

**BOC Hong Kong (Holdings) Limited**  
**(“The Company”)**  
**Shareholders’ Q&A**  
**Following the Annual General Meeting on 16 May 2019**

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**Attendees: Executive Directors**

Mr Gao Yingxin (Vice Chairman and Chief Executive)

**Senior Management**

Mdm Wang Qi (Deputy Chief Executive)

Mr Yuan Shu (Deputy Chief Executive)

Mr Zhong Xiangqun (Chief Operating Officer)

Mr Wang Bing (Deputy Chief Executive)

Mdm Sui Yang (Chief Financial Officer)

Mrs Kung Yeung Ann Yun Chi (Deputy Chief Executive)

Mr Yung King Fun Stanley (Chief Credit Officer)

**Company Secretary**

Mr Luo Nan

Following the Annual General Meeting held on 16 May 2019, with the authorisation of the Board of Directors and chairmen of each affiliated committees, Mr Gao Yingxin, Vice Chairman and Chief Executive of the Company (and its affiliated companies, collectively known as “the Group”) together with the Management, attended the shareholders’ Q&A session. Details are as follows:

- 1. A shareholder asked about BOCHK’s business plan regarding virtual banking and the relevant strength.**

Chief Operation Officer Zhong Xiangqun briefly reported on the background of the

virtual bank jointly formed by BOCHK and its partners. He remarked that the emergence of virtual banking is fulfilling the demand of and riding on the development of new internet era. Virtual banking aims to provide services through new channels with new products targeting new customer demand, and stands to fill the gap of underserved areas under traditional banking business, and therefore will be complementary to each other.

Aside from BOCHK, shareholders of virtual bank Livi include also the internet firm Jingdong Digits, and the Jardine Matheson Group which runs strong retail networks both in Hong Kong and Asia-Pacific. Ecological cooperation is established upon each of their own strengths in the respective fields. It is strongly believed that Livi will have unique advantages in the space of virtual banking, bringing in new business opportunities. Solid progress has been made in various aspects thus far.

**2. A shareholder enquired on BOCHK's development and strategic planning regarding the Belt and Road Initiative.**

Chief Executive Gao Yingxin pointed out that BOC Group has been striving to craft the financial artery along the Belt and Road. BOCHK is the major flagship of BOC in the overseas market, while also serving as the latter's syndicated loan center in the Asia-Pacific region. In this regard, BOCHK is playing a major role in two aspects, first, its business presence has already expanded to 9 ASEAN countries, which are all key regions in the Belt and Road, and second, it can also act as a financing platform for important Belt and Road projects within the Group. In the meantime, BOCHK also provides other basic financial services, such as assisting clients in interest rate risk control and understanding local culture, as well as pairing them up with suitable business partners. Chief Executive Gao added that Belt and Road has become major sources of business and income for BOCHK's overseas market.

**3. A shareholder expressed that BOCHK has been maintaining a relatively high loan growth in the past few years and asked if it is sustainable in the context of the intense trade war between US and China.**

Chief Executive Gao Yingxin stated that US-China trade war has already undermined the global economic prospects, and inevitably impacted BOCHK's clients and businesses to a certain extent. In terms of customer and business structures as a whole, the relevant impacts however are still within manageable range. Though loan demand in Hong Kong market shrank in the first quarter of 2019, BOCHK's loan growth remained

satisfactory and was higher than the market average. BOCHK is facing favorable business opportunities in the large national strategic projects and ASEAN development. This, together with its solid customer base, balanced and diversified development, as well as broad business scope, should help to maintain a relatively good loan growth momentum for this year.

**4. A shareholder enquired on BOCHK's development plan for the Greater Bay Area following the recent launch of mainland bank account opening service.**

Chief Executive Gao Yingxin stated that BOC has established a leading position across Guangdong, Hong Kong and Macau region with the aim of becoming the leading bank in the Greater Bay Area. In line with this, BOCHK has been driving financial innovation with a primary focus on livelihood finance, in particular to ease the pain spots of Hong Kong residents in cross-border finance in the Greater Bay Area. Meanwhile, BOCHK is honoured to be authorised by PBOC as a pilot bank to launch the account opening service, which allows local residents to open a mainland bank account in Hong Kong without visiting a mainland branch in person. The accounts opened can be connected to various payment tools in the mainland so as to enhance the convenience in shopping and bill settlement. This service has received warm market responses immediately after launch. In the next step, in order to further facilitate convenience of residents' livelihood and corporate environment in both Hong Kong and the Greater Bay Area, BOCHK will continue to drive the development of its cross-border services, such as bill settlements, payments, financing, wealth management and insurance, etc, with a view to pursuing interconnection. At the same time BOCHK will also benefit from the business opportunities arising from the development of the Greater Bay Area.

**5. A shareholder opined that BOCHK's Wealth Management is a long-established brand. She asked if there were any brand-specific financial services and products in the Greater Bay Area, and whether stronger functionality could be added to the global or cross-border remittance services under Wealth Management.**

Deputy Chief Executive Kung Yung Ann Yun Chi responded that BOCHK's long-established Wealth Management has built up good brand awareness. Mutual brand recognition service is already available in the Greater Bay Area whereas Wealth Management customers can enjoy a unified standard of services across the three regions with dedicated services provided by wealth manager. Customers can join Wealth

Management according to the respective minimum balance requirements in different regions. BOCHK's personal banking customers will have the service charges waived when remitting money, via mobile or online banking, to bank account under the same name within BOCHK's Southeast Asian branches or any BOC branches around the world, which can effectively enhance the convenience for clients using this service.

**6. A shareholder asked if there would be customer deposits outflow amid recent discussion on amending the “Fugitive Offenders Ordinance” by the HKSAR government, and what measures would BOCHK have in response.**

Chief Executive Gao Yingxin replied that currently there was no such client request.