# The Bank of East Asia, Limited
東亞銀行有限公司

Banking Disclosure Statement
For the period ended
30 June 2026

(Unaudited)

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# Introduction

## Purpose

The information contained in this document is for The Bank of East Asia, Limited ("the Bank") and its subsidiaries (together "the Group"), and is prepared in accordance with the Banking (Disclosure) Rules ("BDR"), Part 6 of the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules ("LAC Rules"), and disclosure templates issued by the Hong Kong Monetary Authority ("HKMA").

These banking disclosures are governed by the Group's disclosure policy, which has been approved by the Board. The disclosure policy sets out the governance, control and assurance requirements for publication of the document. While the banking disclosure statement is not required to be externally audited, the document has been subject to independent review in accordance with the Group's policies on disclosure and its financial reporting and governance processes.

## Basis of preparation

Except where indicated otherwise, the financial information contained in this Banking Disclosure Statement has been prepared on the basis of the regulatory scope of consolidation specified by the HKMA to the Bank. The basis of consolidation for regulatory purposes is different from that for accounting purposes.

## The banking disclosure statement

The HKMA has implemented the Pillar 3 disclosure framework developed by the Basel Committee on Banking Supervision ("BCBS") and incorporated the BCBS Pillar 3 disclosure requirements in the latest BDR. These disclosures are supplemented by specific additional requirements of the HKMA set out in the BDR and the LAC Rules. The banking disclosure statement includes the information required under the BDR and the LAC Rules.

According to the BDR and the LAC Rules, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates.

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## Template KM1 - Key prudential ratios

| | (HK$ million) | 30 Jun 2026 | 31 Mar 2026 | 31 Dec 2025 | 30 Sep 2025 | 30 Jun 2025 |
|---|---|---|---|---|---|---|
| | **Regulatory capital (amount)** | | | | | |
| 1 & 1a | Common Equity Tier 1 (CET1) | 92,166 | 91,024 | 89,632 | 88,550 | 87,295 |
| 2 & 2a | Tier 1[1] | 92,166 | 91,024 | 89,632 | 93,571 | 92,316 |
| 3 & 3a | Total capital | 104,539 | 103,400 | 101,971 | 106,514 | 105,228 |
| | **RWA (amount)** | | | | | |
| 4 | Total RWA | 368,057 | 365,231 | 362,185 | 366,371 | 367,954 |
| 4a | Total RWA (pre-floor) | 368,057 | 365,231 | 362,185 | 366,371 | 367,954 |
| | **Risk-based regulatory capital ratios (as a percentage of RWA)** | | | | | |
| 5 & 5a | CET1 ratio (%) | 25.04% | 24.92% | 24.75% | 24.17% | 23.72% |
| 5b | CET1 ratio (%) (pre-floor ratio) | 25.04% | 24.92% | 24.75% | 24.17% | 23.72% |
| 6 & 6a | Tier 1 ratio (%) | 25.04% | 24.92% | 24.75% | 25.54% | 25.09% |
| 6b | Tier 1 ratio (%) (pre-floor ratio) | 25.04% | 24.92% | 24.75% | 25.54% | 25.09% |
| 7 & 7a | Total capital ratio (%) | 28.40% | 28.31% | 28.15% | 29.07% | 28.60% |
| 7b | Total capital ratio (%) (pre-floor ratio) | 28.40% | 28.31% | 28.15% | 29.07% | 28.60% |
| | **Additional CET1 buffer requirements (as a percentage of RWA)** | | | | | |
| 8 | Capital conservation buffer requirement (%) | 2.500% | 2.500% | 2.500% | 2.500% | 2.500% |
| 9 | Countercyclical capital buffer requirement (%) | 0.317% | 0.318% | 0.320% | 0.318% | 0.325% |
| 10 | Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs) | N/A | N/A | N/A | N/A | N/A |
| 11 | Total AI-specific CET1 buffer requirements (%) | 2.817% | 2.818% | 2.820% | 2.818% | 2.825% |
| 12 | CET1 available after meeting the AI's minimum capital requirements (%) | 19.04% | 18.92% | 18.75% | 19.54% | 19.09% |
| | **Basel III leverage ratio** | | | | | |
| 13 | Total leverage ratio (LR) exposure measure | 969,345 | 950,701 | 948,592 | 931,458 | 920,460 |
| 13a | LR exposure measure based on mean values of gross assets of SFTs | 962,641 | 949,101 | 954,185 | 927,871 | 918,244 |
| 14, 14a & 14b | LR (%) | 9.51% | 9.57% | 9.45% | 10.05% | 10.03% |
| 14c & 14d | LR (%) based on mean values of gross assets of SFTs | 9.57% | 9.59% | 9.39% | 10.08% | 10.05% |
| | **Liquidity Coverage Ratio (LCR)** | | | | | |
| 15 | Total high quality liquid assets (HQLA)[2] | 127,562 | 118,451 | 112,555 | 105,124 | 101,479 |
| 16 | Total net cash outflows | 76,596 | 70,803 | 61,968 | 62,045 | 57,708 |
| 17 | LCR (%) | 167.89% | 167.69% | 182.75% | 169.66% | 176.45% |
| | **Net Stable Funding Ratio (NSFR)** | | | | | |
| 18 | Total available stable funding | 627,006 | 620,928 | 628,821 | 612,573 | 610,404 |
| 19 | Total required stable funding | 501,457 | 496,663 | 499,062 | 498,214 | 489,716 |
| 20 | NSFR (%) | 125.04% | 125.02% | 126.00% | 122.95% | 124.64% |

[1] The decrease in the Tier 1 capital on 31 December 2025 when compared to 30 September 2025 was mainly due to the redemption of a US$650 million Additional Tier 1 capital instrument in October 2025.

[2] The movement of total high quality liquid assets (HQLA) between the periods was mainly attributable to the fluctuation in the average holding of central bank reserves and exchange funds bills and notes in level 1 HQLA.

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## Template OV1: Overview of RWA

The following table provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 30 June 2026 and 31 March 2026 respectively:

| | | (a) | (b) | (c) |
|---|---|---|---|---|
| | | RWA | | Minimum capital requirements[1] |
| (HK$ million) | | 30 June 2026 | 31 March 2026 | 30 June 2026 |
| 1 | **Credit risk for non-securitization exposures** | **315,318** | **314,412** | **25,226** |
| 2 | Of which STC approach | 35,916 | 34,470 | 2,873 |
| 2a | Of which BSC approach | 0 | 0 | 0 |
| 3 | Of which foundation IRB approach | 219,997 | 219,667 | 17,600 |
| 4 | Of which supervisory slotting criteria approach | 10,933 | 12,118 | 875 |
| 5 | Of which advanced IRB approach | 0 | 0 | 0 |
| 5a | Of which retail IRB approach | 25,558 | 26,676 | 2,045 |
| 5b | Of which specific risk-weight approach | 22,914 | 21,481 | 1,833 |
| 5c | Of which cryptoasset exposures to credit risk calculated in accordance with section 376 and Divisions 5, 6 and 8 of Part 12 of the BCR[2] | 0 | 0 | 0 |
| 6 | **Counterparty credit risk and default fund contributions** | **3,565** | **3,777** | **285** |
| 7 | Of which SA-CCR approach | 3,287 | 3,686 | 263 |
| 7a | Of which CEM | 0 | 0 | 0 |
| 8 | Of which IMM(CCR) approach | 0 | 0 | 0 |
| 8a | Of which method for group 2b cryptoasset derivative contracts | 0 | 0 | 0 |
| 9 | Of which others | 278 | 91 | 22 |
| 10 | CVA risk | 1,356 | 1,442 | 108 |
| 11 | Equity positions in banking book under the simple risk-weight method and internal models method | N/A | N/A | N/A |
| 12 | Collective investment scheme ("CIS") exposures – look-through approach / third-party approach | 1,590 | 1,651 | 127 |
| 13 | CIS exposures – mandate-based approach | 266 | 263 | 21 |
| 14 | CIS exposures – fall-back approach | 8 | 8 | 1 |
| 14a | CIS exposures – combination of approaches | 0 | 0 | 0 |
| 15 | Settlement risk | 0 | 0 | 0 |
| 16 | **Securitization exposures in banking book** | **0** | **0** | **0** |
| 17 | Of which SEC-IRBA | 0 | 0 | 0 |
| 18 | Of which SEC-ERBA (including IAA) | 0 | 0 | 0 |
| 19 | Of which SEC-SA | 0 | 0 | 0 |
| 19a | Of which SEC-FBA | 0 | 0 | 0 |
| 20 | **Market risk** | **8,704** | **7,272** | **696** |
| 21 | Of which STM approach | 8,704 | 7,272 | 696 |
| 22 | Of which IMA | 0 | 0 | 0 |
| 22a | Of which SSTM approach | 0 | 0 | 0 |
| 23 | Capital charge for moving exposures between trading book and banking book | 0 | 0 | 0 |
| 24 | Operational risk | 26,430 | 26,028 | 2,114 |
| 24a | Sovereign concentration risk | 0 | 0 | 0 |
| 25 | Amounts below the thresholds for deduction (subject to 250% RW) | 13,209 | 12,976 | 1,057 |
| 26 | Output floor level applied | 55% | 55% | |
| 27 | Floor adjustment (before application of transitional cap) | 0 | 0 | |
| 28 | Floor adjustment (after application of transitional cap) | N/A | N/A | N/A |

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**Template OV1: Overview of RWA** (continued)

| | | (a) | (b) | (c) |
|---|---|---|---|---|
| | | RWA | | Minimum capital requirements[1] |
| | | 30 Jun 2026 | 31 Mar 2026 | 30 Jun 2026 |
| 28a | **Deduction to RWA** | **2,389** | **2,598** | **191** |
| 28b | Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital | 0 | 0 | 0 |
| 28c | Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital | 2,389 | 2,598 | 191 |
| 29 | **Total** | **368,057** | **365,231** | **29,444** |

[1] Minimum capital requirement represents the amount of capital required to be held for that risk based on its RWAs multiplied by 8%.
[2] There was no cryptoasset exposure as of 30 June 2026 and therefore the disclosure templates CAE1, CAE2 and CAE3 are not applicable.

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## Template CC1: Composition of regulatory capital

| At 30 June 2026 | | Amount (HK$ million) | Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation |
|---|---|---|---|
| | **CET1 capital: instruments and reserves** | | |
| 1 | Directly issued qualifying CET1 capital instruments plus any related share premium | 42,231 | (10) + (14) |
| 2 | Retained earnings | 38,198 | (11) |
| 3 | Disclosed reserves | 23,192 | (15) + (16) + (17) |
| 5 | Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group) | - | |
| 6 | **CET1 capital before regulatory deductions** | 103,621 | |
| | **CET1 capital: regulatory deductions** | | |
| 7 | Valuation adjustments | - | |
| 8 | Goodwill (net of associated deferred tax liabilities) | 1,460 | (4) |
| 9 | Other intangible assets (net of associated deferred tax liabilities) | 1,249 | (5) |
| 10 | Deferred tax assets (net of associated deferred tax liabilities) | 2,284 | (6) |
| 11 | Cash flow hedge reserve | (225) | (18) |
| 12 | Excess of total EL amount over total eligible provisions under the IRB approach | - | |
| 13 | Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions | - | |
| 14 | Gains and losses due to changes in own credit risk on fair valued liabilities | - | (7) + (8) |
| 15 | Defined benefit pension fund net assets (net of associated deferred tax liabilities) | - | |
| 16 | Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet) | - | |
| 17 | Reciprocal cross-holdings in CET1 capital instruments | - | |
| 18 | Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | - | |
| 19 | Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | - | |
| 20 | Mortgage servicing rights (net of associated deferred tax liabilities) | Not applicable | Not applicable |
| 21 | Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities) | Not applicable | Not applicable |
| 22 | Amount exceeding the 15% threshold | Not applicable | Not applicable |
| 23 | of which: significant investments in the ordinary share of financial sector entities | Not applicable | Not applicable |
| 24 | of which: mortgage servicing rights | Not applicable | Not applicable |
| 25 | of which: deferred tax assets arising from temporary differences | Not applicable | Not applicable |

**Template CC1: Composition of regulatory capital** (continued)

| At 30 June 2026 | | Amount (HK$ million) | Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation |
|---|---|---|---|
| 26 | National specific regulatory adjustments applied to CET1 capital | 6,687 | |
| 26a | Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) | 4,342 | (2) + (3) |
| 26b | Regulatory reserve for general banking risks | 2,345 | (12) |
| 26c | Securitization exposures specified in a notice given by the MA | - | |
| 26d | Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings | - | |
| 26e | Capital shortfall of regulated non-bank subsidiaries | - | |
| 26f | Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base) | - | |
| 27 | Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions | - | |
| 28 | **Total regulatory deductions to CET1 capital** | 11,455 | |
| 29 | **CET1 capital** | 92,166 | |
| | **AT1 capital: instruments** | | |
| 30 | Qualifying AT1 capital instruments plus any related share premium | - | (19) |
| 31 | of which: classified as equity under applicable accounting standards | - | |
| 32 | of which: classified as liabilities under applicable accounting standards | - | |
| 34 | AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group) | - | |
| 36 | **AT1 capital before regulatory deductions** | - | |
| | **AT1 capital: regulatory deductions** | | |
| 37 | Investments in own AT1 capital instruments | - | |
| 38 | Reciprocal cross-holdings in AT1 capital instruments | - | |
| 39 | Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | - | |
| 40 | Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation | - | |
| 41 | National specific regulatory adjustments applied to AT1 capital | - | |
| 42 | Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions | - | |
| 43 | **Total regulatory deductions to AT1 capital** | - | |
| 44 | **AT1 capital** | - | |
| 45 | **Tier 1 capital (T1 = CET1 + AT1)** | 92,166 | |

**Template CC1: Composition of regulatory capital** (continued)

At 30 June 2026

| | | Amount (HK$ million) | Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation |
|---|---|---|---|
| | **Tier 2 capital: instruments and provisions** | | |
| 46 | Qualifying Tier 2 capital instruments plus any related share premium | 8,993 | (9) |
| 48 | Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) | - | |
| 50 | Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital | 1,426 | (13) - (1) |
| 51 | **Tier 2 capital before regulatory deductions** | 10,419 | |
| | **Tier 2 capital: regulatory deductions** | | |
| 52 | Investments in own Tier 2 capital instruments | - | |
| 53 | Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities | - | |
| 54 | Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold) | - | |
| 54a | Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as “section 2 institution” under §2(1) of Schedule 4F to BCR only) | - | |
| 55 | Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions) | - | |
| 55a | Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions) | - | |
| 56 | National specific regulatory adjustments applied to Tier 2 capital | (1,954) | |
| 56a | Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital | (1,954) | [(2) + (3)] X 45% |
| 56b | Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within BCR §48(1)(g) | - | |
| 57 | **Total regulatory adjustments to Tier 2 capital** | (1,954) | |
| 58 | **Tier 2 capital (T2)** | 12,373 | |
| 59 | **Total regulatory capital (TC = T1 + T2)** | 104,539 | |
| 60 | **Total RWA** | 368,057 | |

**Template CC1: Composition of regulatory capital** (continued)

| At 30 June 2026 | | Amount (HK$ million) | Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation |
|---|---|---|---|
| | **Capital ratios (as a percentage of RWA)** | | |
| 61 | **CET1 capital ratio** | 25.04% | |
| 62 | **Tier 1 capital ratio** | 25.04% | |
| 63 | **Total capital ratio** | 28.40% | |
| 64 | **Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)** | 2.817% | |
| 65 | of which: capital conservation buffer requirement | 2.500% | |
| 66 | of which: bank specific countercyclical capital buffer requirement | 0.317% | |
| 67 | of which: higher loss absorbency requirement | Not applicable | |
| 68 | CET1 (as a percentage of RWA) available after meeting minimum capital requirements | 19.04% | |
| | **National minima (if different from Basel 3 minimum)** | | |
| 69 | National CET1 minimum ratio | Not applicable | Not applicable |
| 70 | National Tier 1 minimum ratio | Not applicable | Not applicable |
| 71 | National Total capital minimum ratio | Not applicable | Not applicable |
| | **Amounts below the thresholds for deduction (before risk weighting)** | | |
| 72 | Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation | 2,334 | |
| 73 | Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation | 5,284 | |
| 74 | Mortgage servicing rights (net of associated deferred tax liabilities) | Not applicable | Not applicable |
| 75 | Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities) | Not applicable | Not applicable |
| | **Applicable caps on the inclusion of provisions in Tier 2 capital** | | |
| 76 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap) | 609 | |
| 77 | Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA | 624 | |
| 78 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap) | 817 | |
| 79 | Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA | 1,704 | |

**Template CC1: Composition of regulatory capital** (continued)

Notes to the template

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

| | Description | Hong Kong basis (HK$ Million) | Basel III basis (HK$ Million) |
|---|---|---|---|
| 9 | **Other intangible assets (net of associated deferred tax liabilities)** | 1,249 | 1,249 |
| | Explanation<br>As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights ("MSRs") may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III. | | |
| 10 | **Deferred tax assets (net of associated deferred tax liabilities)** | 2,284 | 9 |
| | Explanation<br>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III. | | |
| 18 | **Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)** | - | - |
| | Explanation<br>For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach. | | |

**Template CC1: Composition of regulatory capital** (continued)

Notes to the Template (continued)

| | Description | Hong Kong basis (HK$ Million) | Basel III basis (HK$ Million) |
|---|---|---|---|
| 19 | **Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)** | - | - |
| | Explanation<br>For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach. | | |
| 39 | **Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)** | - | - |
| | Explanation<br>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach. | | |
| 54 | **Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)** | - | - |
| | Explanation<br>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and noncapital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach. | | |
| Remarks:<br>The amount of the 10% threshold and 5% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime. | | | |

Abbreviations:
CET1: Common Equity Tier 1
AT1: Additional Tier 1

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## Template CC2: Reconciliation of regulatory capital to balance sheet

| Balance Sheet Reconciliation | Balance sheet as in published financial statements | Under regulatory scope of consolidation | Cross reference to Definition of Capital Components |
|---|---|---|---|
| | 30/06/2026 | 30/06/2026 | |
| | HK$ Mn | HK$ Mn | |
| **Assets** | | | |
| Cash and balances with banks | 42,834 | 42,768 | |
| Placements with and advances to banks | 27,857 | 27,642 | |
| Trade bills | 1,591 | 1,591 | |
| Trading assets | 1,641 | 1,641 | |
| Derivative assets | 4,051 | 4,051 | |
| Loans and advances to customers | 542,446 | 542,228 | |
| of which: collective impairment allowances reflected in regulatory capital | | (866) | (1) |
| Excess of total EL amount over total eligible provisions under the IRB Approach | | - | |
| Investment securities | 229,424 | 229,368 | |
| Investments in subsidiaries | - | 1,974 | |
| Investments in associates/joint ventures | 9,095 | 5,343 | |
| Fixed assets | | | |
| - Investment properties | 7,333 | 7,470 | |
| of which: Cumulative fair value gains arising from the revaluation of land and buildings | | 1,957 | (2) |
| - Other property and equipment | 5,805 | 5,782 | |
| of which: Cumulative fair value gains arising from the revaluation of land and buildings | | 2,385 | (3) |
| ROU assets | 601 | 601 | |
| Goodwill and intangible assets | 3,066 | 2,709 | |
| of which: goodwill | | 1,460 | (4) |
| other intangible assets | | 1,249 | (5) |
| Deferred tax assets | 2,290 | 2,290 | |
| of which: deferred tax assets (net of associated deferred tax liabilities) | | 2,284 | (6) |
| Other assets | | | |
| - Assets held for sale | 20 | 20 | |
| - Others | 58,827 | 58,256 | |
| **Total Assets** | **936,881** | **933,734** | |
| | | | |
| **Liabilities** | | | |
| Deposits and balances of banks | 28,787 | 28,787 | |
| Deposits from customers | 693,431 | 693,431 | |
| Trading liabilities | 617 | 617 | |
| Derivative liabilities | 3,364 | 3,364 | |
| Certificates of deposit issued | | | |
| - Designated at fair value through profit or loss | - | - | |
| of which: gains and losses due to changes in own credit risk on fair valued liabilities | | - | (7) |
| - At amortised cost | 19,499 | 19,499 | |
| Current taxation | 2,674 | 2,645 | |
| Debt securities issued | | | |
| - Designated at fair value through profit or loss | - | - | |
| of which: gains and losses due to changes in own credit risk on fair valued liabilities | - | - | (8) |
| - At amortised cost | - | - | |
| Deferred tax liabilities | 703 | 685 | |
| Other liabilities | | | |
| - Liabilities held for sale | - | - | |
| - Others | 59,953 | 60,734 | |
| Loan capital - at amortised cost | 20,351 | 20,351 | |
| of which: portion eligible for Tier 2 capital instruments | | 8,993 | (9) |
| **Total Liabilities** | **829,379** | **830,113** | |
| | | | |
| **Equity** | | | |
| Share capital | 42,231 | 42,231 | |
| of which: paid-in share capital | | 42,231 | (10) |
| Reserves | 64,970 | 61,390 | |
| of which: retained earnings | | 38,198 | (11) |
| of which: regulatory reserve earmarked | | 2,345 | (12) |
| regulatory reserve for general banking risks | | 560 | (13) |
| share premium | | - | (14) |
| accumulated other comprehensive income | | 4,920 | (15) |
| exchange revaluation reserve | | 95 | (16) |
| other reserves | | 18,177 | (17) |
| of which: cash flow hedge reserve | | (225) | (18) |
| | | | |
| Additional equity instruments | - | - | (19) |
| Non-controlling interests | 301 | - | |
| of which: portion not eligible for inclusion in regulatory capital | - | - | |
| **Total Equity** | **107,502** | **103,621** | |
| **Total Equity and Liabilities** | **936,881** | **933,734** | |

## Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer (“CCyB”)

The following table presents the geographical breakdown of risk-weighted amounts (RWA) in relation to private sector credit exposures as at 30 June 2026:

| | | a | c | d | e |
|---|---|---|---|---|---|
| | **Geographical breakdown by Jurisdiction (J)** | **Applicable JCCyB ratio in effect** | **RWA used in computation of CCyB ratio** | **AI-specific CCyB ratio** | **CCyB amount** |
| | | **(%)** | **(HK$ million)** | **(%)** | **(HK$ million)** |
| 1 | Hong Kong, China | 0.500% | 111,781 | | |
| 2 | Australia | 1.000% | 10,401 | | |
| 3 | Belgium | 1.000% | 151 | | |
| 4 | Chile | 0.500% | 50 | | |
| 5 | Cyprus | 1.500% | 77 | | |
| 6 | France | 1.000% | 998 | | |
| 7 | Germany | 0.750% | 1,199 | | |
| 8 | Hungary | 1.000% | 101 | | |
| 9 | Ireland | 1.500% | 2,257 | | |
| 10 | Luxembourg | 0.500% | 2,200 | | |
| 11 | Netherlands | 2.000% | 1,491 | | |
| 12 | Saudi Arabia | 1.000% | 1,107 | | |
| 13 | Spain | 0.500% | 548 | | |
| 14 | South Korea | 1.000% | 590 | | |
| 15 | Sweden | 2.000% | 461 | | |
| 16 | United Arab Emirates | 0.500% | 454 | | |
| 17 | United Kingdom | 2.000% | 8,651 | | |
| | Sum of above | | 142,517 | | |
| | Total (including those exposures in jurisdictions with zero JCCyB ratio) | | 304,413 | 0.317% | 1,167 |

The geographical locations of exposures to private sector obligors are determined on an ultimate risk basis according to the residency or registered offices of the obligors in general. To the extent that credit risk has been mitigated by means of a guarantee or credit derivative contract recognized for capital adequacy ratio calculation purposes, the exposure will be allocated to the location of the credit protection provider under the recognized guarantee or the recognized credit derivative contract. If the location of the obligor cannot be determined without disproportionate effort, the credit exposure should be allocated to the jurisdiction where it is booked.

## Template LR1: Summary comparison of accounting assets against leverage ratio exposure measure

At 30 June 2026

| | Item | Value under Leverage Ratio framework (HK$ million) |
|---|---|---|
| 1 | Total consolidated assets as per published financial statements | 936,881 |
| 2 | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | (3,147) |
| 3 | Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference | - |
| 4 | Adjustments for temporary exemption of central bank reserves | N/A |
| 5 | Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure | - |
| 6 | Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting | - |
| 7 | Adjustments for eligible cash pooling transactions | - |
| 8 | Adjustments for derivative contracts | 6,502 |
| 9 | Adjustment for SFTs (i.e. repos and similar secured lending) | 668 |
| 10 | Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures) | 40,467 |
| 11 | Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from LR exposure measure | (102) |
| 12 | Other adjustments | (11,924) |
| 13 | **Leverage ratio exposure measure** | 969,345 |

## Template LR2: Leverage ratio (“LR”)

| | | (HK$ million) | |
|---|---|---|---|
| | | At 30 Jun 2026 | At 31 Mar 2026 |
| **On-balance sheet exposures** | | | |
| 1 | On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral) | 913,562 | 906,454 |
| 2 | Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard | - | - |
| 3 | Less: Deductions of receivables assets for cash variation margin provided under derivative contracts | - | - |
| 4 | Less: Adjustment for assets other than money received under SFTs that are recognised as an asset | - | - |
| 5 | Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital | (8,120) | (6,970) |
| 6 | Less: Asset amounts deducted in determining Tier 1 capital | (11,455) | (11,913) |
| 7 | **Total on-balance sheet exposures (excluding derivative contracts and SFTs)** | 893,987 | 887,571 |
| **Exposures arising from derivative contracts** | | | |
| 8 | Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting) | 3,352 | 3,589 |
| 9 | Add-on amounts for PFE associated with all derivative contracts | 7,201 | 6,960 |
| 10 | Less: Exempted CCP leg of client-cleared trade exposures | - | - |
| 11 | Adjusted effective notional amount of written credit-related derivative contracts | - | - |
| 12 | Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts | - | - |
| 13 | **Total exposures arising from derivative contracts** | 10,553 | 10,549 |
| **Exposures arising from SFTs** | | | |
| 14 | Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions | 23,772 | 10,530 |
| 15 | Less: Netted amounts of cash payables and cash receivables of gross SFT assets | - | - |
| 16 | CCR exposure for SFT assets | 668 | 173 |
| 17 | Agent transaction exposures | - | - |
| 18 | **Total exposures arising from SFTs** | 24,440 | 10,703 |
| **Other off-balance sheet exposures** | | | |
| 19 | Off-balance sheet exposure at gross notional amount | 162,301 | 155,902 |
| 20 | Less: Adjustments for conversion to credit equivalent amounts | (121,834) | (113,945) |
| 21 | Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital | (102) | (79) |
| 22 | **Off-balance sheet items** | 40,365 | 41,878 |
| **Capital and total exposures** | | | |
| 23 | **Tier 1 capital** | 92,166 | 91,024 |
| 24 | **Total exposures** | 969,345 | 950,701 |
| **Leverage ratio** | | | |
| 25 & 25a | **Leverage ratio** | **9.51%** | **9.57%** |
| 26 | **Minimum leverage ratio requirement** | **3.00%** | **3.00%** |
| 27 | **Applicable leverage buffers** | **N/A** | **N/A** |

**Template LR2: Leverage ratio ("LR")** (continued)

| | | (HK$ million) | |
|---|---|---|---|
| | | At 30 Jun 2026 | At 31 Mar 2026 |
| **Disclosure of mean values** | | | |
| 28 | Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts associated cash payables and cash receivables | 17,068 | 8,930 |
| 29 | Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables | 23,772 | 10,530 |
| 30 & 30a | Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables) | 962,641 | 949,101 |
| 31 & 31a | Leverage ratio based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables) | 9.57% | 9.59% |

## Template LIQ1: Liquidity Coverage Ratio ("LCR")

| | (HK$ million) | Quarter ending on 30 June 2026 | | Quarter ending on 31 March 2026 | |
|---|---|---|---|---|---|
| | Number of data points used in calculating the average value of the LCR and related components set out in this template | 71 | | 73 | |
| | Basis of disclosure: consolidated | **Unweighted value** (average) | **Weighted value** (average) | **Unweighted value** (average) | **Weighted value** (average) |
| **A.** | **High Quality Liquid Assets (HQLA)** | | | | |
| 1 | Total HQLA | | 141,460 | | 133,100 |
| **B.** | **Cash Outflows** | | | | |
| 2 | Retail deposits and small business funding, of which: | 392,456 | 28,656 | 388,346 | 28,197 |
| 3 | *Stable retail deposits and stable small business funding* | 57,874 | 1,768 | 58,904 | 1,797 |
| 4 | *Less stable retail deposits and less stable small business funding* | 203,179 | 20,318 | 198,563 | 19,856 |
| 4a | *Retail term deposits and small business term funding* | 131,403 | 6,570 | 130,879 | 6,544 |
| 5 | Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the institution, of which: | 176,742 | 88,177 | 163,206 | 83,176 |
| 6 | *Operational deposits* | 0 | 0 | 0 | 0 |
| 7 | *Unsecured wholesale funding (other than small business funding) not covered in row 6* | 171,650 | 83,085 | 158,194 | 78,164 |
| 8 | *Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period* | 5,092 | 5,092 | 5,012 | 5,012 |
| 9 | Secured funding transactions (including securities swap transactions) | | 2 | | 0 |
| 10 | Additional requirements, of which: | 125,418 | 19,977 | 127,077 | 20,730 |
| 11 | *Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements* | 4,796 | 4,796 | 4,895 | 4,895 |
| 12 | *Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions* | 0 | 0 | 0 | 0 |
| 13 | *Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)* | 120,622 | 15,181 | 122,182 | 15,835 |
| 14 | Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows | 10,986 | 10,986 | 12,908 | 12,908 |
| 15 | Other contingent funding obligations (whether contractual or non-contractual) | 218,667 | 2,764 | 214,765 | 2,641 |
| 16 | **Total Cash Outflows** | | 150,562 | | 147,652 |
| | | | | | |
| 17 | Secured lending transactions (including securities swap transactions) | 11,779 | 4,501 | 3,582 | 3,272 |
| 18 | Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions | 116,956 | 62,225 | 118,914 | 64,639 |
| 19 | Other cash inflows | 7,600 | 7,240 | 9,396 | 8,938 |
| 20 | **Total Cash Inflows** | 136,335 | 73,966 | 131,892 | 76,849 |
| **D.** | **Liquidity Coverage Ratio** | | **Adjusted value** | | **Adjusted value** |
| 21 | **Total HQLA** | | 127,562 | | 118,451 |
| 22 | **Total Net Cash Outflows** | | 76,596 | | 70,803 |
| 23 | **LCR (%)** | | 167.89% | | 167.69% |

This is the standard disclosure template that a category 1 institution must use for the purposes of making its liquidity information disclosures under section 16FK or 103A (where applicable) of the Banking (Disclosure) Rules.

**Template LIQ1: Liquidity Coverage Ratio ("LCR")** (continued)

**Main drivers of LCR results**

The Liquidity Coverage Ratio ("LCR"), which came into effect on 1st January, 2015, promotes the short-term resilience of the Group's liquidity risk by requiring that the Group holds sufficient high quality liquid assets ("HQLAs") to survive under a pre-defined stress scenario over a period of 30 days. It is expressed as a percentage, of the amount of a category 1 institution's HQLAs to the amount of the institution's "total net cash outflows" over 30 calendar days. The Banking (Liquidity) Rules require that Group meets the minimum LCR of not less than 100% starting from 1st January, 2019.

The total net cash outflows is the total cash outflows offset by the total cash inflows. Total cash outflows mainly consist of customer deposits which are the Group's main source of stable funding. Total cash inflows mainly come from maturing assets such as money market placements, loans and securities within 30 calendar days.

The Group's LCR is well above the regulatory limit of 100% throughout the second quarter of 2026 and remains steady when compared with the previous quarters. No significant movement in liquidity during the normal course of business and the overall liquidity position remains healthy.

**Composition of HQLA**

The HQLAs for fulfilling the LCR consist of cash, exchange fund bills and notes, high quality government debt securities and other equivalent liquid marketable assets. The majority of HQLAs are denominated in Hong Kong dollars. The classification of HQLAs among levels 1, 2A or 2B is based on the credit rating of securities and a number of market factors in determining the degree of readiness of monetizing the assets in a short period of time. The Group's liquid assets are predominately classified as level 1 assets.

**Concentration of Funding Sources**

The Group has strengthened the deposit base by retaining loyal customers and maintaining customer relationships. The Group balances funding among retail, small business, and wholesale funding to avoid concentration in any one source. Professional markets are accessed through the issuance of certificates of deposit, medium-term notes, subordinated debt, money market placement, and borrowing for the purposes of providing additional funding, maintaining a presence in local money markets, and optimizing asset and liability maturities.

**Currency mismatch in the LCR**

Majority of the Group's customer deposits are denominated in HKD, USD and RMB. The Bank held an amount of HKD-denominated level 1 assets that was not less than 20% of its HKD-denominated total net cash outflows. The Group manages the composition of its HQLA by currency through funding swaps. There is no significant currency mismatch in the Bank's LCR at respective levels of consolidation.

**Degree of centralization of liquidity management**

The Asset and Liability Management Committee is delegated by the Board to oversee the Group's liquidity risk management. The Asset and Liability Management Committee sets the strategy, policy, and limits for managing liquidity risk and the means for ensuring that such strategy and policy are implemented. Regular meetings are held to review the compliance status of the monitoring matrix established and the need for any change in strategy and policy. Liquidity is managed daily by the Capital Markets & Liquidity Management Department under the Treasury Markets Division of the Group within the set limits. The Market & Liquidity Risk Management Department under the Risk Management Division of the Group is responsible for monitoring the activities relating to liquidity risk. The Internal Audit Division performs periodic reviews to ensure that the liquidity risk management functions are carried out effectively.

## Template LIQ2: Net Stable Funding Ratio ("NSFR")

| | | Quarter ended 30 Jun 2026 | | | | |
|---|---|---|---|---|---|---|
| (HK$ million) | | (a) | (b) | (c) | (d) | (e) |
| **Basis of disclosure: consolidated** | | **Unweighted value by residual maturity** | | | | **Weighted amount** |
| | | No specified term to maturity | <6 months or repayable on demand | 6 months to < 12 months | 12 months or more | |
| **A. Available stable funding ("ASF") item** | | | | | | |
| 1 | Capital: | 105,285 | 40 | 3,914 | 5,050 | 112,292 |
| 2 | *Regulatory capital* | 105,285 | 40 | 3,914 | 5,050 | 112,292 |
| 2a | *Minority interests not covered by row 2* | 0 | 0 | 0 | 0 | 0 |
| 3 | *Other capital instruments* | 0 | 0 | 0 | 0 | 0 |
| 4 | Retail deposits and small business funding: | | 394,299 | 8,981 | 205 | 366,992 |
| 5 | *Stable deposits* | | 75,843 | 855 | 15 | 72,878 |
| 6 | *Less stable deposits* | | 318,456 | 8,126 | 190 | 294,114 |
| 7 | Wholesale funding: | | 293,501 | 23,996 | 9,002 | 133,313 |
| 8 | *Operational deposits* | | 0 | 0 | 0 | 0 |
| 9 | *Other wholesale funding* | 0 | 293,501 | 23,996 | 9,002 | 133,313 |
| 10 | Liabilities with matching interdependent assets | 0 | 0 | 0 | 0 | 0 |
| 11 | Other liabilities: | 54,566 | 16,902 | 3,334 | 12,742 | 14,409 |
| 12 | *Net derivative liabilities* | 0 | | | | |
| 13 | *All other funding and liabilities not included in the above categories* | 54,566 | 16,902 | 3,334 | 12,742 | 14,409 |
| 14 | **Total ASF** | | | | | 627,006 |
| **B. Required stable funding ("RSF") item** | | | | | | |
| 15 | Total HQLA for NSFR purposes | 202,385 | | | | 39,124 |
| 16 | Deposits held at other financial institutions for operational purposes | 0 | 0 | 0 | 0 | 0 |
| 17 | Performing loans and securities: | 5,779 | 223,240 | 87,586 | 322,093 | 391,167 |
| 18 | *Performing loans to financial institutions secured by Level 1 HQLA* | 0 | 8,288 | 0 | 0 | 829 |
| 19 | *Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions* | 1 | 59,910 | 14,419 | 13,912 | 30,109 |
| 20 | *Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:* | 5,505 | 131,233 | 67,746 | 146,305 | 228,528 |
| 21 | *With a risk-weight of less than or equal to 35% under the STC approach* | 0 | 543 | 0 | 0 | 272 |
| 22 | *Performing residential mortgages, of which:* | 0 | 4,469 | 2,966 | 121,878 | 91,404 |
| 23 | *With a risk-weight of less than or equal to 35% under the STC approach* | 0 | 3,247 | 2,199 | 79,549 | 54,430 |
| 24 | *Securities that are not in default and do not qualify as HQLA, including exchange-traded equities* | 273 | 19,340 | 2,455 | 39,998 | 40,297 |
| 25 | Assets with matching interdependent liabilities | 0 | 0 | 0 | 0 | 0 |
| 26 | Other assets: | 44,151 | 43,448 | 6,266 | 4 | 65,064 |
| 27 | *Physical traded commodities, including gold* | 0 | | | | 0 |
| 28 | *Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs* | 2,022 | | | | 1,760 |
| 29 | *Net derivative assets* | 1,400 | | | | 1,400 |
| 30 | *Total derivative liabilities before adjustments for deduction of variation margin posted* | 3,483 | | | | 174 |
| 31 | *All other assets not included in the above categories* | 37,246 | 43,448 | 6,266 | 4 | 61,730 |
| 32 | Off-balance sheet items | | 363,036 | | | 6,102 |
| 33 | **Total RSF** | | | | | 501,457 |
| 34 | **Net Stable Funding Ratio (%)** | | | | | 125.04% |

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**Template LIQ2: Net Stable Funding Ratio ("NSFR")** (continued)

| | | Quarter ended 31 Mar 2026 | | | | |
|---|---|---|---|---|---|---|
| **(HK$ million)** | | (a) | (b) | (c) | (d) | (e) |
| **Basis of disclosure: consolidated** | | **Unweighted value by residual maturity** | | | | **Weighted amount** |
| | | No specified term to maturity | <6 months or repayable on demand | 6 months to < 12 months | 12 months or more | |
| **A. Available stable funding ("ASF") item** | | | | | | |
| 1 | Capital: | 104,522 | 174 | 0 | 9,002 | 113,524 |
| 2 | *Regulatory capital* | 104,522 | 174 | 0 | 9,002 | 113,524 |
| 2a | *Minority interests not covered by row 2* | 0 | 0 | 0 | 0 | 0 |
| 3 | *Other capital instruments* | 0 | 0 | 0 | 0 | 0 |
| 4 | Retail deposits and small business funding: | | 397,975 | 5,782 | 135 | 367,430 |
| 5 | *Stable deposits* | | 77,844 | 455 | 2 | 74,385 |
| 6 | *Less stable deposits* | | 320,131 | 5,327 | 133 | 293,045 |
| 7 | Wholesale funding: | | 280,037 | 23,867 | 9,023 | 131,577 |
| 8 | *Operational deposits* | | 0 | 0 | 0 | 0 |
| 9 | *Other wholesale funding* | 0 | 280,037 | 23,867 | 9,023 | 131,577 |
| 10 | Liabilities with matching interdependent assets | 0 | 0 | 0 | 0 | 0 |
| 11 | Other liabilities: | 47,591 | 27,162 | 5,983 | 5,405 | 8,397 |
| 12 | *Net derivative liabilities* | 0 | | | | |
| 13 | *All other funding and liabilities not included in the above categories* | 47,591 | 27,162 | 5,983 | 5,405 | 8,397 |
| 14 | **Total ASF** | | | | | 620,928 |
| **B. Required stable funding ("RSF") item** | | | | | | |
| 15 | Total HQLA for NSFR purposes | 186,916 | | | | 37,324 |
| 16 | Deposits held at other financial institutions for operational purposes | 0 | 0 | 0 | 0 | 0 |
| 17 | Performing loans and securities: | 5,851 | 239,833 | 71,811 | 328,136 | 390,872 |
| 18 | *Performing loans to financial institutions secured by Level 1 HQLA* | 0 | 5,308 | 0 | 0 | 531 |
| 19 | *Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions* | 1 | 85,171 | 9,923 | 13,011 | 30,749 |
| 20 | *Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:* | 5,638 | 133,809 | 56,053 | 152,168 | 229,065 |
| 21 | *With a risk-weight of less than or equal to 35% under the STC approach* | 0 | 513 | 0 | 0 | 257 |
| 22 | *Performing residential mortgages, of which:* | 0 | 4,092 | 3,014 | 122,730 | 91,793 |
| 23 | *With a risk-weight of less than or equal to 35% under the STC approach* | 0 | 2,999 | 2,251 | 80,404 | 54,888 |
| 24 | *Securities that are not in default and do not qualify as HQLA, including exchange-traded equities* | 212 | 11,453 | 2,821 | 40,227 | 38,734 |
| 25 | Assets with matching interdependent liabilities | 0 | 0 | 0 | 0 | 0 |
| 26 | Other assets: | 46,152 | 36,559 | 4,362 | 4 | 62,307 |
| 27 | *Physical traded commodities, including gold* | 0 | | | | 0 |
| 28 | *Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs* | 2,320 | | | | 2,041 |
| 29 | *Net derivative assets* | 1,863 | | | | 1,863 |
| 30 | *Total derivative liabilities before adjustments for deduction of variation margin posted* | 3,498 | | | | 175 |
| 31 | *All other assets not included in the above categories* | 38,471 | 36,559 | 4,362 | 4 | 58,228 |
| 32 | Off-balance sheet items | | 358,213 | | | 6,160 |
| 33 | **Total RSF** | | | | | 496,663 |
| 34 | **Net Stable Funding Ratio (%)** | | | | | 125.02% |

## Template CR1: Credit quality of exposures

The table below provides an overview of the credit quality of on- and off-balance sheet exposures as at 30 June 2026:

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) |
|---|---|---|---|---|---|---|---|---|
| | | Gross carrying amounts of | | Allowances / impairments | Of which ECL accounting provisions for credit losses on STC approach exposures | | Of which ECL accounting provisions for credit losses on IRB approach exposures | Net values (a+b-c) |
| | (HK$ million) | Defaulted exposures | Non-defaulted exposures | | Allocated in regulatory category of specific provisions | Allocated in regulatory category of collective provisions | | |
| 1 | Loans | 15,804 | 555,917 | 7,854 | 526 | 207 | 7,121 | 563,867 |
| 2 | Debt securities | 177 | 229,316 | 165 | 0 | 5 | 160 | 229,328 |
| 3 | Off-balance sheet exposures | 0 | 55,582 | 29 | 0 | 1 | 28 | 55,553 |
| **4** | **Total** | **15,981** | **840,815** | **8,048** | **526** | **213** | **7,309** | **848,748** |

Definition of default

A credit exposure is defined as defaulted if borrower is displaying a definable weakness which is likely to jeopardize repayment, including but not limiting to:

- past due status has been over 90 days;
- borrower is put under receivership by other financial institutions;
- borrower is petitioned for winding-up or bankruptcy; or
- other significant deficiencies of borrower business are present which threaten the borrower's cash flow and payment capability.

Definition of specific provisions and collective provisions

The categorisation of Expected Credit Loss ('ECL') accounting provisions into the regulatory categories of specific and collective provisions follows the treatment specified in the completion instructions of the HKMA Capital Adequacy Ratio – MA(BS)3 return. According to the completion instructions, the ECL accounting provisions classified into Stage 1 and Stage 2 are treated as collective provisions, while those classified under Stage 3 are treated as specific provisions.

## Template CR2: Changes in defaulted loans and debt securities

The table below provides information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs for the period from 31 December 2025 to 30 June 2026:

| | | (a) |
|---|---|---|
| | (HK$ million) | Amount |
| 1 | **Defaulted loans and debt securities at end of the previous reporting period (31 December 2025)** | **15,879** |
| 2 | Loans and debt securities that have defaulted since the last reporting period | 2,224 |
| 3 | Returned to non-defaulted status | (55) |
| 4 | Amounts written off | (1,679) |
| 5 | Other changes | (388) |
| 6 | **Defaulted loans and debt securities at end of the current reporting period (30 June 2026)** | **15,981** |

## Template CR3: Overview of recognised credit risk mitigation

The following table presents the extent of credit risk exposures covered by different types of recognised CRM as at 30 June 2026:

| | | (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|---|---|
| (HK$ million) | | Exposures unsecured: carrying amount | Exposures to be secured | Exposures secured by recognised collateral | Exposures secured by recognised guarantees | Exposures secured by recognised credit derivative contracts |
| 1 | Loans | 309,049 | 254,818 | 192,957 | 61,861 | 0 |
| 2 | Debt securities | 227,063 | 2,265 | 0 | 2,265 | 0 |
| **3** | **Total** | **536,112** | **257,083** | **192,957** | **64,126** | **0** |
| 4 | Of which defaulted | 3,235 | 6,274 | 3,567 | 2,707 | 0 |

## Template CR4: Credit risk exposures and effects of recognised credit risk mitigation – for STC approach

The following table illustrates the effect of any recognised CRM (including recognised collateral under both comprehensive and simple approaches) on the calculation of credit risk capital requirements under STC approach as at 30 June 2026:

| | | (a) | (b) | (c) | (d) | (e) | (f) |
|---|---|---|---|---|---|---|---|
| | | Exposures pre-CCF and pre-CRM | | Exposures post-CCF and post-CRM | | RWA and RWA density | |
| | Exposure Classes | On-balance sheet amount (HK$ Mn) | Off-balance sheet amount (HK$ Mn) | On-balance sheet amount (HK$ Mn) | Off-balance sheet amount (HK$ Mn) | RWA (HK$ Mn) | RWA density |
| 1 | Sovereign exposures | 124,123 | 0 | 125,557 | 27 | 851 | 0.68% |
| 2 | Public sector entity exposures | 8,364 | 1,600 | 8,709 | 610 | 1,384 | 14.85% |
| 3 | Multilateral development bank exposures | *0* | *0* | *0* | *0* | *0* | *0.00%* |
| 3a | Unspecified multilateral body exposures | *0* | *0* | *0* | *0* | *0* | *0.00%* |
| 4 | Bank exposures | 646 | 116 | 819 | 116 | 823 | 88.03% |
| 4a | Qualifying non-bank financial institution exposures | 1,313 | 2,670 | 346 | 207 | 350 | 63.35% |
| 5 | Eligible covered bond exposures | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 6 | General corporate exposures | 4,103 | 2,230 | 2,730 | 398 | 2,816 | 90.03% |
| 6a | Of which: non-bank financial institution exposures excluding those reported under row 4a | 897 | 505 | 1,058 | 146 | 1,048 | 87.04% |
| 6b | Specialized lending | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 7 | Equity exposures | 766 | 0 | 766 | 0 | 1,914 | 250.00% |
| 7a | Significant capital investments in commercial entities | 2,034 | 0 | 2,034 | 0 | 5,084 | 250.00% |
| 7b | Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 7c | Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 8 | Retail exposures | 26,479 | 35,291 | 20,983 | 3,263 | 19,110 | 78.82% |
| 8a | Exposures arising from IPO financing | 0 | 0 | 0 | 0 | 0 | 0.00% |

**Template CR4: Credit risk exposures and effects of recognised credit risk mitigation – for STC approach** (continued)

| | | (a) | (b) | (c) | (d) | (e) | (f) |
|---|---|---|---|---|---|---|---|
| | | Exposures pre-CCF and pre-CRM | | Exposures post-CCF and post-CRM | | RWA and RWA density | |
| | Exposure Classes | On-balance sheet amount (HK$ Mn) | Off-balance sheet amount (HK$ Mn) | On-balance sheet amount (HK$ Mn) | Off-balance sheet amount (HK$ Mn) | RWA (HK$ Mn) | RWA density |
| 9 | Real estate exposures | 5,989 | 1,049 | 5,489 | 204 | 3,464 | 60.86% |
| 9a | Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | 3,144 | 58 | 3,139 | 21 | 756 | 23.96% |
| 9b | Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties) | 151 | 0 | 151 | 0 | 57 | 37.65% |
| 9c | Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | 262 | 0 | 262 | 0 | 166 | 63.44% |
| 9d | Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties) | 261 | 48 | 261 | 0 | 185 | 70.77% |
| 9e | Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | 802 | 791 | 320 | 135 | 364 | 80.09% |
| 9f | Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties) | 1,028 | 152 | 1,015 | 48 | 1,595 | 150.00% |
| 9g | Of which: land acquisition, development and construction exposures | 341 | 0 | 341 | 0 | 341 | 100.00% |
| 10 | Defaulted exposures | 98 | 0 | 98 | 0 | 120 | 122.34% |
| 11 | Other exposures | 8,696 | 0 | 8,696 | 0 | 0 | 0.00% |
| 11a | Cash and gold | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 11b | Items in the process of clearing or settlement | 0 | 0 | 0 | 0 | 0 | 0.00% |
| **12** | **Total** | **182,611** | **42,956** | **176,227** | **4,825** | **35,916** | **19.84%** |

## Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach

The following table presents a breakdown of credit risk exposures under STC approach by exposure classes and by risk weights as at 30 June 2026:

(HK$ million)

| | | 0% | 20% | 50% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|
| 1 | Sovereign exposures | 121,331 | 4,253 | 0 | 0 | 0 | 0 | 125,584 |

| | | 0% | 20% | 50% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|
| 2 | Public sector entity exposures | 2,401 | 6,918 | 0 | 0 | 0 | 0 | 9,319 |

| | | 0% | 20% | 30% | 50% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|
| 3 | Multilateral development bank exposures | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |

| | | 20% | 30% | 50% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|
| 3a | Unspecified multilateral body exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | 20% | 30% | 40% | 50% | 75% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|
| 4 | Bank exposures | 0 | 483 | 0 | 0 | 0 | 0 | 452 | 0 | 935 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 20% | 30% | 40% | 50% | 75% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|
| 4a | Qualifying non-bank financial institution exposures | 0 | 143 | 0 | 0 | 410 | 0 | 0 | 0 | 553 |

| | | 10% | 15% | 20% | 25% | 35% | 50% | 100% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|
| 5 | Eligible covered bond exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | 20% | 30% | 50% | 65% | 75% | 85% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | General corporate exposures | 107 | 0 | 81 | | 204 | 898 | 1,838 | 0 | 0 | 3,128 |
| 6a | Of which: non-bank financial institution exposures excluding those reported under row 4a | 81 | 0 | 81 | | 204 | 0 | 838 | 0 | 0 | 1,204 |

| | | 20% | 50% | 75% | 80% | 100% | 130% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|
| 6b | Specialized lending | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | 100% | 250% | 400% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|
| 7 | Equity exposures | | 766 | 0 | 0 | 766 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 250% | 400% | 1250% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|
| 7a | Significant capital investments in commercial entities | 2,034 | 0 | 0 | 0 | 2,034 |

| | | 150% | 250% | 400% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|
| 7b | Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities | 0 | 0 | 0 | 0 | 0 |

| | | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|
| 7c | Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates | 0 | 0 | 0 |

| | | 45% | 75% | 100% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|
| 8 | Retail exposures | 1,333 | 17,753 | 5,028 | 132 | 24,246 |

| | | 0% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|
| 8a | Exposures arising from IPO financing | 0 | 0 | 0 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 0% | 20% | 25% | 30% | 35% | 40% | 45% | 50% | 60% | 65% | 70% | 75% | 85% | 90% | 100% | 105% | 110% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | Real estate exposures | 0 | 1,933 | 517 | 613 | 33 | 37 | 53 | 56 | 214 | | 270 | 324 | 146 | 1 | 381 | 2 | 5 | 1,063 | 45 | 5,693 |
| 9a | Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | | 1,933 | 517 | 546 | | 37 | 11 | 56 | 0 | | 15 | 6 | | | | 0 | | | 39 | 3,160 |
| 9b | Of which: no loan splitting applied | | 1,933 | 517 | 546 | | 37 | 11 | 56 | 0 | | 15 | 6 | | | | 0 | | | 39 | 3,160 |
| 9c | Of which: loan splitting applied (secured) | | | | | | | | | | | | | | | | | | | | |
| 9d | Of which: loan splitting applied (unsecured) | | | | | | | | | | | | | | | | | | | | |
| 9e | Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties) | | | | 67 | 33 | | 42 | | 1 | | | 0 | | 0 | | 2 | | | 6 | 151 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 0% | 20% | 25% | 30% | 35% | 40% | 45% | 50% | 60% | 65% | 70% | 75% | 85% | 90% | 100% | 105% | 110% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9f | Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | 0 | 0 | | 0 | | 0 | | 0 | 213 | | | 43 | 0 | | 6 | | | 0 | 0 | 262 |
| 9g | Of which: no loan splitting applied | 0 | 0 | | 0 | | 0 | | 0 | 213 | | | 43 | 0 | | 6 | | | 0 | 0 | 262 |
| 9h | Of which: loan splitting applied (secured) | | | | | | | | | | | | | | | | | | | | |
| 9i | Of which: loan splitting applied (unsecured) | | | | | | | | | | | | | | | | | | | | |
| 9j | Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties) | | | | | | | | | | | 255 | | | 1 | | | 5 | | 0 | 261 |
| 9k | Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties) | 0 | 0 | | 0 | | 0 | | 0 | | | | 275 | 146 | | 34 | | | 0 | 0 | 455 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 0% | 20% | 25% | 30% | 35% | 40% | 45% | 50% | 60% | 65% | 70% | 75% | 85% | 90% | 100% | 105% | 110% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9l | Of which: no loan splitting applied | 0 | 0 | | 0 | | 0 | | 0 | | | | 275 | 146 | | 34 | | | 0 | 0 | 455 |
| 9m | Of which: loan splitting applied (secured) | | | | | | | | | | | | | | | | | | | | |
| 9n | Of which: loan splitting applied (unsecured) | | | | | | | | | | | | | | | | | | | | |
| 9o | Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties) | | | | | | | | | | | | | | | | | | 1,063 | 0 | 1,063 |
| 9p | Of which: land acquisition, development and construction exposures | | | | | | | | | | | | | | | 341 | | | 0 | 0 | 341 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

(HK$ million)

| | | 50% | 100% | 150% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|---|
| 10 | Defaulted exposures | | 54 | 44 | 0 | 98 |

| | | 100% | 1250% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|
| 11 | Other exposures | 0 | 0 | 8,696 | 8,696 |

| | | 0% | 100% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|
| 11a | Cash and gold | 0 | 0 | 0 | 0 |

| | | 0% | 20% | Other | Total credit exposure amount (post-CCF and post-CRM) |
|---|---|---|---|---|---|
| 11b | Items in the process of clearing or settlement | 0 | 0 | 0 | 0 |

**Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach** (continued)

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures:

| | | (a) | (b) | (c) | (d) |
|---|---|---|---|---|---|
| | Risk Weight | On-balance sheet exposure | Off-balance sheet exposure (pre-CCF) | Weighted average CCF | Exposure (post-CCF and post-CRM) |
| 1 | Less than 40% | 145,380 | 1,652 | 38.07% | 147,469 |
| 2 | 40-70% | 2,206 | 2,870 | 9.89% | 2,051 |
| 3 | 75% | 16,491 | 34,879 | 10.42% | 18,691 |
| 4 | 85% | 2,143 | 1,070 | 11.66% | 1,045 |
| 5 | 90-100% | 12,047 | 2,217 | 24.21% | 7,301 |
| 6 | 105-130% | 85 | 0 | 9.76% | 85 |
| 7 | 150% | 1,460 | 268 | 61.67% | 1,611 |
| 8 | 250% | 2,799 | 0 | 0.00% | 2,799 |
| 9 | 400% | 0 | 0 | 0.00% | 0 |
| 10 | 1,250% | 0 | 0 | 0.00% | 0 |
| **11** | **Total exposures** | **182,611** | **42,956** | **12.51%** | **181,052** |

## Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach

The following tables present the main parameters of internal models used for the calculation of credit risk capital requirements under the foundation and retail IRB approaches respectively at 30 June 2026:

Foundation IRB Approach

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Bank | 0.00 to <0.15 | 43,989 | 9,972 | 12.19% | 45,954 | 0.07% | 153 | 45.54% | 1.6 | 11,104 | 24.16% | 17 | |
| | 0.15 to <0.25 | 12,314 | 3,299 | 11.04% | 12,691 | 0.18% | 62 | 44.99% | 0.8 | 4,202 | 33.11% | 10 | |
| | 0.25 to <0.50 | 9,851 | 2,727 | 17.12% | 10,086 | 0.29% | 53 | 44.97% | 0.2 | 3,674 | 36.43% | 13 | |
| | 0.50 to <0.75 | 3,764 | 204 | 39.63% | 3,841 | 0.54% | 17 | 45.00% | 0.4 | 2,285 | 59.50% | 9 | |
| | 0.75 to <2.50 | 3,891 | 141 | 20.00% | 3,919 | 1.27% | 23 | 45.00% | 0.8 | 3,427 | 87.44% | 22 | |
| | 2.50 to <10.00 | 346 | 0 | 0.00% | 346 | 4.38% | 2 | 45.00% | 0.3 | 486 | 140.26% | 7 | |
| | 10.00 to <100.00 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% | 0 | |
| | 100.00 (Default) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% | 0 | |
| | **Sub-total** | **74,155** | **16,343** | **13.19%** | **76,837** | **0.22%** | **310** | **45.32%** | **1.2** | **25,178** | **32.77%** | **78** | **71** |
| Corporate – small-and-medium sized corporates | 0.00 to <0.15 | 4,810 | 1,285 | 20.94% | 3,876 | 0.10% | 49 | 35.63% | 2.2 | 743 | 19.17% | 1 | |
| | 0.15 to <0.25 | 4,547 | 1,903 | 37.00% | 5,345 | 0.19% | 54 | 31.78% | 1.5 | 1,082 | 20.25% | 3 | |
| | 0.25 to <0.50 | 11,701 | 885 | 27.45% | 12,364 | 0.34% | 95 | 28.20% | 1.2 | 2,802 | 22.66% | 12 | |
| | 0.50 to <0.75 | 4,884 | 1,545 | 25.10% | 5,221 | 0.54% | 110 | 31.73% | 1.6 | 1,797 | 34.39% | 9 | |
| | 0.75 to <2.50 | 12,005 | 2,138 | 8.16% | 12,752 | 1.18% | 422 | 24.84% | 1.2 | 4,651 | 36.47% | 36 | |
| | 2.50 to <10.00 | 4,721 | 3,540 | 1.04% | 4,896 | 4.03% | 195 | 18.99% | 2.6 | 2,302 | 47.03% | 39 | |
| | 10.00 to <100.00 | 3,864 | 411 | 35.79% | 4,745 | 21.00% | 34 | 27.54% | 1.9 | 5,426 | 114.34% | 281 | |
| | 100.00 (Default) | 1,878 | 0 | 0.00% | 1,878 | 100.00% | 101 | 31.62% | 0.4 | 228 | 12.15% | 1,031 | |
| | **Sub-total** | **48,410** | **11,707** | **16.76%** | **51,077** | **6.47%** | **1,060** | **27.84%** | **1.5** | **19,031** | **37.26%** | **1,412** | **1,348** |

**Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach** (continued)

Foundation IRB Approach (continued)

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Corporate – large corporates | 0.00 to <0.15 | 111,979 | 33,898 | 16.65% | 119,997 | 0.07% | 367 | 39.44% | 3.1 | 28,844 | 24.04% | 34 | |
| | 0.15 to <0.25 | 32,585 | 25,380 | 12.26% | 37,784 | 0.18% | 201 | 37.36% | 2.1 | 12,011 | 31.79% | 26 | |
| | 0.25 to <0.50 | 52,730 | 60,779 | 7.51% | 60,596 | 0.32% | 385 | 35.67% | 1.4 | 21,838 | 36.04% | 69 | |
| | 0.50 to <0.75 | 24,087 | 28,217 | 4.40% | 27,558 | 0.54% | 215 | 36.88% | 1.2 | 13,026 | 47.27% | 55 | |
| | 0.75 to <2.50 | 22,113 | 24,348 | 4.34% | 23,315 | 1.32% | 185 | 31.63% | 1.2 | 13,956 | 59.86% | 95 | |
| | 2.50 to <10.00 | 1,564 | 2,442 | 2.06% | 1,615 | 5.92% | 16 | 35.83% | 0.8 | 1,771 | 109.65% | 34 | |
| | 10.00 to <100.00 | 3,192 | 649 | 0.90% | 3,198 | 42.02% | 16 | 29.67% | 3.5 | 4,401 | 137.62% | 397 | |
| | 100.00 (Default) | 2,486 | 0 | 0.00% | 2,486 | 100.00% | 15 | 32.98% | 1.1 | 1,661 | 66.81% | 1,471 | |
| | **Sub-total** | **250,736** | **175,713** | **8.92%** | **276,549** | **1.71%** | **1,400** | **37.22%** | **2.2** | **97,508** | **35.26%** | **2,181** | **2,650** |
| Corporate – financial institutions treated as corporates | 0.00 to <0.15 | 16,091 | 19,266 | 7.65% | 16,882 | 0.08% | 70 | 44.28% | 1.5 | 4,260 | 25.24% | 6 | |
| | 0.15 to <0.25 | 6,703 | 6,246 | 4.33% | 6,753 | 0.17% | 35 | 44.43% | 1.4 | 2,766 | 40.97% | 5 | |
| | 0.25 to <0.50 | 9,115 | 7,473 | 6.90% | 8,710 | 0.31% | 43 | 42.58% | 1.3 | 4,648 | 53.36% | 12 | |
| | 0.50 to <0.75 | 4,031 | 3,045 | 5.01% | 3,873 | 0.54% | 22 | 40.06% | 0.9 | 2,384 | 61.55% | 8 | |
| | 0.75 to <2.50 | 1,480 | 1,284 | 16.89% | 1,627 | 1.29% | 14 | 15.11% | 0.8 | 506 | 31.07% | 3 | |
| | 2.50 to <10.00 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% | 0 | |
| | 10.00 to <100.00 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% | 0 | |
| | 100.00 (Default) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% | 0 | |
| | **Sub-total** | **37,420** | **37,314** | **7.05%** | **37,845** | **0.25%** | **184** | **42.23%** | **1.3** | **14,564** | **38.48%** | **34** | **75** |

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**Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach** (continued)

Foundation IRB Approach (continued)

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Corporate – other corporates | 0.00 to <0.15 | 39,983 | 9,513 | 19.45% | 39,137 | 0.08% | 173 | 39.20% | 3.0 | 9,557 | 24.42% | 12 | |
| | 0.15 to <0.25 | 18,987 | 12,267 | 19.75% | 19,437 | 0.18% | 140 | 37.71% | 2.7 | 6,958 | 35.80% | 13 | |
| | 0.25 to <0.50 | 31,460 | 12,487 | 15.65% | 30,846 | 0.32% | 223 | 33.97% | 1.9 | 11,730 | 38.03% | 33 | |
| | 0.50 to <0.75 | 16,277 | 13,060 | 13.20% | 16,135 | 0.54% | 190 | 33.79% | 1.7 | 7,659 | 47.47% | 30 | |
| | 0.75 to <2.50 | 22,632 | 24,063 | 2.14% | 22,497 | 1.34% | 370 | 28.88% | 1.4 | 12,945 | 57.54% | 87 | |
| | 2.50 to <10.00 | 5,636 | 11,437 | 1.97% | 5,723 | 3.75% | 137 | 25.29% | 1.3 | 4,034 | 70.49% | 53 | |
| | 10.00 to <100.00 | 5,352 | 131 | 46.71% | 4,679 | 23.06% | 18 | 24.44% | 0.8 | 5,509 | 117.75% | 254 | |
| | 100.00 (Default) | 4,596 | 0 | 0.00% | 4,596 | 100.00% | 69 | 30.14% | 0.9 | 5,324 | 115.84% | 1,578 | |
| | **Sub-total** | **144,923** | **82,958** | **10.55%** | **143,050** | **4.50%** | **1,320** | **34.31%** | **2.1** | **63,716** | **44.54%** | **2,060** | **3,081** |
| **Total (sum of all portfolios)** | | **555,644** | **324,035** | **9.62%** | **585,358** | **2.52%** | **4,274** | **37.08%** | **1.9** | **219,997** | **37.58%** | **5,765** | **7,225** |

**Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach** (continued)

Retail IRB Approach

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Retail – QRRE (transactor) | 0.00 to <0.15 | 35 | 11,400 | 87.23% | 9,978 | 0.14% | 364,500 | 91.87% | | 729 | 7.31% | 13 | |
| | 0.15 to <0.25 | 30 | 310 | 74.35% | 260 | 0.25% | 9,318 | 91.87% | | 30 | 11.60% | 1 | |
| | 0.25 to <0.50 | 1,566 | 12,685 | 70.86% | 10,556 | 0.35% | 350,945 | 91.87% | | 1,642 | 15.55% | 33 | |
| | 0.50 to <0.75 | 4 | 540 | 97.39% | 530 | 0.59% | 12,546 | 90.39% | | 122 | 22.93% | 3 | |
| | 0.75 to <2.50 | 23 | 307 | 90.38% | 301 | 1.39% | 6,633 | 88.02% | | 129 | 42.83% | 4 | |
| | 2.50 to <10.00 | 159 | 174 | 96.83% | 328 | 4.52% | 15,561 | 91.67% | | 337 | 102.74% | 14 | |
| | 10.00 to <100.00 | 0 | 3 | 82.42% | 2 | 65.62% | 62 | 91.87% | | 5 | 223.84% | 1 | |
| | 100.00 (Default) | 0 | 0 | 0.00% | 0 | 100.00% | 1 | 91.87% | | 0 | 479.95% | 0 | |
| | **Sub-total** | **1,817** | **25,419** | **79.22%** | **21,955** | **0.34%** | **759,566** | **91.78%** | | **2,994** | **13.64%** | **69** | **65** |
| Retail – QRRE (revolver) | 0.00 to <0.15 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | | 0 | 0.00% | 0 | |
| | 0.15 to <0.25 | 10 | 28 | 78.42% | 32 | 0.23% | 996 | 91.40% | | 3 | 10.97% | 0 | |
| | 0.25 to <0.50 | 532 | 3,031 | 70.44% | 2,667 | 0.35% | 101,079 | 91.87% | | 410 | 15.39% | 9 | |
| | 0.50 to <0.75 | 116 | 376 | 91.39% | 459 | 0.57% | 7,350 | 90.40% | | 102 | 22.23% | 2 | |
| | 0.75 to <2.50 | 199 | 1,115 | 82.44% | 1,119 | 1.13% | 40,161 | 91.21% | | 415 | 37.03% | 11 | |
| | 2.50 to <10.00 | 626 | 238 | 127.34% | 929 | 6.12% | 39,888 | 91.24% | | 1,153 | 124.04% | 52 | |
| | 10.00 to <100.00 | 5 | 2 | 138.66% | 8 | 39.35% | 284 | 91.68% | | 19 | 232.55% | 3 | |
| | 100.00 (Default) | 43 | 0 | 0.00% | 43 | 100.00% | 1 | 91.61% | | 190 | 444.38% | 24 | |
| | **Sub-total** | **1,531** | **4,790** | **77.78%** | **5,257** | **2.42%** | **189,759** | **91.49%** | | **2,292** | **43.59%** | **101** | **53** |

**Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach** (continued)

Retail IRB Approach

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Retail – Residential mortgage exposures (including both to individuals and to property-holding shell companies) | 0.00 to <0.15 | 28,748 | 79 | 40.00% | 28,779 | 0.11% | 5,829 | 44.28% | | 3,214 | 11.17% | 14 | |
| | 0.15 to <0.25 | 21,652 | 656 | 39.52% | 21,911 | 0.23% | 10,339 | 26.35% | | 2,604 | 11.88% | 14 | |
| | 0.25 to <0.50 | 69,999 | 7 | 20.07% | 70,000 | 0.34% | 22,225 | 19.28% | | 8,021 | 11.46% | 46 | |
| | 0.50 to <0.75 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | | 0 | 0.00% | 0 | |
| | 0.75 to <2.50 | 3,340 | 34 | 34.22% | 3,352 | 0.91% | 1,839 | 10.60% | | 427 | 12.75% | 3 | |
| | 2.50 to <10.00 | 248 | 0 | 0.00% | 248 | 7.01% | 279 | 31.55% | | 304 | 122.79% | 5 | |
| | 10.00 to <100.00 | 579 | 0 | 0.00% | 579 | 24.62% | 331 | 22.71% | | 683 | 118.07% | 35 | |
| | 100.00 (Default) | 622 | 0 | 0.00% | 622 | 100.00% | 344 | 29.05% | | 1,918 | 308.29% | 28 | |
| | **Sub-total** | **125,188** | **776** | **39.17%** | **125,491** | **0.90%** | **41,186** | **26.10%** | | **17,171** | **13.68%** | **145** | **64** |
| Retail – small business retail exposures | 0.00 to <0.15 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | | 0 | 0.00% | 0 | |
| | 0.15 to <0.25 | 4 | 0 | 0.00% | 4 | 0.25% | 2 | 30.07% | | 1 | 14.01% | 0 | |
| | 0.25 to <0.50 | 28 | 0 | 0.00% | 28 | 0.34% | 23 | 14.42% | | 2 | 8.27% | 0 | |
| | 0.50 to <0.75 | 3 | 8 | 100.00% | 11 | 0.55% | 25 | 89.94% | | 7 | 68.32% | 0 | |
| | 0.75 to <2.50 | 453 | 13 | 85.99% | 463 | 1.42% | 267 | 19.94% | | 104 | 22.62% | 2 | |
| | 2.50 to <10.00 | 39 | 0 | 100.00% | 39 | 4.66% | 22 | 53.85% | | 31 | 78.82% | 1 | |
| | 10.00 to <100.00 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | | 0 | 0.00% | 0 | |
| | 100.00 (Default) | 3 | 0 | 0.00% | 3 | 100.00% | 1 | 70.72% | | 24 | 854.31% | 0 | |
| | **Sub-total** | **530** | **21** | **91.65%** | **548** | **2.07%** | **340** | **23.75%** | | **169** | **30.92%** | **3** | **1** |

**Template CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach** (continued)

Retail IRB Approach (continued)

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PD Scale | Original on-balance sheet gross exposure (HK$ Mn) | Off-balance sheet exposure pre-CCF (HK$ Mn) | Average CCF | EAD post-CRM and post-CCF (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density | EL (HK$ Mn) | Provisions (HK$ Mn) |
| Retail - Other retail exposures to individuals | 0.00 to <0.15 | 12 | 31 | 93.15% | 41 | 0.12% | 2 | 86.91% | | 11 | 24.68% | 0 | |
| | 0.15 to <0.25 | 43 | 17 | 98.49% | 59 | 0.23% | 345 | 46.98% | | 12 | 20.04% | 0 | |
| | 0.25 to <0.50 | 64 | 210 | 71.26% | 213 | 0.35% | 3 | 91.84% | | 115 | 53.83% | 1 | |
| | 0.50 to <0.75 | 1,088 | 19 | 99.24% | 1,108 | 0.52% | 329 | 70.77% | | 576 | 52.05% | 4 | |
| | 0.75 to <2.50 | 2,204 | 6 | 54.38% | 2,208 | 1.63% | 6,737 | 49.55% | | 1,322 | 59.90% | 19 | |
| | 2.50 to <10.00 | 496 | 4 | 191.73% | 503 | 5.75% | 2,862 | 64.01% | | 485 | 96.38% | 19 | |
| | 10.00 to <100.00 | 182 | 0 | 580.57% | 183 | 58.41% | 676 | 47.86% | | 191 | 104.33% | 49 | |
| | 100.00 (Default) | 110 | 0 | 0.00% | 110 | 100.00% | 368 | 52.03% | | 220 | 200.89% | 44 | |
| | **Sub-total** | **4,199** | **287** | **78.64%** | **4,425** | **6.52%** | **11,322** | **58.84%** | | **2,932** | **66.27%** | **136** | **154** |
| **Total (sum of all portfolios)** | | **133,265** | **31,293** | **78.01%** | **157,676** | **1.04%** | **1,002,173** | **38.34%** | | **25,558** | **16.21%** | **454** | **337** |

## Template CR7: Effects on RWA of recognised credit derivative contracts used as recognised credit risk mitigation – for IRB approach

The following table presents the effect of recognised credit derivative contracts on the calculation of credit risk capital requirements under the IRB approach as at 30 June 2026:

| | | (a) | (b) |
|---|---|---|---|
| (HK$ million) | | Pre-credit derivatives RWA | Actual RWA |
| 1 | Corporate – Specialised lending (project finance) | 768 | 768 |
| 2 | Corporate – Specialised lending (object finance) | 335 | 335 |
| 3 | Corporate – Specialised lending (commodities finance) | 0 | 0 |
| 4 | Corporate – Specialised lending (income-producing real estate) | 9,830 | 9,830 |
| 5 | Corporate – Specialised lending (high-volatility commercial real estate) | 0 | 0 |
| 6 | Corporate – Small-and-medium sized corporates | 19,030 | 19,030 |
| 7 | Corporate - Large corporates | 97,508 | 97,508 |
| 8 | Corporate – Financial institutions treated as corporates | 14,564 | 14,564 |
| 9 | Corporate – Other corporates | 63,717 | 63,717 |
| 10 | Sovereign – Sovereigns | 0 | 0 |
| 11 | Sovereign – Sovereign foreign public sector entities | 0 | 0 |
| 12 | Sovereign – Multilateral development banks | 0 | 0 |
| 13 | Bank – Banks (excluding covered bonds) | 17,492 | 17,492 |
| 14 | Bank Qualifying non-bank financial institutions | 7,686 | 7,686 |
| 15 | Bank – Public sector entities (excluding sovereign foreign public sector entities) | 0 | 0 |
| 16 | Bank – Unspecified multilateral bodies | 0 | 0 |
| 17 | Bank – Covered bonds | 0 | 0 |
| 18 | Retail – Small business retail exposures | 169 | 169 |
| 19 | Retail – Residential mortgages to individuals | 16,884 | 16,884 |
| 20 | Retail – Residential mortgages to property-holding shell companies | 287 | 287 |
| 21 | Retail – Qualifying revolving retail exposures (QRRE) (transactor) | 2,994 | 2,994 |
| 22 | Retail – QRRE (revolver) | 2,292 | 2,292 |
| 23 | Retail – Other retail exposures to individuals | 2,932 | 2,932 |
| 24 | CIS – (CIS exposures) | 1,864 | 1,864 |
| 25 | Other – Cash items | 781 | 781 |
| 26 | Other – Other items | 22,133 | 22,133 |
| **27** | **Total (under the IRB calculation approaches)** | **281,266** | **281,266** |

## Template CR8: RWA flow statements of credit risk exposures under IRB approach

The following table presents a flow statement explaining variations in the RWA for credit risk determined under the IRB approach for the period from 31 March 2026 to 30 June 2026:

| (HK$ million) | | (a)<br>Amount |
|---|---|---|
| **1** | **RWA as at end of previous reporting period** | **281,864** |
| 2 | Asset size | (144) |
| 3 | Asset quality | (1,821) |
| 4 | Model updates | 0 |
| 5 | Methodology and policy | 0 |
| 6 | Acquisitions and disposals | 0 |
| 7 | Foreign exchange movements | 1,367 |
| 8 | Other | 0 |
| **9** | **RWA as at end of reporting period** | **281,266** |

## Template CR10: Specialised lending under supervisory slotting criteria approach and equities under simple risk-weight method – for IRB approach

### I. Specialised Lending under supervisory slotting criteria approach – HVCRE

The following table presents quantitative information in respect of specialised lending – HVCRE under the supervisory slotting criteria approach as at 30 June 2026:

| | | (a) | (b) | (c) | (d) | (e) | (f) |
|---|---|---|---|---|---|---|---|
| Supervisory Rating Grade | Remaining Maturity | On-balance sheet exposure amount (HK$ Mn) | Off-balance sheet exposure amount (HK$ Mn) | SRW | EAD amount (HK$ Mn) | RWA (HK$ Mn) | Expected loss amount (HK$ Mn) |
| Strong ^ | Less than 2.5 years | 0 | 0 | 70% | 0 | 0 | 0 |
| Strong | Equal to or more than 2.5 years | 0 | 0 | 95% | 0 | 0 | 0 |
| Good ^ | Less than 2.5 years | 0 | 0 | 95% | 0 | 0 | 0 |
| Good | Equal to or more than 2.5 years | 0 | 0 | 120% | 0 | 0 | 0 |
| Satisfactory | | 0 | 0 | 140% | 0 | 0 | 0 |
| Weak | | 0 | 0 | 250% | 0 | 0 | 0 |
| Default | | 0 | 0 | 0% | 0 | 0 | 0 |
| **Total** | | **0** | **0** | | **0** | **0** | **0** |

^ Use of preferential risk-weights.

**Template CR10: Specialised lending under supervisory slotting criteria approach and equities under simple risk-weight method – for IRB approach** (continued)

### II. Specialised Lending under supervisory slotting criteria approach – Other than HVCRE

The following table presents quantitative information in respect of specialised lending – other than HVCRE under the supervisory slotting criteria approach as at 30 June 2026:

| | | (a) | (b) | (c) | (d)(i) | (d)(ii) | (d)(iii) | (d)(iv) | (d)(v) | (e) | (f) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Supervisory Rating Grade | Remaining Maturity | On-balance sheet exposure amount (HK$ Mn) | Off-balance sheet exposure amount (HK$ Mn) | SRW | EAD amount (HK$ Mn) | | | | | RWA (HK$ Mn) | Expected loss amount (HK$ Mn) |
| | | | | | PF | OF | CF | IPRE | Total | | |
| Strong ^ | Less than 2.5 years | 8,017 | 422 | 50% | 175 | 0 | 0 | 8,004 | 8,179 | 4,089 | 0 |
| Strong | Equal to or more than 2.5 years | 4,884 | 94 | 70% | 851 | 4 | 0 | 4,067 | 4,922 | 3,445 | 20 |
| Good ^ | Less than 2.5 years | 967 | 14 | 70% | 37 | 74 | 0 | 862 | 973 | 681 | 4 |
| Good | Equal to or more than 2.5 years | 631 | 75 | 90% | 66 | 312 | 0 | 283 | 661 | 595 | 5 |
| Satisfactory | | 328 | 0 | 115% | 0 | 0 | 0 | 328 | 328 | 378 | 9 |
| Weak | | 693 | 12 | 250% | 0 | 0 | 0 | 698 | 698 | 1,745 | 56 |
| Default | | 1,256 | 0 | 0% | 0 | 0 | 0 | 1,256 | 1,256 | 0 | 628 |
| **Total** | | **16,776** | **617** | | **1,129** | **390** | **0** | **15,498** | **17,017** | **10,933** | **722** |

^ Use of preferential risk-weights

## Template CCR1: Analysis of counterparty credit risk exposures (other than those to CCPs) by approaches

The following table presents a comprehensive breakdown of counterparty default risk exposures (other than those to CCPs), RWAs, and, where applicable, main parameters under the approaches used to calculate default risk exposures in respect of derivative contracts and SFTs as at 30 June 2026:

| | | (a) | (b) | (c) | (d) | (e) | (f) |
|---|---|---|---|---|---|---|---|
| | | Replacement cost (RC) (HK$ Mn) | PFE (HK$ Mn) | Effective EPE (HK$ Mn) | Alpha (α) used for computing default risk exposure | Default risk exposure after CRM (HK$ Mn) | RWA (HK$ Mn) |
| 1 | SA-CCR approach (for derivative contracts) | 1,727 | 4,318 | | 1.4 | 6,471 | 3,287 |
| 1a | CEM (for derivative contracts) | 0 | 0 | | 1.4 | 0 | 0 |
| 1b | Method for group 2b cryptoasset derivative contracts | 0 | 0 | | 0 | 0 | 0 |
| 2 | IMM (CCR) Approach | | | 0 | N/A | 0 | 0 |
| 3 | Simple Approach (for SFTs) | | | | | 0 | 0 |
| 4 | Comprehensive Approach (for SFTs) | | | | | 8,997 | 232 |
| 5 | VaR (for SFTs) | | | | | 0 | 0 |
| **6** | **Total** | | | | | | **3,519** |

## Template CCR3: Counterparty credit risk exposures (other than those to CCPs) by exposure classes and by risk weights – for STC approach

The following table presents a breakdown of default risk exposures as at 30 June 2026, other than those to CCPs, in respect of derivative contracts and SFTs that are subject to the STC approach, by exposure classes and risk-weights, irrespective of the approach used to determine the amount of default risk exposures:

| | (HK$ million) | (a) | (b) | (c) | (ca) | (cb) | (d) | (e) | (ea) | (f) | (g) | (h) | (i) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Exposure Class / Risk Weight | 0% | 10% | 20% | 30% | 40% | 50% | 75% | 85% | 100% | 150% | Others | Total default risk exposure after CRM |
| 1 | Sovereign exposures | 356 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 356 |
| 2 | Public sector entity exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | Multilateral development bank exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Unspecified multilateral body exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Bank exposures | 0 | 0 | 578 | 32 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 615 |
| 6 | Qualifying non-bank financial institution exposures | 0 | 0 | 2 | 5 | 0 | 1 | 11 | 0 | 0 | 0 | 0 | 19 |
| 7 | General corporate exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 35 | 3 | 0 | 0 | 38 |
| 8 | Retail exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 528 | 0 | 0 | 528 |
| 9 | Defaulted exposures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Other exposures | 60 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 63 |
| **11** | **Total** | **416** | **0** | **580** | **37** | **0** | **1** | **11** | **35** | **534** | **5** | **0** | **1,619** |

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## Template CCR4: Counterparty credit risk exposures (other than those to CCPs) by portfolio and PD range – for IRB approach

The Bank applies internal rating models for estimating the obligor PD of its entire counterparty credit risk portfolio under the foundation IRB approach, with the bank model applied to bank obligors, and two corporate models applied to corporate obligors operating in Chinese Mainland and those outside Chinese Mainland at the group level.

The following table presents all the relevant parameters used for the calculation of counterparty credit risk capital requirements for exposures subject to the foundation IRB approach (other than those to CCPs) as at 30 June 2026:

Foundation IRB Approach

| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) |
|---|---|---|---|---|---|---|---|---|
| | PD Scale | EAD post-CRM (HK$ Mn) | Average PD | Number of obligors | Average LGD | Average maturity (Year) | RWA (HK$ Mn) | RWA density |
| Bank | 0.00 to <0.15 | 10,042 | 0.06% | 61 | 10.79% | 1.2 | 622 | 6.20% |
| | 0.15 to <0.25 | 145 | 0.16% | 12 | 45.00% | 1.3 | 56 | 38.98% |
| | 0.25 to <0.50 | 760 | 0.30% | 10 | 45.00% | 1.1 | 397 | 52.30% |
| | 0.50 to <0.75 | 122 | 0.54% | 7 | 45.00% | 1.5 | 93 | 75.97% |
| | 0.75 to <2.50 | 425 | 1.13% | 6 | 33.13% | 1.1 | 318 | 74.82% |
| | 2.50 to <10.00 | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% |
| | 10.00 to <100.00 | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% |
| | 100.00 (Default) | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% |
| | **Sub-total** | **11,494** | **0.12%** | **96** | **14.67%** | **1.1** | **1,486** | **12.93%** |
| Corporate | 0.00 to <0.15 | 230 | 0.09% | 20 | 42.35% | 1.6 | 53 | 22.78% |
| | 0.15 to <0.25 | 260 | 0.17% | 21 | 40.00% | 1.1 | 65 | 24.92% |
| | 0.25 to <0.50 | 704 | 0.30% | 51 | 40.15% | 1.3 | 263 | 37.41% |
| | 0.50 to <0.75 | 498 | 0.54% | 54 | 38.97% | 1.1 | 241 | 48.44% |
| | 0.75 to <2.50 | 505 | 1.46% | 74 | 40.46% | 1.1 | 405 | 80.09% |
| | 2.50 to <10.00 | 92 | 3.62% | 24 | 40.00% | 1.2 | 97 | 105.99% |
| | 10.00 to <100.00 | 66 | 19.80% | 3 | 40.00% | 3.4 | 142 | 217.14% |
| | 100.00 (Default) | 0 | 0.00% | 0 | 0.00% | 0.0 | 0 | 0.00% |
| | **Sub-total** | **2,355** | **1.24%** | **247** | **40.16%** | **1.3** | **1,266** | **53.75%** |
| **Total (sum of all portfolios)** | | **13,849** | **0.31%** | **343** | **19.01%** | **1.2** | **2,752** | **19.87%** |

## Template CCR5: Composition of collateral for counterparty credit risk exposures (including those for contracts or transactions cleared through CCPs)

The following table presents a breakdown of all types of collateral posted or recognised collateral received to support or reduce counterparty credit risk exposures as at 30 June 2026 in respect of derivative contracts or SFTs entered into, including contracts or transactions cleared through a CCP:

| | (a) | (b) | (c) | (d) | (e) | (f) |
|---|---|---|---|---|---|---|
| | Derivative contracts | | | | SFTs | |
| | Fair value of recognised collateral received | | Fair value of posted collateral | | Fair value of recognised collateral received | Fair value of posted collateral |
| (HK$ million) | Segregated | Unsegregated | Segregated | Unsegregated | | |
| Cash – domestic currency | 0 | 3,131 | 0 | 0 | 2,000 | 0 |
| Cash – other currencies | 1,734 | 4,045 | 0 | 893 | 11,374 | 9,430 |
| Domestic sovereign debt | 0 | 0 | 0 | 0 | 0 | 5,407 |
| Other sovereign debt | 0 | 0 | 0 | 0 | 0 | 4,688 |
| Government agency debt | 0 | 0 | 0 | 0 | 0 | 0 |
| Corporate bonds | 0 | 0 | 0 | 0 | 8,400 | 4,641 |
| Equity securities | 0 | 615 | 0 | 0 | 0 | 0 |
| Other collateral | 0 | 5 | 0 | 0 | 0 | 0 |
| **Total** | **1,734** | **7,796** | **0** | **893** | **21,774** | **24,166** |

## Template CCR6: Credit-related derivatives contracts

The following table presents the amount of credit-related derivative contracts as at 30 June 2026, broken down into credit protection bought and credit protection sold:

| | (a) | (b) |
|---|---|---|
| (HK$ million) | Protection bought | Protection sold |
| **Notional amounts** | | |
| Credit default swaps | 0 | 0 |
| Total return swaps | 0 | 0 |
| Other credit-related derivative contracts | 0 | 0 |
| **Total notional amounts** | **0** | **0** |
| **Fair values** | | |
| Positive fair value (asset) | 0 | 0 |
| Negative fair value (liability) | 0 | 0 |

## Template CCR8: Exposures to CCPs

The following table provides a comprehensive breakdown of exposures to both qualifying and non-qualifying CCPs and the respective RWAs as at 30 June 2026, covering all types of credit risk exposures (including default risk exposures to the CCPs, credit risk exposures arising from initial margins posted, and default fund contributions made, to the CCPs):

| | | (a) | (b) |
|---|---|---|---|
| (HK$ million) | | Exposure after CRM | RWA |
| **1** | **Exposures of the AI as clearing member or clearing client to qualifying CCPs (total)** | | **46** |
| 2 | Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which: | 2,070 | 41 |
| 3 | (i) OTC derivative transactions | 901 | 18 |
| 4 | (ii) Exchange-traded derivative contracts | 25 | 0 |
| 5 | (iii) Securities financing transactions | 1,144 | 23 |
| 6 | (iv) Netting sets subject to valid cross-product netting agreements | 0 | 0 |
| 7 | Segregated initial margin | 192 | |
| 8 | Unsegregated initial margin | 0 | 0 |
| 9 | Funded default fund contributions | 83 | 5 |
| 10 | Unfunded default fund contributions | 0 | 0 |
| **11** | **Exposures of the AI as clearing member or clearing client to non-qualifying CCPs (total)** | | **0** |
| 12 | Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which: | 0 | 0 |
| 13 | (i) OTC derivative transactions | 0 | 0 |
| 14 | (ii) Exchange-traded derivative contracts | 0 | 0 |
| 15 | (iii) Securities financing transactions | 0 | 0 |
| 16 | (iv) Netting sets subject to valid cross-product netting agreements | 0 | 0 |
| 17 | Segregated initial margin | 0 | |
| 18 | Unsegregated initial margin | 0 | 0 |
| 19 | Funded default fund contributions | 0 | 0 |
| 20 | Unfunded default fund contributions | 0 | 0 |

## Template CVA1: CVA risk under reduced basic CVA approach

The following table provides the components used for the calculation of CVA risk capital charge under the reduced basic CVA approach as at 30 June 2026:

| (HK$ million) | | (a) Components | (b) CVA risk capital charge under the reduced basic CVA approach |
|---|---|---|---|
| 1 | Aggregation of systematic components of CVA risk | 325 | |
| 2 | Aggregation of idiosyncratic components of CVA risk | 44 | |
| 3 | Total | | 108 |

The Bank does not hold financial instruments to hedge against CVA risk.

## Template MR1: Market risk under Standardised (market risk) approach (STM approach)

The table below provides the components of the market risk capital requirements calculated using the STM approach exposures as at 30 June 2026:

| | (HK$ million) | (a) Market risk capital charges using STM approach |
|---|---|---|
| 1 | General interest rate risk | 37 |
| 2 | Equity risk | 184 |
| 3 | Commodity risk | 0 |
| 4 | Foreign exchange risk | 322 |
| 5 | Credit spread risk (non-securitization) | 61 |
| 6 | Credit spread risk (securitization: non-correlation trading portfolio (“CTP”)) | - |
| 7 | Credit spread risk (securitization: CTP) | - |
| 8 | Standardized default risk charge (“SA-DRC”) (non-securitization) | 91 |
| 9 | SA-DRC (securitization: non-CTP) | - |
| 10 | SA-DRC (securitization: CTP) | - |
| 11 | Group 2a cryptoasset exposures | - |
| 12 | Residual risk add-on | 1 |
| **13** | **Total** | **696** |

## Template CMS1: Comparison of modelled and standardized RWAs at risk level

At 30 June 2026

| | | (a) | (b) | (c) | (d) |
|---|---|---|---|---|---|
| | | RWA | | | |
| (HK$ million) | | RWA calculated under model-based approaches that the AI has the MA's approval to use | RWA for portfolios where standardized approaches are used | Total actual RWA (a + b) (i.e. RWA which the AI reports as current requirements) | RWA calculated using full standardized approach (i.e. used in the computation of the output floor) |
| 1 | Credit risk for non-securitization exposures | 279,402 | 35,916 | 315,318 | 573,217 |
| 2 | Counterparty credit risk and default fund contributions | 2,752 | 813 | 3,565 | 4,750 |
| 3 | CVA risk | | 1,356 | 1,356 | 1,356 |
| 4 | Securitization exposures in banking book | - | - | - | - |
| 5 | Market risk | - | 8,704 | 8,704 | 8,704 |
| 6 | Operational risk | | 26,430 | 26,430 | 26,430 |
| 7 | Residual RWA | 1,864 | 13,209 | 15,073 | 15,073 |
| **8** | **Total** | **284,018** | **86,428** | **370,446** | **629,530** |

The major differences between the RWA calculated under the model-based approach and the full standardized approach are mainly from the corporate exposures and retail - residential mortgage exposures under credit risk for non-securitization exposures. The RWA for credit risk calculated under the model-based approach is based on the IRB approach, while the RWA calculated under the full standardized approach is based on supervisory risk weights.

## Template CMS2: Comparison of modelled and standardized RWAs for credit risk at exposure class level

At 30 June 2026

| | | (a) | (b) | (c) | (d) |
|---|---|---|---|---|---|
| | | RWA | | | |
| (HK$ million) | | RWA calculated under model-based approaches that the AI has the MA's approval to use | RWA for column (a) if re-calculated using the standardized approach | Total actual RWA (i.e. RWA which the AI reports as current requirements) | RWA calculated using full standardized approach (i.e. RWA used in the computation of the output floor) |
| 1 | Sovereign exposures | - | - | 851 | 910 |
| 1a | Of which: categorised as public sector entity exposures and multilateral development bank exposures under the STC approach | - | - | - | - |
| 2 | Bank exposures | 25,188 | 40,037 | 27,744 | 42,629 |
| 3 | Equity | | | 6,997 | 6,997 |
| 4 | Corporate exposures (excluding specialized lending) | 209,298 | 407,873 | 213,753 | 412,059 |
| 4a | Of which: FIRB is applied | 209,298 | 407,873 | 213,753 | 412,059 |
| 4b | Of which: AIRB is applied | - | - | - | - |
| 5 | Retail exposures | 25,558 | 66,457 | 46,615 | 87,512 |
| 5a | Of which: qualifying revolving retail | 5,286 | 3,458 | 16,116 | 14,289 |
| 5b | Of which: other retail exposures to individuals and small business retail exposures | 3,101 | 3,752 | 12,079 | 12,728 |
| 5c | Of which: residential mortgages | 17,171 | 59,247 | 18,420 | 60,495 |
| 6 | Corporate exposures - Specialized lending | 10,933 | 14,685 | 10,933 | 14,685 |
| 6a | Of which: income-producing real estate and high-volatility commercial real estate | 9,830 | 13,113 | 9,830 | 13,113 |
| 7 | Other exposures | 8,425 | 8,425 | 8,425 | 8,425 |
| 7a | Cryptoasset exposures to credit risk calculated in accordance with section 376 and Divisions 5, 6 and 8 of Part 12 of the BCR | - | - | - | - |
| **8** | **Total** | **279,402** | **537,477** | **315,318** | **573,217** |

The major differences between the RWA calculated under the model-based approach and the full standardized approach are mainly from the corporate exposures and retail - residential mortgage exposures under credit risk for non-securitization exposures. The RWA for credit risk calculated under the model-based approach is based on the IRB approach, while the RWA calculated under the full standardized approach is based on supervisory risk weights.

## Template ENC: Asset encumbrance

The following table provides the carrying amounts of encumbered and unencumbered assets on the balance sheet under regulatory scope of consolidation:

| (HK$ million) | 30 Jun 2026 | | | 31 Dec 2025 | | |
|---|---|---|---|---|---|---|
| | (a) | (c) | (d) | (a) | (c) | (d) |
| | Encumbered assets | Unencumbered assets | Total | Encumbered assets | Unencumbered assets | Total |
| Cash and balances with banks | 617 | 42,151 | 42,768 | 766 | 53,186 | 53,952 |
| - of which: balances with Central Bank | 617 | 29,645 | 30,262 | 766 | 35,113 | 35,879 |
| Placements with and advances to banks | - | 27,642 | 27,642 | - | 31,456 | 31,456 |
| - of which: placements with Central Bank | - | 2,139 | 2,139 | - | 145 | 145 |
| Trade bills | - | 1,591 | 1,591 | - | 3,444 | 3,444 |
| Loans and advances to customers | 314 | 541,914 | 542,228 | - | 543,011 | 543,011 |
| Investment securities | 16,401 | 212,967 | 229,368 | 3,921 | 204,438 | 208,359 |
| - of which: Treasury bills | 12,066 | 25,528 | 37,594 | 3,917 | 24,516 | 28,433 |
| Certificates of deposit held | - | 1,631 | 1,631 | - | 4,108 | 4,108 |
| Debt securities | 4,335 | 183,950 | 188,285 | 4 | 173,812 | 173,816 |
| Equity securities | - | 766 | 766 | - | 886 | 886 |
| Investment funds | - | 1,092 | 1,092 | - | 1,116 | 1,116 |
| Other assets | - | 90,137 | 90,137 | - | 77,368 | 77,368 |
| **Total assets** | **17,332** | **916,402** | **933,734** | **4,687** | **912,903** | **917,590** |

## Template KM2: Key metrics – LAC requirements for resolution entities (at LAC consolidation group level)

| | (HK$ million) | 30 Jun 2026 | 31 Mar 2026 | 31 Dec 2025 | 30 Sep 2025 | 30 Jun 2025 |
|---|---|---|---|---|---|---|
| **Of the resolution entity at LAC consolidation group level** | | | | | | |
| 1 | External loss-absorbing capacity available[1] | 115,984 | 106,725 | 113,039 | 117,035 | 115,023 |
| 2 | Risk-weighted amount under the LAC Rules | 368,057 | 365,231 | 362,185 | 366,371 | 367,954 |
| 3 | External LAC risk-weighted ratio | 31.51% | 29.22% | 31.21% | 31.94% | 31.26% |
| 4 | Exposure measure under the LAC Rules | 969,345 | 950,701 | 948,592 | 931,458 | 920,460 |
| 5 | External LAC leverage ratio | 11.97% | 11.23% | 11.92% | 12.56% | 12.50% |
| 6a | Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?[2] | N/A | N/A | N/A | N/A | N/A |
| 6b | Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? [2] | N/A | N/A | N/A | N/A | N/A |
| 6c | If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied[1] | N/A | N/A | N/A | N/A | N/A |

Footnote:

1 Compared to 31 March 2026, the increase on 30 June 2026 was mainly due to issuance of RMB 250 million and USD 1,000 million non-capital LAC instruments in April and May 2026 respectively.

2 The subordination exemptions under Section 11 of the FSB TLAC Term Sheet do not apply in Hong Kong under the LAC Rules.

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## Template TLAC1: LAC composition of resolution entity (at LAC consolidation group level)

| At 30 June 2026 | | (a) Amount (HK$ Million) |
|---|---|---|
| | **Regulatory capital elements of external loss-absorbing capacity and adjustments** | |
| 1 | Common Equity Tier 1 ("CET1") capital | 92,166 |
| 2 | Additional Tier 1 ("AT1") capital before LAC adjustments | - |
| 3 | AT1 capital instruments ineligible as external loss-absorbing capacity as issued by a member of the resolution entity's LAC consolidation group other than the resolution entity | - |
| 4 | Other adjustments | - |
| 5 | AT1 capital eligible under the LAC Rules | - |
| 6 | Tier 2 ("T2") capital before LAC adjustments | 12,373 |
| 7 | Amortized portion of T2 capital instruments that are external LAC debt instruments issued by the resolution entity | - |
| 8 | T2 capital instruments ineligible as external loss-absorbing capacity as issued by a member of the resolution entity's LAC consolidation group other than the resolution entity | - |
| 9 | Other adjustments | - |
| 10 | T2 capital eligible under the LAC Rules | 12,373 |
| 11 | **External loss-absorbing capacity arising from regulatory capital** | 104,539 |
| | **Non-regulatory capital elements of external loss-absorbing capacity** | |
| 12 | External non-capital LAC debt instruments issued directly by the resolution entity and that meet subordination requirements set out in the LAC Rules | 11,445 |
| 17 | **External loss-absorbing capacity arising from non-capital LAC debt instruments before adjustments** | 11,445 |
| | **Non-regulatory capital elements of external loss-absorbing capacity: adjustments** | |
| 18 | **External loss-absorbing capacity before deductions** | 115,984 |
| 19 | Deductions of exposures between the resolution entity's LAC consolidation group and group companies outside that group that correspond to non-capital items eligible for external loss-absorbing capacity | - |
| 20 | Deduction of holdings of its own non-capital LAC liabilities | - |
| 21 | Other adjustments to external loss-absorbing capacity | - |
| 22 | **External loss-absorbing capacity after deductions** | 115,984 |
| | **Risk-weighted amount and exposure measure under the LAC Rules for external loss-absorbing capacity purposes** | |
| 23 | Risk-weighted amount under the LAC Rules | 368,057 |
| 24 | Exposure measure under the LAC Rules | 969,345 |

**Template TLAC1: LAC composition of resolution entity (at LAC consolidation group level)** (continued)

| At 30 June 2026 | | (a) Amount (HK$ Million) |
|---|---|---|
| | **External LAC ratios and buffers** | |
| 25 | **External LAC risk-weighted ratio** | 31.51% |
| 26 | **External LAC leverage ratio** | 11.97% |
| 27 | **CET1 capital (as a percentage of RWA under the Banking (Capital) Rules ("BCR")) available after meeting the LAC consolidation group's minimum capital and LAC requirements** | 19.04% |
| 28 | Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA under the BCR) | 2.817% |
| 29 | Of which: capital conservation buffer requirement | 2.500% |
| 30 | Of which: institution-specific countercyclical capital buffer requirement | 0.317% |
| 31 | Of which: higher loss absorbency requirement | N/A |

## Template TLAC3: Resolution entity – creditor ranking at legal entity level

| | | Creditor ranking | | | | Sum of values in columns 1 to 4 |
|---|---|---|---|---|---|---|
| | (HK$ million) | 1 (Most junior) | 2 | 3 | 4 (most senior) | |
| 1 | Description of creditor ranking | Ordinary Shares | AT1 instruments | T2 instruments | Non-preferred loss absorbing notes | |
| 2 | Total capital and liabilities net of credit risk mitigation | 42,231 | - | 8,993 | 11,445 | 62,669 |
| 3 | Subset of row 2 that are excluded liabilities | - | - | - | - | - |
| 4 | Total capital and liabilities less excluded liabilities | 42,231 | - | 8,993 | 11,445 | 62,669 |
| 5 | Subset of row 4 that are eligible as external loss-absorbing capacity | 42,231 | - | 8,993 | 11,445 | 62,669 |
| 6 | Subset of row 5 with 1 year ≤ residual maturity < 2 years | - | - | - | - | - |
| 7 | Subset of row 5 with 2 years ≤ residual maturity < 5 years | - | - | - | 3,630 | 3,630 |
| 8 | Subset of row 5 with 5 years ≤ residual maturity < 10 years | - | - | 8,993 | 7,815 | 16,808 |
| 9 | Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities | - | - | - | - | - |
| 10 | Subset of row 5 that is perpetual securities | 42,231 | - | - | - | 42,231 |

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## Template CCA(A): Main features of regulatory capital instruments and non-capital LAC debt instruments

### Section (i) Both regulatory capital and LAC requirements

| | | (1) | (2) | (3) |
|---|---|---|---|---|
| | | **Ordinary Shares** | **US$ 500 million Tier 2 due 2032** | **US$ 650 million Tier 2 due 2034** |
| 1 | Issuer | BEA | BEA | BEA |
| 2 | Unique identifier - ISIN | HK0023000190 | XS2423359459 | XS2813323685 |
| 3 | Governing law(s) of the instrument | Hong Kong | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law) | N.A. | N.A. | N.A. |
| | *Regulatory treatment* | | | |
| 4 | Transitional Basel III rules | N.A. | N.A. | N.A. |
| 5 | Basel III rules | Common Equity Tier 1 | Tier 2 | Tier 2 |
| 6 | Eligible at solo / group / solo and group (for regulatory capital purposes) | Solo and group | Solo and group | Solo and group |
| 6a | Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes) | Solo and LAC consolidation group | Solo and LAC consolidation group | Solo and LAC consolidation group |
| 7 | Instrument type | Ordinary shares | Tier 2 notes | Tier 2 notes |
| 8 | Amount recognised in regulatory capital (at 30/6/2026) | HK$42,231 Mn | HK$3,918 Mn | HK$5,075 Mn |
| 8a | Amount recognised in loss-absorbing capacity (at 30/6/2026) | HK$42,231 Mn | HK$3,918 Mn | HK$5,075 Mn |
| 9 | Par value of instrument | N.A. | Issue price : US$500 million: 99.846% | Issue price : US$650 million: 99.616% |
| 10 | Accounting classification | Equity | Liability – amortised cost | Liability – amortised cost |
| 11 | Original date of issuance | Since incorporation | 22nd April, 2022 | 27th June 2024 |
| 12 | Perpetual or dated | N.A. | Dated | Dated |
| 13 | Original maturity date | N.A. | 22nd April, 2032 | 27th June, 2034 |
| 14 | Issuer call subject to prior supervisory approval | No | Yes | Yes |
| 15 | Optional call date, contingent call dates and redemption price | N.A. | One-off call date: 22nd April, 2027<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following occurrence of a Non-Viability Event or the exercise of Hong Kong Resolution Authority Power | One-off call date: 27th June, 2029<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following occurrence of a Non-Viability Event or the exercise of Hong Kong Resolution Authority Power |
| 16 | Subsequent call dates, if applicable | N.A. | N.A. | N.A. |
| | *Coupons / dividends* | | | |
| 17 | Fixed or floating dividend/coupon | N.A. | Fixed | Fixed |
| 18 | Coupon rate and any related index | N.A. | Up to 22nd April, 2027: 4.875% p.a. Thereafter reset at 5-year U.S. Treasury + 2.30% | Up to 27th June, 2029: 6.75% p.a. Thereafter reset at 5-year U.S. Treasury + 2.55% |

**Template CCA(A): Main features of regulatory capital instruments and non-capital LAC debt instruments** (continued)

**Section (i) Both regulatory capital and LAC requirements** (continued)

| | | (1) | (2) | (3) |
|---|---|---|---|---|
| | | **Ordinary Shares** | **US$ 500 million Tier 2 due 2032** | **US$ 650 million Tier 2 due 2034** |
| 19 | Existence of a dividend stopper | No | No | No |
| 20 | Fully discretionary, partially discretionary or mandatory | N.A. | Mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No | No | No |
| 22 | Noncumulative or cumulative | Non-cumulative | Cumulative | Cumulative |
| 23 | Convertible or non-convertible* | Non-convertible | Non-convertible | Non-convertible |
| 24 | If convertible, conversion trigger(s) | N.A. | N.A. | N.A. |
| 25 | If convertible, fully or partially | N.A. | N.A. | N.A. |
| 26 | If convertible, conversion rate | N.A. | N.A. | N.A. |
| 27 | If convertible, mandatory or optional conversion | N.A. | N.A. | N.A. |
| 28 | If convertible, specify instrument type convertible into | N.A. | N.A. | N.A. |
| 29 | If convertible, specify issuer of instrument it converts into | N.A. | N.A. | N.A. |
| 30 | Write-down feature* | No | Yes | Yes |
| 31 | If write-down, write-down trigger(s) | N.A. | Occurrence of a “Non-Viability Event”, which means the earlier of:<br>(i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and<br>(ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable. | Occurrence of a “Non-Viability Event”, which means the earlier of:<br>(i) the HKMA notifying BEA in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which BEA would become non-viable; and<br>(ii) the HKMA notifying BEA in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which BEA would become non-viable. |
| 32 | If write-down, full or partial | N.A. | Partial | Partial |
| 33 | If write-down, permanent or temporary | N.A. | Permanent | Permanent |
| 34 | If temporary write-down, description of write-up mechanism | N.A. | N.A. | N.A. |
| 34a | Type of subordination | Contractual | Contractual | Contractual |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned). | N.A. | Immediately subordinated to unsecured senior notes / indebtedness and non-preferred loss absorbing notes / indebtedness | Immediately subordinated to unsecured senior notes / indebtedness and non-preferred loss absorbing notes / indebtedness |
| 36 | Non-compliant transitioned features | N.A. | N.A. | N.A. |
| 37 | If yes, specify non-compliant features | N.A. | N.A. | N.A. |

Footnote:
* *The terms and conditions of the instrument contain a provision that the holder of the instrument acknowledges and agrees to be bound by the powers under the Financial Institutions (Resolution) Ordinance*

**Template CCA(A): Main features of regulatory capital instruments and non-capital LAC debt instruments** (continued)

**Section (ii) Only LAC (but not regulatory capital) requirements**

| | | (4) | (5) | | | (6) | (7) | |
|---|---|---|---|---|---|---|---|---|
| | | **US$ 250 million LAC due 2028** | **RMB 1,250 million LAC due 2029** | | | **JPY 5,000 million LAC due 2029** | **US$ 1,000 million LAC due 2032** | |
| 1 | Issuer | BEA | BEA | | | BEA | BEA | |
| 2 | Unique identifier - ISIN | XS2381248835 | HK0001192589 | | | XS3217580532 | XS3314102842 | |
| 3 | Governing law(s) of the instrument | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) | | | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) | England (Subordination, set-off, non-viability loss absorption and Hong Kong Resolution Authority Power governed by Hong Kong laws) | |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law) | N.A. | N.A. | | | N.A. | N.A. | |
| | *Regulatory treatment* | | | | | | | |
| 4 | Transitional Basel III rules | N.A. | N.A. | | | N.A. | N.A. | |
| 5 | Basel III rules | N.A. | N.A. | | | N.A. | N.A. | |
| 6 | Eligible at solo / group /solo and group (for regulatory capital purposes) | N.A. | N.A. | | | N.A. | N.A. | |
| 6a | Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes) | Solo and LAC consolidation group | Solo and LAC consolidation group | | | Solo and LAC consolidation group | Solo and LAC consolidation group | |
| 7 | Instrument type | Non-preferred loss absorbing notes | Non-preferred loss absorbing notes | | | Non-preferred loss absorbing notes | Non-preferred loss absorbing notes | |
| 8 | Amount recognised in regulatory capital (at 30/6/2026) | N.A. | N.A. | | | N.A. | N.A. | |
| 8a | Amount recognised in loss-absorbing capacity (at 30/6/2026) | HK$1,958 Mn | HK$1,433 Mn | | | HK$239 Mn | HK$7,815 Mn | |
| 9 | Par value of instrument | Issue price: US$250 million: 99.765% | Issue price: RMB750 million: 100% | Issue price: RMB250 million: 100% | Issue price: RMB250 million: 100.8231% | Issue price: JPY5,000 million: 100% | Issue price USD 800m 99.887% | Issue price USD 200m 100.456% |
| 10 | Accounting classification | Liability – amortised cost | Liability – amortised cost | | | Liability – amortised cost | Liability – amortised cost | |
| 11 | Original date of issuance | 7th July, 2022 | 9th September, 2025 | 20th November, 2025 | 2nd April, 2026 | 13th November, 2025 | 13th May, 2026 | |
| 12 | Perpetual or dated | Dated | Dated | | | Dated | Dated | |
| 13 | Original maturity date | 7th July, 2028 | 9th September, 2029 | | | 13th November, 2029 | 13th May, 2032 | |
| 14 | Issuer call subject to prior supervisory approval | Yes | Yes | | | Yes | Yes | |
| 15 | Optional call date, contingent call dates and redemption price | One-off call date: 7th July, 2027<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following the exercise of Hong Kong Resolution Authority Power | One-off call date: 9th September, 2028<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following the exercise of Hong Kong Resolution Authority Power | | | One-off call date: 13th November, 2028<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following the exercise of Hong Kong Resolution Authority Power | One-off call date: 13th May, 2031<br><br>Included tax and regulatory call options<br><br>Redemptions in whole at 100% with accrued interests, final amount subject to adjustment following the exercise of Hong Kong Resolution Authority Power | |
| 16 | Subsequent call dates, if applicable | N.A. | N.A. | | | N.A. | N.A. | |
| | *Coupons / dividends* | | | | | | | |
| 17 | Fixed or floating dividend/coupon | Fixed | Fixed | | | Fixed | Fixed | |
| 18 | Coupon rate and any related index | Up to 7th July, 2027: 5.125% p.a. Thereafter reset at 1-year U.S. Treasury + 1.90% | Up to 9th September, 2029: 2.95% p.a. | | | Up to 13th November, 2028: 2.64% p.a. Thereafter reset at 1-year Yen Mid-Swap Rate +1.60% | Up to 13th May, 2031 5.375% Thereafter reset at 1-year US Treasury +1.40% | |

**Template CCA(A): Main features of regulatory capital instruments and non-capital LAC debt instruments** (continued)

**Section (ii) Only LAC (but not regulatory capital) requirements** (continued)

| | | (4) | (5) | (6) | (7) |
|---|---|---|---|---|---|
| | | **US$ 250 million LAC due 2028** | **RMB 1,250 million LAC due 2029** | **JPY 5,000 million LAC due 2029** | **US$ 1,000 million LAC due 2032** |
| 19 | Existence of a dividend stopper | No | No | No | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No | No | No | No |
| 22 | Noncumulative or cumulative | Cumulative | Cumulative | Cumulative | Cumulative |
| 23 | Convertible or non-convertible* | Non-convertible | Non-convertible | Non-convertible | Non-convertible |
| 24 | If convertible, conversion trigger(s) | N.A. | N.A. | N.A. | N.A. |
| 25 | If convertible, fully or partially | N.A. | N.A. | N.A. | N.A. |
| 26 | If convertible, conversion rate | N.A. | N.A. | N.A. | N.A. |
| 27 | If convertible, mandatory or optional conversion | N.A. | N.A. | N.A. | N.A. |
| 28 | If convertible, specify instrument type convertible into | N.A. | N.A. | N.A. | N.A. |
| 29 | If convertible, specify issuer of instrument it converts into | N.A. | N.A. | N.A. | N.A. |
| 30 | Write-down feature* | No | No | No | No |
| 31 | If write-down, write-down trigger(s) | N.A. | N.A. | N.A. | N.A. |
| 32 | If write-down, full or partial | N.A. | N.A. | N.A. | N.A. |
| 33 | If write-down, permanent or temporary | N.A. | N.A. | N.A. | N.A. |
| 34 | If temporary write-down, description of write-up mechanism | N.A. | N.A. | N.A. | N.A. |
| 34a | Type of subordination | Contractual | Contractual | Contractual | Contractual |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned). | Immediately subordinated to unsecured senior notes / indebtedness | Immediately subordinated to unsecured senior notes / indebtedness | Immediately subordinated to unsecured senior notes / indebtedness | Immediately subordinated to unsecured senior notes / indebtedness |
| 36 | Non-compliant transitioned features | N.A. | N.A. | N.A. | N.A. |
| 37 | If yes, specify non-compliant features | N.A. | N.A. | N.A. | N.A. |

There is no capital instrument meeting only regulatory capital (but not LAC) requirements.

Footnote:
* *The terms and conditions of the instrument contain a provision that the holder of the instrument acknowledges and agrees to be bound by the powers under the Financial Institutions (Resolution) Ordinance*

## International Claims

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognised risk transfer with the use of credit risk mitigants (which include guarantees, collateral and credit derivatives). 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. Only countries constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are disclosed.

| | 30/06/2026 | | | | | |
|---|---|---|---|---|---|---|
| | | | Non-bank private sector | | | |
| (HK$ million) | Banks | Official sector | Non-bank financial institutions | Non-financial private sector | Others | Total claims |
| Counterparty country/ jurisdiction | | | | | | |
| Developed countries | 20,438 | 25,695 | 17,778 | 74,207 | - | 138,118 |
| - of which: United States | 5,538 | 25,632 | 7,412 | 24,483 | - | 63,065 |
| Offshore centres | 3,430 | 2,918 | 8,808 | 62,311 | - | 77,467 |
| - of which: Hong Kong, China | 2,560 | 2,913 | 6,919 | 49,640 | - | 62,032 |
| Developing Asia and Pacific | 39,801 | 3,130 | 18,072 | 75,469 | - | 136,472 |
| - of which: Mainland China | 27,983 | 3,128 | 16,879 | 63,621 | - | 111,611 |

| | 31/12/2025 | | | | | |
|---|---|---|---|---|---|---|
| | | | Non-bank private sector | | | |
| (HK$ million) | Banks | Official sector | Non-bank financial institutions | Non-financial private sector | Others | Total claims |
| Counterparty country/ jurisdiction | | | | | | |
| Developed countries | 29,751 | 27,109 | 16,424 | 63,355 | - | 136,639 |
| - of which: United States | 9,774 | 27,036 | 5,905 | 17,490 | - | 60,205 |
| Offshore centres | 4,700 | 2,336 | 10,429 | 63,086 | - | 80,551 |
| - of which: Hong Kong, China | 3,032 | 2,332 | 9,247 | 51,676 | - | 66,287 |
| Developing Asia and Pacific | 36,826 | 3,791 | 14,691 | 74,426 | - | 129,734 |
| - of which: Mainland China | 22,011 | 3,789 | 13,456 | 63,434 | - | 102,690 |

The above figures are computed in accordance with the HKMA's guidelines on the return of international banking statistics and the Banking (Disclosure) Rules in respect of the reporting period on the consolidated basis.

## Mainland Activities

The table below summaries the non-bank Mainland China exposure of the Bank's Hong Kong Office and the Bank's Mainland subsidiary bank categorised by types of counterparties:

| | 30/06/2026 | | |
|---|---|---|---|
| | On-balance sheet exposure | Off-balance sheet exposure | Total |
| Type of counterparties | HK$ Mn | HK$ Mn | HK$ Mn |
| 1. Central government, central government-owned entities and their subsidiaries and joint ventures | 39,933 | 512 | 40,445 |
| 2. Local governments, local government-owned entities and their subsidiaries and joint ventures | 36,877 | 3,510 | 40,387 |
| 3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures | 169,492 | 19,332 | 188,824 |
| 4. Other entities of central government not reported in item 1 above | 6,336 | 124 | 6,460 |
| 5. Other entities of local governments not reported in item 2 above | 3,503 | 333 | 3,836 |
| 6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China | 5,528 | 649 | 6,177 |
| 7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures | 19,775 | 610 | 20,385 |
| Total | 281,444 | 25,070 | 306,514 |
| Total assets after provision | 877,629 | | |
| On-balance sheet exposures as percentage of total assets | 32.1% | | |

**Mainland Activities** (continued)

| | 31/12/2025 | | |
|---|---|---|---|
| | On-balance sheet exposure | Off-balance sheet exposure | Total |
| Type of counterparties | HK$ Mn | HK$ Mn | HK$ Mn |
| 1. Central government, central government-owned entities and their subsidiaries and joint ventures | 31,280 | 631 | 31,911 |
| 2. Local governments, local government-owned entities and their subsidiaries and joint ventures | 32,852 | 3,966 | 36,818 |
| 3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures | 171,481 | 18,147 | 189,628 |
| 4. Other entities of central government not reported in item 1 above | 5,642 | 320 | 5,962 |
| 5. Other entities of local governments not reported in item 2 above | 3,763 | 0 | 3,763 |
| 6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China | 4,717 | 539 | 5,256 |
| 7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures | 19,807 | 1,650 | 21,457 |
| Total | 269,542 | 25,253 | 294,795 |
| Total assets after provision | 850,997 | | |
| On-balance sheet exposures as percentage of total assets | 31.7% | | |

The above figures are disclosed in accordance with the return relating to Mainland activities the Bank submitted to the HKMA pursuant to section 63 of the Banking Ordinance in respect of the reporting period, which are computed on a consolidated basis as required by the HKMA for its regulatory purposes.

## Currency Concentration

The net non-structural position or net structural position in a particular foreign currency is disclosed when the position in that currency constitutes 10% or more of the total net position or total net structural position in all foreign currencies respectively. The net option position is calculated in the basis of the delta-weighted position of all foreign currency option contracts.

| | 30/06/2026 | | | |
|---|---|---|---|---|
| | USD<br>HK$ Mn | RMB<br>HK$ Mn | Other foreign currencies<br>HK$ Mn | Total<br>HK$ Mn |
| Spot assets | 284,896 | 271,562 | 128,756 | 685,214 |
| Spot liabilities | (297,722) | (258,693) | (101,592) | (658,007) |
| Forward purchases | 111,098 | 32,999 | 26,987 | 171,084 |
| Forward sales | (93,776) | (46,397) | (53,270) | (193,443) |
| Net options position | (1,570) | 1,596 | (131) | (105) |
| Net long/(short) non-structural position | 2,926 | 1,067 | 750 | 4,743 |

| | 31/12/2025 | | | |
|---|---|---|---|---|
| | USD<br>HK$ Mn | RMB<br>HK$ Mn | Other foreign currencies<br>HK$ Mn | Total<br>HK$ Mn |
| Spot assets | 265,239 | 272,484 | 125,570 | 663,293 |
| Spot liabilities | (276,053) | (253,455) | (103,714) | (633,222) |
| Forward purchases | 118,825 | 40,607 | 23,137 | 182,569 |
| Forward sales | (99,152) | (64,032) | (44,561) | (207,745) |
| Net options position | (5,112) | 5,305 | 1 | 194 |
| Net long/(short) non-structural position | 3,747 | 909 | 433 | 5,089 |

**Currency Concentration** (continued)

| | 30/6/2026 | | | |
|---|---|---|---|---|
| | RMB | MYR | Other foreign currencies | Total |
| | HK$ Mn | HK$ Mn | HK$ Mn | HK$ Mn |
| Net structural position | 18,211 | 2,713 | 2,055 | 22,979 |

| | 31/12/2025 | | | |
|---|---|---|---|---|
| | RMB | MYR | Other foreign currencies | Total |
| | HK$ Mn | HK$ Mn | HK$ Mn | HK$ Mn |
| Net structural position | 15,485 | 2,614 | 2,052 | 20,151 |

The above figures are disclosed in accordance with the return relating to foreign currency positions the Bank submitted to the HKMA pursuant to section 63 of the Banking Ordinance in respect of the reporting period, which are computed on a consolidated basis as required by the HKMA for its regulatory purposes.

## Capital Buffer

### Countercyclical Capital Buffer Ratio

| | 30/06/2026 | 31/12/2025 |
|---|---|---|
| | % | % |
| Countercyclical capital buffer ratio | 0.317 | 0.320 |

The relevant disclosures pursuant to section 16FG of the Banking (Disclosure) Rules can be found in Template CCyB1 in this Banking Disclosure Statement.

### Capital Conservation Buffer Ratio

Under section 3M of the Capital Rules, the capital conservation buffer ratio for calculating the Bank's buffer level is 2.5% from 2019 onwards.

### Higher Loss Absorbency Ratio

Not applicable as the HKMA has not designated the Bank as a domestic systematically important authorised institution ("D-SIB") since 1st January 2022.

## Glossary

| Abbreviations | Descriptions |
|---|---|
| AI | Authorised Institution |
| BCR | Banking (Capital) Rules |
| BSC Approach | Basic Approach |
| CCF | Credit Conversion Factor |
| CCP | Central Counterparty |
| CCR | Counterparty Credit Risk |
| CEM | Current Exposure Method |
| CF | Commodities Finance |
| CIS | Collective Investment Scheme |
| CRC | Comprehensive Risk Charge |
| CRM | Credit Risk Mitigation |
| CVA | Credit Valuation Adjustment |
| D-SIB | Domestic Systemically Important Authorised Institution |
| DTA | Deferred Tax Asset |
| EAD | Exposure at Default |
| ECL | Expected Credit Loss |
| EL | Expected Loss |
| EPE | Expected Positive Exposure |
| FBA | Fall-back Approach |
| FSB | Financial Stability Board |
| FX | Foreign Exchange |
| G-SIB | Global Systemically Important Authorised Institution |
| HVCRE | High-Volatility Commercial Real Estate |
| IAA | Internal Assessment Approach |
| IMM (CCR) Approach | Internal Models (Counterparty Credit Risk) Approach |
| IMM Approach | Internal Models Approach |
| IPRE | Income-Producing Real Estate |
| IRB Approach | Internal Ratings-Based Approach |
| LAC | Loss-absorbing Capacity |
| LAC Rules | Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements –Banking Sector) Rules |
| LGD | Loss Given Default |
| OF | Object Finance |
| OTC | Over-the-counter |
| PD | Probability Of Default |
| PF | Project Finance |
| PFE | Potential Future Exposure |

**Glossary** (continued)

| Abbreviations | Descriptions |
|---|---|
| PSE | Public Sector Entity |
| QRRE | Qualifying Revolving Retail Exposures |
| RW | Risk Weight |
| RWA | Risk-Weighted Amount |
| SA-CCR Approach | Standardised Approach for measuring Counterparty Credit Risk Exposures |
| SEC-ERBA | Securitisation External Ratings-Based Approach |
| SEC-FBA | Securitisation Fall-Back Approach |
| SEC-IRBA | Securitisation Internal Ratings-Based Approach |
| SEC-SA | Securitisation Standardised Approach |
| SFT | Securities Financing Transaction |
| SRW | Supervisory Risk Weight |
| STC Approach | Standardized (Credit Risk) Approach |
| STM Approach | Standardized (Market Risk) Approach |
| TLAC | Total Loss-absorbing Capacity |
| VaR | Value-at-Risk |