

Hang Seng Bank Limited
Macau Branch

Financial disclosure
(unaudited)

for the half-year ended 30 June 2026

Statement of financial position
At period-end

	At 30 June 2026 MOP'000	At 31 December 2025 MOP'000
Assets		
Cash and balances with banks	3,406,315	3,153,115
Deposits with AMCM	390,290	131,981
Loans and advances to customers	5,391,105	5,872,122
Other assets	6,856	13,139
Tangible fixed assets	608	839
	<u>9,195,174</u>	<u>9,171,196</u>
Liabilities		
Deposits from customers	1,366,609	1,633,922
Deposits and balances from banks	5,945,451	5,654,953
Other liabilities	46,975	45,711
Current income tax liabilities	1,812	1,812
	<u>7,360,847</u>	<u>7,336,398</u>
Net Assets	<u>1,834,327</u>	<u>1,834,798</u>
Represented by		
Head Office account		
Working Capital	150,000	150,000
General regulatory reserves	45,753	51,605
Specific regulatory reserves	1,095	4,157
Retained profits	1,637,479	1,629,036
	<u>1,834,327</u>	<u>1,834,798</u>

Statement of comprehensive income
For the half year ended

	30 June 2026 MOP'000	30 June 2025 MOP'000
Interest income	133,082	198,459
Interest expense	<u>(90,983)</u>	<u>(153,959)</u>
Net interest income	42,099	44,500
Other operating income	<u>2,921</u>	<u>3,609</u>
Operating income	45,020	48,109
Operating expenses	<u>(28,192)</u>	<u>(28,933)</u>
Operating profit before change in expected credit losses	16,828	19,176
Change in expected credit losses	<u>(17,299)</u>	<u>(45,385)</u>
Loss before income tax	(471)	(26,209)
Taxation	<u>-</u>	<u>-</u>
Loss and total comprehensive loss for the period	<u>(471)</u>	<u>(26,209)</u>

Statement of changes in Head Office Account

	Working Capital MOP '000	General Regulatory reserves MOP '000	Specific Regulatory reserves MOP '000	Retained profits MOP '000	Total MOP '000
Head Office account at 1 January 2026	150,000	51,605	4,157	1,629,036	1,834,798
Loss and total comprehensive loss for the period	-	-	-	(471)	(471)
Change in Regulatory Reserve	-	(5,852)	(3,062)	8,914	-
Head Office account at 30 June 2026	<u>150,000</u>	<u>45,753</u>	<u>1,095</u>	<u>1,637,479</u>	<u>1,834,327</u>
Head Office account at 1 January 2025	150,000	63,137	6,247	1,601,815	1,821,199
Profit and total comprehensive income for the year	-	-	-	13,599	13,599
Change in Regulatory Reserve	-	(11,532)	(2,090)	13,622	-
Head Office account at 31 December 2025	<u>150,000</u>	<u>51,605</u>	<u>4,157</u>	<u>1,629,036</u>	<u>1,834,798</u>

Cash flow statement
For the half-year ended

	30 June 2026 MOP'000	30 June 2025 MOP'000
Cash flows from operating activities		
Loss before income tax	(471)	(26,209)
Depreciation	258	3,310
Change in loan impairment	17,299	45,385
Interest income	(133,082)	(198,459)
Interest expense	90,983	153,959
Interest received	131,441	180,814
Interest paid	(98,850)	(154,224)
Change in minimum deposits with AMCM	18,655	4,369
Change in gross loans and advances to customers	472,422	(171,820)
Change in other assets	(453)	(533)
Change in balances with banks with original maturity more than three months	661,498	(508,370)
Change in deposits from customers	(267,313)	(301,341)
Change in deposits and balances from banks	290,499	1,276,371
Change in other liabilities	9,172	(483)
Cash inflow from operating activities before taxation	1,192,058	302,769
Macau complementary tax paid	-	-
Cash inflow from operating activities	1,192,058	302,769
Cash flows from investing activities		
Purchase of tangible fixed assets	(27)	(12)
Cash outflow from investing activities	(27)	(12)
Change in cash and cash equivalents	1,192,031	302,757
Cash and cash equivalents at 1 January	1,456,623	1,624,992
Cash and cash equivalents at 30 June	2,648,654	1,927,749

Cash flow statement (continued)

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition.

	30 June 2026 MOP'000	30 June 2025 MOP'000
Cash and balances with banks	2,280,069	1,814,220
Deposits with AMCM in excess of minimum statutory requirement	367,172	121,394
Items in course of collection from other banks	3,551	10,719
Items in course of transmission to other banks	(2,138)	(18,584)
	2,648,654	1,927,749

Off-balance sheet exposures

(a) Contingent liabilities and commitments

	At 30 June 2026 MOP'000	At 31 December 2025 MOP'000
Bank guarantees	286,975	267,994
Trade-related contingencies	86,111	55,122
Acceptance on trade bills	26,805	145,595
Undrawn formal stand by facilities, credit lines and other commitments to lend	3,238,368	3,509,044
	3,351,284	3,709,761
	3,638,259	3,977,755

(b) Lease commitments

The Branch leases a number of properties under operating leases. The leases typically run for a period of one to three years, with an option to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are as follows:

	At 30 June 2026 MOP'000	At 31 December 2025 MOP'000
Not later than one year	5,343	7,977
Later than one year and not later than five years	-	1,349
	5,343	9,326

(c) Derivative transactions

There were no derivative transactions at 30 June 2026 and 31 December 2025.

Material related-party transactions

(a) Transactions with Head Office, a subsidiary of Head Office and other related companies

The aggregate amount of income and expenses arising from these transactions during the half-year ended at 30 June 2026 and 30 June 2025 are as follows:

	Half-year ended 30 June 2026 MOP'000	Half-year ended 30 June 2025 MOP'000
Interest income from Head Office and a subsidiary of Head Office	43,755	62,614
Interest expenses to Head Office	(80,537)	(127,230)
Fee and commission paid to Head Office and a subsidiary of Head Office	(697)	(1,007)
Management fee (paid to) / refund from Head Office	(1,026)	3,754
Operating expenses paid to other related companies	(4,779)	(5,827)

(b) The balances with Head Office, a subsidiary of Head Office and other related companies at 30 June 2026 and 31 December 2025 are as follows:

	At 30 June 2026 MOP'000	At 31 December 2025 MOP'000
(i) Assets		
Cash and balances with banks		
- Demand deposits	277,090	269,290
- Placement	3,006,734	2,767,608
Other assets		
- Prepaid expenses	16	-
(ii) Liabilities		
Deposits and balances from banks		
- Deposits and placements from banks	5,945,451	5,654,953
Other liabilities		
- Interest payable	18,042	20,713
- Accrued expenses	893	788

Material related-party transactions (continued)**(c) Key management personnel's remuneration**

During the first six-month period at 30 June 2026 and 30 June 2025, the remuneration of key management personnel, which is included in “staff cost”, is as follows:

	Half-year ended 30 June 2026 MOP'000	Half-year ended 30 June 2025 MOP'000
Executive officers	<u>1,749</u>	<u>1,839</u>

(d) Material transactions with key management personnel

During the first six-month period at 30 June 2026 and year ended 31 December 2025, the Branch did not provide credit facilities to key management personnel of the Branch and its Head Office, their close family members and companies controlled or significantly influenced by them.

Credit risk

(a) Geographic distribution of exposure

As at 30 June 2026

	Total exposures MOP '000	Individually impaired loans and advances MOP '000	Stage 1 ECL MOP '000	Stage 2 ECL MOP '000	Stage 3 ECL MOP '000	Total ECL MOP '000
<i>Loans and advances to customers</i>						
- Macau	4,362,708	130,377	(1,695)	(2,738)	(12,387)	(16,820)
- Hong Kong	1,085,958	597,319	(58)	(1,357)	(83,936)	(85,351)
- Others	44,611	-	(1)	-	-	(1)
	<u>5,493,277</u>	<u>727,696</u>	<u>(1,754)</u>	<u>(4,095)</u>	<u>(96,323)</u>	<u>(102,172)</u>
<i>Financial guarantees, loan commitments and other credit related contingent liabilities</i>						
- Macau	2,512,359	-	(258)	(9)	(114)	(381)
- Hong Kong	301,900	-	(68)	-	-	(68)
- Others	824,000	-	(10)	-	-	(10)
	<u>3,638,259</u>	<u>-</u>	<u>(336)</u>	<u>(9)</u>	<u>(114)</u>	<u>(459)</u>
<i>Financial Derivatives</i>						
- Macau	-	-	-	-	-	-
- Hong Kong	-	-	-	-	-	-
- Others	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All other financial assets held by the Branch only have Macau exposures.

There is no customer grouped under banks and governments, and there is no exposure for customer grouped under public sector entities.

Credit risk (continued)

(a) Geographic distribution of exposure (continued)

As at 31 December 2025

	Total exposures MOP '000	Individually impaired loans and advances MOP '000	Stage 1 ECL MOP '000	Stage 2 ECL MOP '000	Stage 3 ECL MOP '000	Total ECL MOP '000
<i>Loans and advances to customers</i>						
– Macau	4,807,549	290,795	(1,684)	(762)	(20,988)	(23,434)
– Hong Kong	1,098,532	598,773	(88)	(1,168)	(57,935)	(59,191)
– Others	48,666	-	-	-	-	-
	<u>5,954,747</u>	<u>889,568</u>	<u>(1,772)</u>	<u>(1,930)</u>	<u>(78,923)</u>	<u>(82,625)</u>
<i>Financial guarantees, loan commitments and other credit related contingent liabilities</i>						
– Macau	2,900,316	-	(127)	(25)	(65)	(217)
– Hong Kong	253,439	-	(27)	-	-	(27)
– Others	824,000	-	(1,051)	-	-	(1,051)
	<u>3,977,755</u>	<u>-</u>	<u>(1,205)</u>	<u>(25)</u>	<u>(65)</u>	<u>(1,295)</u>
<i>Financial Derivatives</i>						
– Macau	-	-	-	-	-	-
– Hong Kong	-	-	-	-	-	-
– Others	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All other financial assets held by the Branch only have Macau exposures.

There is no customer grouped under banks and governments, and there is no exposure for customer grouped under public sector entities.

Credit risk (continued)

(b) Industry distribution of exposures of loans and advances

As at 30 June 2026

	Gross loans and advances MOP '000	Individually impaired loans and advances MOP '000	Overdue loans and advances [#] MOP '000	Stage 1 ECL MOP '000	Stage 2 ECL MOP '000	Stage 3 ECL MOP '000
Agriculture and fisheries	-	-	-	-	-	-
Mining industries	-	-	-	-	-	-
Manufacturing industries	-	-	-	-	-	-
Electricity, gas and water	-	-	-	-	-	-
Construction and public works	332,698	45,454	-	(297)	(417)	-
Wholesale and retail trade	533,948	28,737	-	(65)	(859)	(10,400)
Restaurants, hotels and similar	-	-	-	-	-	-
Transport, warehousing and communications	-	-	-	-	-	-
Non-monetary financial institutions	-	-	-	-	-	-
Gaming	-	-	-	-	-	-
Exhibition and conference	-	-	-	-	-	-
Education	-	-	-	-	-	-
Information technology	-	-	-	-	-	-
Individuals for house purchases	2,589,997	7,792	7,792	(158)	(1,181)	(720)
Individuals for other purposes	99,793	4,719	4,719	(2)	(247)	(1,267)
Others	1,936,841	640,994	-	(1,232)	(1,391)	(83,936)
	<u>5,493,277</u>	<u>727,696</u>	<u>12,511</u>	<u>(1,754)</u>	<u>(4,095)</u>	<u>(96,323)</u>

[#] Loans and advances which have been overdue with respect to either principal or interest for periods of more than three months.

Credit risk (continued)

(b) Industry distribution of exposures of loans and advances (continued)

As at 31 December 2025

	Gross loans and advances MOP '000	Individually impaired loans and advances MOP '000	Overdue loans and advances [#] MOP '000	Stage 1 ECL MOP '000	Stage 2 ECL MOP '000	Stage 3 ECL MOP '000
Agriculture and fisheries	-	-	-	-	-	-
Mining industries	-	-	-	-	-	-
Manufacturing industries	-	-	-	-	-	-
Electricity, gas and water	-	-	-	-	-	-
Construction and public works	365,480	45,266	-	(136)	(447)	-
Wholesale and retail trade	620,396	30,850	-	(130)	(907)	(20,523)
Restaurants, hotels and similar	-	-	-	-	-	-
Transport, warehousing and communications	-	-	-	-	-	-
Non-monetary financial institutions	-	-	-	-	-	-
Gaming	-	-	-	-	-	-
Exhibition and conference	-	-	-	-	-	-
Education	-	-	-	-	-	-
Information technology	-	-	-	-	-	-
Individuals for house purchases	2,705,997	3,679	3,679	(56)	(108)	(242)
Individuals for other purposes	105,625	4,719	4,719	-	-	(223)
Others	2,157,249	805,054	538,449	(1,450)	(468)	(57,935)
	<u>5,954,747</u>	<u>889,568</u>	<u>546,847</u>	<u>(1,772)</u>	<u>(1,930)</u>	<u>(78,923)</u>

[#] Loans and advances which have been overdue with respect to either principal or interest for periods of more than three months.

Credit risk (continued)

(c) Overdue loans and advances to banks

There were no overdue loans and advances to banks as at 30 June 2026 and 31 December 2025.

(d) Overdue loans and advances to non-banks customers

As at 30 June 2026

	Gross loans and advances MOP'000	% of total loans and advances to non-bank customers MOP'000	Collateral value MOP'000	Expected Credit Loss MOP'000
Loans and advances to non-bank customers which have been overdue with respect to either principal or interest for periods of:				
- more than three months but not more than six months	4,113	0.07%	4,635	778
- more than six months but not more than one year	4,719	0.09%	5,253	1,267
- more than one year	3,679	0.07%	4,398	720
	<u>12,511</u>	<u>0.23%</u>	<u>14,286</u>	<u>2,765</u>

As at 31 December 2025

	Gross loans and advances MOP'000	% of total loans and advances to non-bank customers MOP'000	Collateral value MOP'000	Expected Credit Loss MOP'000
Loans and advances to non-bank customers which have been overdue with respect to either principal or interest for periods of:				
- more than three months but not more than six months	543,168	9.12%	1,030,000	58,158
- more than six months but not more than one year	-	-	-	-
- more than one year	3,679	0.06%	4,635	242
	<u>546,847</u>	<u>9.18%</u>	<u>1,034,635</u>	<u>58,400</u>

(e) Overdue other assets

There were no overdue other assets as at 30 June 2026 and 31 December 2025.

Credit risk (continued)

(f) Credit quality of financial instruments

	30 June 2026						
	Pass MOP '000	Special Mention MOP '000	Sub- Standard MOP '000	Doubtful MOP '000	Loss MOP '000	Expected Credit Loss MOP '000	Net Exposure MOP'000
Cash and balances with banks							
- Stage 1	3,406,316	-	-	-	-	(1)	3,406,315
- Stage 2	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-
	<u>3,406,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>3,406,315</u>
Deposits with AMCM							
- Stage 1	390,290	-	-	-	-	-	390,290
- Stage 2	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-
	<u>390,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,290</u>
Loans and advances to customers							
- Stage 1	4,018,153	-	-	-	-	(1,754)	4,016,399
- Stage 2	426,235	321,193	4,113	-	-	(4,095)	747,446
- Stage 3	-	-	695,653	24,251	3,679	(96,323)	627,260
	<u>4,444,388</u>	<u>321,193</u>	<u>699,766</u>	<u>24,251</u>	<u>3,679</u>	<u>(102,172)</u>	<u>5,391,105</u>
-Value of Collateral*	10,310,950	1,470,490	1,279,258	34,402	4,398	-	-

Credit risk (continued)

(f) Credit quality of financial instruments (continued)

	30 June 2026						
	Pass	Special	Sub-Standard	Doubtful	Loss	Expected	Net
	MOP '000	Mention	MOP '000	MOP '000	MOP '000	Credit Loss	Exposure
		MOP '000				MOP '000	MOP'000
Financial guarantees, loan commitments and other credit related contingent liabilities							
- Stage 1	3,104,440	-	-	-	-	(336)	3,104,104
- Stage 2	531,696	-	-	-	-	(9)	531,687
- Stage 3	-	-	2,123	-	-	(114)	2,009
	<u>3,636,136</u>	<u>-</u>	<u>2,123</u>	<u>-</u>	<u>-</u>	<u>(459)</u>	<u>3,637,800</u>
-Value of Collateral*	176,540	-	-	-	-	-	-

* For those customers within same group who share the same collateral, if the group customers have both [Loans and advances] and [Financial guarantees, loan commitments and other credit related contingent liabilities], the collateral value is reported under [Loans and advances to customers]

Credit risk (continued)

(f) Credit quality of financial instruments (continued)

	31 December 2025						
	Pass MOP '000	Special Mention MOP '000	Sub- Standard MOP '000	Doubtful MOP '000	Loss MOP '000	Expected Credit Loss MOP '000	Net Exposure MOP'000
Cash and balances with banks							
- Stage 1	3,153,117	-	-	-	-	(2)	3,153,115
- Stage 2	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-
	<u>3,153,117</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>3,153,115</u>
Deposits with AMCM							
- Stage 1	131,981	-	-	-	-	-	131,981
- Stage 2	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-
	<u>131,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,981</u>
Loans and advances to customers							
- Stage 1	4,418,372	6,505	-	-	-	(1,772)	4,423,105
- Stage 2	309,246	331,056	-	-	-	(1,930)	638,372
- Stage 3	-	-	834,575	51,314	3,679	(78,923)	810,645
	<u>4,727,618</u>	<u>337,561</u>	<u>834,575</u>	<u>51,314</u>	<u>3,679</u>	<u>(82,625)</u>	<u>5,872,122</u>
-Value of Collateral*	10,907,777	1,665,737	1,540,011	31,827	4,635	-	-

Credit risk (continued)

(f) Credit quality of financial instruments (continued)

	31 December 2025						
	Pass	Special	Sub-	Doubtful	Loss	Expected	Net
	MOP '000	Mention	Standard	MOP '000	MOP '000	Credit Loss	Exposure
		MOP '000	MOP '000			MOP '000	MOP'000
Financial guarantees, loan commitments and other credit related contingent liabilities							
- Stage 1	3,358,289	-	-	-	-	(1,205)	3,357,084
- Stage 2	619,401	-	-	-	-	(25)	619,376
- Stage 3	-	-	-	65	-	(65)	-
	<u>3,977,690</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>(1,295)</u>	<u>3,976,460</u>
- Value of Collateral*	188,589	-	-	-	-	-	-

* For those customers within the same group who share the same collateral, if the group customers have both [Loans and advances] and [Financial guarantees, loan commitments and other credit related contingent liabilities], the collateral value is reported under [Loans and advances to customers]

Foreign exchange risk

Net long or net short positions in foreign currencies are as follows:

As at 30 June 2026

	Spot assets MOP'000	Spot liabilities MOP'000	Forward purchases MOP'000	Forward sales MOP'000	Net options position MOP'000	Net long (or net short) position MOP'000
Chinese renminbi	46,882	(46,882)	-	-	-	-
Hong Kong dollars	6,683,082	(6,688,184)	-	-	-	(5,102)
US dollars	372,702	(372,688)	-	-	-	14
Other foreign currencies	10,910	(10,906)	-	-	-	4
	<u>7,113,576</u>	<u>(7,118,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,084)</u>

As at 31 December 2025

	Spot assets MOP'000	Spot liabilities MOP'000	Forward purchases MOP'000	Forward sales MOP'000	Net options position MOP'000	Net long (or net short) position MOP'000
Chinese renminbi	44,371	(41,633)	-	-	-	2,738
Hong Kong dollars	6,594,534	(6,600,649)	-	-	-	(6,115)
US dollars	352,253	(351,714)	-	-	-	539
Other foreign currencies	6,550	(6,539)	-	-	-	11
	<u>6,997,708</u>	<u>(7,000,535)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,827)</u>

Liquidity risk

Maturity analysis on assets and liabilities

As at 30 June 2026

	Repayable on demand MOP'000	1 month or less but not repayable on demand MOP'000	3 months or less but over 1 month MOP'000	1 year or less but over 3 months MOP'000	3 years or less but over 1 year MOP'000	After 3 years MOP'000	Indefinite period MOP'000	Total MOP'000
Assets								
Loans and advances to customers	631,852	555,286	109,062	374,146	1,396,910	2,323,849	-	5,391,105
Cash and balances with and loans and advances to banks	766,625	1,316,751	1,362,466	350,763	-	-	-	3,796,605
Certificates of deposits held	-	-	-	-	-	-	-	-
Securities issued by Macau SAR Government and/or AMCM	-	-	-	-	-	-	-	-
Other securities	-	-	-	-	-	-	-	-
Liabilities								
Deposits and balances of banks and financial institutions	36,287	1,916,382	540,447	3,452,335	-	-	-	5,945,451
Deposits from public sector entities	-	-	-	-	-	-	-	-
Deposits from holding and associated companies	-	-	-	-	-	-	-	-
Deposits from non-bank customers	644,075	301,037	206,354	215,143	-	-	-	1,366,609
Certificates of deposits issued	-	-	-	-	-	-	-	-
Other securities issued	-	-	-	-	-	-	-	-

Liquidity risk (continued)

Maturity analysis on assets and liabilities (continued)

As at 31 December 2025

	<i>Repayable on demand MOP'000</i>	<i>1 month or less but not repayable on demand MOP'000</i>	<i>3 months or less but over 1 month MOP'000</i>	<i>1 year or less but over 3 months MOP'000</i>	<i>3 years or less but over 1 year MOP'000</i>	<i>After 3 years MOP'000</i>	<i>Indefinite period MOP'000</i>	<i>Total MOP'000</i>
Assets								
Loans and advances to customers	812,295	637,914	81,011	419,270	1,456,247	2,465,385	-	5,872,122
Cash and balances with and loans and advances to banks	475,679	1,035,853	1,215,197	558,367	-	-	-	3,285,096
Certificates of deposits held	-	-	-	-	-	-	-	-
Securities issued by Macau SAR Government and/or AMCM	-	-	-	-	-	-	-	-
Other securities	-	-	-	-	-	-	-	-
Liabilities								
Deposits and balances of banks and financial institutions	144,132	1,137,090	573,651	3,800,080	-	-	-	5,654,953
Deposits from public sector entities	-	-	-	-	-	-	-	-
Deposits from holding and associated companies	-	-	-	-	-	-	-	-
Deposits from non-bank customers	664,812	332,829	309,815	326,466	-	-	-	1,633,922
Certificates of deposits issued	-	-	-	-	-	-	-	-
Other securities issued	-	-	-	-	-	-	-	-

Liquidity risk (continued)

During the reporting period of:	At 30 June 2026 MOP'000	At 31 December 2025 MOP'000
The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held	23,741	29,781
The arithmetic mean of the average weekly amount of cash in hand	161,706	148,325
The arithmetic mean of one-month liquidity ratio in the last week of each month	96%	98%
The arithmetic mean of three-month liquidity ratio in the last week of each month	112%	105%

List of the shareholders with qualifying holdings

Hang Seng Bank Limited

Substantial Interests in Share Capital

The Bank is wholly-owned by The Hongkong and Shanghai Banking Corporation Limited (incorporated in Hong Kong) and ultimately by HSBC Holdings plc (incorporated in England).

Names of the members of the company boards

Hang Seng Bank Limited

List of Directors

In August 2026, the members of the board of Hang Seng Bank Limited are set out below.

List of Board

CHENG Wai Sun, Edward (*Chairman*)

CHUNG Cordelia

GAN Chieh Huey, Kathleen

KWOK King Man, Clement

LAM Sze Wan, Patricia

LEE, Jonathon Glyn (*Executive Director and Chief Financial Officer*)

LIAO Yi Chien, David

LIM Hui Hung, Luanne (*Executive Director and Chief Executive*)

Consolidated capital ratios

Hang Seng Bank Limited

The basis of consolidation for regulatory purposes is different from that for accounting purposes. Subsidiaries included in the consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with section 3C(1) of the BCR.

Subsidiaries not included in consolidation for regulatory purposes are securities and insurance companies that are authorised and supervised by regulators and are subject to supervisory arrangements regarding the maintenance of adequate capital to support business activities comparable to those prescribed for AI under the BCR and the Banking Ordinance. The capital invested by the Group in these subsidiaries is deducted from the capital base subject to certain thresholds, as determined in accordance with Part 3 of the BCR. No surplus capital in insurance subsidiaries is recognised in the calculation of the Group's capital adequacy.

There are no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation as at 30 June 2026.

For all subsidiaries included in both the accounting and regulatory scope of consolidation, the same consolidation methodology is applied at 30 June 2026.

The Group operates subsidiaries in different territories where capital is governed by local rules and there may be restrictions on the transfer of regulatory capital and funds between members of the Group.

The Group may need to maintain a regulatory reserve to satisfy the provisions of the Banking Ordinance and local regulatory requirements for prudential supervision purposes. As at 30 June 2026, the Group is not required to restrict any reserves which can be distributed to shareholders as the impairment allowance for Stage 1 and 2 loans and advances to customers exceeded the required regulatory reserve balance.

There are no relevant capital shortfalls in any of the Group's subsidiaries which are not included in its consolidation group for regulatory purposes as at 30 June 2026.

The approaches used in calculating the Group's regulatory capital and RWA are in accordance with the BCR. The Group uses the advanced internal ratings-based ('AIRB') approach and the foundation internal ratings-based ('FIRB') approach to calculate its credit risk for the majority of its non-securitisation exposures. For collective investment scheme ('CIS') exposures, the Group uses the look-through approach ('LTA') to calculate the RWA. For counterparty credit risk ('CCR'), the Group uses the standardised (counterparty credit risk) ('SA-CCR') approach to calculate its default risk exposures for derivatives and the comprehensive approach for SFTs. For credit valuation adjustment ('CVA'), the Group uses reduced basic CVA approach ('BA-CVA') to calculate CVA risk capital charge. The Group uses the standardised (market risk) ('STM') approach to calculate its market risk capital charge and the standardised operational risk approach to calculate its operational risk capital charge.

Consolidated capital ratios (continued)

Composition of regulatory capital

	Component of regulatory capital HK\$m	Component of regulatory capital HK\$m
	At 30 June 2026	At 31 December 2025
CET1 capital: instruments and reserves		
Directly issued qualifying CET1 capital instruments plus any related share premium	9,658	9,658
Retained earnings	108,726	125,229
Disclosed reserves	18,161	20,750
Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	-
CET1 capital before regulatory deductions	136,545	155,637
CET1 capital: regulatory deductions		
Valuation adjustments	139	93
Goodwill (net of associated deferred tax liabilities)	-	-
Other intangible assets (net of associated deferred tax liabilities)	3,461	3,516
DTAs (net of associated deferred tax liabilities)	494	500
Cash flow hedge reserve	102	1,342
Excess of total EL amount over total eligible provisions under the IRB approach	69	4,826
Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitisation transactions	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	(9)	(8)
Defined benefit pension fund net assets (net of associated deferred tax liabilities)	507	357
Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	-
Reciprocal cross-holdings in CET1 capital instruments	-	-
Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
Mortgage servicing rights ('MSRs') (net of associated deferred tax liabilities)	N/A	N/A
DTAs arising from temporary differences (net of associated deferred tax liabilities)	N/A	N/A
Amount exceeding the 15% threshold	N/A	N/A
– of which: significant investments in the ordinary share of financial sector entities	N/A	N/A
– of which: MSRs	N/A	N/A
– of which: DTAs arising from temporary differences	N/A	N/A

Consolidated capital ratios (continued)

Composition of regulatory capital (continued)

	Component of regulatory capital HK\$m	Component of regulatory capital HK\$m
	At 30 June 2026	At 31 December 2025
National specific regulatory adjustments applied to CET1 capital	20,266	21,267
Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	20,266	20,917
Regulatory reserve for general banking risks	-	350
Securitisation exposures specified in a notice given by the Monetary Authority	-	-
Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	-
Capital shortfall of regulated non-bank subsidiaries	-	-
Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	-
Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and T2 capital to cover deductions	-	-
Total regulatory deductions to CET1 capital	25,029	31,893
CET1 capital	111,516	123,744
AT1 capital: instruments		
Qualifying AT1 capital instruments plus any related share premium	11,587	11,587
– of which: classified as equity under applicable accounting standards	11,587	11,587
– of which: classified as liabilities under applicable accounting standards	-	-
AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidated group)	-	-
AT1 capital before regulatory deductions	11,587	11,587
AT1 capital: regulatory deductions		
Investments in own AT1 capital instruments	-	-
Reciprocal cross-holdings in AT1 capital instruments	-	-
Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	-
National specific regulatory adjustments applied to AT1 capital	-	-
Regulatory deductions applied to AT1 capital due to insufficient T2 capital to cover deductions	-	-
Total regulatory deductions to AT1 capital	-	-
AT1 capital	11,587	11,587
T1 capital (T1 = CET1 + AT1)	123,103	135,331

Consolidated capital ratios (continued)

Composition of regulatory capital (continued)

	Component of regulatory capital HK\$m	Component of regulatory capital HK\$m
	At 30 June 2026	At 31 December 2025
T2 capital: instruments and provisions		
Qualifying T2 capital instruments plus any related share premium	-	-
T2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in T2 capital of the consolidation group)	-	-
Collective provisions and regulatory reserve for general banking risks eligible for inclusion in T2 capital	142	194
T2 capital before regulatory deductions	142	194
T2 capital: regulatory deductions		
Investments in own T2 capital instruments	-	-
Reciprocal cross-holdings in T2 capital instruments and non-capital LAC liabilities	-	-
Insignificant LAC investments in T2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold, and where applicable, 5% threshold))	-	-
Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as 'section 2 institution' under §2(1) of Schedule 4F to BCR only)	-	-
Significant LAC investments in T2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	1,065	1,045
Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
National specific regulatory adjustments applied to T2 capital	(9,121)	(9,413)
Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in T2 capital	(9,121)	(9,413)
Regulatory deductions applied to T2 capital to cover the required deductions falling within BCR §48(1)(g)	-	-
Total regulatory adjustments to T2 capital	(8,056)	(8,368)
T2 capital	8,198	8,562
Total regulatory capital ('TC' = T1 + T2)	131,301	143,893
Total RWA	527,461	531,515
Capital ratios (as a percentage of RWA)		
CET1 capital ratio (%)	21.1	23.3
T1 capital ratio (%)	23.3	25.5
Total capital ratio (%)	24.9	27.1

Consolidated assets, liabilities and profits positions

Hang Seng Bank Limited

(Figures in HK\$ million)

	At 30 June 2026	At 31 December 2025 (re-presented)
Total assets	1,942,365	1,819,113
Total liabilities	1,788,373	1,646,421
Total loans and advances	784,450	787,349
Total customer deposits	1,294,662	1,257,523
	Half-year ended 30 June 2026	Half-year ended 30 June 2025
Pre-tax profit	11,482	8,097