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Stock codes: 11 (HKD counter) and 80011 (RMB counter)

HK\$3 BILLION SHARE BUY-BACK PROGRAMME

This announcement is made by Hang Seng Bank Limited (**the “Bank”**) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (**the “Listing Rules”**) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (**the “SFO”**).

The Bank has entered into an agreement on 9 April 2024 (**the “Broker Agreement”**) with Merrill Lynch International, an independent broker (**the “Broker”**) under which the Broker is appointed to operate the Automatic Share Buy-back Programme (as defined below) on a discretionary basis (as further described below).

Pursuant to the Broker Agreement, the Bank has agreed pre-determined parameters for the Broker to buy back up to HK\$3 billion of the Bank’s shares (**the “Shares”**) on The Stock Exchange of Hong Kong Limited (**the “Stock Exchange”**). The Broker, acting through its affiliate (which will be an Exchange Participant (as defined under the Listing Rules)), will execute all buy-backs in accordance with the pre-determined parameters as set out under the Broker Agreement and has sole discretion to act independently of the Bank and its connected persons (as defined under the Listing Rules) (**the “Automatic Share Buy-back Programme”**).

The duration of the Automatic Share Buy-back Programme will be from 10 April 2024 to 9 September 2024.

The Automatic Share Buy-back Programme will be conducted pursuant to the powers of the Bank under the general mandate to buy-back Shares granted to the board of directors (**the “Board”**) at the annual general meeting of the Bank on 4 May 2023 (**the “2023 General Mandate”**), and if so approved by the shareholders of the Bank (**“Shareholders”**), the general mandate to buy-back Shares (the **“2024 General Mandate”**, together with the 2023 General Mandate, **the “General Mandate”**) to be granted to the Board at the upcoming general meeting of the Bank to be held on 8 May 2024 (**the “2024 AGM”**).

For the avoidance of doubt, any buy-backs of Shares after the conclusion of the 2024 AGM shall be subject to the approval of the 2024 General Mandate.

WAIVER FROM STRICT COMPLIANCE WITH THE REQUIREMENTS UNDER LISTING RULE 10.06(2)(e)

Rule 10.06(2)(e) of the Listing Rules restricts a listed issuer from purchasing its shares under various circumstances, including during restricted periods preceding the periodic announcement of its results (collectively, “**Restricted Periods**”).

In light of the Guidance Letter 117–23 (“**GL117-23**”) published by the Stock Exchange which sets out guidance on automatic share buy-back programmes, the Bank wishes to implement the Automatic Share Buy-back Programme and has sought, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.06(2)(e) of the Listing Rules in respect of the buy-back of Shares under the Automatic Share Buy-back Programme during the Restricted Periods (**the “Waiver”**). The Waiver will enable the Bank, through the Broker pursuant to the Broker Agreement, to conduct share buy-backs during the Restricted Periods under the Automatic Share Buy-back Programme. This will optimize the buy-back programme administration and maximise the opportunities for the Bank to implement the Automatic Share Buy-back Programme to the fullest extent up to the targeted HK\$3 billion.

Investors should take note that,

- (i) the Automatic Share Buy-back Programme is an irrevocable non-discretionary arrangement with respect to the Bank, which (a) was established outside the Restricted Period, (b) sets out the pre-determined parameters for the Share buy-backs, and (c) generally speaking, can only be modified or terminated outside the Restricted Period (unless required by or for the purpose of compliance with applicable laws or regulations or directed or instructed by a relevant regulatory authority);
- (ii) the Automatic Share Buy-back Programme will be effected through one single broker which, to the best knowledge of the Bank, is not a connected person (as defined under the Listing Rules) of the Bank;
- (iii) all buy-back decisions under the Automatic Share Buy-back Programme will be made by the Broker, acting through its affiliate, in accordance with the pre-determined parameters as set out under the Broker Agreement and independently from and not influenced by the Bank and the Bank’s connected persons (as defined under the Listing Rules). Each of the Bank and the Broker will maintain appropriate systems and controls (with Chinese walls or information barriers) in relation to the Automatic Share Buy-back Programme to ensure that no inside information of the Bank will be given by the Bank and the Bank’s connected persons (as defined under the Listing Rules) directly or indirectly to, or received by, any personnel of the Broker involved with the execution of the Automatic Share Buy-back Programme until a reasonable time after its completion or termination;
- (iv) the duration of the Automatic Share Buy-back Programme will be for five months. The commencement date of the Automatic Share Buy-back Programme is well ahead of the expected commencement date of the Restricted Period in relation to the publication of the 2024 interim financial results of the Bank;
- (v) each of the Bank’s market capitalization as at the date of this announcement and average daily turnover volume in the six months immediately prior to the date of this announcement is above the benchmark as set out under the GL117-23; and

- (vi) the Bank published this announcement to disclose the key details of the Automatic Share Buy-back Programme and will disclose any buy-back of Shares conducted thereunder by way of next day disclosure returns in accordance with the requirements of the Listing Rules.

On the ground that the terms and the features of the Automatic Share Buy-back Programme satisfy the requirements under the Listing Rules and the GL117-23, Share buy-backs under such programme will be conducted in a manner to mitigate the risk of trading with undisclosed inside information and potential price manipulation. It is considered that the granting of the waiver from strict compliance with Rule 10.06(2)(e) of the Listing Rules will not give rise to undue risk to the Shareholders.

GENERAL

The Bank will comply with the Listing Rules, the Codes on Takeovers and Mergers and Share Buybacks (the “Takeovers Code”), the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the SFO and all other applicable laws and regulations for the buy-back of Shares. It is expected that the implementation of the Automatic Share Buy-back Programme would not trigger any mandatory offer obligation under the Takeovers Code.

The Bank is of the view that the implementation of the Automatic Share Buy-back Programme is in the best interests of the Bank and the Shareholders as a whole.

Shareholders and potential investors of the Bank should note that any Share buy-back under the Automatic Share Buy-back Programme will be subject to prevailing market conditions and the Broker’s sole discretion within the pre-determined parameters of the Automatic Share Buy-back Programme. Shareholders and potential investors of the Bank are advised to exercise caution when dealing in the Shares.

As at the date hereof, the Board of Directors of the Bank comprises Irene Y L Lee* (Chairman), Diana Cesar (Chief Executive), Cordelia Chung*, Kathleen C H Gan#, Clement K M Kwok*, Patricia S W Lam*, David Y C Liao#, Huey Ru Lin*, Kenneth S Y Ng*, Say Pin Saw and Xiao Bin Wang*.

Non-executive Directors

* *Independent Non-executive Directors*

For and on behalf of

Hang Seng Bank Limited

Cheung Ka Ki

Company Secretary and Head of Corporate Governance

Hong Kong, 9 April 2024

恒生銀行有限公司

Hang Seng Bank Limited

Incorporated in Hong Kong with limited liability

Registered Office and Head Office: 83 Des Voeux Road Central, Hong Kong

Member HSBC Group