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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

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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  
AND  
GENERAL MANDATES TO ISSUE SHARES AND BUY-BACK SHARES**

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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, 10th May, 2024 at 11:30 a.m. is set out on pages 3 to 6 of this Circular.

Whether or not you are able to attend the 2024 AGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Bank's Share Registrar, Tricor Standard 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 2024 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 2024 AGM should you so wish.

27th March, 2024

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This Circular (both English and Chinese versions) is now available in printed form and on the websites of the Bank at [www.hkbea.com](http://www.hkbea.com) and HKEX at [www.hkexnews.hk](http://www.hkexnews.hk).

Notwithstanding any choice of means for the receipt of Corporate Communications (i.e. either receiving a printed copy or by electronic means through the Bank's website) previously made by Shareholders and communicated to the Bank, Shareholders may at any time change their choice, free of charge, by giving reasonable notice in writing to the Bank's Share Registrar, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or by fax to (852) 2810 8185 or by email to [BEA0023-ecom@hk.tricorglobal.com](mailto:BEA0023-ecom@hk.tricorglobal.com) specifying your request together with your full name and contact telephone number.

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## DEFINITIONS

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

"2024 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, 10th May, 2024 at 11:30 a.m. or any adjournment thereof;
"Articles of Association"	the articles of association of the Bank (as amended, modified or otherwise supplemented from time to time);
"Audit Committee"	the Audit Committee of the Bank;
"Auditor"	the auditor of the Bank for the time being;
"Bank"	The Bank of East Asia, Limited, a limited liability company incorporated in Hong Kong;
"Bank Group" or "Group"	the Bank and its subsidiaries;
"Board"	the board of Directors or a duly authorised committee thereof;
"Chief Executive"	shall have the meaning ascribed to it under the Listing Rules;
"Circular"	the Circular to the Shareholders dated 27th March, 2024;
"Close Associate(s)"	shall have the meaning ascribed to it under the Listing Rules;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
"Controlling Shareholder"	shall have the meaning ascribed to it under the Listing Rules;
"Core Connected Person(s)"	shall have the meaning ascribed to it under the Listing Rules;
"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;
"ESG Committee"	the Environmental, Social, and Governance Committee of the Bank;
"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;

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## DEFINITIONS

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"HK\$" data-bbox="71 114 114 126">	Hong Kong dollars, the lawful currency of Hong Kong for the time being;
"HKEX" data-bbox="71 149 124 161">	Hong Kong Exchanges and Clearing Limited;
"Hong Kong" or "HKSAR" data-bbox="71 184 261 196">	Hong Kong Special Administrative Region of the People's Republic of China;
"Latest Practicable Date" data-bbox="71 237 264 249">	20th March, 2024, being the latest practicable date prior to the printing of this Circular for ascertaining certain information contained herein;
"Listing Rules" data-bbox="71 290 181 302">	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or otherwise modified from time to time;
"Nomination Committee" data-bbox="71 363 261 375">	the Nomination Committee of the Bank;
"Notice of Annual General Meeting" data-bbox="71 398 271 428">	the notice convening the 2024 AGM as set out on pages 3 to 6 of this Circular;
"Register of Members" data-bbox="71 451 244 463">	register of members of the Bank;
"Senior Management" data-bbox="71 486 238 498">	Co-Chief Executives and Deputy Chief Executives of the Bank;
"SFO" data-bbox="71 521 114 533">	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
"Shareholders" data-bbox="71 574 184 586">	holders of Shares;
"Share(s)" data-bbox="71 609 148 621">	fully paid ordinary share(s) of the Bank;
"Stock Exchange" data-bbox="71 644 208 656">	The Stock Exchange of Hong Kong Limited;
"Subsidiary" or "Subsidiaries" data-bbox="71 679 294 691">	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)" data-bbox="71 732 291 744">	shall have the meaning ascribed to it under the Listing Rules;
"Takeovers Code" data-bbox="71 767 204 779">	The Codes on Takeovers and Mergers and Share Buy-backs; and
"US" data-bbox="71 802 104 814">	United States of America.

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## NOTICE OF ANNUAL GENERAL MEETING

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### The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

#### Notice of One Hundred and Fifth Annual General Meeting

NOTICE IS HEREBY GIVEN that the One Hundred and Fifth Annual General Meeting (the "**2024 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, 10th May, 2024 at 11:30 a.m. for the following purposes:

1. To receive the Audited Financial Statements for the year ended 31st December, 2023 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) Mr. Adrian David LI Man-kiu
  - (b) Mr. Brian David LI Man-bun
  - (c) Dr. David MONG Tak-yeung
  - (d) Dr. Francisco Javier SERRADO TREPAT

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

4. **"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 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 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 to employees of the Bank and its subsidiaries of options or rights to subscribe for or acquire shares of the Bank;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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,

shall not exceed 10% of the number of ordinary shares of the Bank in issue 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)."

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## NOTICE OF ANNUAL GENERAL MEETING

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5. **"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 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

(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."

6. **"THAT**, conditional on the passing of the Resolutions in item 4 and item 5 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 4 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 5 of the Notice of this Meeting."

By Order of the Board

**Alson LAW Chun-tak**

Company Secretary

Hong Kong, 27th March, 2024

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## NOTICE OF ANNUAL GENERAL MEETING

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Notes:

- (a) For the purpose of determining the Shareholders who are entitled to attend and vote at the 2024 AGM, the Register of Members of the Bank will be closed from Tuesday, 7th May, 2024 to Friday, 10th May, 2024 (both days inclusive). In order to qualify for attending and voting at the 2024 AGM, all transfer documents accompanied by the relevant share certificates should be lodged for registration with the Bank's Share Registrar, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:00 p.m. on Monday, 6th May, 2024.
- (b) A member entitled to attend and vote at the 2024 AGM may appoint one or more proxies to attend and vote in his/her place at the 2024 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 Standard 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 2024 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 Executive Chairman included in the circular to the Shareholders dated 27th March, 2024 (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 2024 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 2024 AGM and an explanatory statement on share buy-back mandate are set out in Appendices 1 and 2 to the Circular, respectively.
- (f) If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 8:30 a.m. on the date of the 2024 AGM, the meeting will be postponed or adjourned. The Bank will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Bank ([www.hkbea.com](http://www.hkbea.com)) to notify Shareholders of the date, time and place of the rescheduled meeting.

The 2024 AGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should make their own decision whether to attend the meeting in person if such bad weather conditions occur, taking into account their own situations.



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## LETTER FROM THE EXECUTIVE CHAIRMAN

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### The Bank of East Asia, Limited

*(Incorporated in Hong Kong with limited liability in 1918)*

*Board of Directors:*

Dr. the Hon. Sir David LI Kwok-po<sup>#</sup> *(Executive Chairman)*  
Professor Arthur LI Kwok-cheung\* *(Deputy Chairman)*  
Dr. Allan WONG Chi-yun\*\* *(Deputy Chairman)*  
Mr. Aubrey LI Kwok-sing\*  
Mr. Winston LO Yau-lai\*  
Mr. Stephen Charles LI Kwok-sze\*  
Mr. Adrian David LI Man-kiu<sup>#</sup> *(Co-Chief Executive)*  
Mr. Brian David LI Man-bun<sup>#</sup> *(Co-Chief Executive)*  
Dr. Daryl NG Win-kong\*  
Mr. Masayuki OKU\*  
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\*

*Registered Office:*

10 Des Voeux Road Central  
Hong Kong

<sup>#</sup> *Executive Director*  
<sup>\*</sup> *Non-executive Director*  
<sup>\*\*</sup> *Independent Non-executive Director*

27th March, 2024

*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 2024 AGM and explanation in connection with the matters to be dealt with at the 2024 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 2024 AGM is set out on pages 3 to 6 of this Circular.

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## LETTER FROM THE EXECUTIVE CHAIRMAN

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A proxy form for use at the 2024 AGM is enclosed. Whether or not you are able to attend the 2024 AGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Bank's Share Registrar, Tricor Standard 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 2024 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 2024 AGM should you so wish.

### **RESOLUTION (1) – RECEIVING THE AUDITED FINANCIAL STATEMENTS**

The audited financial statements of the Bank for the year ended 31st December, 2023 together with the Report of the Directors and the Independent Auditor's Report, are set out in the Annual Report 2023 which will be sent to the Shareholders on 27th March, 2024. The Annual Report 2023 may then be viewed and downloaded from the column entitled "Investor Communication – Annual Reports/Interim Reports" under the "About BEA" section of the Bank's website ([www.hkbea.com](http://www.hkbea.com)) and HKEX's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The audited financial statements have been reviewed by the Audit Committee.

### **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 16th 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 2024.

The Board (which agreed with the view of the Audit Committee) recommended that, subject to the approval of the Shareholders at the 2024 AGM, KPMG be re-appointed as the external auditor of the Bank for 2024.

### **RESOLUTION (3) – RE-ELECTION OF DIRECTORS**

In accordance with Articles 87, 93 and 94 of the Articles of Association, Mr. Adrian David LI Man-kiu ("**Mr. Adrian Li**"), Mr. Brian David LI Man-bun ("**Mr. Brian Li**"), Dr. David MONG Tak-yeung ("**Dr. Mong**") and Dr. Francisco Javier SERRADO TREPAT ("**Dr. Serrado**") shall retire at the 2024 AGM and, being eligible, shall offer themselves for re-election.

Details (including biographies) of the Directors who are proposed to be re-elected at the 2024 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 2024 AGM. The recommendation was made in accordance with the Procedures for Nomination of Directors, and Board Diversity Policy and its 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 Skills Matrix is set out on page 82 of the Corporate Governance Report of the Bank's Annual Report 2023. Biographical details of Directors of the Bank are also available on the Bank's website ([www.hkbea.com](http://www.hkbea.com)).

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## LETTER FROM THE EXECUTIVE CHAIRMAN

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The Nomination Committee has also conducted an independence assessment for all Independent Non-executive Directors ("INEDs") of the Bank, in particular, Dr. Mong who will seek re-election as an INED at the 2024 AGM. All the INEDs of the Bank satisfy the independence guidelines set out in Rule 3.13 of the Listing Rules and the requirements of the Guidance on Empowerment of INEDs.

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 considered 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.

The Bank has also assessed the time commitment of each of the Directors to ensure all Directors are fit and proper for their roles. The Nomination Committee is satisfied that the existing Directors (including all those Directors who will seek re-election at the 2024 AGM) confirmed to have fulfilled the Bank's minimum time commitment required for performing their roles and responsibilities and are considered to have devoted sufficient time commitment, efforts and attention to the Bank Group's affairs.

Dr. Mong was appointed as an INED of the Bank in 2021. He is the Chairman and Chief Executive Officer of Shun Hing Group. The Nomination Committee believes that Dr. Mong's extensive experience and industry expertise in, among others, entrepreneurship, innovation, manufacturing, wholesale and retail, will continue to bring valuable insights that support the development and growth of the Bank and enhance the diversified representation of the Board. His re-election will continue to benefit the Board, the Bank and its Shareholders as a whole.

For Dr. Mong's details (including his position with the Bank, experience and other directorships), please refer to Appendix 1.3 to this Circular.

The Nomination Committee, taking into account the following factors, has assessed the independence of Dr. Mong and is satisfied that he remains independent:

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

In view of the above, the Board, on the recommendation of the Nomination Committee, is of the view that Dr. Mong remains independent, and that he should be re-elected at the 2024 AGM. His re-election will benefit the Bank and its Shareholders as a whole.

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## LETTER FROM THE EXECUTIVE CHAIRMAN

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All Directors offering for re-election at the 2024 AGM have provided valuable advice and contributed their respective experience and expertise to the Board and the Bank. In view of the Directors' invaluable experience and their commitment to their roles, the Board believes that their re-elections are in the best interests of the Bank and its Shareholders.

After taking into account the above factors, the Board, on the recommendation of the Nomination Committee, is of the view that Mr. Adrian Li, Mr. Brian Li, Dr. Mong and Dr. Serrado should be re-elected at the 2024 AGM.

Procedures for the appointment and re-election of Directors are disclosed on pages 78 and 80 of the Bank's Annual Report 2023.

### **RESOLUTIONS (4), (5) AND (6) – GENERAL MANDATES TO ISSUE SHARES AND BUY-BACK SHARES**

At the annual general meeting of the Bank held on 11th May, 2023, 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 shortly expire on 10th May, 2024 upon the conclusion of the 2024 AGM. The grant of fresh 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 is being sought from the Shareholders and the ordinary resolutions to grant these mandates to the Directors will be proposed at the 2024 AGM.

Based on the 2,644,954,727 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the number of issued Shares of the Bank after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will therefore be allowed under the mandate to issue a maximum of 264,495,472 Shares.

The purpose of the general 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. As banking regulators globally continue to raise the bar of capital requirements, the Board considers it prudent to maintain certain flexibility through the general mandate.

The Board acknowledges the concern of minority Shareholders with respect to the possible dilution of their shareholding interest resulting from the exercise of the general mandate to issue Shares, and reaffirmed its commitment to only use the mandate in the interest 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 interest of the Shareholders as a whole.

As disclosed in the Bank's Annual Report 2023, the Bank bought back a total of 35,940,800 Shares on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$365.53 million during the year ended 31st December, 2023. The grant of a fresh general mandate by the Shareholders at the 2024 AGM to the Directors to buy back Shares on the Stock Exchange will enable the Bank to continue the share buy-back (where considered appropriate).

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## LETTER FROM THE EXECUTIVE CHAIRMAN

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The Directors wish to state that they have no immediate plan to issue any new Shares other than relating to scrip dividends and exercise of employee share options.

The detailed Explanatory Statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed share buy-back resolution is set out in Appendix 2 to this Circular.

Conditional upon the passing of Resolutions (4) and (5), an ordinary resolution to authorise the Directors to also exercise the power to allot, issue and otherwise deal with additional Shares of the Bank under the general mandate to issue shares 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 2024 AGM.

### **RECOMMENDATION**

The Directors consider that the above proposals are in the interests of the Bank and its Shareholders and accordingly recommend that all Shareholders vote in favour of the resolutions to be proposed at the 2024 AGM.

Yours faithfully,

**David LI Kwok-po**

Executive Chairman

The following are the particulars of the 4 Directors proposed to be re-elected at the 2024 AGM:

1. **Mr. Adrian David LI Man-kiu**, *BBS, MA (Cantab), MBA, LPC, JP*  
*Co-Chief Executive and Member of the ESG Committee*

Mr. Li, aged 50, was appointed an Executive Director in 2014. He first joined the Bank in 2000 as General Manager & Head of Corporate Banking Division. He was appointed Deputy Chief Executive in April 2009 and Co-Chief Executive in July 2019, and is responsible for overall management and control of the Bank Group with a particular focus on its Hong Kong business. He serves on the boards of several Bank Group members as Chairman or Member.

Save as disclosed, Mr. Li does not hold any other position with the Bank or other members of the Bank Group.

Mr. Li is currently an Independent Non-executive Director of two listed companies under the Sino Group (Sino Land Company Limited (listed in Hong Kong) and Tsim Sha Tsui Properties Limited (listed in Hong Kong)) and COSCO SHIPPING Ports Limited (listed in Hong Kong). He previously served as a Non-executive Director of The Berkeley Group Holdings plc (listed in London) and an Independent Non-executive Director of China State Construction International Holdings Limited (listed in Hong Kong). Save as disclosed, Mr. Li has not held any directorship in other listed public companies during the last 3 years.

Mr. Li is a Member of the Shanghai Committee of the Chinese People's Political Consultative Conference and a Counsellor of the Hong Kong United Youth Association. He is Chairman of The Chinese Banks' Association, Deputy Chairman of The Hong Kong Institute of Bankers' Executive Committee and Vice President of its Council, and a Member of the MPF Industry Schemes Committee of the Mandatory Provident Fund Schemes Authority. He is a Vice Patron of The Community Chest of Hong Kong, a Member of the Advisory Board of The Salvation Army Hong Kong and Macau Territory, and a Trustee of The University of Hong Kong's occupational retirement schemes. Furthermore, he serves as a Member of the Election Committees responsible for electing the Chief Executive and Legislative Council Members of the HKSAR as well as deputies of the HKSAR to the 14th National People's Congress.

Mr. Li holds a Master of Management Degree from Kellogg School of Management, Northwestern University in the US, and a Master of Arts Degree and Bachelor of Arts Degree in Law from the University of Cambridge in Britain. He is a Member of The Law Society of England and Wales, and The Law Society of Hong Kong. He is also a Member of the Hong Kong Academy of Finance and has been conferred as an Honorary Certified Banker by The Hong Kong Institute of Bankers. Mr. Li was awarded the Bronze Bauhinia Star by the Government of the HKSAR in recognition of his contributions to the community.

Mr. Li is the son of Dr. the Hon. Sir David Li Kwok-po, the nephew of Professor Arthur Li Kwok-cheung, Mr. Aubrey Li Kwok-sing and Mr. Stephen Charles Li Kwok-sze, and the brother of Mr. Brian David Li Man-bun.

Save as disclosed, Mr. Li is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

Mr. Adrian Li is employed as a Co-Chief Executive of the Bank. In accordance with the Articles of Association, Mr. Li shall retire as a Director at the 2024 AGM and, being eligible, shall be re-elected for a term of not more than approximately 3 years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of 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 and an ESG Committee member's fee of HK\$70,000 per annum. As a Co-Chief Executive of the Bank, Mr. Li receives salaries and allowances of approximately HK\$8 million and is entitled to a discretionary bonus and share options to be determined with reference to the remuneration policy of the Bank each year.

As at the Latest Practicable Date, Mr. Li was interested in 3,903,458 (0.15%) Shares within the meaning of Part XV of the SFO. Of these Shares, Mr. Li was the beneficial owner of 1,713,111 Shares. He made a voluntary disclosure of 2,190,347 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. In addition, he has been granted share options to subscribe for 9,980,704 Shares of the Bank pursuant to the Bank's Staff Share Option Schemes.

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 relating to Mr. Li's re-election that need to be brought to the attention of the Shareholders.

2. **Mr. Brian David LI Man-bun**, *BBS, JP, MA (Cantab), MBA, FCA*  
*Co-Chief Executive and Member of the ESG Committee*

Mr. Li, aged 49, was appointed an Executive Director in 2014. He first joined the Bank Group in 2002. He was General Manager & Head of Wealth Management Division of the Bank from July 2004 to March 2009. He was appointed Deputy Chief Executive in April 2009 and Co-Chief Executive in July 2019. He is responsible for the overall management and control of the Bank Group with a particular focus on its Chinese Mainland and international businesses. He serves on the boards of several Bank Group members as Chairman or as a Member.

Save as disclosed, Mr. Li does not hold any other position with the Bank or other members of the Bank Group.

Mr. Li is currently an Independent Non-executive Director of Towngas Smart Energy Company Limited (listed in Hong Kong), China Overseas Land & Investment Limited (listed in Hong Kong) and Guangdong Investment Limited (listed in Hong Kong). He was an Independent Non-executive Director of Shenzhen Investment Holdings Bay Area Development Company Limited (listed in Hong Kong). Save as disclosed, Mr. Li has not held any directorship in other listed public companies during the last 3 years.

Mr. Li holds a number of public and honorary positions, including being a Member of the National Committee of the Chinese People's Political Consultative Conference and a Vice Chairman of its Committee on Social and Legal Affairs, a Member of the Chief Executive's Council of Advisers of the Government of the HKSAR, a Director of the Financial Services Development Council, a Member of the Process Review Panel for the Securities and Futures Commission, a Board Member of Hong Kong-Shenzhen Innovation and Technology Park Limited, a Member of the Disaster Relief Fund Advisory Committee, and a Vice Chairman of the Asian Financial Cooperation Association. Mr. Li was awarded the Bronze Bauhinia Star by the Government of the HKSAR in recognition of his contributions to the community.

Mr. Li is a Fellow of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. He is also a Member of the Hong Kong Academy of Finance, an Honorary Certified Banker of The Hong Kong Institute of Bankers and a Full Member of the Treasury Markets Association. He holds an MBA degree from Stanford University as well as a BA degree from the University of Cambridge.

Mr. Li is the son of Dr. the Hon. Sir David LI Kwok-po, the nephew of Professor Arthur LI Kwok-cheung, Mr. Aubrey LI Kwok-sing and Mr. Stephen Charles LI Kwok-sze, and the brother of Mr. Adrian David LI Man-kiu.

Save as disclosed, Mr. Li is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.



Mr. Brian Li is employed as a Co-Chief Executive of the Bank. In accordance with the Articles of Association, Mr. Li shall retire as a Director at the 2024 AGM and, being eligible, shall be re-elected for a term of not more than approximately 3 years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of 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 and an ESG Committee member's fee of HK\$70,000 per annum. As a Co-Chief Executive of the Bank, Mr. Li receives salaries and allowances of approximately HK\$8 million and is entitled to a discretionary bonus and share options to be determined with reference to the remuneration policy of the Bank each year.

As at the Latest Practicable Date, Mr. Li was interested in 4,156,952 (0.16%) Shares within the meaning of Part XV of the SFO. Of these Shares, Mr. Li was the beneficial owner of 3,323,154 Shares. He was deemed to be interested in 833,798 Shares held by Triple Kingdom Limited which is wholly-owned by Mr. Li. In addition, he has been granted share options to subscribe for 9,380,972 Shares of the Bank pursuant to the Bank's Staff Share Option Schemes.

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 relating to Mr. Li's re-election that need to be brought to the attention of the Shareholders.

3. **Dr. David MONG Tak-yeung**, *BScEE, DSocSc, DBA, The Order of the Rising Sun, Gold Rays with Neck Ribbon Independent Non-executive Director, Member of the Nomination Committee, the Remuneration Committee and the ESG Committee*

Dr. Mong, aged 61, was appointed a Director in 2021. He is currently the Chairman and Chief Executive Officer of Shun Hing Group, which has been the exclusive regional representative of a famous brand of home appliances, Panasonic (formerly National), for many decades. He is the President of the Hong Kong & Kowloon Electrical Appliances Merchants Association Limited and the Chairman of Occupational Safety and Health Council. Save as disclosed, Dr. Mong has not held any directorship in other listed public companies during the last 3 years.

Save as disclosed, Dr. Mong does not hold any position with the Bank or with other members of the Bank Group. Dr. Mong has not entered into any service contract with the Bank.

Dr. Mong obtained a Bachelor of Science in Electrical Engineering, University of California, Los Angeles and a Master of Business Administration, Santa Clara University, California. Dr. Mong was conferred Doctoral Degrees of Social Sciences, honoris causa from the University of Hong Kong and Hong Kong Baptist University and Doctoral Degree of Business Administration, honoris causa from Hong Kong Polytechnic University. Dr. Mong is an Honorary Fellow of the University of Hong Kong and the Chinese University of Hong Kong, as well as a Fellow of The Hong Kong Management Association. He was awarded the Order of the Rising Sun, Gold Rays with Neck Ribbon by the Government of Japan.

Dr. Mong is not connected with any Directors, Senior Management and Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Dr. Mong shall retire as a Director at the 2024 AGM and, being eligible, shall be re-elected for a term of not more than approximately 3 years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of 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. Mong receives a Director's fee of HK\$450,000 per annum, a Nomination Committee member's fee of HK\$70,000 per annum, a Remuneration Committee member's fee of HK\$70,000 per annum and an ESG Committee member's fee of HK\$70,000 per annum.

As at the Latest Practicable Date, Dr. Mong was deemed to be interested in 6,041,926 (0.23%) Shares within the meaning of Part XV of the SFO. Of these Shares, 5,306,771 Shares were held by Shun Hing Electronic Trading Co., Ltd. and 735,155 Shares were held by Shun Hing Technology Co. Ltd. Dr. Mong directly/indirectly controls one-third or more of the voting power at a general meeting of these corporations.

Dr. Mong has met the independence guidelines set out in Rule 3.13 of the Listing Rules and the Guidance on Empowerment of INEDs.

There is no information relating to Dr. Mong 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 relating to Dr. Mong's re-election that need to be brought to the attention of the Shareholders.

4. **Dr. Francisco Javier SERRADO TREPAT**

*Non-executive Director and Member of the Nomination Committee*

Dr. Serrado, aged 65, was appointed a Director in 2021. He is currently the Asia Regional Manager of Criteria Caixa, S.A., Sociedad Unipersonal ("**Criteria**"). He possesses extensive knowledge and skills and has more than 35 years of experience in banking and finance-related industries, including about 30 years of experience working in China. His major responsibilities include overseeing the operations (including establishment) of banking and finance entities of Criteria in China and other regions in Asia. Dr. Serrado was the Asia Regional Manager of CaixaBank, S.A. (listed in Spain) since 2007 until February 2022. Save as disclosed, Dr. Serrado has not held any directorship in other listed public companies during the last 3 years.

Save as disclosed, Dr. Serrado does not hold any position with the Bank or with other members of the Bank Group. Dr. Serrado has not entered into any service contract with the Bank.

Among other academic and professional qualifications, Dr. Serrado holds a PhD degree in Economics from Columbia University; a PhD in Economics from the University of Philippines Diliman; and an MBA degree from The London School of Economics and Political Science. He was awarded the Cross of the Order of Civil Merit (2020) at the behest of His Majesty King Felipe VI of Spain in recognition for his achievements in economic cooperation, investment and trade between the People's Republic of China and Spain.

Dr. Serrado is an employee of Criteria which is 100% owned by Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" ("**la Caixa**"). Both Criteria and "la Caixa" are Substantial Shareholders of the Bank. Save as disclosed, Dr. Serrado is not connected with any Directors, Senior Management and other Substantial Shareholders of the Bank. As at the Latest Practicable Date, the Bank did not have a Controlling Shareholder.

In accordance with the Articles of Association, Dr. Serrado shall retire as a Director at the 2024 AGM and, being eligible, shall be re-elected for a term of not more than approximately 3 years expiring at the conclusion of the annual general meeting of the Bank held in the third year following the year of 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. Serrado receives a Director's fee of HK\$450,000 per annum and a Nomination Committee member's fee of HK\$70,000 per annum.

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

There is no information relating to Dr. Serrado 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 relating to Dr. Serrado's re-election that need to be brought to the attention of the Shareholders.

The following is the Explanatory Statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed general mandate for buy-back of Shares and also constitutes the memorandum required under Section 239 of the Companies Ordinance:

- (i) At the 2024 AGM a resolution will be proposed that the Directors be given a general 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 as at the date of passing the resolution (the "**Share Buy-back Mandate**"). Based on the 2,644,954,727 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the number of issued Shares of the Bank after the Latest Practicable Date and up to the passing of the relevant resolution), the Bank will therefore be allowed under the Share Buy-back Mandate to buy back a maximum of 264,495,472 Shares.
- (ii) The Directors believe that the flexibility afforded by the Share Buy-back Mandate will be beneficial to the Bank and its 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 Share Buy-back Mandate may lead to an increased volume of trading in Shares on the Stock Exchange.
- (iii) The Directors propose that buy-back of Shares under the Share 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 its 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 its 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 Share 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 Share 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 Share 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 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 Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any purchases pursuant to the Share Buy-back Mandate.
- (viii) The Bank bought back a total of 17,914,600 Shares on the Stock Exchange in the six months prior to the Latest Practicable Date, with details as follows:

Date of Share Buy-back	No. of Shares bought back	Price per Share paid	
		Highest HK\$	Lowest HK\$
5th October, 2023	262,000	9.60	9.39
6th October, 2023	243,000	10.06	9.80
9th October, 2023	156,000	10.14	9.93
10th October, 2023	162,400	10.20	9.97
11th October, 2023	366,400	10.26	10.00
12th October, 2023	260,800	10.34	10.12
13th October, 2023	111,200	10.12	9.91
16th October, 2023	173,000	9.97	9.79
17th October, 2023	153,600	9.98	9.82
18th October, 2023	200,400	9.90	9.78
19th October, 2023	134,600	9.75	9.62
20th October, 2023	961,800	9.61	9.37
24th October, 2023	216,600	9.68	9.38
25th October, 2023	244,200	9.61	9.38
26th October, 2023	289,200	9.49	9.27
27th October, 2023	190,800	9.58	9.28
30th October, 2023	337,000	9.50	9.28
31st October, 2023	291,600	9.38	9.23
1st November, 2023	208,600	9.45	9.33
2nd November, 2023	85,200	9.66	9.48
3rd November, 2023	113,000	9.78	9.65
6th November, 2023	117,800	9.92	9.77
7th November, 2023	132,200	9.77	9.59
8th November, 2023	164,800	9.64	9.42
9th November, 2023	398,200	9.48	9.36
10th November, 2023	709,600	9.36	9.01
13th November, 2023	126,400	9.35	9.04
14th November, 2023	100,600	9.48	9.30
15th November, 2023	187,800	9.63	9.39
16th November, 2023	188,400	9.69	9.49

Date of Share Buy-back	No. of Shares bought back	Price per Share paid	
		Highest HK\$	Lowest HK\$
17th November, 2023	179,200	9.58	9.38
20th November, 2023	139,800	9.64	9.46
21st November, 2023	209,200	9.70	9.40
22nd November, 2023	126,800	9.63	9.45
23rd November, 2023	150,400	9.79	9.57
24th November, 2023	90,400	9.69	9.60
27th November, 2023	112,800	9.65	9.52
28th November, 2023	225,800	9.75	9.64
29th November, 2023	280,600	9.71	9.52
30th November, 2023	407,800	9.58	9.31
1st December, 2023	204,000	9.55	9.41
4th December, 2023	198,400	9.55	9.40
5th December, 2023	292,600	9.38	9.21
6th December, 2023	217,600	9.66	9.26
7th December, 2023	152,000	9.57	9.29
8th December, 2023	233,400	9.55	9.25
11th December, 2023	82,800	9.25	9.13
12th December, 2023	107,600	9.41	9.20
13th December, 2023	163,000	9.40	9.09
14th December, 2023	126,000	9.23	9.13
15th December, 2023	153,000	9.44	9.27
18th December, 2023	117,600	9.39	9.28
19th December, 2023	191,800	9.31	9.25
20th December, 2023	160,400	9.41	9.21
21st December, 2023	262,800	9.54	9.23
22nd December, 2023	96,200	9.54	9.39
27th December, 2023	160,200	9.61	9.39
28th December, 2023	158,000	9.70	9.42
29th December, 2023	152,600	9.72	9.58
22nd February, 2024	1,031,200	9.60	9.29
23rd February, 2024	931,800	9.98	9.65
26th February, 2024	596,000	9.98	9.82
27th February, 2024	372,800	10.00	9.86
28th February, 2024	548,400	10.04	9.81
29th February, 2024	456,000	10.04	9.79
1st March, 2024	412,800	10.04	9.71
4th March, 2024	355,000	10.06	9.90
5th March, 2024	172,400	10.02	9.82
6th March, 2024	260,000	9.81	9.68
7th March, 2024	183,200	9.77	9.53
8th March, 2024	155,000	9.70	9.58

- (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 Share Buy-back Mandate is granted by the Shareholders.
- (x) The highest and lowest prices at which Shares had traded on the Stock Exchange in each of the previous twelve months were as follows:

			Highest HK\$	Lowest HK\$
2023	:	March	11.46	9.51
		April	10.56	9.73
		May	10.76	9.58
		June	11.10	9.75
		July	12.28	10.38
		August	12.38	10.48
		September	11.46	9.52
		October	10.34	9.23
		November	9.99	9.00
		December	9.73	9.08
2024	:	January	9.69	8.61
		February	10.04	8.75

- (xi) Neither this Explanatory Statement nor the proposed share buy-back has any unusual features.