



**The Bank of East Asia, Limited,
Macau Branch**

**Disclosure of financial information
for the six months ended
30th June, 2019**

Compiled by The Bank of East Asia, Limited, Macau Branch
由東亞銀行有限公司澳門分行編製

Balance sheet as at 30th June, 2019

(Expressed in Macau Patacas)

	<u>As at 30th June, 2019</u>		
	<i>Amounts</i> MOP	<i>Reserves, depreciation and provision</i> MOP	<i>Net amount</i> MOP
Assets			
Cash	116,788,276	-	116,788,276
Deposits at AMCM	68,577,895	-	68,577,895
Accounts receivables	10,653,745	-	10,653,745
Current deposits at other local credit institutions	26,564,727	-	26,564,727
Current deposits at other overseas credit institutions	122,230,115	-	122,230,115
Loans and advances	6,041,444,404	-	6,041,444,404
Placements to local credit institutions	269,775,500	-	269,775,500
Call and fixed deposits at overseas credit institutions	392,809,939	-	392,809,939
Debtors	536,442	-	536,442
Properties	144,877,844	33,093,816	111,784,028
Equipments	96,930,884	71,583,671	25,347,213
Internal and adjustment accounts	23,530,680	-	23,530,680
Total	<u>7,314,720,451</u>	<u>104,677,487</u>	<u>7,210,042,964</u>

Balance sheet as at 30th June, 2019 (continued)
 (Expressed in Macau Patacas)

	<i>As at 30th June, 2019</i>	
	<i>Subtotal</i>	<i>Total</i>
	MOP	MOP
Liabilities		
Current deposits	876,640,005	
Fixed deposits	<u>2,602,604,943</u>	3,479,244,948
Amount due to local credit institutions	462,988,000	
Amount due to overseas credit institutions	3,061,322,794	
Cheques and bills payable	3,645,444	
Creditors	1,386,141	
Other liabilities	<u>695,065</u>	3,530,037,444
Internal and adjusting accounts		41,361,551
Provisions		16,338,126
Other reserves		30,945,748
Prior year profit		105,150,146
Current profits		<u>6,965,001</u>
		<u><u>7,210,042,964</u></u>

Off-balance sheet accounts as at 30th June, 2019
(Expressed in Macau Patacas)

<i>Off-balance sheet accounts</i>	
	<i>As at 30th June, 2019 MOP</i>
Values received for collection	1,725,568
Values received as collateral	7,339,977,583
Guarantees on account of customers	81,258,667
Letters of credit	5,574,649
Acceptances	7,914,814
Values deposits by bank as collateral	
– Forward exchange contracts-purchases	-
– Forward exchange contracts-sales	-
Other memorandum items	1,216,375,797

Profit and loss account
for the six months ended 30th June, 2019
(Expressed in Macau Patacas)

<i>Income statement</i>			
	<i>6 months ended</i>		<i>6 months ended</i>
	<i>30th June, 2019</i>		<i>30th June, 2019</i>
<i>Debit</i>	<i>Amount</i>	<i>Credit</i>	<i>Amount</i>
	<i>MOP</i>		<i>MOP</i>
Operating costs	68,830,713	Operating income	113,100,704
Personnel expenses		Income from banking	
Staff costs	25,857,617	services	5,560,829
Supplies by third party	671,645	Other operating	
Services provided by		income	1,704,572
third party	13,874,333	Other banking income	87,495
Other banking expenses	2,239,245	Non-operating income	10,000
Tax expenses	68,938		
Non-operating expenses			
Depreciation expenses	4,274,410		
Provisions			
Operating profits	4,646,699		
Total	<u>120,463,600</u>	Total	<u>120,463,600</u>

Profit and loss account
for the six months ended 30th June, 2019 (continued)
(Expressed in Macau Patacas)

<i>Profit and loss account</i>			
	<i>6 months ended 30th June, 2019</i>		<i>6 months ended 30th June, 2019</i>
<i>Debit</i>	<i>Amount MOP</i>	<i>Credit</i>	<i>Amount MOP</i>
Tax on profit	945,399	Operating profit	4,646,699
Profit	6,965,001	Additional provision under AMCM rules	3,263,701
		Income related to prior years	
Total	<u>7,910,400</u>	Total	<u>7,910,400</u>

Approved and authorised for issue by the management of the Branch on 17th September, 2019.

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Cash flow statement
for the six months ended 30th June, 2019
(Expressed in Macau Patacas)

	<i>6 months ended</i> <i>30th June, 2019</i> MOP
Operating activities	
Profit before taxation	13,559,412
Adjustments for:	
Depreciation	4,274,410
Gain on disposal of fixed assets	(10,000)
Release of impairment losses on loans and advances	<u>(8,912,713)</u>
Operating profit before changes in working capital	8,911,109
Decrease/(increase) in operating assets:	
Placements with banks and other financial institutions with original maturity over three months	156,990,165
Monetary bills - held-to-maturity with original maturity over three months	94,685,236
Trading assets	1,204
Loans and advances to customers	287,849,815
Accrued interest and other accounts	2,643,766
(Decrease)/increase in operating liabilities:	
Deposits and balances of banks and other financial institutions	47,243,615
Deposits from customers	(577,875,715)
Trading liabilities	(250,536)
Other accounts and provisions	<u>(20,860,069)</u>
Net cash generated from operating activities	<u>-----</u> (661,410)

Cash flow statement
for the six months ended 30th June, 2019 (continued)
(Expressed in Macau Patacas)

	<i>6 months ended 30th June, 2019 MOP</i>
Investing activities	
Proceeds from sales of fixed assets	10,000
Purchase of fixed assets	<u>(3,176,633)</u>
Net cash used in investing activities	<u>(3,166,633)</u>
Net increase in cash and cash equivalents	(3,828,043)
Cash and cash equivalents at 1st January	<u>922,596,543</u>
Cash and cash equivalents at 30th June	<u><u>918,768,500</u></u>

Cash flow statement
for the six months ended 30th June, 2019 (continued)
(Expressed in Macau Patacas)

	<i>6 months ended 30th June, 2019 MOP</i>
Cash flow from operating activities	
include:	
Interest received	109,884,401
Interest paid	<u>73,167,779</u>
Components of cash and cash equivalents	
in the cash flow statement	
Cash and balances with banks and other financial institutions	334,161,012
Placements with banks and other financial institutions (original maturity within three months)	436,645,888
Monetary bills - held-to-maturity (original maturity within three months)	<u>147,961,600</u>
	<u>918,768,500</u>

Off-balance-sheet exposures for the six months ended 30th June, 2019 (Expressed in Macau Patacas)

(a) *Contingent liabilities and commitments*

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	<i>As at 30th June, 2019 MOP</i>
Direct credit substitutes	81,258,667
Trade-related contingencies	5,574,649
Undrawn credit facilities	<u>1,216,375,797</u>
	<u>1,303,209,113</u>

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit and guarantees. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contract amounts is not representative of future liquidity requirements.

Autoridade Monetária de Macau (“AMCM”) requires that general provision be maintained at 1% of the guarantees given by the credit institutions. Specific provisions on contingent credit are made when there is evidence that the guarantees given by the credit institutions are not fully recoverable.

(b) *Derivatives*

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

Off-balance-sheet exposures for the six months ended 30th June, 2019 (continued)

(Expressed in Macau Patacas)

(b) Derivatives (continued)

The following is a summary of the notional amounts of each significant type of derivatives:

	<i>As at 30th June, 2019 MOP</i>
Exchange rate contracts	-
Equity contracts	-
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	-
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Derivatives arise from forward and swap transactions undertaken in the foreign exchange and equity markets. The notional amounts of these instruments indicate the volume of transactions outstanding at the end of the reporting period; they do not represent amounts at risk.

The fair values and credit risk weighted amounts of the aforesaid derivative exposures are as follows:

	<i>As at 30th June, 2019</i>	
	<i>Assets MOP</i>	<i>Liabilities MOP</i>
Fair value		
- Exchange rate contracts	-	-
- Equity contracts	-	-
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>

	<i>As at 30th June, 2019 MOP</i>
Credit risk weighted amounts	
- Exchange rate contracts	-
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**Off-balance-sheet exposures
for the six months ended 30th June, 2019 (continued)**
(Expressed in Macau Patacas)

(b) Derivatives (continued)

Credit risk weighted amount refers to the amount as computed in accordance with AMCM Guideline Notice 013/93-AMCM on capital adequacy and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 50% for exchange rate and interest rate contracts and from 0% to 100% for other derivative contracts.

The Branch did not enter into any bilateral netting arrangements during the year and accordingly these amounts are shown on a gross basis.

Significant related party transactions

(Expressed in Macau Patacas)

(a) Amounts due from/(to) Head Office and other related parties

During the year, the Branch entered into transactions with its Head Office and certain other branches and subsidiaries of The Bank of East Asia, Limited in the ordinary course of its banking business. In the opinion of management, the transactions were conducted on an arm's length basis. Included in the following balance sheet captions are balances with Head Office and other branches and subsidiaries:

	<i>Head Office</i>	<i>Other branches</i>	<i>Subsidiaries</i>
Cash and balances with banks and other financial institutions	108,442,704	153,576	681,660
Placements with banks and other financial institutions	32,618,976	360,190,963	-
Other accounts	348,065	261,796	547
	<u>141,409,745</u>	<u>360,606,335</u>	<u>682,207</u>
Establishment fund	221,251,000	-	-
Deposits and balances of banks and other financial institutions	2,671,362,531	160,992,000	7,717,263
Other accounts and provisions	3,587,744	96,416	-
	<u>2,896,201,275</u>	<u>161,088,416</u>	<u>7,717,263</u>

The establishment fund of the Branch is interest-free and with no fixed repayment terms.

(b) Related party transactions

Operating profits for the year are stated after taking into account significant transactions with Head Office and other branches and subsidiaries as follows:

	<i>6 months ended 30th June, 2019 MOP</i>
Interest income	1,810,449
Interest expense	<u>(30,819,159)</u>
	<u>(29,008,710)</u>

Credit risk management

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures

The geographical distribution is based on the countries where the counterparties were operated or located after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose Head Office is located in another country.

Credit risk management (continued)

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures (continued)

Exposures to individual countries or jurisdictions, groups of countries or regions within countries amounting to 10% or more of the relevant major types of credit exposures at end of the reporting period are shown as follows:

Region	As at 30 th June, 2019		
	Loans and commitments Total	Debt securities Total	Financial derivatives Total
Macau			
- Banks	-	-	-
- Governments	-	202,431,230	-
- Public sectors	-	-	-
- Others	4,383,331,495	-	-
Hong Kong			
- Banks	60,535,000	-	-
- Governments	-	-	-
- Public sectors	-	-	-
- Others	1,560,004,095	-	-
China			
- Banks	-	-	-
- Governments	-	-	-
- Public sectors	-	-	-
- Others	1,340,782,927	-	-
Others			
- Banks	-	-	-
- Governments	-	-	-
- Public sectors	-	-	-
- Others	-	-	-
	<u>7,344,653,517</u>	<u>202,431,230</u>	<u>-</u>

Credit risk management (continued)

(Expressed in Macau Patacas)

(a) Geographical distribution of credit risk exposures (continued)

Geographic region with higher than or equal to 10% of the total loans and advances to customers at balance sheet date are shown as follows:

	<i>As at 30th June, 2019</i>	
	<i>Gross loans and advances MOP</i>	<i>Past due or impaired MOP</i>
Macau	3,800,740,790	19,919,276
Hong Kong	1,318,396,392	-
People's Republic of China	922,307,222	5,091,557
Others	-	-
	<u>6,041,444,404</u>	<u>25,010,833</u>

(b) Industry distribution on loans and advances to customers

The following table shows the industry distribution of the loans and advances at the balance sheet date:

	<i>As at 30th June, 2019</i>	
	<i>Gross balance MOP</i>	<i>Past due or impaired MOP</i>
Manufacturing	47,925,791	
Electricity, gas and water	-	-
Construction and public works	101,651,943	-
Trade (wholesale and retail)	33,630,849	-
Restaurants, hotels and related activities	1,344,788,097	-
Transport, warehouse and communications	620,871	-
Non-monetary financial institutions	1,486,994,535	
Information Technology	2,505	
Individuals for house purchases	2,151,067,759	
Individuals for other purchases	11,521,047	50,523
Others	863,241,007	24,960,310
	<u>6,041,444,404</u>	<u>25,010,833</u>

According to AMCM's requirements, a general provision is made at 1% of the aggregated balance of loans and advances (with overdue days less than 3 months), guarantees and contingent assets. As at 30th June, 2019, a specific provision amounted

to MOP50,523 is made against the loans and advances classified under “Individuals for other purchases” in Macau.

Credit risk management (continued)

(Expressed in Macau Patacas)

(c) Analysis on assets and liabilities by remaining maturity

	As at 30 th June, 2019							
	Repayable on demand MOP	Within 1 month MOP	3 months or less but over 1 month MOP	1 year or less but over 3 months MOP	3 years or less but over 1 year MOP	Over 3 years MOP	Undated or overdue MOP	Total MOP
Assets								
Cash and balances with banks and other financial institutions	334,161,013	-	-	-	-	-	-	334,161,013
Placements with banks and other financial institutions	25,758,720	352,769,680	68,075,238	12,981,801	-	-	-	459,585,439
Monetary bills - held-to-maturity	108,000,000	39,961,600	-	54,469,630	-	-	-	202,431,230
Trading assets	-	-	-	-	-	-	-	-
Loans and advances to customers and other accounts	27,045,505	925,303,802	177,763,572	319,238,470	2,295,748,656	2,323,759,042	(1,802,040)	6,067,057,007
Other assets	-	-	-	-	-	-	684,950	684,950
Fixed assets	-	-	-	-	-	-	137,131,241	137,131,241
	<u>494,965,238</u>	<u>1,318,035,082</u>	<u>245,838,810</u>	<u>386,689,901</u>	<u>2,295,748,656</u>	<u>2,323,759,042</u>	<u>136,014,151</u>	<u>7,201,050,880</u>
Liabilities								
Deposits and balances of banks and other financial institutions	7,717,263	590,725,031	297,345,500	1,106,788,000	1,300,484,000	-	-	3,303,059,794
Deposits from customers	887,980,278	1,496,696,242	876,596,575	217,971,853	-	-	-	3,479,244,948
Trading liabilities	-	-	-	-	-	-	-	-
Other accounts and provisions	975,354	24,168,378	2,702,331	4,230,063	-	-	118,289	32,194,415
Current taxation	-	-	3,266,037	3,266,038	875,032	-	-	7,407,107
Deferred tax liabilities	-	-	-	-	-	-	14,803,260	14,803,260
	<u>896,672,895</u>	<u>2,111,589,651</u>	<u>1,179,910,443</u>	<u>1,332,255,954</u>	<u>1,301,359,032</u>	<u>-</u>	<u>14,921,549</u>	<u>6,836,709,524</u>
Net (outflow)/inflow	<u>(401,707,657)</u>	<u>(793,554,569)</u>	<u>(934,071,633)</u>	<u>(945,566,053)</u>	<u>994,389,624</u>	<u>2,323,759,042</u>	<u>121,092,602</u>	<u>364,341,356</u>

Credit risk management (continued)

(Expressed in Macau Patacas)

(d) Analysis on past due assets

The aging analysis of loans and advances to customers that have been past due is as follows:

Gross loans and advances to customer that have been past due for :	As at 30 th June, 2019	
	Gross loans and advances to customer MOP	Individual impaired allowance MOP
- More than 3 months but not more than 6 months	2,356,452	-
- More than 6 months but not more than 1 year	-	-
- More than 1 year	50,523	(50,523)
	<u>2,406,975</u>	<u>(50,523)</u>
% of total loans and advances to customers	<u>0.04%</u>	
Value of collateral	<u>3,955,200</u>	

As at 30th June, 2019, there were no other assets that have been past due for more than 3 months.

Foreign exchange risk management

(Expressed in Macau Patacas)

The Branch's foreign currency positions arise from foreign exchange dealing, commercial banking operations and structural foreign currency exposures. All foreign currency positions are managed within limits approved by the Head Office.

The Branch has no significant foreign currency risk because its business is principally conducted in Macau and most of the transactions are denominated in the Branch's functional currency, Hong Kong dollar and United States dollar. Since both the MOP and Hong Kong dollar is pegged to the United States dollar, the Branch's exposure to foreign currency risk in respect of the bank balances denominated in United States dollars is considered to be minimal.

The Branch has an established control framework with respect to the measurement of foreign currency risk. This framework includes the submission of foreign currency position to Risk Management Department on a daily basis.

The following table indicates the net long/(short) position of currencies other than MOP:

	<i>As at 30th June, 2019 MOP</i>
HKD	(41,072,414)
RMB	92,384
USD	844,650
Other currencies	<u>121,724</u>

Foreign exchange risk management (continued)

(Expressed in Macau Patacas)

Analysis on foreign currencies with net position constitute not less than 10% of the total net position in all currencies:

	HKD	Transaction currencies		Others
		RMB	USD	
Assets				
Cash and balances with banks and other financial institutions	190,526,804	10,296,462	7,977,340	14,541,264
Placements with banks and other financial institutions	-	86,105,250	347,742,720	25,737,469
Loans and advances to customers and other accounts	3,872,473,454	296,423	1,422,306,686	3,478,995
Spot assets	<u>4,063,000,258</u>	<u>96,698,135</u>	<u>1,778,026,746</u>	<u>43,757,728</u>
Liabilities				
Deposits and balances of banks and other financial institutions	(2,321,509,263)	(5,857,500)	(804,960,000)	(733,031)
Deposits from customers	(1,774,471,747)	(89,481,600)	(964,656,099)	(39,638,229)
Other accounts and provisions	(8,091,662)	(1,266,651)	(7,565,997)	(3,264,744)
Spot liabilities	<u>(4,104,072,672)</u>	<u>(96,605,751)</u>	<u>(1,777,182,096)</u>	<u>(43,636,004)</u>
Forward purchases	-	-	-	-
Forward sales	-	-	-	-
Net long/ (short) position	<u>(41,072,414)</u>	<u>92,384</u>	<u>844,650</u>	<u>121,724</u>

Liquidity risk management (continued)

(Expressed in Macau Patacas)

The following table summarised the key quantitative indicators for liquidity risk for the year ended 30th June, 2019:

(a)	The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held	81,084,583
(b)	The arithmetic mean of the average weekly amount of cash in hand	194,848,750
(c)	The arithmetic mean of the specified liquid assets at the end of each month	1,388,651,667
(d)	The average ratio of specified liquid asset to total basic liabilities at the end of month	37.27%
(e)	The arithmetic mean of its one-month liquidity ratio in the last week of each month	72.68%
(f)	The arithmetic mean of its three-month liquidity ratio in the last week of each month	35.57%

The above ratios and figures calculations are computed based on the data extracted from the weekly and monthly returns submitted to AMCM.

Other information

(Expressed in Macau Patacas)

(a) Capital commitments

Capital commitments outstanding at 30th June not provided for in the financial statements were as follows:

	<i>As at 30th June, 2019 MOP</i>
Authorised and contracted for	<u>3,192,228</u>

(b) Operating lease commitments

At 30th June, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	<i>As at 30th June, 2019 MOP</i>
Within 1 year	10,843,916
After 1 year but within 5 years	<u>10,727,743</u>
	<u>21,571,659</u>

The Branch leases a number of properties under operating leases. The leases typically run for an initial period of two to five years, with an option to renew. None of the leases includes contingent rentals.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries

(Expressed in Hong Kong dollars)

The Branch is one of the branches of The Bank of East Asia, Limited (“BEA”) and therefore, it is not required to prepare consolidated accounts. Unless otherwise stated, all information disclosed below is extracted from the corresponding information in the most recently available annual audited consolidated financial statements of BEA of which the Branch is a member.

The audited consolidated financial statements can be accessed through various channels, including its website (<http://www.hkbea.com>). For more comprehensive understanding of the financial position and results of operations of BEA, the information disclosed below should be read in conjunction with the audited consolidated financial statements.

(a) Consolidated capital adequacy ratio

	<i>As at</i> <i>30th June, 2019</i> %
Common Equity Tier 1 capital ratio	15.3
Tier 1 capital ratio	17.3
Total capital ratio	20.3

Capital adequacy ratios are compiled in accordance with the Banking (Capital) Rules (“the Capital Rules”) issued by the Hong Kong Monetary Authority (“HKMA”). In accordance with the Capital Rules, the Bank has adopted the foundation internal ratings-based approach for the calculation of the risk-weighted assets for credit risk and the internal models approach for the calculation of market risk and standardised approach for operational risk.

The basis of consolidation for regulatory purposes is different from the basis of consolidation for accounting purposes. Subsidiaries included in consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with section 3C of the Capital Rules. Subsidiaries not included in consolidation for regulatory purposes are non-financial companies and the securities and insurance companies that are authorised and supervised by a regulator and are subject to supervisory arrangements regarding the maintenance of adequate capital to support business activities comparable to those prescribed for authorised institutions under the Capital Rules and the Banking Ordinance. The Bank’s shareholdings in these subsidiaries are deducted from its Tier 1 capital and Tier 2 capital subject to the thresholds as determined in accordance with Part 3 of the Capital Rules.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(Expressed in Hong Kong dollars)

(b) Capital and reserves

	<i>As at 30th June, 2019 HKD million</i>
Total capital	41,194
Total reserves	<u>52,061</u>

(c) Consolidated assets, liabilities and profits position

	<i>As at 30th June, 2019 HKD million</i>
Total assets	876,778
Total liabilities	771,790
Total gross loans and advances to customers	511,281
Deposits and balances of banks and other financial institutions	36,057
Deposits from customers	582,105
Profit before taxation	<u>636</u>

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(d) **List of shareholders with qualifying holdings**

As at 30th June, 2019, the interests or short positions of substantial shareholders and other persons in the shares and underlying shares of the Bank as recorded in the register required to be kept under section 336 of the SFO (the "Register") were as follows:

Long positions in ordinary shares of the Bank:

<u>Name</u>	<u>Capacity and nature</u>	<u>No. of shares</u>	<u>% of issued voting Shares</u>
Sumitomo Mitsui Banking Corporation	Beneficial owner	510,003,673 ¹	19.01
Sumitomo Mitsui Financial Group, Inc.	Interest of Corporation	510,003,673 ¹	19.01
Criteria Caixa, S.A., Sociedad Unipersonal	Beneficial owner	464,287,319 ²	17.30
Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa"	Interest of corporation	464,287,319 ²	17.30
Guoco Management Company Limited	Beneficial owner	369,755,978 ^{3,4}	14.15 ⁵
Guoco Group Limited	Interest of corporation	369,755,978 ³	14.15
GuoLine Overseas Limited	Interest of corporation	369,755,978 ³	14.15 ⁵
GuoLine Capital Assets Limited	Interest of corporation	369,755,978 ³	14.15 ⁵
Hong Leong Company (Malaysia) Berhad	Interest of corporation	369,755,978 ^{3,4}	14.15
HL Holdings Sdn Bhd	Interest of corporation	369,755,978 ³	14.15
QUEK Leng Chan	Interest of corporation	369,755,978 ³	14.15
Hong Leong Investment Holdings Pte. Ltd.	Interest of corporation	369,755,978 ⁴	14.15
Davos Investment Holdings Private Limited	Interest of corporation	369,755,978 ⁴	14.15
KWEK Leng Kee	Interest of corporation	369,755,978 ⁴	14.15
Elliott Capital Advisors, L.P.	Interest of corporation	218,080,742 ⁶	8.00

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(d) List of shareholders with qualifying holdings (continued)

Notes:

- ¹ Sumitomo Mitsui Financial Group, Inc. owned a 100% interest in Sumitomo Mitsui Banking Corporation. Sumitomo Mitsui Financial Group, Inc. was deemed to be interested in the 510,003,673 shares of the Bank held by Sumitomo Mitsui Banking Corporation.

The Bank had been notified that the shareholdings of the above 2 corporations had been increased such that, as at 30th June, 2019, they stood at 566,664,061 shares (equivalent to approximately 19.56% of the issued shares of the Bank as at 30th June, 2019). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

- ² As at 30th June, 2019, Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" ("la Caixa") owned a 100% interest in Criteria Caixa, S.A., Sociedad Unipersonal ("Criteria Caixa"). la Caixa was deemed to be interested in the 464,287,319 shares of the Bank held by Criteria Caixa.

The Bank had been notified that the shareholdings of the above 2 corporations had been increased such that, as at 30th June, 2019, they stood at 507,052,049 shares (equivalent to approximately 17.50% of the issued shares of the Bank as at 30th June, 2019). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

- ³ The references to 369,755,978 shares of the Bank in Notes 3 and 4 relate to the same block of shares. Guoco Management Company Limited was the beneficial owner of 369,755,978 shares (equivalent to approximately 14.15% of the issued shares of the Bank as at 27th March, 2015, i.e. at the time of disclosure pursuant to Part XV of the SFO, and approximately 12.76% of the issued shares of the Bank as at 30th June, 2019). Hong Leong Company (Malaysia) Berhad was deemed to be interested in the 369,755,978 shares held by Guoco Management Company Limited by virtue of its 100% interest in GuoLine Capital Assets Limited which owned a 100% interest in GuoLine Overseas Limited. GuoLine Overseas Limited held a 71.88% interest in Guoco Group Limited which in turn owned a 100% interest in Guoco Management Company Limited. GuoLine Capital Assets Limited, GuoLine Overseas Limited and Guoco Group Limited were all deemed to be interested in the 369,755,978 shares held by Guoco Management Company Limited.

Quek Leng Chan was deemed to be interested in the 369,755,978 shares held by Guoco Management Company Limited by virtue of his 100% interest in HL Holdings Sdn Bhd ("HLH"). Hong Leong Company (Malaysia) Berhad was 49.27% owned by Quek Leng Chan as to 2.424% under his personal name, 46.534% via HLH which was wholly-owned by him and 0.311% via Newton (L) Limited.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(d) List of shareholders with qualifying holdings (continued)

Notes: (continued)

⁴ The references to 369,755,978 shares of the Bank in Notes 3 and 4 relate to the same block of shares. Hong Leong Company (Malaysia) Berhad was 34.69% held by Hong Leong Investment Holdings Pte. Ltd. which was in turn 33.59% held by Davos Investment Holdings Private Limited. Hong Leong Investment Holdings Pte. Ltd. and Davos Investment Holdings Private Limited were deemed to be interested in the 369,755,978 shares (equivalent to approximately 14.15% of the issued shares of the Bank as at 27th March, 2015, i.e. at the time of disclosure pursuant to Part XV of the SFO, and approximately 12.76% of the issued shares of the Bank as at 30th June, 2019) held by Guoco Management Company Limited by virtue of their interests in Hong Leong Company (Malaysia) Berhad.

KWEK Leng Kee was deemed to be interested in the 369,755,978 shares held by Guoco Management Company Limited by virtue of his 41.92% interest in Davos Investment Holdings Private Limited.

⁵ GuoLine Overseas Limited and GuoLine Capital Assets Limited are wholly-owned subsidiaries of Hong Leong Company (Malaysia) Berhad and Guoco Management Company Limited is a wholly-owned subsidiary of Guoco Group Limited. With the filing of the substantial shareholder notices by Hong Leong Company (Malaysia) Berhad and Guoco Group Limited, GuoLine Overseas Limited, GuoLine Capital Assets Limited and Guoco Management Company Limited do not need to file their respective substantial shareholder notices under the "wholly-owned group exemption" as provided in the SFO.

⁶ Elliott Capital Advisors, L.P. ("ECALP") was deemed to be interested in these shares (equivalent to approximately 8.00% of the issued shares of the Bank as at 4th July, 2017, i.e. at the time of disclosure pursuant to Part XV of the SFO, and approximately 7.53% of the issued shares of the Bank as at 30th June, 2019) comprising 198,044,142 shares held by Elliott International L.P. ("EILP"), 20,035,600 shares held by The Liverpool Limited Partnership ("Liverpool LP"), 200 shares held by Artan Investments Ltd, 200 shares held by Frasco Investments Ltd, 200 shares held by Milton Investments Ltd, 200 shares held by Parlan Investments Ltd and 200 shares held by Trevet Investments Ltd.

Liverpool LP was 100% controlled by Liverpool Associates, Ltd. Liverpool Associates, Ltd, Artan Investments Ltd and Frasco Investments Ltd were 100% controlled by Elliott Associates, L.P.. Milton Investments Ltd, Parlan Investments Ltd and Trevet Investments Ltd were 100% controlled by EILP which in turn was 100% controlled by Hambledon, Inc..

Both Elliott Associates, L.P. and Hambledon, Inc. were 100% controlled by ECALP which is accustomed to act in accordance with the instructions of Paul Singer.

Other information in relation to positions of The Bank of East Asia, Limited and its subsidiaries (continued)

(e) **Board of Directors (As at 29th August, 2019)**

The Board of Directors of the Bank comprises:

Executive Directors

Dr. the Hon. Sir David LI Kwok-po (*Executive Chairman*)
Mr. Adrian David LI Man-kiu (*Co-Chief Executive*)
Mr. Brian David LI Man-bun (*Co-Chief Executive*)

Non-executive Directors

Professor Arthur LI Kwok-cheung (*Deputy Chairman*)
Mr. Aubrey LI Kwok-sing
Mr. Winston LO Yau-lai
Mr. Stephen Charles LI Kwok-sze
Dr. Isidro FAINÉ CASAS
Dr. Daryl NG Win-kong
Mr. Masayuki OKU

Independent Non-executive Directors

Dr. Allan WONG Chi-yun (*Deputy Chairman*)
Dr. the Hon. Rita FAN HSU Lai-tai
Mr. Meocre LI Kwok-wing
Dr. the Hon. Henry TANG Ying-yen
Dr. Delman LEE