability Event", which means the earlier of: (i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and (ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable.	Occurrence of a "Non-Viability Event", which means the earlier of: (i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and (ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable.	N.A.	Occurrence of a "Non-Viability Event", which means the earlier of: (i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and (ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable.	Occurrence of a "Non-Viability Event", which means the earlier of: (i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and (ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable.
32	If write-down, full or partial	N.A.	N.A.	Partial	Partial	N.A.	Partial	Partial
33	If write-down, permanent or temporary	N.A.	N.A.	Permanent	Permanent	N.A.	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
35	Position in subordination hierarchy in liquidation	N.A.	Immediately subordinated to unsecured senior notes / indebtedness	Immediately subordinated to unsecured senior notes / indebtedness and subordinated Tier 2 notes / indebtedness	Immediately subordinated to unsecured senior notes / indebtedness and subordinated Tier 2 notes / indebtedness	Immediately subordinated to unsecured senior notes / indebtedness	Immediately subordinated to unsecured senior notes / indebtedness	Immediately subordinated to unsecured senior notes / indebtedness
36	Non-compliant transitioned features	N.A.	Yes	No	No	Yes	No	No
37	If yes, specify non-compliant features	N.A.	Coupon step-up and absence of non-viability loss absorption criteria	N.A.	N.A.	Absence of non-viability loss absorption criteria	N.A.	N.A.

Footnote:

- # Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- * Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- Include solo-consolidated