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CORPORATE INFORMATION

as of 3 September 2026

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr ZONG Jianxin (*Deputy Chairman and Chief Executive*)
Mr LAU Wai Man (*Deputy Chief Executive*)
Mr JIN Lin (*Deputy Chief Executive*)

NON-EXECUTIVE DIRECTORS

Mr LI Feng (*Chairman*)
Mr LIN Zhaoyuan
Ms CHEN Jing

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr CHENG Yuk Wo
Mr LEE Ka Lun
Mr CHU Siu Chuen Francis
Mr FUNG Siu Ming

BOARD COMMITTEES

AUDIT COMMITTEE

Mr CHENG Yuk Wo (*Chairman*)
Mr LI Feng
Ms CHEN Jing
Mr LEE Ka Lun
Mr CHU Siu Chuen Francis
Mr FUNG Siu Ming

CONNECTED PARTY TRANSACTIONS COMMITTEE

Mr CHENG Yuk Wo (*Chairman*)
Mr JIN Lin
Mr YOUNG Chi Ho
Mr YEE Wing Chi

DIGITALIZATION STRATEGY COMMITTEE

Mr LEE Ka Lun (*Chairman*)
Mr LI Feng
Mr ZONG Jianxin
Mr LAU Wai Man

NOMINATION AND REMUNERATION COMMITTEE

Mr CHU Siu Chuen Francis (*Chairman*)
Mr LI Feng
Mr LIN Zhaoyuan
Mr CHENG Yuk Wo
Mr LEE Ka Lun
Mr FUNG Siu Ming

RISK COMMITTEE

Mr LEE Ka Lun (*Chairman*)
Mr LI Feng
Mr CHENG Yuk Wo
Mr CHU Siu Chuen Francis
Mr FUNG Siu Ming

STRATEGIC AND SUSTAINABLE DEVELOPMENT COMMITTEE

Mr LIN Zhaoyuan (*Chairman*)
Mr LI Feng
Mr CHENG Yuk Wo
Mr LEE Ka Lun
Mr CHU Siu Chuen Francis
Mr FUNG Siu Ming
Mr ZONG Jianxin
Mr LAU Wai Man

SENIOR MANAGEMENT

Mr YOUNG Chi Ho (*Chief Risk Officer and Alternate Chief Executive*)
Mr WONG Kwok Pun (*Head of Treasury and Markets and Alternate Chief Executive*)
Mr YEE Wing Chi (*Chief Financial Officer*)
Ms CHUNG Sau Lai Cindy (*Chief Operating Officer*)
Mr LAM Shiu Yip (*Chief Information Officer*)
Mr WANG Haoran (*Chief Business Officer, Wholesale Banking*)
Ms NG Sau Wai Sylvia (*Head of Personal Banking Division*)
Ms YU Haibing (*Head of Human Resources Division*)
Ms CHEUNG Hoi Lam (*Company Secretary*)

CORPORATE INFORMATION

as of 3 September 2026

REGISTERED OFFICE

Address : Ground Floor, Chong Hing Bank Centre
24 Des Voeux Road Central, Hong Kong

Telephone : (852) 3768 6888

Facsimile : (852) 3768 1888

SWIFT BIC : LCHB HK HH

Website : www.chbank.com

E-mail : customerservice@chbank.com



Chong Hing Bank's website access code

PRINCIPAL LEGAL ADVISERS

Johnson Stokes & Master
King & Wood

AUDITOR

Ernst & Young
Certified Public Accountants

STOCK CODES FOR LISTED DEBT SECURITIES

Debt Securities	Listing	Stock Codes
RMB2,133,000,000 3.90% undated non-cumulative subordinated additional tier 1 capital securities	The Stock Exchange of Hong Kong Limited	85072
RMB1,500,000,000 4.20% tier 2 capital bonds due 2033	Shanghai Clearing House	232380063.IB
RMB2,500,000,000 2.93% tier 2 capital bonds due 2034	Shanghai Clearing House	292480005.IB

CHAIRMAN'S STATEMENT

Amid a complex and rapidly changing external environment and challenges in the first half of 2026, Chong Hing Bank Limited ("Chong Hing Bank") adhered to the principle of "seeking progress while maintaining stability, enhancing quality and efficiency, and promoting transformation through reform and innovation" under the guidance of Yuexiu Group. The Bank advanced its business development and risk management in a coordinated manner, with key operating indicators remaining sound and momentum for transformation continuing to build. In list of the Top 1000 World Banks 2026 released by the British magazine The Banker, Chong Hing Bank was ranked 358th, maintaining its ranking among the world's top 400 banks for the eighth consecutive year, demonstrating its resilience against risks and overall operating strength.

For the six months ended 30 June 2026, the profit attributable to equity owners of Chong Hing Bank amounted to HK\$926 million. The Board of Directors of Chong Hing Bank (the "Board") has declared payment of an interim cash dividend of HK\$145,000,000 for the six months ended 30 June 2026 in accordance with the Bank's dividend distribution policy. The dividend payout for the period as a percentage of the profit attributable to equity owners, less the distribution paid on additional equity instruments, will be 15.80%.

The major financial ratios for the first half of 2026 are as follows:

- Return on shareholders' equity: 4.63%
- Average liquidity maintenance ratio: 70.90%
- Total capital ratio as of 30 June 2026: 21.89%
- Tier 1 capital ratio as of 30 June 2026: 18.08%
- Loan to deposit ratio as of 30 June 2026: 64.38%

CHAIRMAN'S STATEMENT

The first half of the year saw a moderation in the global economic recovery, as geopolitical tensions and rising inflationary pressures fuelled market expectations of central bank rate hikes, which in turn exacerbated volatility across international financial markets. However, benefiting from the recovery in external trade and signs of improvement in the local property market, Hong Kong's economy maintained its growth momentum, while net interest margins and asset quality showed gradual improvement. Supported by various policies to stabilise growth, the Mainland economy remained resilient. Although financial markets continued to exhibit the characteristics of "low interest rates and weak demand", the underlying fundamentals supporting long-term growth remained unchanged amid the policy focus on high-quality development. The Hong Kong SAR Government has actively leveraged Hong Kong's unique advantages and deepened connectivity with the Mainland, thereby opening up broader development opportunities for the financial sector.

Leveraging the robust platform and diversified industrial ecosystem of Yuexiu Group, Chong Hing Bank continued to advance its distinctive cross-border financial services, accelerate technology empowerment and promote business transformation. Facing challenges including insufficient credit demand and narrowing interest margins, our Mainland branches upheld the spirit of seeking progress in a stable manner and aiming high. They proactively adjusted their asset and liability structure and made every effort to advance credit transformation, while maintaining asset quality at a sound level. At the same time, our Mainland branches deepened synergies with Yuexiu Group's financial and industrial segments, and strived to leverage the Bank's distinctive advantages in cross-border services and synergies. These efforts will support the Bank's steady progress towards becoming a quality integrated commercial bank based in Guangzhou and Hong Kong with an in-depth layout in the Greater Bay Area and a nationwide network.

2026 marks the inaugural year of the 15th Five-Year Plan and the 29th anniversary of Hong Kong's return to the Motherland. Policy dividends and deepening regional integration present new historical opportunities for the banking sector. Chong Hing Bank will closely align with the new requirements of the 15th Five-Year Plan, with our Mainland branches guided by the core principles of 'stabilising growth, enhancing efficiency, and managing risks'. The Bank aims to catalyse our second growth engine through product innovation and digital-intelligent ecosystem to unlock new revenue streams. By embedding lean management practices and driving operational excellence, the Bank remains dedicated to serving society and our shareholders with premium financial solutions, ensuring resilient, and high-quality development over the long term growth.

Last but not least, on behalf of the Board, I would like to extend my highest tribute to all colleagues for their hard work and outstanding contributions, and express my sincere gratitude to the management team and all staff for their close collaboration and dedication. Looking ahead, we will continue to uphold the enterprise spirit of Beyond Excellence and work hand in hand with all stakeholders to write a new chapter of high-quality development.

LI Feng
Chairman

Hong Kong, 3 September 2026

CHIEF EXECUTIVE'S STATEMENT

Stepping into 2026, the global economy has sustained a low-growth trajectory amid multiple challenges, including the Middle East conflict, energy price volatility, and trade fragmentation. Although artificial intelligence-related investment and product demand have underpinned economic resilience, inflationary pressures and geopolitical risks continue to cast uncertainty over the outlook. The economy of Chinese Mainland maintained stable performance within a reasonable range in the first half of the year, with emerging growth drivers expanding rapidly and development resilience further consolidating. Hong Kong's economy also grew steadily, supported by vibrant external trade and resilient domestic demand, with real GDP growing by 5.1% year-on-year in the first half of the year. With the solid support of its shareholder Yuexiu Group, Chong Hing Bank Limited (the "Bank" or "Chong Hing Bank") achieved key operating metrics in line with expectations in the first half of the year, with asset scale remaining stable, efficiency performance improving year-on-year, and asset quality continuing to optimise. Key initiatives including cross-border business, digital intelligence transformation, talent pipeline enhancement, and collaborative synergy all progressed in an orderly manner as planned.

FINANCIAL REVIEW

Supported by strategic initiative under the National 15th Five-Year Plan, the Bank adheres to a prudent business philosophy, strengthens risk management, upholds sound asset quality and business resilience. Against this backdrop, the Bank recorded a profit attributable to equity owners of HK\$926 million for the first six months of 2026, representing a growth of 28.21%, compared to the same period in 2025, mainly due to the increase in net fee and commission income and the decrease in net impairment losses on financial instruments, and was partially offset by the decrease in net interest income and net income from trading and investments.

Net interest income of the Bank decreased by 5.46% to HK\$1,873 million, and net interest margin narrowed from 1.33% to 1.14%, mainly due to the cumulative 75 basis points cut by the US Federal Reserve in the second half of 2025, which led to a decline in Hong Kong Interbank Offered Rate.

Net fee and commission income rose by 3.52% to HK\$202 million, mainly driven by steady growth in the wealth management business and other income as supported by higher customer activity. Net income from trading and investments was HK\$87 million.

Operating expenses increased by 3.87% to HK\$1,004 million, as the Bank continued to acquire new talents and invested in digital intelligence transformation.

Net impairment losses on financial instruments decreased by 74.24% to HK\$215 million for the first half of 2026. The non-performing loan ratio dropped from 2.18% at the beginning of the year to 1.85% by the end of June 2026, reflecting improved asset quality and the Bank's continuous commitment to prudent credit risk management practices.

Total assets of the Bank stood at HK\$322.3 billion, decreased by 1.51%, as compared to the end of 2025. Gross loans and advances to customers amounted to HK\$169.9 billion, or increased by 4.24%, while deposits from customers amounted to HK\$254.9 billion, or increased by 0.48%, and the loan to deposit ratio was 64.38%.

At the end of June 2026, the return on shareholders' equity of the Bank was 4.63%. The Bank's capital and liquidity position remained strong and steady, with total capital ratio, Tier 1 capital ratio and Common Equity Tier 1 capital ratio of 21.89%, 18.08% and 16.96%, respectively, whereas the average liquidity maintenance ratio for the period was 70.90%. The capital adequacy ratio and liquidity maintenance ratio were above the relevant statutory requirements.

CHIEF EXECUTIVE'S STATEMENT

BUSINESS REVIEW

CORPORATE AND INSTITUTIONAL BANKING

In the first half of 2026, Chong Hing Bank continued to fully leverage its advantages of regional ties and actively expanded its customer base across key industries such as information and communications, high-end manufacturing, new energy, public utilities, livelihood consumption, healthcare and biopharmaceuticals. By providing customised product and service solutions tailored to customers' scenario-based needs, the Bank drove business transformation while promoting high-quality development. During the period, the corporate and institutional banking business made steady progress:

- In terms of transaction banking, the usage rate of the Bank's corporate online banking and other electronic channels continued to rise, and the bank-enterprise direct connection service has become a new customer service platform, significantly enhancing the efficiency of daily settlement services. Meanwhile, the Bank made new progress in dividend distribution and receiving bank services for listed companies, and through its corporate account tiering service, provided various corporate banking products and services that are precise and tailored to the business needs of different customers.
- In terms of trade finance, the Bank deepened cooperation with key customers and met their genuine business needs through customised receivables financing arrangements. The outstanding trade finance loan balance reached a new record high, recording double-digit growth compared with the same period last year.
- In terms of structured financing, the Bank deepened its presence in the Guangdong-Hong Kong-Macao region, strengthened onshore-offshore collaboration, and fully capitalised on cross-border financial opportunities in the Greater Bay Area. By providing customers with comprehensive cross-border financial products and services and successfully executing multiple cross-border financing projects, the Bank continued to support the steady growth of its corporate customers.
- In terms of financial institutions business, the Bank adhered to the operating principle of stabilising existing business, expanding incremental business, and optimising structure, deepening relationships with traditional securities firm customers. At the same time, driven by forward-looking strategic deployment, the Bank focused on building a settlement ecosystem for institutional customers, achieved a breakthrough in USD fund business, and actively cultivated new revenue growth drivers.
- In terms of green finance, responding to the opportunities presented by the global green and low-carbon transition, the Bank continued to deepen its cooperation with central state-owned enterprises, Hong Kong listed companies, and other entities, supporting customers' participation in green industry projects through sustainable loans, green deposits, and other products, contributing to Hong Kong's transition towards a low-carbon and green society.

CHIEF EXECUTIVE'S STATEMENT

PERSONAL BANKING

Chong Hing Bank's personal banking business is committed to providing quality wealth management services to help customers plan and achieve their financial goals efficiently. In the first half of 2026, the Bank fully leveraged the synergies following Yuexiu Group's completion of the acquisition of Hong Kong Life, with insurance business revenue increasing by over 41% compared with the same period last year. The wealth management business also continued to enrich its types of investment product and optimise the service coverage, with wealth management and investment business revenue growing by over 50% year-on-year, demonstrating strong performance in overall non-interest business.

The Bank continued to drive digital intelligence transformation, launching multiple new features and enhancements during the period to comprehensively elevate the digital banking experience. These included the introduction of "Mastercard Click to Pay" service, online paper gold account opening and trading service, the "Foreign Currency Linked Investment" service, and further extension of online service hours for time deposits and foreign currency exchange.

In terms of cross-border business, the Bank continuously strengthened linkage between onshore and offshore branches, and actively expanded its banking services in Hong Kong through festive promotional campaigns. Meanwhile, the Bank promoted dedicated banking products and services targeting "New Hong Kong Residents," Top Talent Pass and Quality Migrant Admission Scheme customers, enhancing customer stickiness and sustaining steady growth in the cross-border customer base.

In the first half of 2026, with US interest rates remained stable, interbank offered rates stayed broadly stable. The Bank continued to optimise its personal lending product platform, promoting simultaneous growth in wealth management products and financing business, and accelerating its retail loan transformation strategy. The end-of-period loan balance grew by nearly 4% compared with the end of 2025.

TREASURY AND MARKETS BUSINESS

The Bank has been actively developing its treasury and markets business, with significant growth registered in treasury activities and customer trading transactions and income during the period. In recent years, the Bank has continued to expand its proprietary trading business, enhance its customer investment and risk hedging services, thereby increasing the market share of its sales business and driving additional revenue for the Bank.

MAINLAND OPERATIONS

In the first half of 2026, geopolitical tensions and trade protectionism persisted. The Mainland economy maintained broadly stable operations but exhibited divergent characteristics of "strong supply, weak demand," while banks continued to face challenges including insufficient effective credit demand, narrowing interest margins, and pressure on asset quality. The Bank's Mainland branches maintained a steady-progress approach, facing challenges resolutely and comprehensively advancing the transformation of the lending business. By continuing to leverage the two key advantages of the synergies with Yuexiu Group and the cross-border linkage, and deepening its distinctive business model, the overall business developed steadily with credit asset quality remaining sound.

The transformation of the corporate lending business gained both quality and speed, with loans to enterprises going global, technology-innovation enterprises, and green finance enterprises achieving solid growth, raising their share of the loan portfolio to over 20%. The Shanghai Branch established a supply chain finance centre and the Shenzhen Branch established a guarantee centre, accelerating the transition towards batch customer acquisition along industrial chains.

CHIEF EXECUTIVE'S STATEMENT

The cross-border business continued to achieve breakthroughs in innovation. The Guangzhou Branch launched an integrated product combining international trade finance and foreign exchange derivatives and signed a CIPS indirect participant agreement, while the Beijing Branch successfully extended “Belt and Road Initiatives” green overseas loans to Central Asia. The financial markets business improved steadily, with cooperation with leading Mainland banks continuing to deepen and non-interest income achieving new breakthroughs.

The foundation of the personal banking business was continuously strengthened, with debit card products achieving full coverage of mainstream payment scenarios including UnionPay QuickPass, WeChat Pay, and Alipay. Marketing efforts for non-resident and cross-border personal customers got off to a good start. The collaborative business continued to deepen, with collaborative deposits growing steadily and marketing of Yue Finance (越金融) seed customers and key customers achieving breakthroughs.

DIGITAL BANKING

The digital banking business continued to make remarkable progress. In terms of personal e-banking services, the mobile banking platform underwent a comprehensive upgrade, integrating over 15 core functions and service highlights. Under the theme of “more products, comprehensive wealth management, and superior service,” the Bank comprehensively enhanced the customer experience, further strengthening the platform’s digital brand image and providing customers with more professional and convenient one-stop wealth management services.

The operational efficiency of digital banking customer engagement continued to improve. Through lean management, the Bank segmented its customer base, streamlined its workflow and strengthened customer interaction via online activities, SMS, and in-app notifications to maintain customer activity levels. Meanwhile, the Bank continuously optimised its remote account opening function, improving both account opening efficiency and customer experience. Remote account opening has become a key customer acquisition channel beyond physical branches, significantly boosting the e-banking conversion rate. As at the end of June 2026, the digital banking conversion rate among active customers had exceeded 55%.

In terms of corporate e-banking services, the Bank continued to optimise its corporate online banking trade service functions and bank-enterprise direct connection channels, providing corporate customers with customised services and characteristic products that have been well received by corporate customers. As at the end of June 2026, the digital banking conversion rate among active corporate customers had reached nearly 70%.

CORPORATE GOVERNANCE

The Bank strictly abides by the relevant regulations and regulatory requirements and proactively adopts and implements corresponding measures while striving to improve its corporate governance standards, so as to support the sustainable and quality development of the Bank.

CHIEF EXECUTIVE'S STATEMENT

LOOKING AHEAD

Looking ahead to the second half of the year, despite the macro environment being fraught with uncertainty, the Bank will continue to uphold its “customer-centric” business philosophy, taking prudent compliance as its cornerstone, strengthening comprehensive risk management, and fully driving high-quality development. The Bank will deepen its three distinctive strategies of “cross-border, collaborative, and digital intelligence” businesses, precisely aligning with the nation’s development trends in emerging industries, continuously optimising credit resource allocation and core customer mix, and vigorously promoting non-interest income growth to build a diversified profit-driven model. Meanwhile, the Bank will implement more refined asset-liability management, dynamically optimising its interest margin to ensure operational resilience.

To support its business strategy, the Bank will comprehensively accelerate its digital-intelligence transformation, promoting the deep integration of artificial intelligence with business scenarios and compliance management, empowering operations through technology, and further enhancing customer experience and operational efficiency. With a solid risk foundation and a clear strategic roadmap, the Bank is confident in seizing opportunities amid challenges and forging new paths amidst change, steadily progressing towards its vision of becoming “A Bank People Love”.

ZONG Jianxin

Chief Executive

Hong Kong, 3 September 2026

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

Chong Hing Bank Limited (the “Bank”) is an authorized institution supervised by the Hong Kong Monetary Authority (the “HKMA”) under the Hong Kong Banking Ordinance. The Bank is committed to maintaining high standards of corporate governance, with a view to safeguarding the interests of shareholders, customers, employees and other stakeholders.

The Bank has applied the principles in the module on “Corporate Governance of Locally Incorporated Authorized Institutions” under the Supervisory Policy Manual issued by the HKMA to its corporate governance structure and practices.

REVIEW OF CONDENSED FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements of the Bank and its subsidiaries for the six months ended 30 June 2026 have been reviewed by the Audit Committee and by the Bank’s auditor in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

INTERIM DIVIDEND

The board of Directors of the Bank has declared an interim cash dividend for 2026 of HK\$145,000,000 (2025: interim cash dividend of HK\$115,000,000).

PUBLICATION OF 2026 INTERIM REPORT

The Bank’s 2026 Interim Report in both English and Chinese is now available in printed form and on the website of the Bank (www.chbank.com).

INDEPENDENT REVIEW REPORT



To the board of directors of Chong Hing Bank Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 56, which comprises the condensed consolidated statement of financial position of Chong Hing Bank Limited (the "Bank") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The directors of the Bank are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong
3 September 2026

CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2026

Six months ended 30 June			
	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Interest income		4,849,242	5,275,580
Interest expense		(2,975,937)	(3,293,984)
Net interest income	6	1,873,305	1,981,596
Fee and commission income		243,385	239,439
Fee and commission expense		(41,872)	(44,774)
Net fee and commission income	7	201,513	194,665
Net income from trading and investments	8	86,517	357,335
Other operating income	9	68,511	66,395
Operating expenses	10	(1,003,755)	(966,366)
Operating profit before impairment allowances		1,226,091	1,633,625
Net impairment losses on financial instruments	11	(214,669)	(833,482)
Operating profit after impairment allowances		1,011,422	800,143
Net losses on disposal of equipment		(127)	(21)
Net losses on fair value adjustments on investment properties	19	(8,568)	(14,016)
Share of profits of associates		46,915	25,437
Profit before taxation		1,049,642	811,543
Taxation	12	(123,456)	(89,121)
Profit for the period			
– Attributable to equity owners of the Bank		926,186	722,422

The notes on pages 20 to 56 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Profit for the period	926,186	722,422
Other comprehensive income		
Items that may not be reclassified subsequently to profit or loss:		
Net losses on investments in equity instruments measured at fair value through other comprehensive income ("FVOCI")	(46,484)	(69,641)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation	307,295	289,307
Net gains (losses) on investments in debt instruments measured at FVOCI	70,934	(103,331)
Amount reclassified to profit or loss upon disposal of FVOCI debt securities	(68,031)	(53,195)
Income tax effect relating to disposal of financial assets measured at FVOCI	14,991	11,312
Income tax effect relating to fair value change of financial assets measured at FVOCI	(18,449)	41,864
Share of other comprehensive income of associates	7,277	1,592
Other comprehensive income for the period (net of tax)	267,533	117,908
Total comprehensive income for the period	1,193,719	840,330
Total comprehensive income for the period attributable to:		
Equity owners of the Bank	1,193,719	840,330

The notes on pages 20 to 56 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026

	Notes	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Assets			
Cash and balances and placements with banks	14	32,706,394	61,109,767
Derivative financial instruments	15	1,588,074	913,803
Investments in securities	16	106,939,306	90,666,905
Advances and other accounts	18	178,531,698	171,984,420
Tax recoverable		11,332	16,626
Interests in associates		661,334	621,842
Investment properties	19	215,227	221,772
Property and equipment	20	927,735	957,198
Deferred tax assets	27	144,629	130,772
Intangible assets	21	606,904	635,556
Total assets		322,332,633	327,258,661
Liabilities			
Deposits and balances with banks and other financial institutions	22	7,046,036	17,988,040
Deposits from customers	23	254,885,463	253,659,642
Derivative financial instruments	15	1,246,419	1,125,500
Other accounts and accruals	24	4,857,300	4,976,388
Current tax liabilities		151,321	39,353
Certificates of deposit	25	6,977,487	3,533,094
Loan capital	26	6,369,072	6,192,773
Deferred tax liabilities	27	41,407	42,674
Total liabilities		281,574,505	287,557,464
Equity attributable to owners of the Bank			
Share capital	28	21,197,550	21,197,550
Additional equity instruments	29	2,320,692	2,320,692
Reserves		17,239,886	16,182,955
Total equity		40,758,128	39,701,197
Total liabilities and equity		322,332,633	327,258,661

The notes on pages 20 to 56 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026

	Note	(unaudited)								
		Share capital	Additional equity instruments	Goodwill	Investment revaluation reserve	Land and building revaluation reserve	General reserve	Translation reserve	Regulatory reserve	Retained profits
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2026		21,197,550	2,320,692	(182)	733,382	312,884	1,388,500	(328,853)	353,000	13,724,224
Profit for the period		-	-	-	-	-	-	-	-	926,186
Other comprehensive income (net of tax)		-	-	-	(39,762)	-	-	307,295	-	267,533
Total comprehensive income for the period		-	-	-	(39,762)	-	-	307,295	-	1,193,719
Distribution payment for additional equity instruments		-	(46,788)	-	-	-	-	-	-	(46,788)
Transfer from retained profits		-	46,788	-	-	-	-	-	-	(46,788)
Final dividend paid	13	-	-	-	-	-	-	-	-	(90,000)
Earmark of retained profits as regulatory reserve		-	-	-	-	-	-	-	145,000	(145,000)
At 30 June 2026		<u>21,197,550</u>	<u>2,320,692</u>	<u>(182)</u>	<u>693,620</u>	<u>312,884</u>	<u>1,388,500</u>	<u>(21,558)</u>	<u>498,000</u>	<u>14,368,622</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026

	Note	(unaudited)								
		Share capital	Additional equity instruments	Goodwill	Investment revaluation reserve	Land and building revaluation reserve	General reserve	Translation reserve	Regulatory reserve	Retained profits
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2025		21,030,884	2,316,681	(182)	1,099,523	312,884	1,388,500	(762,707)	555,000	13,253,503
Profit for the period		-	-	-	-	-	-	-	-	722,422
Other comprehensive income (net of tax)		-	-	-	(171,399)	-	-	289,307	-	-
Total comprehensive income for the period		-	-	-	(171,399)	-	-	289,307	-	722,422
Distribution payment for additional equity instruments		-	(64,268)	-	-	-	-	-	-	-
Transfer from retained profits		-	64,268	-	-	-	-	-	-	(64,268)
Final dividend paid	13	-	-	-	-	-	-	-	-	(210,000)
Earmark of retained profits as regulatory reserve		-	-	-	-	-	-	-	(95,000)	95,000
At 30 June 2025		<u>21,030,884</u>	<u>2,316,681</u>	<u>(182)</u>	<u>928,124</u>	<u>312,884</u>	<u>1,388,500</u>	<u>(473,400)</u>	<u>460,000</u>	<u>13,796,657</u>

The retained profits of the Group included retained profits of HK\$282,719,000 (30 June 2025: retained profits of HK\$216,628,000) retained by the associates of the Group.

The regulatory reserve is set up in compliance with the requirements of the Hong Kong Monetary Authority (the "HKMA") and is distributable to the shareholders of the Bank subject to consultation with the HKMA.

The general reserve comprises transfers from previous years' retained profits.

The notes on pages 20 to 56 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
OPERATING ACTIVITIES		
Profit before taxation	1,049,642	811,543
Adjustments for:		
Net interest income	(1,873,305)	(1,981,596)
Net impairment losses on financial instruments	214,669	833,482
Net losses on disposal of equipment	127	21
Net gains on disposal of debt securities measured at FVOCI	(68,031)	(53,195)
Net losses on fair value adjustments on investment properties	8,568	14,016
Net losses (gains) on financial instruments at fair value through profit or loss	108,239	(83,460)
Share of profits of associates	(46,915)	(25,437)
Net (gains) losses on fair value hedge	(1,799)	3,446
Dividend received from investments	(3,444)	(2,132)
Depreciation and amortisation	148,910	148,961
Exchange adjustments	(410,722)	(421,976)
Operating cash flows before movements in operating assets and liabilities	(874,061)	(756,327)
Decrease (increase) in operating assets:		
Placements with banks	1,853,806	1,100,130
Financial assets at fair value through profit or loss	(77,186)	168,785
Advances to customers	(7,344,070)	(1,215,185)
Advances to other financial institutions	(385,683)	(548,644)
Other accounts	965,688	(1,087,066)
(Decrease) increase in operating liabilities:		
Deposits with banks	(4,678,104)	(1,225,608)
Balances with bank and other financial institutions	(6,263,900)	(2,533,866)
Deposits from customers	1,225,821	(9,327,751)
Certificates of deposit	3,444,393	(1,682,707)
Derivative financial instruments	(293,977)	1,127,322
Other accounts and accruals	76,461	(705,193)
Cash used in operations	(12,350,812)	(16,686,110)
Hong Kong profits tax paid	(16,136)	(2,660)
Overseas tax paid	(7,846)	(28,963)
Interest received	3,475,465	4,474,799
Interest paid	(3,024,795)	(3,391,454)
NET CASH USED IN OPERATING ACTIVITIES	(11,924,124)	(15,634,388)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
INVESTING ACTIVITIES		
Interest received from investments in securities	1,320,793	1,020,133
Dividends received from investments in securities	3,444	2,132
Dividends received from associates	14,700	12,600
Purchase of financial assets measured at amortised cost	(6,560,173)	(1,274,531)
Purchase of financial assets measured at FVOCI	(86,321,535)	(125,303,092)
Purchase of property and equipment	(27,454)	(26,851)
Purchase of intangible asset	(88)	–
Proceeds from redemption of financial assets measured at amortised cost	5,345,809	1,365,456
Proceeds from sale and redemption of financial assets measured at FVOCI	72,043,950	112,142,337
Proceeds from disposal of equipment	61	–
NET CASH USED IN INVESTING ACTIVITIES	(14,180,493)	(12,061,816)
FINANCING ACTIVITIES		
Interest paid on loan capital	(125,765)	(120,878)
Payment of lease liabilities	(88,865)	(84,781)
Dividends paid to ordinary shareholders	(90,000)	(210,000)
Distribution paid on additional equity instruments	(46,788)	(64,268)
NET CASH USED IN FINANCING ACTIVITIES	(351,418)	(479,927)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(26,456,035)	(28,176,131)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	56,120,536	88,241,993
CASH AND CASH EQUIVALENTS AT 30 JUNE	29,664,501	60,065,862
Represented by:		
Cash and balances with central bank and banks	13,721,120	23,810,548
Placements with banks – with original maturity within three months	15,943,381	36,255,314
	29,664,501	60,065,862

The notes on pages 20 to 56 form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

1. GENERAL INFORMATION

Chong Hing Bank Limited (the "Bank") is a limited company incorporated in Hong Kong.

The Bank is engaged in the provision of banking and related financial services. The address of the registered office of the Bank is Ground Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong.

The condensed consolidated interim financial information is presented in Hong Kong dollars, which is the same as the functional currency of the Bank.

The financial information relating to the year ended 31 December 2025 that is included in the condensed consolidated interim financial information for the six months ended 30 June 2026 as comparative information does not constitute the Bank's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Bank has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622). The Bank's auditors have reported on the financial statements for the year ended 31 December 2025. The auditor's report was unqualified and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

This condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the Bank's annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

Certain comparative figures have been adjusted to conform with the presentation and disclosures in the current period.

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those applied in the preparation of the Bank's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7

Amendments to the Classification and Measurement of
Financial Instruments

There were no new standards or amendments to standards that had a material effect on the condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION

The Group's operating segments, which are also the reportable segments, based on information regularly reviewed by the chief operating decision maker (Executive Committee ("EXCO") of the Group) for the purposes of allocating resources to segments and assessing their performance on business divisions of the Group, are as follows:

1. Corporate banking
2. Personal banking
3. Financial markets activities
4. Securities business
5. Others, comprising investment holding, insurance and futures broking, insurance underwriting, other investment advisory services, property investments and central management unit.

No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

In current period presentation, corporate banking segment and retail banking segment have been disclosed separately, and certain items of operating segment profit or loss have been regrouped in accordance with the way how the chief operating decision maker regularly reviewed the segment information. Comparative amounts have been restated to conform to current period presentation.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION *(Continued)*

The following is an analysis of the Group's revenue and results by reportable and operating segment for the periods under review:

OPERATING SEGMENT REVENUE AND RESULTS

Six months ended 30 June 2026

	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Consolidated HK\$'000
Net interest income/(expense):						
– external	1,210,090	(608,389)	1,394,475	1,600	(124,471)	1,873,305
– internal <i>(Note)</i>	(206,519)	1,056,185	(1,314,741)	8,027	457,048	–
Non-interest (expense)/income	(16,158)	162,205	190,569	59,999	(40,074)	356,541
Operating income	987,413	610,001	270,303	69,626	292,503	2,229,846
Operating expenses	(480,262)	(330,724)	(62,677)	(38,432)	(91,660)	(1,003,755)
Net impairment (losses) reversal on financial instruments	(200,557)	(13,379)	(733)	(1)	1	(214,669)
Segment profit	<u>306,594</u>	<u>265,898</u>	<u>206,893</u>	<u>31,193</u>	<u>200,844</u>	1,011,422
Unallocated corporate expenses						(8,695)
Share of profit of associates						<u>46,915</u>
Profit before taxation						1,049,642
Taxation						<u>(123,456)</u>
Profit for the period						<u>926,186</u>

Note: Inter-segment pricing for funding transactions is charged with reference to prevailing market interest rates.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION *(Continued)*

OPERATING SEGMENT ASSETS AND LIABILITIES

At 30 June 2026

	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Consolidated HK\$'000
Assets						
Segment assets	174,870,305	19,586,945	125,206,088	241,590	297,591	320,202,519
Interests in associates						661,334
Unallocated corporate assets						1,468,780
Consolidated total assets						322,332,633
Liabilities						
Segment liabilities	175,812,319	88,196,523	16,239,970	168,448	101,112	280,518,372
Unallocated corporate liabilities						1,056,133
Consolidated total liabilities						281,574,505

OTHER INFORMATION – AMOUNTS INCLUDED IN THE MEASURE OF SEGMENT RESULTS AND SEGMENT ASSETS

Six months ended 30 June 2026

	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Capital expenditure during the period	12,619	3,344	45	215	15	11,304	27,542
Depreciation and amortisation	97,882	42,049	7,958	478	543	–	148,910

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION *(Continued)*

OPERATING SEGMENT REVENUE AND RESULTS

Six months ended 30 June 2025

(restated)	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Consolidated HK\$'000
Net interest income/(expense):						
– external	1,505,880	(866,079)	1,463,835	1,781	(123,821)	1,981,596
– internal <i>(Note)</i>	(429,444)	1,417,108	(1,604,734)	8,277	608,793	–
Non-interest income/(expense)	175,945	142,757	280,764	63,678	(44,749)	618,395
Operating income	1,252,381	693,786	139,865	73,736	440,223	2,599,991
Operating expenses	(486,609)	(313,805)	(63,300)	(37,830)	(64,822)	(966,366)
Net impairment (losses) reversal on financial instruments	(820,797)	(2,091)	(10,596)	2	–	(833,482)
Segment (losses) profit	(55,025)	377,890	65,969	35,908	375,401	800,143
Unallocated corporate expenses						(14,037)
Share of profit of associates						25,437
Profit before taxation						811,543
Taxation						(89,121)
Profit for the period						722,422

Note: Inter-segment pricing for funding transactions is charged with reference to prevailing market interest rates.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION *(Continued)*

OPERATING SEGMENT ASSETS AND LIABILITIES

At 31 December 2025

	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Consolidated HK\$'000
Assets						
Segment assets	172,277,118	18,905,880	132,976,857	709,261	295,556	325,164,672
Interests in associates						621,842
Unallocated corporate assets						1,472,147
Consolidated total assets						327,258,661
Liabilities						
Segment liabilities	173,886,196	88,743,410	23,448,841	623,734	94,957	286,797,138
Unallocated corporate liabilities						760,326
Consolidated total liabilities						287,557,464

OTHER INFORMATION – AMOUNTS INCLUDED IN THE MEASURE OF SEGMENT RESULTS AND SEGMENT ASSETS

Six months ended 30 June 2025

	Corporate banking HK\$'000	Personal banking HK\$'000	Financial markets activities HK\$'000	Securities business HK\$'000	Others HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Capital expenditure during the period	11,046	1,833	20	199	359	13,394	26,851
Depreciation and amortisation	96,249	42,413	9,153	746	400	–	148,961

All direct costs incurred by different segments are grouped under respective segments. Indirect costs and support functions' costs are allocated to various segments and products based on effort and time spent while segments' other operating income is allocated depending on the nature of costs incurred. Indirect costs and support functions' costs and income related to corporate activities that cannot be reasonably allocated to segments or products are grouped as unallocated corporate expenses and unallocated corporate income respectively. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of performance.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

3. SEGMENT INFORMATION *(Continued)*

OTHER INFORMATION *(Continued)*

There is no operating income with a single external customer amounting to or exceeding 10% of the Group's and the Bank's total operating income.

Assets and liabilities related to corporate activities that cannot be reasonably allocated to segments, products and support functions are grouped as unallocated corporate assets and liabilities. All direct segment assets and liabilities are grouped under respective segments.

GEOGRAPHICAL INFORMATION

Geographical information (including geographical analysis of total segment revenue) is analysed by the Group based on the locations of the principal operations of the branches and subsidiaries which are responsible for reporting the results or booking the assets. Non-current assets presented below are based on the location of the entities' country of domicile which is the same as the location of the non-current assets.

	Six months ended 30 June 2026			At 30 June 2026			
	Total	Profit	Capital	Total	Total	Total	Non-
	operating	before	expenditure	assets	liabilities	contingent	current
	income	taxation	during the			liabilities and	assets
	HK\$'000	HK\$'000	period	HK\$'000	HK\$'000	commitments	assets
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	1,864,118	897,367	15,034	213,356,424	181,878,215	66,672,708	2,138,453
Chinese Mainland	342,048	116,357	11,769	104,228,004	95,410,552	28,192,627	395,400
Macau and others	23,680	35,918	739	4,748,205	4,285,738	560,864	21,976
Total	<u>2,229,846</u>	<u>1,049,642</u>	<u>27,542</u>	<u>322,332,633</u>	<u>281,574,505</u>	<u>95,426,199</u>	<u>2,555,829</u>

	Six months ended 30 June 2025			At 31 December 2025			
	Total	Profit	Capital	Total	Total	Total	Non-
	operating	before	expenditure	assets	liabilities	contingent	current
	income	taxation	during the			liabilities and	assets
	HK\$'000	HK\$'000	period	HK\$'000	HK\$'000	commitments	assets
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	2,200,993	626,696	15,814	220,259,843	189,419,307	58,208,017	2,196,854
Chinese Mainland	392,650	183,876	11,037	101,654,856	93,245,116	22,876,136	364,202
Macau and others	6,348	971	-	5,343,962	4,893,041	496,240	6,084
Total	<u>2,599,991</u>	<u>811,543</u>	<u>26,851</u>	<u>327,258,661</u>	<u>287,557,464</u>	<u>81,580,393</u>	<u>2,567,140</u>

Note:

Total operating income consists of net interest income, net fee and commission income, net income from trading and investments and other operating income.

Non-current assets consist of interests in associates, investment properties, property and equipment, deferred tax assets and intangible assets.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

4.1 FAIR VALUE ESTIMATION

All assets and liabilities for which fair value is measured or disclosed in the condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table presents the fair value hierarchy of the Group's financial assets and liabilities as at 30 June 2026.

	Fair value hierarchy			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
At 30 June 2026				
Financial assets measured at fair value through profit or loss				
Debt securities	1,452,246	13,082	–	1,465,328
Other securities	37,592	2,304,045	–	2,341,637
Financial assets measured at FVOCI				
Equity securities	22,120	–	467,626	489,746
Debt securities	82,400,612	17,288,206	–	99,688,818
Trade bills	–	102,555	–	102,555
Deposits and balance with banks and other financial institutions measured at fair value through profit or loss	–	(1,483,789)	–	(1,483,789)
Derivative financial assets not used for hedging	33	1,284,739	–	1,284,772
Derivative financial assets used for hedging	–	303,302	–	303,302
Derivative financial liabilities not used for hedging	–	(1,171,898)	–	(1,171,898)
Derivative financial liabilities used for hedging	–	(74,521)	–	(74,521)
Total	83,912,603	18,565,721	467,626	102,945,950

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

4.1 FAIR VALUE ESTIMATION *(Continued)*

The following table presents the fair value hierarchy of the Group's financial assets and liabilities as at 31 December 2025.

	Fair value hierarchy			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 December 2025				
Financial assets measured at fair value				
through profit or loss				
Equity securities	6,358	–	–	6,358
Debt securities	1,301,015	422,050	–	1,723,065
Other securities	–	2,108,595	–	2,108,595
Financial assets measured at FVOCI				
Equity securities	21,572	–	514,658	536,230
Debt securities	76,656,724	7,906,356	–	84,563,080
Trade bills	–	570,379	–	570,379
Advances to customers measured at fair value				
through profit or loss	–	25,134	–	25,134
Deposits and balances with banks and other financial institutions measured at fair value				
through profit or loss	–	(1,255,021)	–	(1,255,021)
Derivative financial assets not used for hedging	131	807,186	–	807,317
Derivative financial assets used for hedging	–	106,486	–	106,486
Derivative financial liabilities not used for hedging	–	(864,425)	–	(864,425)
Derivative financial liabilities used for hedging	–	(261,075)	–	(261,075)
Total	<u>77,985,800</u>	<u>9,565,665</u>	<u>514,658</u>	<u>88,066,123</u>

During the period ended 30 June 2026, the debt securities measured at FVOCI of HK\$72,883,000 (during the year ended 31 December 2025: HK\$126,143,000) were transferred from level 2 to level 1 given the Group can access to quoted price in active market. The Group's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Except as detailed in the following table, the directors of the Group consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated interim financial information approximate their fair values.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

4.1 FAIR VALUE ESTIMATION *(Continued)*

	Carrying amount		Fair value	
	30 June 2026 HK\$'000	31 December 2025 HK\$'000	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Financial assets				
Investment in securities	<u>2,953,777</u>	<u>1,729,577</u>	<u>2,963,202</u>	<u>1,737,117</u>
Financial liabilities				
Loan capital	<u>6,369,072</u>	<u>6,192,773</u>	<u>6,542,043</u>	<u>6,388,187</u>

4.2 VALUATION TECHNIQUES

The fair values of listed equity securities are determined with reference to quoted market bid prices from relevant stock exchanges.

The fair values of unlisted equity securities have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the management to determine comparable listed companies and to calculate appropriate price multiples. These multiples include i) the average of enterprise value to earnings before interest, taxes, depreciation and amortisation ("EV/EBITDA") multiple, ii) the average price to earnings ("P/E") multiple and iii) the average price to book ("P/B") multiple. The multiples are calculated by dividing the enterprise value of the comparable company by the relevant measures. The multiples are then discounted for considerations such as illiquidity based on company-specific facts and circumstances. The discounted multiples are applied to the corresponding measures of the unlisted equity investments to measure their fair values.

The fair values of other securities are measured with reference to quoted market prices of the underlying fund investments, which are observable at the end of the reporting period.

The fair values of debt securities and loan capital are determined based on prices obtained from pricing service providers. In addition, the Group makes comparison with the prices from other pricing service or indicative prices provided by dealers or brokers and with the values calculated using valuation models such as discounted cash flows method to the indicative prices of the debt securities. The key inputs used in the valuation models are the interest rate data, which are observable at the end of the reporting period. The objective of valuation models is to arrive at a fair value estimation that reflects the price of the financial instrument at the reporting date, which would have been determined by market participants acting at arm's length.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

4.2 VALUATION TECHNIQUES *(Continued)*

The fair values of trade bills classified as FVOCI are measured by the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates, which are observable at the end of the reporting period.

The fair values of foreign currency forward contracts are measured by comparing the contracted forward rates and the quoted forward exchange rates, which are observable at the end of the reporting period.

The fair values of interest rate swaps and cross-currency interest rate swaps are measured by the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates, which are observable at the end of the reporting period.

The fair values of foreign currency option contracts are measured by option pricing model with reference to the contractual exercise rates, the quoted forward exchange rates, the interest rates of currency and the market volatilities, which are observable at the end of the reporting period.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. There were no changes in the Group's valuation techniques during the period.

4.3 RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS

	Financial assets measured at FVOCI HK\$'000
Balance at 1 January 2025	875,614
Net fair value loss recognised in other comprehensive income	(406,008)
Exchange difference	45,052
Balance at 31 December 2025 and 1 January 2026	514,658
Net fair value loss recognised in other comprehensive income	(64,274)
Exchange difference	17,242
Balance at 30 June 2026	467,626

The majority of the Group's investments are valued based on quoted market information or observable market data. Whilst such valuations are sensitive to estimates, it is believed that changing one or more of the assumptions to reasonably possible alternative assumptions would not have a material impact on the Group's financial positions.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

5. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group has financial assets and financial liabilities that:

- are offset in the Group's condensed consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the condensed consolidated statement of financial position.

The Group entered into International Swaps and Derivatives Association ("ISDA") Master Agreements and Global Master Repurchase Agreements ("GMRA") for derivatives and sale and repurchase agreements. In addition, the Group receives and pledges collateral in the form of cash in respect of its derivative transactions and sale and repurchase agreements. Such collateral is subject to the standard industry terms of ISDA Credit Support Annex or GMRA. Collateral received or pledged must be returned on maturity of the transactions.

Under the agreement of Continuous Net Settlement made between the Group and Hong Kong Securities Clearing Company Limited ("HKSCC"), money obligations receivable and payable with HKSCC on the same settlement date are settled on net basis.

The Group has a legally enforceable right to set off the trades receivable and payable with brokerage clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

6. NET INTEREST INCOME

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Interest income		
Balances and placements with banks and advances to other financial institutions	689,551	1,203,579
Investments in securities	1,408,469	873,179
Loans and advances	2,751,222	3,198,822
	<u>4,849,242</u>	<u>5,275,580</u>
Interest expense		
Deposits and balances with banks and other financial institutions	(184,784)	(155,089)
Deposits from customers	(2,606,224)	(2,960,848)
Certificates of deposit	(52,787)	(47,847)
Loan capital	(121,501)	(116,962)
Others	(10,641)	(13,238)
	<u>(2,975,937)</u>	<u>(3,293,984)</u>
Net interest income	<u>1,873,305</u>	<u>1,981,596</u>

Included within interest income and interest expense are HK\$4,849,242,000 (2025: HK\$5,275,580,000) and HK\$2,975,937,000 (2025: HK\$3,293,984,000) earned and incurred from financial assets and financial liabilities that are not recognised at fair value through profit or loss, respectively.

Included within interest income is HK\$1,408,469,000 (2025: HK\$873,179,000) earned from investments in debt securities that are measured at amortised cost or at fair value through other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

7. NET FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Fee and commission income		
Securities dealings and futures broking	60,126	63,089
Loans, overdrafts and guarantees	30,631	42,390
Trade finance	6,129	6,006
Credit card services	37,372	43,318
Agency services	101,210	73,343
Others	7,917	11,293
Total fee and commission income	243,385	239,439
Less: Fee and commission expense	(41,872)	(44,774)
Net fee and commission income	201,513	194,665
of which:		
Net fee and commission income (other than amounts included in determining the effective interest rate), arising from financial assets and financial liabilities that are not at fair value through profit or loss		
– Fee income	37,908	52,006
– Fee expense	(3,545)	(2,763)
	34,363	49,243

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

8. NET INCOME FROM TRADING AND INVESTMENTS

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Net trading income		
– Foreign exchange	126,557	226,323
– Interest rates, debt instruments and others	(109,662)	75,427
Net (losses) gains on financial instruments designated at fair value through profit or loss	(208)	5,836
Net gains (losses) on fair value hedge:		
– Net (losses) gains on hedged items attributable to the hedged risk	(257,576)	154,902
– Net gains (losses) on hedging instruments	259,375	(158,348)
Net gains on disposal of FVOCI debt securities	68,031	53,195
	86,517	357,335

“Net trading income – Foreign exchange” includes net gains and losses from spot and forward contracts, swaps and translation of foreign currency assets and liabilities, which are not designated for hedging purpose.

The Group entered into foreign exchange swaps for its liquidity management and funding activities. It involves swapping a currency (“original currency”) into another currency (“swap currency”) at the spot exchange rate for short-term placement and simultaneously entering into a forward contract to convert the funds back to the original currency on maturity of the placement. The exchange difference between the spot and forward contracts as well as the corresponding interest differential between the funds in the original currency and swap currency are recognised as “Net trading income – Foreign exchange”.

Net gains on disposal of the FVOCI debt securities were included in the net income from trading and investments of the Group which form part of the business operation.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

9. OTHER OPERATING INCOME

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Dividend income		
– Listed investments	3,294	1,982
– Unlisted investments	150	150
	3,444	2,132
Gross rents from investment properties	3,251	3,731
Less: Outgoings	(382)	(383)
Net rental income	2,869	3,348
Safe deposit box rentals	26,601	27,562
Insurance service result (<i>Note</i>)	5,402	2,549
Other banking services income	29,646	30,329
Others	549	475
	<u>68,511</u>	<u>66,395</u>

Note: Details of insurance service result are as follows:

	2026 HK\$'000	2025 HK\$'000
Insurance revenue	18,175	16,788
Insurance service expenses	(10,281)	(10,982)
Net expenses from reinsurance contracts held	(2,492)	(3,257)
Insurance service result	<u>5,402</u>	<u>2,549</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

10. OPERATING EXPENSES

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Auditor's remuneration		
– Audit services	4,651	4,292
– Non-audit services	–	178
Total auditor's remuneration	4,651	4,470
Staff costs (including directors' emoluments)		
– Salaries and other costs	617,443	595,731
– Retirement benefits scheme contributions	45,022	41,839
Total staff costs	662,465	637,570
Depreciation		
– Property and equipment	41,746	42,071
– Right-of-use assets	77,292	77,156
	119,038	119,227
Amortisation of intangible assets	29,872	29,734
Premises and equipment expenses, excluding depreciation		
– Government rent and rates for premises	3,638	3,249
– Expenses relating to short-term leases	25	25
– Expenses relating to leases of low-value assets	37	37
– Others	5,712	5,214
	9,412	8,525
Other operating expenses	178,317	166,840
	<u>1,003,755</u>	<u>966,366</u>

11. NET IMPAIRMENT LOSSES ON FINANCIAL INSTRUMENTS

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Loans and advances to customers	193,167	831,597
Investments in securities	19,309	21,438
Loan commitments and financial guarantee contracts	(10,869)	(11,193)
Other financial assets	13,062	(8,360)
	<u>214,669</u>	<u>833,482</u>

Other financial assets include balances and placements with banks and other receivables.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

12. TAXATION

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
The tax charge comprises:		
Hong Kong profits tax	119,116	105,622
Overseas tax	22,128	11,228
Deferred tax	(17,788)	(27,729)
	<u>123,456</u>	<u>89,121</u>

Hong Kong profits tax is calculated at 16.5% (2025: 16.5%) of the estimated assessable profit for the period.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT'S ("OECD") GLOBAL MINIMUM TAX ("PILLAR TWO") MODEL RULES

The Group is within the scope of the OECD's Pillar Two model rules. Pillar Two legislation was enacted in Hong Kong, Chinese Mainland and Macau, among the jurisdictions in which the Group operates and has become effective in Hong Kong from 1 January 2025 respectively. Under the Pillar Two legislation enacted in Hong Kong, the Group is liable to pay a top-up tax for the difference between the Global Anti-Base Erosion ("GloBE") effective tax rate for these five jurisdictions, and the 15% minimum rate.

The Group has assessed that there shall not be related additional current tax expense. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to HKAS 12 "Income Taxes" issued in July 2023.

13. DIVIDENDS

On 23 June 2026, a dividend of HK\$90,000,000 was paid to shareholders as the final dividend for 2025.

On 20 June 2025, a dividend of HK\$210,000,000 was paid to shareholders as the final dividend for 2024.

Subsequent to the end of the interim reporting period, the Board has declared a total amount of interim dividend in respect of the financial year ending 31 December 2026 of HK\$145,000,000 (2025: HK\$115,000,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

14. CASH AND BALANCES AND PLACEMENTS WITH BANKS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Cash and balances with banks	10,033,508	13,901,028
Balances with central banks	3,697,342	3,462,100
Placements with banks		
– With original maturity within three months	15,954,687	38,793,679
– With original maturity over three months	3,044,051	4,992,455
	18,998,738	43,786,134
Less: Impairment allowances under stage 1	(23,194)	(39,495)
	32,706,394	61,109,767

Placements with banks as of 30 June 2026 and 31 December 2025 are maturing between one and twelve months.

As of 30 June 2026, the gross carrying amount, including accrued interest, of placements with banks amounted to HK\$19,069,475,000 (31 December 2025: HK\$43,919,296,000).

15. DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2026		
	Notional amount HK\$'000	Fair value Assets HK\$'000	Liabilities HK\$'000
Derivatives held for trading			
– Foreign currency forward contracts and swaps	502,936,714	1,153,102	1,078,177
– Foreign currency options	81,114,773	3,677	3,764
– Interest rate swaps	72,282,982	127,960	89,957
– Futures	23,526	33	–
Derivatives designated as hedging instruments			
– Interest rate swaps	25,299,311	303,302	74,521
		1,588,074	1,246,419

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

15. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

	31 December 2025		
	Notional amount HK\$'000	Fair value Assets HK\$'000	Liabilities HK\$'000
Derivatives held for trading			
– Foreign currency forward contracts and swaps	348,495,871	658,118	732,608
– Foreign currency options	4,998,230	4,071	2,314
– Interest rate swaps	115,242,481	144,997	129,503
– Futures	778,300	131	–
Derivatives designated as hedging instruments			
– Interest rate swaps	20,967,647	106,486	261,075
		913,803	1,125,500

As at 30 June 2026, all foreign currency forward contracts and swaps have settlement dates within 3 years (31 December 2025: 3 years) from the end of the reporting period.

The remaining maturity of foreign currency options have settlement dates within 1 year (2025: 1 year) from the end of the reporting period.

The remaining maturity of interest rate swaps held for trading is within 9 years (31 December 2025: within 10 years).

16. INVESTMENTS IN SECURITIES

	Financial assets mandatorily measured at fair value through profit or loss HK\$'000	Financial assets measured at FVOCI HK\$'000	Financial assets measured at amortised cost HK\$'000	Total HK\$'000
30 June 2026				
Equity securities	–	489,746	–	489,746
Debt securities	1,465,328	99,688,818	2,953,777	104,107,923
Other securities	2,341,637	–	–	2,341,637
Total	3,806,965	100,178,564	2,953,777	106,939,306
31 December 2025				
Equity securities	6,358	536,230	–	542,588
Debt securities	1,723,065	84,563,080	1,729,577	88,015,722
Other securities	2,108,595	–	–	2,108,595
Total	3,838,018	85,099,310	1,729,577	90,666,905

As of 30 June 2026, the gross carrying amount, including accrued interest, of investment in securities measured at amortised cost amounted to HK\$2,986,372,000 (31 December 2025: HK\$1,741,374,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

17. TRANSFER OF FINANCIAL ASSETS

The following were the Group's financial assets as of 30 June 2026 and 31 December 2025 that were transferred to an entity with terms to repurchase these financial assets at agreed dates and prices. As the Group has retained substantially all the risks and rewards relating to these financial assets, the full carrying amount of these financial assets continued to be recognised. The cash received on the transfer was reported as liabilities under "Deposits and balances with banks and other financial institutions" (see Note 22). The transferred financial assets serve as collateral to secure these liabilities. During the covered period, the legal titles of financial assets are transferred to the counterparty entity and there is no restriction for the counterparty entity to sell or repledge the collateral. These financial assets are measured at fair value in the condensed consolidated statement of financial position.

	30 June 2026		31 December 2025	
	Carrying amount of transferred assets HK\$'000	Carrying amount of associated liabilities HK\$'000	Carrying amount of transferred assets HK\$'000	Carrying amount of associated liabilities HK\$'000
Repurchase agreements in relation to transferred assets:				
– Measured at FVOCI	39,533	38,082	5,994,922	5,971,868
– Measured at FVPL	1,452,246	1,452,374	697,679	694,574
	<u>1,491,779</u>	<u>1,490,456</u>	<u>6,692,601</u>	<u>6,666,442</u>

Other than amounts stated in above, balances with banks and other financial institutions amounted to HK\$2,466,496,000 (2025: HK\$2,796,610,000) are pledged by securities of HK\$2,909,271,000 (2025: HK\$3,001,610,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

18. ADVANCES AND OTHER ACCOUNTS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Advances to customers	168,578,520	162,061,269
Trade bills measured at		
– amortised cost	1,247,935	390,364
– FVOCI	102,555	570,379
	1,350,490	960,743
	169,929,010	163,022,012
Advances to other financial institutions	3,124,644	2,738,961
Interest receivable	2,258,435	2,258,342
Impairment allowances		
– Stage 1	(666,392)	(773,164)
– Stage 2	(196,018)	(178,181)
– Stage 3	(1,519,433)	(1,666,380)
	(2,381,843)	(2,617,725)
	172,930,246	165,401,590
Other accounts		
– Deposit placed as mandatory reserve fund (Note 1)	3,866,874	4,241,225
– Initial and variation margin (Note 2)	1,157,194	1,338,788
– Others (Note 3)	577,384	1,002,817
	5,601,452	6,582,830
	178,531,698	171,984,420

Note 1: Balance mainly represented mandatory reserve deposits placed by Mainland Branches with the People's Bank of China which is not available for the Group's daily operation.

Note 2: Balance mainly represented deposits placed in banks as initial and variation margin for certain interest margin, foreign currency forward contracts and repurchase agreements.

Note 3: As of 30 June 2026, balance included reinsurance contract assets of HK\$9,131,000 (31 December 2025: HK\$8,496,000).

As of 30 June 2026, the gross carrying amount, including accrued interest, of advances to customers and advances to other financial institutions amounted to HK\$170,311,569,000 and HK\$3,124,783,000 (31 December 2025: HK\$163,452,252,000 and HK\$2,741,090,000) respectively.

As of 30 June 2026, there was no advances and other accounts measured at fair value through profit or loss (31 December 2025: HK\$25,134,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

18. ADVANCES AND OTHER ACCOUNTS *(Continued)*

Details of the impaired loans are as follows:

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Gross impaired loans	3,472,091	3,699,420
Less: Impairment allowances	(1,519,433)	(1,666,380)
Net impaired loans	1,952,658	2,033,040
Gross impaired loans as a percentage of gross advances	2.01%	2.23%
Market value of collateral pledged	2,410,707	2,763,964

Details of the non-performing loans are as follows:

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Gross non-performing loans <i>(Note)</i>	3,206,808	3,615,522
Less: Impairment allowances	(1,480,396)	(1,666,380)
Net non-performing loans	1,726,412	1,949,142
Gross non-performing loans as a percentage of gross advances	1.85%	2.18%
Market value of collateral pledged	2,230,002	2,520,236

Note: Non-performing loans represent advances which are either classified as "substandard", "doubtful" or "loss" under the Group's classification of loan quality.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

19. INVESTMENT PROPERTIES

	2026 HK\$'000	2025 HK\$'000
At 1 January	221,772	411,624
Transfer to land and buildings	–	(173,310)
Net losses on fair value recognised in profit or loss	(8,568)	(19,509)
Exchange adjustments	2,023	2,967
At 30 June/31 December	215,227	221,772

All of the Group's property interests held under operating leases to earn rentals and/or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Investment properties owned by the Group were revalued as at 30 June 2026 and 31 December 2025 by Vigers Appraisal and Consulting Limited, an independent professional qualified valuer. The fair value of investment properties is determined by adopting the direct comparison approach and income approach. Under direct comparison approach, the fair value is determined by reference to actual sales transactions of comparable properties with similar character and location. Under income approach, the fair value is determined by reference to the value of income, cash flow or cost savings generated by the assets.

The fair value of investment properties is estimated based on assumptions that there would be no forced sale situation in any manner for these investment properties and the structure of these investment properties were in a reasonable condition at the end of the reporting period.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Investment properties are classified as Level 3 under fair value hierarchy as at 30 June 2026 and 31 December 2025. There were no transfers into or out of Level 3 during the periods.

The significant unobservable inputs and their range used for the fair value measurement of the Group's investment properties classified as Level 3 are market yield of 3.8%-4.4% (31 December 2025: 3.6%-4.3%) and property unit selling rate of HK\$3,186-HK\$34,446 per square feet (31 December 2025: HK\$2,861-HK\$39,035 per square feet). The higher the property unit selling rate and the lower the market yield, the higher the fair value.

During the period, there were no investment properties being transferred to land and buildings (during the year ended 31 December 2025: HK\$173,310,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

20. PROPERTY AND EQUIPMENT

	Leasehold land HK\$'000	Buildings HK\$'000	Right-of- use assets HK\$'000	Equipment HK\$'000	Total HK\$'000
COST					
At 1 January 2026	435,646	183,855	1,221,489	1,061,154	2,902,144
Additions	–	–	54,877	27,454	82,331
Disposals	–	–	(28,228)	(58,817)	(87,045)
Exchange adjustments	–	1,107	11,384	11,568	24,059
At 30 June 2026	435,646	184,962	1,259,522	1,041,359	2,921,489
ACCUMULATED DEPRECIATION					
At 1 January 2026	135,857	53,573	853,559	901,957	1,944,946
Depreciation	4,619	2,579	77,292	34,548	119,038
Eliminated on disposals	–	–	(28,228)	(58,629)	(86,857)
Exchange adjustments	–	215	7,381	9,031	16,627
At 30 June 2026	140,476	56,367	910,004	886,907	1,993,754
CARRYING AMOUNTS					
At 30 June 2026	295,170	128,595	349,518	154,452	927,735
At 1 January 2026	299,789	130,282	367,930	159,197	957,198

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

20. PROPERTY AND EQUIPMENT *(Continued)*

	Leasehold land HK\$'000	Buildings HK\$'000	Right-of- use assets HK\$'000	Equipment HK\$'000	Total HK\$'000
COST					
At 1 January 2025	320,092	124,573	1,198,718	1,030,467	2,673,850
Additions	–	–	66,361	48,301	114,662
Disposals	–	(576)	(59,040)	(33,618)	(93,234)
Transfer from investment properties	115,554	57,756	–	–	173,310
Exchange adjustments	–	2,102	15,450	16,004	33,556
At 31 December 2025	435,646	183,855	1,221,489	1,061,154	2,902,144
ACCUMULATED DEPRECIATION					
At 1 January 2025	128,003	49,723	750,542	852,178	1,780,446
Depreciation	7,854	3,628	153,803	69,976	235,261
Eliminated on disposals	–	(491)	(59,040)	(32,529)	(92,060)
Exchange adjustments	–	713	8,254	12,332	21,299
At 31 December 2025	135,857	53,573	853,559	901,957	1,944,946
CARRYING AMOUNTS					
At 31 December 2025	299,789	130,282	367,930	159,197	957,198
At 1 January 2025	192,089	74,850	448,176	178,289	893,404

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

21. INTANGIBLE ASSETS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Internally developed software and computer software	553,208	581,860
Club Membership	14,090	14,090
Goodwill	39,606	39,606
	<u>606,904</u>	<u>635,556</u>

22. DEPOSITS AND BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026			31 December 2025		
	Measured at amortised cost HK\$'000	Measured at fair value through profit or loss HK\$'000	Total HK\$'000	Measured at amortised cost HK\$'000	Measured at fair value through profit or loss HK\$'000	Total HK\$'000
Deposits with banks (<i>Note 1</i>)	3,057,669	31,415	3,089,084	7,964,541	560,447	8,524,988
Balances with banks and other financial institutions	2,466,496	–	2,466,496	2,796,610	–	2,796,610
Repurchase agreements (<i>Note 2</i>)	38,082	1,452,374	1,490,456	5,971,868	694,574	6,666,442
	<u>2,504,578</u>	<u>1,452,374</u>	<u>3,956,952</u>	<u>8,768,478</u>	<u>694,574</u>	<u>9,463,052</u>
	<u>5,562,247</u>	<u>1,483,789</u>	<u>7,046,036</u>	<u>16,733,019</u>	<u>1,255,021</u>	<u>17,988,040</u>

As of 30 June 2026, the gross carrying amount, including accrued interest, of deposits with banks, balances with banks and other financial institutions and repurchase agreements measured at amortised cost amounted to HK\$3,069,340,000 and HK\$2,505,381,000 respectively (31 December 2025: HK\$8,007,246,000 and HK\$8,797,266,000 respectively).

Note 1: Included in deposits with banks are financial liabilities designated at fair value through profit or loss of HK\$31,415,000 (31 December 2025: HK\$560,447,000) in order to eliminate or significantly reduce an accounting mismatch. As of 30 June 2026 and 31 December 2025, the difference between the carrying amount of financial liabilities designated at fair value through profit or loss and the amount that the Group would be contractually required to pay at maturity to the holders was not significant.

Note 2: For details of assets transferred, please refer to note 17.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

23. DEPOSITS FROM CUSTOMERS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Deposits from customers		
– Demand deposits and current accounts	18,839,656	16,780,844
– Savings deposits	55,402,577	51,851,678
– Time, call and notice deposits	180,643,230	185,027,120
	<u>254,885,463</u>	<u>253,659,642</u>

As of 30 June 2026, the gross carrying amount, including accrued interest, of deposits from customers amounted to HK\$256,916,217,000 (31 December 2025: HK\$255,734,529,000).

24. OTHER ACCOUNTS AND ACCRUALS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Accrued interest	2,720,498	2,894,846
Lease liabilities	350,439	376,549
Others	1,786,363	1,704,993
	<u>4,857,300</u>	<u>4,976,388</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

25. CERTIFICATES OF DEPOSIT

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Certificates of deposit, measured at amortised cost	6,977,487	3,533,094

As of 30 June 2026, the gross carrying amount, including accrued interest, of certificates of deposit amounted to HK\$7,012,545,000 (31 December 2025: HK\$3,544,557,000).

26. LOAN CAPITAL

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Subordinated notes, at amortised cost		
US\$224 million fixed rate subordinated note due 2032 (<i>Notes (a) & (d)</i>)	1,755,808	1,742,255
Subordinated notes, at amortised cost		
RMB1.5 billion fixed rate subordinated note due 2033 (<i>Notes (b) & (d)</i>)	1,729,403	1,668,185
Subordinated notes, at amortised cost		
RMB2.5 billion fixed rate subordinated note due 2034 (<i>Notes (c) & (d)</i>)	2,883,861	2,782,333
	6,369,072	6,192,773

As of 30 June 2026, the gross carrying amount, including accrued interest, of loan capital amounted to HK\$6,465,109,000 (31 December 2025: HK\$6,229,316,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

26. LOAN CAPITAL *(Continued)*

Notes:

- (a) This represented the subordinated notes qualifying as Tier 2 capital under Basel III accord with face value of US\$224,000,000 issued on 27 July 2022. The notes are 10-year non-call 5-year fixed rate, with a fixed coupon rate of 4.900% per annum, payable semi-annually for the first five years; the interest rate will be reset on 27 July 2027.
- (b) This represented the subordinated notes qualifying as Tier 2 capital under Basel III accord with face value of RMB1,500,000,000 issued on 28 September 2023. The notes are 10-year non-call 5-year fixed rate, with a fixed coupon rate of 4.20% per annum, payable annually.
- (c) This represented the subordinated notes qualifying as Tier 2 capital under Basel III accord with face value of RMB2,500,000,000 issued on 11 June 2024. The notes are 10-year non-call 5-year fixed rate, with a fixed coupon rate of 2.93% per annum, payable annually.
- (d) The subordinated notes issued are not secured by any collateral.

Analysis of changes in financing cash flows of loan capital are as follows:

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
At 1 January	6,192,773	5,958,446
Changes from financing cash flows:		
Interest paid on loan capital	(125,765)	(120,878)
	6,067,008	5,837,568
Exchange adjustments	176,299	174,182
Other changes		
Interest expense	121,501	116,962
Other non-cash movements	4,264	3,916
Total other changes	125,765	120,878
At 30 June	6,369,072	6,132,628

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

27. DEFERRED TAXATION

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following table is the analysis of the deferred tax balances for financial reporting purposes:

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Deferred tax assets	144,629	130,772
Deferred tax liabilities	(41,407)	(42,674)
	<u>103,222</u>	<u>88,098</u>

The following table is the major deferred tax assets (liabilities) recognised and movements thereon during the current and prior reporting period:

	Accelerated tax depreciation HK\$'000	Impairment allowances HK\$'000	Investment properties HK\$'000	Revaluation of FVOCI securities HK\$'000	Remeasurement of retirement benefits HK\$'000	Others HK\$'000	Total HK\$'000
At 1 January 2026	(81,847)	191,955	(24,362)	(60,920)	(6,490)	69,762	88,098
(Charge) credit to the income statement for the period (Note 12)	(14,467)	11,515	583	-	-	20,157	17,788
Credit (charge) to other comprehensive income for the period	-	2,110	-	(5,568)	-	-	(3,458)
Exchange adjustments	-	-	794	-	-	-	794
At 30 June 2026	<u>(96,314)</u>	<u>205,580</u>	<u>(22,985)</u>	<u>(66,488)</u>	<u>(6,490)</u>	<u>89,919</u>	<u>103,222</u>
At 1 January 2025	(79,457)	106,130	(23,485)	(88,556)	(6,490)	-	(91,858)
(Charge) credit to income statement for the year	(2,390)	76,241	324	-	-	69,762	143,937
Credit to other comprehensive income for the year	-	9,584	-	27,636	-	-	37,220
Exchange adjustments	-	-	(1,201)	-	-	-	(1,201)
At 31 December 2025	<u>(81,847)</u>	<u>191,955</u>	<u>(24,362)</u>	<u>(60,920)</u>	<u>(6,490)</u>	<u>69,762</u>	<u>88,098</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

28. SHARE CAPITAL

	2026		2025	
	Number of shares	Share capital HK\$'000	Number of shares	Share capital HK\$'000
Ordinary shares, issued and fully paid:				
At 1 January	972,862,227	21,197,550	972,862,226	21,030,884
Shares issued as a result of capital injection (<i>Note</i>)	—	—	1	166,666
At 30 June/31 December	<u>972,862,227</u>	<u>21,197,550</u>	<u>972,862,227</u>	<u>21,197,550</u>

Note: The Bank issued 1 ordinary share on 27 October 2025 to the immediate holding company of the Bank at the subscription price of HK\$166,666,667, as a result of capital injection. Such share is fully paid.

29. ADDITIONAL EQUITY INSTRUMENTS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Additional Tier 1 Capital Securities		
RMB2,133 million undated non-cumulative subordinated capital securities (<i>Note</i>)	<u>2,320,692</u>	<u>2,320,692</u>

Note: On 23 September 2025, the Bank issued undated non-cumulative subordinated Additional Tier 1 Capital Securities with a face value of RMB2,133 million (equivalent to HK\$2,320,692,000 net of related issuance costs). The Additional Tier 1 Capital Securities are undated and bear a 3.900% coupon until the first call date on 23 September 2030. The coupon will be reset every five years if the Additional Tier 1 Capital Securities are not redeemed to a fixed rate equivalent to the then-prevailing five-year People's Republic of China ("PRC") Sovereign Bond Rate plus 2.311% per annum.

The coupon is payable semi-annually. The Bank has the right to cancel coupon payment (subject to the requirement as set out in the terms and conditions of the Additional Tier 1 Capital Securities) and the coupon cancelled shall not be cumulative. However, the Bank is stopped from declaring dividend to its ordinary shareholders unless the next scheduled coupon payment is paid.

The principal of the Additional Tier 1 Capital Securities will be written off up to the amount as directed or agreed with the HKMA if the HKMA notifies the Bank that in the opinion of the HKMA, the Bank would become non-viable if there is no written off of the principal.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

30. MATURITY PROFILES

The maturity analysis of financial assets and liabilities shown on the condensed consolidated statement of financial position are presented based on the Group's remaining contractual maturity information provided to and reviewed by management, is shown below:

	Repayable on demand HK\$'000	Repayable within 1 month HK\$'000	Repayable after 1 month but within 3 months HK\$'000	Repayable after 3 months but within 1 year HK\$'000	Repayable after 1 year but within 5 years HK\$'000	Repayable after 5 years HK\$'000	Undated HK\$'000	Total HK\$'000
At 30 June 2026								
Assets								
Cash and balances and placements with banks	11,258,958	14,508,167	4,869,816	2,069,453	-	-	-	32,706,394
Derivative financial instruments	-	405,550	321,452	405,619	385,409	70,044	-	1,588,074
Financial assets at fair value through profit or loss	37,592	2,304,044	-	-	1,452,246	11,918	1,165	3,806,965
Financial assets measured at FVOCI	-	8,901,652	8,927,419	27,926,832	42,513,184	11,419,731	489,746	100,178,564
Financial assets measured at amortised cost	-	213,117	328,216	848,282	1,564,162	-	-	2,953,777
Advances and other accounts	5,861,071	14,191,719	32,267,157	45,528,345	48,034,144	28,022,837	4,578,981	178,484,254
Total financial assets	17,157,621	40,524,249	46,714,060	76,778,531	93,949,145	39,524,530	5,069,892	319,718,028
Non-financial assets	-	-	-	-	-	-	2,614,605	2,614,605
Total assets	17,157,621	40,524,249	46,714,060	76,778,531	93,949,145	39,524,530	7,684,497	322,332,633
Liabilities								
Deposits and balances with banks and other financial institutions	231,773	4,935,819	1,433,256	445,188	-	-	-	7,046,036
Deposits from customers	82,341,178	50,186,195	74,613,011	35,204,086	12,540,993	-	-	254,885,463
Certificates of deposit	-	1,214,119	948,931	4,814,437	-	-	-	6,977,487
Derivative financial instruments	-	362,949	285,924	401,325	145,159	51,062	-	1,246,419
Loan capital	-	-	-	-	-	6,369,072	-	6,369,072
Lease liabilities	-	13,565	25,773	105,320	203,769	2,012	-	350,439
Other financial liabilities	1,584,743	147,313	856,400	1,204,301	427,324	9,390	153,989	4,383,460
Total financial liabilities	84,157,694	56,859,960	78,163,295	42,174,657	13,317,245	6,431,536	153,989	281,258,376
Non-financial liabilities	-	-	-	-	-	-	316,129	316,129
Total liabilities	84,157,694	56,859,960	78,163,295	42,174,657	13,317,245	6,431,536	470,118	281,574,505
Net position – total financial assets and liabilities	(67,000,073)	(16,335,711)	(31,449,235)	34,603,874	80,631,900	33,092,994	4,915,903	38,459,652
Of which debt securities included in:								
FVOCI	-	8,901,652	8,927,419	27,926,832	42,513,184	11,419,731	-	99,688,818
Amortised cost	-	213,117	328,216	848,282	1,564,162	-	-	2,953,777
	-	9,114,769	9,255,635	28,775,114	44,077,346	11,419,731	-	102,642,595

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

30. MATURITY PROFILES *(Continued)*

	Repayable on demand HK\$'000	Repayable within 1 month HK\$'000	Repayable after 1 month but within 3 months HK\$'000	Repayable after 3 months but within 1 year HK\$'000	Repayable after 1 year but within 5 years HK\$'000	Repayable after 5 years HK\$'000	Undated HK\$'000	Total HK\$'000
At 31 December 2025								
Assets								
Cash and balances and placements with banks	13,677,355	33,446,531	11,498,752	2,487,129	-	-	-	61,109,767
Derivative financial instruments	-	264,475	142,085	266,966	214,779	25,498	-	913,803
Financial assets at fair value through profit or loss	-	2,108,595	344,995	235,860	836,838	305,372	6,358	3,838,018
Financial assets measured at FVOCI	-	8,620,482	7,329,086	17,473,835	38,662,034	12,477,643	536,230	85,099,310
Financial assets measured at amortised cost	-	270,066	276,710	533,286	647,515	-	2,000	1,729,577
Advances and other accounts	6,093,864	18,230,636	19,551,239	50,097,591	48,002,957	25,573,351	4,401,234	171,950,872
Total financial assets	19,771,219	62,940,785	39,142,867	71,094,667	88,364,123	38,381,864	4,945,822	324,641,347
Non-financial assets	-	-	-	-	-	-	2,617,314	2,617,314
Total assets	19,771,219	62,940,785	39,142,867	71,094,667	88,364,123	38,381,864	7,563,136	327,258,661
Liabilities								
Deposits and balances with banks and other financial institutions	36,389	8,010,903	8,440,556	1,500,192	-	-	-	17,988,040
Deposits from customers	74,934,908	60,722,180	70,349,697	32,055,616	15,597,241	-	-	253,659,642
Certificates of deposit	-	618,321	1,189,185	1,725,588	-	-	-	3,533,094
Derivative financial instruments	-	324,718	157,796	262,789	210,220	169,977	-	1,125,500
Loan capital	-	-	-	-	-	6,192,773	-	6,192,773
Lease liabilities	-	16,368	25,802	105,761	222,639	5,979	-	376,549
Other financial liabilities	1,138,254	564,091	729,723	1,239,295	627,963	1,291	99,316	4,399,933
Total financial liabilities	76,109,551	70,256,581	80,892,759	36,889,241	16,658,063	6,370,020	99,316	287,275,531
Non-financial liabilities	-	-	-	-	-	-	281,933	281,933
Total liabilities	76,109,551	70,256,581	80,892,759	36,889,241	16,658,063	6,370,020	381,249	287,557,464
Net position – total financial assets and liabilities	(56,338,332)	(7,315,796)	(41,749,892)	34,205,426	71,706,060	32,011,844	4,846,506	37,365,816
of which debt securities included in:								
FVOCI	-	8,620,482	7,329,086	17,473,835	38,662,034	12,477,643	-	84,563,080
Amortised cost	-	270,066	276,710	533,286	647,515	-	2,000	1,729,577
	-	8,890,548	7,605,796	18,007,121	39,309,549	12,477,643	2,000	86,292,657

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

31. RELATED PARTY TRANSACTIONS

During the period, the Group entered into the following material transactions with related parties:

	Interest and commission income Six months ended 30 June		Interest, rental and other operating expenses Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Ultimate holding company	–	–	41,470	15,897
Intermediate holding company	2,186	1,002	18,275	30,431
Fellow subsidiaries	58,836	145,936	128,126	77,735
Associates	29,404	18,942	25,527	14,707
Key management personnel (<i>Note</i>)	316	217	2,384	2,738

During the period, the Group had net trading gain with intermediate holding company and fellow subsidiary of HK\$99,000 (2025: Net trading loss HK\$4,584,000).

At the end of the reporting period, the Group had the following material outstanding balances with related parties:

	Amounts due from related parties		Amounts due to related parties	
	30 June 2026 HK\$'000	31 December 2025 HK\$'000	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Ultimate holding company	–	–	1,870,775	2,110,123
Intermediate holding company	200,000	230,000	1,071,070	1,291,826
Fellow subsidiaries	3,521,694	3,344,468	14,852,440	11,368,921
Associates	–	–	944,767	1,798,173
Key management personnel (<i>Note</i>)	43,556	35,966	211,644	136,208

Note: Includes key management personnel, close family members of key management personnel and entities that are controlled or jointly controlled, directly or indirectly, by key management personnel.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

31. RELATED PARTY TRANSACTIONS *(Continued)*

The above outstanding balances bear interest at rates similar to those made available to non-related parties. A portion of the loans to related parties are secured with properties, securities and fixed deposits.

As of 30 June 2026, the Group held financial assets at FVOCI issued by fellow subsidiaries of HK\$602,825,000 (31 December 2025: HK\$703,751,000).

Amounts due from related parties are included under advances and other accounts in the condensed consolidated statement of financial position.

Amounts due to related parties are included under deposits from customers in the condensed consolidated statement of financial position.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and other members of the key management during the period was as follows:

	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Short-term benefits	100,447	107,952
Post-employment benefits	8,880	8,864
	<u>109,327</u>	<u>116,816</u>

The remuneration of directors and key management is reviewed by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends.

32. ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025 except the measurement of expected credit loss allowance, which resulted in changes in critical accounting judgement.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2026

32. ESTIMATES *(Continued)*

CRITICAL JUDGEMENTS IN KEY ASSUMPTIONS USED IN THE EXPECTED CREDIT LOSS (“ECL”) CALCULATION

Uncertainty of economic environment

According to the HKFRS 9, expected credit loss is expected to be assessed over a range of economic scenarios, being an unbiased and probability weighted amount. The uncertainties in the trade policies of the United States persist, and its monetary policy trajectory going forward is still complicated.

The probability weightings kept at 10%, 80% and 10% to the Good, Base and Bad scenarios respectively in Hong Kong portfolio as well as Chinese Mainland portfolio.

The key assumptions used for ECL estimates are set out below:

		Scenario	June 2026	December 2025
Hong Kong Forecast Factors				
GDP YoY Change %	Base		1.83%	1.63%
	Good		6.41%	4.47%
	Bad		-6.55%	-3.89%
Chinese Mainland Forecast Factors				
GDP QoQ Change %	Base		1.01%	1.09%
	Good		2.24%	2.11%
	Bad		-1.54%	-1.02%

The Group will review the critical assumptions from time to time to reflect the outlook of the economy. Details of net impairment losses on financial instruments are disclosed in note 11.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

1. ADVANCES TO CUSTOMERS – BY INDUSTRY SECTORS

The Group's gross advances to customers (including advances booked in branches outside Hong Kong and subsidiaries) are analysed and reported by industry sectors according to the usage of the loans or business activities of the borrowers as follows:

	30 June 2026				
	Gross loans and advances HK\$'000	Stage 1 & 2 impairment allowances HK\$'000	Stage 3 impairment allowances HK\$'000	Loans and advances secured by collateral HK\$'000 (Note 1)	Gross impaired advances HK\$'000
Loans for use in Hong Kong					
Industrial, commercial & financial					
– Property development	2,885,127	85,977	111,519	1,039,435	275,049
– Property investment	5,827,571	11,449	358,108	4,460,027	1,039,870
– Financial concerns	17,524,614	5,356	–	348,700	–
– Stockbrokers	2,591,717	804	–	–	–
– Wholesale and retail trade	5,758,851	30,513	3,727	3,086,032	30,167
– Manufacturing	2,076,018	7,708	–	172,244	–
– Transport and transport equipment	2,545,703	6,489	18,090	250,760	30,488
– Information technology	5,630,900	14,512	–	7,550	–
– Others (Note 2)	14,173,293	64,668	171,180	7,026,822	519,564
Individuals					
– Loans for purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	205,129	35	98	205,576	2,166
– Loans for the purchase of other residential properties	12,373,017	1,968	1,213	12,242,535	28,574
– Credit card advances	50,481	55	1,557	–	1,491
– Others (Note 3)	5,236,614	5,692	3,054	5,032,015	80,816
	76,879,035	235,226	668,546	33,871,696	2,008,185
Trade finance	3,860,955	14,000	111,560	189,099	100,129
Loans for use outside Hong Kong	89,189,020	613,984	739,327	23,122,059	1,363,777
	<u>169,929,010</u>	<u>863,210</u>	<u>1,519,433</u>	<u>57,182,854</u>	<u>3,472,091</u>

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

1. ADVANCES TO CUSTOMERS – BY INDUSTRY SECTORS *(Continued)*

	31 December 2025				
	Gross loans and advances HK\$'000	Stage 1 & 2 impairment allowances HK\$'000	Stage 3 impairment allowances HK\$'000	Loans and advances secured by collateral HK\$'000 <i>(Note 1)</i>	Gross impaired advances HK\$'000
Loans for use in Hong Kong					
Industrial, commercial and financial					
– Property development	4,835,443	144,653	527,507	1,296,409	734,135
– Property investment	5,941,854	13,333	344,825	4,481,539	1,057,096
– Financial concerns	16,888,178	4,555	–	369,842	–
– Stockbrokers	2,876,833	784	–	–	–
– Wholesale and retail trade	6,507,910	35,263	6,580	3,091,743	34,164
– Manufacturing	1,587,611	9,968	–	196,412	–
– Transport and transport equipment	2,257,201	7,955	6,845	260,603	21,643
– Information technology	4,179,882	16,641	–	8,002	–
– Others <i>(Note 2)</i>	13,148,362	63,816	160,268	7,250,646	536,777
Individuals					
– Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	222,345	40	33	222,516	2,179
– Loans for the purchase of other residential properties	11,958,537	1,864	1,232	11,820,349	30,063
– Credit card advances	53,830	57	1,274	–	1,230
– Others <i>(Note 3)</i>	4,885,203	7,276	2,347	4,391,407	66,056
	75,343,189	306,205	1,050,911	33,389,468	2,483,343
Trade finance	2,995,947	10,277	31,862	184,833	23,477
Loans for use outside Hong Kong	84,682,876	638,878	583,607	21,068,921	1,192,600
	<u>163,022,012</u>	<u>955,360</u>	<u>1,666,380</u>	<u>54,643,222</u>	<u>3,699,420</u>

Notes:

- (1) Loans and advances secured by collateral are determined as the lower of the market value of collateral or outstanding loan principal.
- (2) Major items mainly included loans to business in electricity and gas, hotels, catering, margin lending and other business purposes.
- (3) Major items mainly included loans to professionals and other individuals for various private purposes.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

1. ADVANCES TO CUSTOMERS – BY INDUSTRY SECTORS *(Continued)*

The Group's advances to customers overdue for over three months as at 30 June 2026 and 31 December 2025, and new impairment allowances and advances written-off during the six months ended 30 June 2026 and 2025 in respect of industry sectors which constitute not less than 10% of gross advances are analysed as follows:

	2026		
	Advances overdue for over three months as at 30 June HK\$'000	New impairment allowances during the six months ended 30 June HK\$'000	Advances written-off during six months ended 30 June HK\$'000
Loans for use in Hong Kong			
– Financial concerns	–	1,367	–
Loans for use outside Hong Kong	<u>1,314,572</u>	<u>472,552</u>	<u>–</u>
	2025		
	Advances overdue for over three months as at 31 December HK\$'000	New impairment allowances during the six months ended 30 June HK\$'000	Advances written-off during six months ended 30 June HK\$'000
Loans for use in Hong Kong			
– Financial concerns	–	1,853	–
Loans for use outside Hong Kong	<u>1,119,462</u>	<u>234,917</u>	<u>683,774</u>

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

2. ADVANCES TO CUSTOMERS – BY GEOGRAPHICAL AREAS

The Group's gross advances to customers by countries or geographical areas after taking into account any risk transfers are as follows:

	30 June 2026				
	Total advances HK\$'000	Advances overdue for over three months HK\$'000	Impaired advances HK\$'000	Stage 3 impairment allowances HK\$'000	Stage 1 & 2 impairment allowances HK\$'000
Hong Kong	100,581,574	2,297,916	3,155,599	1,250,778	791,916
Chinese Mainland	63,239,543	967,399	309,123	268,579	54,886
Macau	4,236,140	7,369	7,369	76	1,497
Others	1,871,753	–	–	–	14,911
	<u>169,929,010</u>	<u>3,272,684</u>	<u>3,472,091</u>	<u>1,519,433</u>	<u>863,210</u>

	31 December 2025				
	Total advances HK\$'000	Advances overdue for over three months HK\$'000	Impaired advances HK\$'000	Stage 3 impairment allowances HK\$'000	Stage 1 & 2 impairment allowances HK\$'000
Hong Kong	99,227,299	2,825,416	2,834,046	1,195,528	879,932
Chinese Mainland	58,440,398	766,556	857,997	470,825	71,769
Macau	4,277,301	7,377	7,377	27	611
Others	1,077,014	–	–	–	3,048
	<u>163,022,012</u>	<u>3,599,349</u>	<u>3,699,420</u>	<u>1,666,380</u>	<u>955,360</u>

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

3. INTERNATIONAL CLAIMS

The Group's international claims by countries or geographical areas which constitute 10% or more of the relevant disclosure items after taking into account any risk transfers are as follows:

	At 30 June 2026				
	Non-bank private sector				Total HK\$'000
	Banks HK\$'000	Official sector HK\$'000	Non-bank financial institutions HK\$'000	Non- financial private sector HK\$'000	
Offshore centres	4,474,724	5,136	13,445,121	19,100,409	37,025,390
of which:					
– Hong Kong	2,222,309	4,873	9,513,828	15,203,156	26,944,166
Developing Asia Pacific	12,430,054	96,127	3,326,141	13,335,835	29,188,157
of which:					
– Chinese Mainland	4,597,962	96,091	3,254,988	9,855,639	17,804,680
Developed countries	28,967,878	14,954,859	3,411,652	1,416,049	48,750,438
of which:					
– Australia	14,490,797	1,413	50,638	208,564	14,751,412
– United States	1,707,884	11,748,266	1,262,849	217,952	14,936,951

	At 31 December 2025				
	Non-bank private sector				Total HK\$'000
	Banks HK\$'000	Official sector HK\$'000	Non-bank financial institutions HK\$'000	Non- financial private sector HK\$'000	
Offshore centres	5,631,993	4,233	8,597,471	24,546,919	38,780,616
of which:					
– Hong Kong	3,228,282	4,045	6,579,397	18,316,483	28,128,207
Developing Asia Pacific	33,814,786	108,009	3,393,904	11,535,653	48,852,352
of which:					
– Chinese Mainland	9,690,385	107,936	2,763,569	9,093,263	21,655,153
– Taiwan	18,649,886	73	–	4,729	18,654,688
Developed countries	21,244,790	14,478,577	2,116,034	505,989	38,345,390
of which:					
– United States	3,692,479	11,175,711	579,417	155,498	15,603,105

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

4. OVERDUE AND RESCHEDULED ASSETS

	30 June 2026		31 December 2025	
	Gross amount of advances HK\$'000	Percentage to total advances %	Gross amount of advances HK\$'000	Percentage to total advances %
Advances overdue for				
– 6 months or less but over 3 months	323,414	0.2	1,090,017	0.7
– 1 year or less but over 6 months	1,105,273	0.6	322,452	0.2
– Over 1 year	1,843,997	1.1	2,186,880	1.3
Advances overdue for over 3 months	<u>3,272,684</u>	<u>1.9</u>	<u>3,599,349</u>	<u>2.2</u>
Rescheduled advances, net of amounts included in “Advances overdue for over 3 months”	<u>191,212</u>	<u>0.1</u>	<u>91,569</u>	<u>0.0</u>
Impairment allowances under stage 3 made in respect of overdue loans and advances	<u>1,422,210</u>		<u>1,619,659</u>	
Covered portion of overdue loans and advances	2,042,508		2,401,339	
Uncovered portion of overdue loans and advances	<u>1,230,176</u>		<u>1,198,010</u>	
	<u>3,272,684</u>		<u>3,599,349</u>	
Market value of collateral held against covered portion of overdue loans and advances	<u>2,393,554</u>		<u>2,748,098</u>	

There were no advances to banks and other assets which were overdue for over three months as at 30 June 2026 and 31 December 2025, nor were there any rescheduled advances to banks and other financial institutions.

There are no overdue debt securities as at 30 June 2026 and 31 December 2025.

There are no repossessed assets held by the Group as at 30 June 2026 (31 December 2025: HK\$20,700,000).

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

5. MAINLAND ACTIVITIES EXPOSURES

The table below summaries the non-bank Chinese Mainland exposures of the Bank's Hong Kong banking operations and the Bank's Mainland branches and sub-branches categorised by types of counterparties:

	30 June 2026		
	On-balance sheet exposure HK\$'000	Off-balance sheet exposure HK\$'000	Total HK\$'000
Type by counterparties			
1 Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	36,292,097	1,757,546	38,049,643
2 Local government, local government-owned entities and their subsidiaries and JVs	27,623,120	1,726,754	29,349,874
3 Chinese Mainland nationals residing in Chinese Mainland or other entities incorporated in Chinese Mainland and their subsidiaries and JVs	36,985,672	3,499,591	40,485,263
4 Other entities of central government not reported in item 1 above	4,375,767	21,570	4,397,337
5 Other entities of local government not reported in item 2 above	10,089	–	10,089
6 Chinese Mainland nationals residing outside Chinese Mainland or entities incorporated outside Chinese Mainland where the credit is granted for use in Chinese Mainland	9,308,098	399,245	9,707,343
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Chinese Mainland exposures	958,615	–	958,615
Total	115,553,458	7,404,706	122,958,164
Total assets after provision (Note)	318,108,062		
On-balance sheet exposures as percentage of total assets (Note)	36.33%		

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

5. MAINLAND ACTIVITIES EXPOSURES *(Continued)*

		31 December 2025		
		On-balance sheet exposure HK\$'000	Off-balance sheet exposure HK\$'000	Total HK\$'000
Type by counterparties				
1	Central government, central government-owned entities and their subsidiaries and joint ventures	40,835,855	657,268	41,493,123
2	Local government, local government-owned entities and their subsidiaries and JVs	24,646,726	1,324,658	25,971,384
3	Chinese Mainland nationals residing in Chinese Mainland or other entities incorporated in Chinese Mainland and their subsidiaries and JVs	36,567,711	3,980,854	40,548,565
4	Other entities of central government not reported in item 1 above	2,283,055	891	2,283,946
5	Other entities of local government not reported in item 2 above	138,053	–	138,053
6	Chinese Mainland nationals residing outside Chinese Mainland or entities incorporated outside Chinese Mainland where the credit is granted for use in Chinese Mainland	8,184,977	614,290	8,799,267
7	Other counterparties where the exposures are considered by the reporting institution to be non-bank Chinese Mainland exposures	956,345	–	956,345
Total		113,612,722	6,577,961	120,190,683
Total assets after provision (Note)		324,813,114		
On-balance sheet exposures as percentage of total assets (Note)		34.98%		

The categories of non-bank counterparties and type of direct exposures are disclosed in accordance with Banking (Disclosure) Rules with reference to the Return of Mainland Activities of the HKMA.

Note: Include total assets after provisions of the Bank's Hong Kong banking operations and the Bank's Mainland branches and sub-branches.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

6. CURRENCY RISK

The Group's foreign currency exposures arising from non-structural position which constitute 10% or more of the total net non-structural position in all foreign currencies are as follows:

	30 June 2026	
	USD HK\$'000	RMB HK\$'000
Spot assets	59,595,304	119,598,613
Spot liabilities	(55,176,795)	(119,519,296)
Forward purchases	253,638,770	51,447,810
Forward sales	(253,830,465)	(47,754,397)
Net options position	5,844	2,380
Net long position	<u>4,232,658</u>	<u>3,775,110</u>

	31 December 2025	
	USD HK\$'000	RMB HK\$'000
Spot assets	59,091,148	119,201,953
Spot liabilities	(62,602,246)	(115,681,027)
Forward purchases	182,206,953	26,013,842
Forward sales	(168,018,156)	(25,680,708)
Net options position	<u>(102,428)</u>	<u>104,600</u>
Net long position	<u>10,575,271</u>	<u>3,958,660</u>

The net options position is calculated in the basis of the delta-weighted position of option contracts.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

6. CURRENCY RISK *(Continued)*

The Group's foreign currency exposures arising from structural position which constitute 10% or more of the total net structural position in all foreign currencies are as follows:

	30 June 2026		31 December 2025	
	USD	RMB	USD	RMB
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Net structural position	459,644	4,041,800	456,191	3,900,400

7. CONTINGENT LIABILITIES AND COMMITMENTS

	30 June 2026 HK\$'000	31 December 2025 HK\$'000
Contingent liabilities and commitments		
– contractual amounts		
Direct credit substitutes	3,479,027	3,910,249
Transaction-related contingencies	681,692	977,065
Trade-related contingencies	1,721,012	1,273,481
Forward asset purchases	71,474	66,133
Forward forward deposits placed	296,951	–
Undrawn formal standby facilities, credit lines and other commitments		
Which are unconditionally cancellable without prior notice	79,319,520	66,639,656
With an original maturity of one year and under	925,394	111,440
With an original maturity of over one year	8,930,976	8,602,208
Lease commitments	153	161
	<u>95,426,199</u>	<u>81,580,393</u>

The credit risk-weighted amount of contingent liabilities and commitments is HK\$13,302,503,000 (31 December 2025: HK\$11,072,362,000).

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

8. CAPITAL ADEQUACY RATIOS, LEVERAGE RATIO AND LIQUIDITY RATIO

	30 June 2026 %	31 December 2025 %
Total capital ratio	21.89	21.48
Tier 1 capital ratio	18.08	17.74
Common Equity Tier 1 ("CET 1") capital ratio	16.96	16.62
	30 June 2026 %	31 December 2025 %
Capital buffers (as a percentage of risk-weighted assets)		
Capital conservation buffer ratio	2.500	2.500
Countercyclical capital buffer ratio	0.306	0.315
	2.806	2.815
	30 June 2026 %	31 December 2025 %
Leverage ratio	11.12	10.74
	Six months ended 30 June 2026 %	Six months ended 30 June 2025 %
Average liquidity maintenance ratio ("LMR") for the period	70.90	67.77

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

8. CAPITAL ADEQUACY RATIOS, LEVERAGE RATIO AND LIQUIDITY RATIO *(Continued)*

The capital adequacy ratios are compiled in accordance with the Banking (Capital) Rules under the Hong Kong Banking Ordinance. In accordance with the Banking (Capital) Rules, the Bank has adopted the “standardised approach” for the calculation of the risk-weighted assets for credit risk, operational risk and market risk and “reduced basic CVA approaches” for the calculation of CVA risk. The capital adequacy ratio is consolidated, under the Banking (Capital) Rules, with reference to the financial information of the Bank, Chong Hing Finance Limited, Chong Hing (Nominees) Limited, Gallbraith Limited, Chong Hing Information Technology Limited, Top Benefit Enterprise Limited, Hero Marker Limited and 創銀數智(深圳) 信息技術有限公司.

The leverage ratios are compiled under the requirements specified in Part 1C of the Banking (Capital) Rules under the Hong Kong Banking Ordinance. The leverage ratio is consolidated with reference to the financial information of the Bank, Chong Hing Finance Limited, Chong Hing (Nominees) Limited, Gallbraith Limited, Chong Hing Information Technology Limited, Top Benefit Enterprise Limited, Hero Marker Limited and 創銀數智(深圳) 信息技術有限公司.

The liquidity maintenance ratios are compiled in accordance with the Banking (Liquidity) Rules under the Hong Kong Banking Ordinance. The liquidity maintenance ratio is calculated on an unconsolidated basis. The average liquidity maintenance ratio is calculated based on the arithmetic mean of the average value of the liquidity maintenance ratio of the Bank reported in the liquidity position return of the Bank for each month during the reporting period.

9. OTHER FINANCIAL INFORMATION

The Bank has set up a “Regulatory Disclosures” section on its website to house all of the information relating to the disclosure of regulatory capital to comply with the Banking (Disclosure) Rules.

The “Regulatory Disclosures” will be available on the Bank’s website (www.chbank.com/en/personal/footer/about-ch-bank/regulatory-disclosures/index.shtml) in the “Regulatory Disclosures” section in accordance with the Banking (Disclosure) Rules. The Regulatory Disclosure, together with the disclosures in the Group’s Interim Report, contained all the disclosures required by the Rules issued by the HKMA.

10. BASIS OF CONSOLIDATION

This interim financial information covers the condensed consolidated financial information of the Bank and all its subsidiaries and includes the attributable share of interest in the Group’s associates.

In preparing the capital adequacy ratios and liquidity ratio of the Group, they are prepared according to the basis of consolidation determined by the Hong Kong Monetary Authority for regulatory purposes. The main difference between the consolidation basis for accounting and regulatory purposes is that the former includes the Bank, all its subsidiaries and the attributable share of interests in the Group’s associates whereas the latter includes the Bank and only some of the Group’s subsidiaries which mainly conduct banking business or other business incidental to banking business. The LMR is prepared on an unconsolidated basis which includes the Bank only.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

10. BASIS OF CONSOLIDATION *(Continued)*

Subsidiaries that are included within the accounting scope of consolidation but are not included within the regulatory scope of consolidation are as follows:

Name of company	Principal activities	Total assets		Total equity	
		30 June 2026	31 December 2025	30 June 2026	31 December 2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Chong Hing Securities Limited	Stockbroking	1,181,900	1,522,063	941,011	903,852
Chong Hing Commodities and Futures Limited	Commodities and futures broking	73,083	71,429	71,118	69,831
Chong Hing Insurance Company Limited	Insurance underwriting	693,843	667,233	590,691	570,286
Chong Hing Insurance Brokers Limited	Insurance broking	46,311	33,982	44,411	31,515

11. RISK MANAGEMENT

The Group has established policies, procedures, and controls for measuring, monitoring and controlling risks arising from the banking and related financial services business. These policies, procedures, and controls are implemented by various committees, divisions and departments of the Group and are regularly reviewed by the Board. The internal auditors also play an important role in the risk management process by performing regular, as well as sporadic compliance audits.

The management of assets and liabilities of the Group is conducted under the guidance of the Asset and Liability Management Committee (the "ALCO"). The ALCO holds meetings twice a month, and more frequent meetings when required, to review and direct the relevant policies, the business strategies and to monitor the bank-wide positions. The day-to-day management of the credit, operational, liquidity, foreign exchange, interest rate and other market risks, and the compliance with the Bank's policies that are monitored by the Finance & Capital Management Division, the Treasury and Markets Division, the Credit Risk Management Division, the Legal and Compliance Division, the Risk Management Division, the Operational & IT Risk Management Department, the Financial Crime Compliance Department and the Market Risk Management Department with the assistance of various qualitative and quantitative analysis, and supervised by the ALCO and the Risk Management Committee (the "RMC"). The Board level Risk Committee ("RC") exercises further oversight of the Bank's risk management.

Complementing the ALCO in the management of assets and liabilities, the RMC also oversees the implementation of the policies and procedures established for managing the Group's credit, strategic, operational, legal, and reputation risks and compliance requirements.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

11. RISK MANAGEMENT *(Continued)*

(I) CAPITAL MANAGEMENT

The Group has adopted a policy of maintaining a strong capital base to support the development of the Group's business and to ensure compliance with the statutory capital adequacy ratio requirement.

Capital is allocated to the various activities of the Group depending on the risk taken by each business division. The Group's capital adequacy ratio has remained well above the minimum as stipulated in the Banking (Capital) Rules.

(II) CREDIT RISK

Credit risk is the risk that a customer or counterparty may fail to meet a commitment when it falls due.

The Group's lending policy sets out in details the credit approval and monitoring mechanism, the exposure classifications system and provisioning policy, which is established in accordance with the requirements and provisions of the Hong Kong Banking Ordinance, the guidelines issued by the HKMA and other regulatory bodies.

Day-to-day credit management is performed by the Credit Risk Management Division with reference to credit policy information, the creditworthiness of a counterparty, the exposure concentration risk and the collateral pledged by a counterparty. Credit decisions are made by individual approvers with the delegated credit authority.

(III) LIQUIDITY RISK

Liquidity risk is the risk that the Group may not be able to meet obligations as they fall due, without incurring unacceptable losses.

The Group adopts conservative risk appetite in liquidity risk management and maintains adequate liquid assets to meet its normal business obligations as well as to withstand a prolonged period of liquidity stress in accordance with the requirements set out in the Supervisory Policy Manual LM-2 "Sound Systems and Controls for Liquidity Risk Management" ("SPM LM-2") revised by the HKMA in November 2016. The Board has the ultimate responsibility for liquidity risk management. The EXCO is delegated by the Board to oversee liquidity risk management. The ALCO is further delegated by the EXCO to oversee the Group's day-to-day liquidity risk management. The liquidity risk management policy which is reviewed and approved by the Board, specifies a set of liquidity risk metrics and risk control limits for effective liquidity risk management. The key liquidity metrics, e.g. liquidity maintenance ratio, core funding ratio ("CFR"), loan-to-deposit ratio, maturity profile of assets and liabilities, and inter-bank transactions are under ALCO's ongoing and periodic review.

The Group has sufficiently maintained the LMR and CFR well above the minimum as stipulated by the Banking (Liquidity) Rules.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

11. RISK MANAGEMENT *(Continued)***(IV) MARKET RISK**

Market risk is the risk of losses in assets, liabilities and off-balance sheet positions arising from movements in market rates and prices.

Market risk arising from the trading book is at an acceptable level, as the Group maintains controllable positions of financial instruments leading to foreign exchange and interest rate exposures. The market risk positions are managed using risk limits approved by the Group. Daily risk monitoring is carried out independently by Market Risk Management Department, which ensures all dealing activities are conducted in a proper manner and within approved limits. The Group's exposures are periodically reviewed by the Board, RMC and senior management. Besides, foreign exchange exposure is to be detailed under (v) foreign exchange risk.

(V) FOREIGN EXCHANGE RISK

The Group has maintained a controllable level of foreign exchange risk for both trading and customer order fulfillment. Structural foreign exchange exposure arising from investments in branches outside Hong Kong and subsidiaries is accounted for in the reserves account. Day-to-day foreign exchange management is managed by the Treasury and Markets Division within approved limits.

(VI) INTEREST RATE RISK

Interest rate risk is referred to the risk to the Bank's financial condition resulting from adverse movements in interest rates. This consists of gap risk, basis risk and option risk. Interest margins may increase as a result of such changes in favour of the Bank but also result negative impacts in the event that unexpected or adverse movement arises. Interest rate risk comprises those originating from both trading and non-trading portfolio, and the Group's interest rate risk exposure is mainly contributed by non-trading portfolio. In non-trading portfolio, the management of Group's interest rate risk in banking book ("IRRBB") is governed by the Interest Rate Risk Management Policy which is reviewed and endorsed by ALCO and approved by EXCO. The Group also manages its IRRBB within the IRRBB limits approved by ALCO and under monitoring of Market Risk Management Department independently, which regularly report to both ALCO and RMC for senior management oversight. In trading portfolio, specific limits are approved by RMC on interest rate sensitivities (also known as DV01) and stop loss are being enforced on daily basis subject to independent monitoring by Market Risk Management Department.

The Group maintains manageable interest rate positions in its trading book, in addition to certain interest rate contracts entered into for the management of the Group's own risk with holding securities that are classified for trading purpose.

The Group manages its IRRBB exposures using economic value as well as earnings based measures.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

11. RISK MANAGEMENT *(Continued)*

(VI) INTEREST RATE RISK *(Continued)*

The economic value is measured from present values of its expected net cash flows of assets, liabilities and off balance sheet positions held with the Bank, discounted to reflect market rates. Therefore, the Group measures the change in Economic Value of Equity ("ΔEVE") as the maximum decrease of the banking book economic value under the six standard scenarios defined by the HKMA's Supervisory Policy Manual.

Earnings-based measures the impact of changes in interest rates on accruing or reported earnings. Reduced earnings or outright losses can threaten the financial stability by undermining its capital adequacy and by reducing market confidence in it. According to the HKMA's Supervisory Policy Manual, the Group measures the change in net interest income as the maximum reduction in net interest income over a period of 12 months.

(VII) OPERATIONAL AND LEGAL RISK

Operational risk is the risk of unexpected losses attributable to human error, systems failures, frauds, or inadequate internal controls and procedures. Identification, assessment, mitigation, monitoring and reporting of operational risk are to be done for the Bank, through its operational risk event handling and reporting mechanism.

Executive Directors, division heads, department heads, in-house legal counsels, and internal auditors collaborate to manage operational and legal risks through proper human resources policies, delegation of authorities, segregation of duties, and timely and accurate management information. Senior management and the Audit Committee are accountable to the Board for maintaining a strong and disciplined control environment to provide reasonable assurance that the operational and legal risks are prudently managed.

A comprehensive contingency plan is available to ensure that the Bank's key business functions continue and normal operations are restored effectively and efficiently in the event of business interruption.

Operational resilience is the ability of a bank to deliver critical operations through disruption. It enables the Bank to identify and protect itself from threats and potential failures, respond and adapt to, as well as recover and learn from disruptive events in order to minimise their impact on the delivery of critical operations through disruption. An operational resilience framework has been established and approved by the Board as a milestone of attaining the Bank's operationally resilient.

During the first half of the year, the Group has no significant operational risk loss event that need to be disclosed in this report.

(VIII) REPUTATION RISK

Reputation risk is the risk that the Group's reputation is damaged by one or more than one reputation events that results in negative publicity about the Group's business practices, conduct or financial condition.

Reputation risk is managed by every member of staff, and proper and adequate communications and public relations efforts are required to foster the reputation of the Group. A reputation risk management policy guided by the Board has been established to manage including, without limitation, media exposure, handling of customers' and other stakeholders' complaints and suggestions, and to ensure that the Group's business activities, and agents and/or bodies acting on the Group's behalf do not jeopardise its reputation.

SUPPLEMENTARY INFORMATION

for the six months ended 30 June 2026

11. RISK MANAGEMENT *(Continued)***(IX) CLIMATE-RELATED RISKS**

Banking industry play a key role in capital allocation and economic resilience. As climate risks become more evident, banks' balance sheets are confronted with a dual challenge: on one hand, physical and transition risks may impact corporate solvency, increasing credit default rates and stranded assets, and potentially transmitting systemic stress. On the other hand, climate issues create strategic opportunities – rapid growth in financing demand for green infrastructure, low-carbon technologies, and circular economy opens new avenues like green lending and sustainability-linked loans. Chong Hing Bank understands the temperature goals of the Paris Agreement and supports the national “dual carbon” strategy, and is committed to transparently and responsibly disclosing its climate-related strategies and progress.

The Board – as the highest decision-making and supervisory body – systematically embeds climate risk oversight into long-term business strategy and risk appetite settings through specialised committees such as the Strategic and Sustainable Development Committee and the Risk Committee. It further reinforces professional competence and accountability across all levels via regular training initiatives.

The Bank adopts the Sustainable Strategic Statement as its overarching framework, establishing four core pillars: “support low-carbon transformation financing,” “incorporate climate risks into our portfolio”, “promote sustainable operations”, and “enhance reporting transparency”. Priority measures are delineated across short, medium, and long-term horizons. The Bank also conducts annual reviews of its Sustainable Lending Policy and Sustainable Investment Policy, dynamically adjusting strategic direction with the aid of climate scenario analysis tools to ensure strategic resilience and forward-looking adaptability.

Climate considerations have been comprehensively integrated into the Bank's overall risk governance framework. Moreover, the Bank actively participates in climate risk stress testing to simulate the potential impacts of physical risks – such as extreme weather events on collateral values – and transition risks – including carbon pricing adjustments and policy tightening – on credit portfolios and business operations. Through standardised client-level screening, portfolio-level risk concentration monitoring, and strategic-level material risk assessments, the Bank has established a normalised, end-to-end governance closed loop.

The Bank consistently discloses its greenhouse gas emissions data and routinely monitors exposure to high climate risk industries and collateral located in high physical risk regions. Through these efforts, the Bank aims to steer clients toward low-carbon transition while maintaining sound operations, underscoring its steadfast commitment to sustainable development and prudent risk governance.

For detailed information on the Bank's climate-related risk management, please refer to the Bank's 2025 Environmental, Social and Governance Report (www.chbank.com/en/personal/footer/about-ch-bank/investor-relations/esg-reports/index.shtml).

HEAD OFFICE, BRANCHES, SUB-BRANCHES, SUBSIDIARIES AND ASSOCIATES

as of 3 September 2026

		Telephone
HONG KONG MAIN BRANCH	Chong Hing Bank Centre, 24 Des Voeux Road Central, H.K.	3768 1111
HONG KONG ISLAND BRANCHES		
Aberdeen	166–168 Aberdeen Main Road, Aberdeen, H.K.	3768 6210
Causeway Bay	488 Jaffe Road, Causeway Bay, H.K.	3768 6290
North Point	376 King's Road, North Point, H.K.	3768 6200
Shau Kei Wan	203–205 Shau Kei Wan Road, H.K.	3768 6330
Sheung Wan	163 Wing Lok Street, Sheung Wan, H.K.	3768 6220
Wan Chai	265–267 Hennessy Road, Wanchai, H.K.	3768 6350
Western	347–349 Des Voeux Road West, H.K.	3768 6280
KOWLOON BRANCHES		
Castle Peak Road	285–287 Castle Peak Road, Cheung Sha Wan, Kowloon	3768 6320
Kowloon Bay	Shop Unit 8, G/F, Chevalier Commercial Centre, No. 8 Wang Hoi Road, Kowloon Bay, Kowloon	3768 6740
Kowloon City	31–33 Nga Tsin Wai Road, Kowloon City, Kowloon	3768 6300
Kwun Tong	31–33 Mut Wah Street, Kwun Tong, Kowloon	3768 6410
Lei Yue Mun	Shop 123, 1/F, Domain, 38 Ko Chiu Road, Yau Tong, Kowloon	3768 6530
Mongkok	Shop No. 2 of G/F & Whole of Upper Ground Floor, Ginza Square, No. 567 Nathan Road, Kowloon	3768 0001
San Po Kong	55–57 Yin Hing Street, San Po Kong, Kowloon	3768 6360
Sham Shui Po	144–148 Tai Po Road, Sham Shui Po, Kowloon	3768 6310
Shun Lee Estate	Lee Yat House, Shun Lee Estate, Kowloon	3768 6420
Tak Tin Estate	No. 207, Tak Tin Plaza, Tak Tin Estate, Lam Tin, Kowloon	3768 6470
To Kwa Wan	34–34A Tam Kung Road, To Kwa Wan, Kowloon	3768 6370
Tsim Sha Tsui	16 Granville Road, Tsim Sha Tsui, Kowloon	3768 6240
Self-service Banking Centre of Tsz Wan Shan	60–64 Sheung Fung Street, Tsz Wan Shan, Kowloon	–
NEW TERRITORIES BRANCHES		
Cheung Fat Estate	Shop 206A, 2/F, Cheung Fat Plaza, Cheung Fat Estate, Tsing Yi, N.T.	3768 6560
Glorious Garden	Shop No. 82, Glorious Garden, 45 Lung Mun Road, Tuen Mun, N.T.	3768 6520
Ma On Shan	Shop 2701–14, L2, MOSTown, No. 628 Sai Sha Road, Ma On Shan, Shatin, N.T.	3768 6450
Shatin	Shop 1A, Ground Floor, Lucky Plaza, Shatin, N.T.	3768 6400
Sheung Shui	71 San Fung Avenue, Sheung Shui, N.T.	3768 6270

HEAD OFFICE, BRANCHES, SUB-BRANCHES, SUBSIDIARIES AND ASSOCIATES

as of 3 September 2026

		Telephone
Sheung Tak Estate	Shop No. 237, TKO Spot, Sheung Tak Estate, Tseung Kwan O, N.T.	3768 6510
Tai Wo Plaza	Shop No. 101 I, Level 1, Tai Wo Plaza, No. 12 Tai Wo Road, Tai Po, N.T.	3768 6900
Tin Chak Estate	Shop No. 218, 2/F, Tin Chak Shopping Centre, Tin Chak Estate, Tin Shui Wai, N.T.	3768 6570
Tsuen Wan	298 Sha Tsui Road, Tsuen Wan, N.T.	3768 6440
Tuen Mun Hong Lai Garden	G/F, Hong Lai Garden, 117 Heung Sze Wui Road, Tuen Mun, N.T.	3768 6580
Yat Tung Estate	Shop Nos. 1 & 2, G/F, Yat Tung Shopping Centre, Yat Tung Estate, Tung Chung, N.T.	3768 6710
Yuen Long	99–109 Castle Peak Road, Yuen Long, N.T.	3768 6230
BEIJING BRANCH	Unit 1001, 1003, 1005, 1007, 1009, 1010, 1011, 1015, 1017 & 1019 of 10th Floor, No. 23 Financial Street, Xicheng District, Beijing, China	(86–10) 6314 5100
GUANGZHOU BRANCH	Room 102 with self-edited Unit 01, Room 201, Room 301 and Room 5001, Yuexiu Financial Tower, No. 28 Zhujiang East Road, Tianhe District, Guangzhou, Guangdong, China	(86–20) 2213 7988
SHENZHEN BRANCH	Unit 01–Unit 08, 22nd Floor, China Resources Tower, No. 2666 Keyuan South Road, Yuehai Sub-District, Nanshan District, Shenzhen, China	(86–755) 3352 9099
SHANGHAI BRANCH	28th Floor, Yue Xiu Tower, No. 388 Fushan Road, Pudong, Shanghai, China	(86–21) 6085 3000
SHANTOU BRANCH	Room 601, 602, 603, 604, 605, 606 & 607, Tai An Tang Building, No. 18 Songshan Road South, Shantou, Guangdong, China	(86–754) 8890 3224
SHENZHEN NANSHAN SUB-BRANCH	Unit 17, 18 & 19 of 1st Floor, Unit 39 of 2nd Floor, T2 Tower, Ali Center, No. 3331 Keyuan South Road (Shenzhen Bay), Yuehai Sub-District, Nanshan District, Shenzhen, China	(86–755) 3352 7685
SHENZHEN QIANHAI SUB-BRANCH	Room 201, 202, 203, 204, 205, 206 & 207, Tower C, Minsheng Internet Building, No. 5073 Menghai Avenue, Guiwan Community, Nanshan District, Shenzhen, China	(86–755) 3327 8900
DONGGUAN SUB-BRANCH	Unit 105, Nanfeng Center, No. 106 Hongfu Road, Nancheng District, Dongguan, Guangdong, China	(86–769) 8608 5888
GUANGZHOU HAIZHU SUB-BRANCH	Unit 106, No. 1236 Xingang East Road, Haizhu District, Guangzhou, Guangdong, China	(86–20) 2213 7988

HEAD OFFICE, BRANCHES, SUB-BRANCHES, SUBSIDIARIES AND ASSOCIATES

as of 3 September 2026

		Telephone
GUANGZHOU PANYU SUB-BRANCH	Room 110 and 111, Block Two, No. 103 Wanhui Second Road, Nancun Town, Panyu District, Guangzhou, Guangdong, China	(86-20) 2868 6520
NANSHA SUB-BRANCH	Room 801-805, Building No. 1, No. 106 Fengze Road East, Nansha District, Guangzhou, Guangdong, China	(86-20) 3226 0620
GUANGZHOU DEVELOPMENT ZONE SUB-BRANCH	Room 101 & Room 102, No. 2521 Kaichuang Avenue, Huangpu District, Guangzhou, Guangdong, PRC.	(86-20) 8510 9888
FOSHAN SUB-BRANCH	Unit B107 & B205-2, Level 1 and Level 2, Mall 1, Yuexiu Xing Hui Yun Jin Plaza, No. 84 North Nanhai Da Dao, Guicheng Jie Dao, Nanhai District, Foshan, Guangdong, China	(86-757) 6352 2888
GUANGDONG-MACAO IN-DEPTH COOPERATION ZONE IN HENGQIN SUB-BRANCH	Shop No. 185, Southern Financial Media Building, Rongzhu Road and Room 2006 & Room 2007, No. 191 Rongzhu Road, Guangdong-Macao In-Depth Cooperation Zone in Hengqin, Guangdong, China	(86-756) 3833 039
ZHONGSHAN SUB-BRANCH	Room 4-5, First Floor, Tower 2, Shangfeng Financial Business Center, No. 88 Zhongshan Fourth Road, East District, Zhongshan, Guangdong, China	(86-760) 2385 2388
SHANGHAI HONGQIAO SUB-BRANCH	Unit 101, No. 6, Lane 988, Shenchang Road, Minhang District, Shanghai, China	(86-21) 6085 3085
MACAU BRANCH	No. 693, Avenida da Praia Grande, Edifício Tai Wah, R/C, Macau	(853) 2833 9982

SUBSIDIARIES

Chong Hing Commodities and Futures Limited
 Chong Hing Finance Limited
 Chong Hing Information Technology Limited
 Chong Hing Insurance Brokers Limited
 Chong Hing Insurance Company Limited
 Chong Hing (Nominees) Limited
 Chong Hing Securities Limited
 Gallbraith Limited
 Hero Marker Limited
 Top Benefit Enterprise Limited
 創銀數智(深圳)信息技術有限公司

ASSOCIATES

Bank Consortium Holding Limited
 BC Reinsurance Limited
 Hong Kong Life Insurance Limited

