



Volksbanken Raiffeisenbanken
cooperative financial network

DZ BANK AG Hong Kong Branch
Interim Financial Disclosure
For the half-year ended 30 June 2026



DZ BANK



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**KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT OF
DZ BANK AG HONG KONG BRANCH**

Section A - Branch Information

	30-Jun-26 in mio HKD	30-Jun-25 in mio HKD
I. Profit and loss information		
Interest income	892	810
Interest expense	(797)	(712)
Net interest income	95	98
Other operating income		
- Gains less losses arising from trading in foreign currencies	19	(31)
- Gains less losses on securities held for trading purposes	-	-
- Gains less losses from other trading activities	-	-
- Net fees and commission income	27	37
- Fees and commission income	32	42
- Fees and commission expenses	(5)	(5)
- Others	-	-
Other operating income	46	6
Total income	141	104
Operating expenses		
- Staff and rental expenses	(49)	(42)
- Other expenses	(35)	(31)
- Net credit / (charge) for other provisions	(12)	3
Operating expenses	(96)	(70)
Operating profit/(loss) before provisions	45	34
Credit / (Charge) for bad and doubtful debts	16	(12)
Operating profit/(loss)	61	22
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit/(loss) before taxation	61	22
Taxation charge	-	-
Profit/(loss) after taxation	61	22

II. Balance Sheet Information

	30-Jun-26 in mio HKD	31-Dec-25 in mio HKD
<u>Assets</u>		
Cash and balances with banks	1,878	736
Due from Exchange Fund	3	16
Placements with banks which have a residual contractual maturity of more than one month but not more than twelve months	5,947	4,249
Amount due from overseas offices	20,534	23,456
Trade bills	6,175	5,280
Certificates of deposit held	4,859	2,574
Held-to-maturity investments	1,297	-
Loans and receivables	10,674	10,222
Investment securities	-	-
Other investments	3	3
Property, plant and equipment and investment properties	23	24
Total assets	51,393	46,560
<u>Liabilities</u>		
Deposits and balances from banks	8,433	3,655
Deposits and balances from sovereign	200	6,607
Deposits from customers:		
- Demand deposits and current accounts	180	174
- Savings deposits	-	-
- Time, call and notice deposits	91	55
Amount due to overseas offices	15,520	17,053
Certificates of deposit issued	26,347	18,119
Issued debt securities	-	-
Other liabilities	491	762
Provisions	131	135
Total liabilities	51,393	46,560

III. Additional balance sheet information

	30-Jun-26 in mio HKD	31-Dec-25 in mio HKD
(i) Loans and receivables		
Gross amount of loans and receivables		
- Loans and advances to customers	9,719	9,597
- Loans and advances to banks	184	218
- Accrued interest and other accounts	771	407
	<u>10,674</u>	<u>10,222</u>

Provisions for impaired loans and advances*

- General provisions	-	-
- Specific provisions		
- Loans and advances to customers	11	36
- Loans and advances to banks	-	-
- Accrued interest and other accounts	-	-
	<u>11</u>	<u>36</u>

* Impaired loans are advances to customers which have been classified as "substandard", "doubtful" and "loss" in accordance with the HKMA Return of Loans and Advances and Provisions (Form MA(BS)2A) completion instructions.

Gross impaired loans and advances to customers	18	58
Specific provisions - individually assessed	11	36
Gross impaired loans and advances to customers as a % of gross loans and advances to customers	0.2%	0.6%

As at 30 June 2026 and 31 December 2025, there were no collateral held against the impaired loans and advances to customers.

Breakdown of impaired loans and advances to customers by countries:

- Hong Kong	18	58
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(ii) Loans and advances to customers by sector

	30-Jun-26		31-Dec-25	
	in mio HKD	% of advances covered by collateral or other securities	in mio HKD	% of advances covered by collateral or other securities
Loans and advances for use in Hong Kong				
<u>Industrial, commercial and financial sectors</u>				
- Property development	-	0.0%	-	0.0%
- Property investment	-	0.0%	-	0.0%
- Financial concerns	-	0.0%	-	0.0%
- Stockbrokers	-	0.0%	-	0.0%
- Wholesale and retail trade	35	0.0%	76	0.0%
- Manufacturing	-	0.0%	-	0.0%
- Transport and transport equipment	-	0.0%	-	0.0%
- Recreational activities	-	0.0%	-	0.0%
- Information technology	-	0.0%	-	0.0%
- Others	-	0.0%	-	0.0%
Trade finance	-	0.0%	-	0.0%
Loans and advances for use outside Hong Kong	9,684	16.5%	9,521	19.1%
Gross amount of loans and advances to customers	<u>9,719</u>	16.4%	<u>9,597</u>	18.9%

(iii) **Loans and advances to customers by geographical segments**

Breakdown of exposures to countries outside Hong Kong that exceed 10% of the aggregate amount of advances to customers :

	30-Jun-26 <u>in mio HKD</u>	31-Dec-25 <u>in mio HKD</u>
- Australia	3,335	3,115
- Indonesia	1,648	1,637
- South Korea	910	1,532
- Turkey	1,698	1,469

The reported amounts have been taken into account the fact of risk transfer.

(iv) **International Claims**

(Countries or geographical segments constituting 10% or more of international claims after taking into account the effect of any recognised risk transfer)

Equivalent in millions of HKD

30-Jun-26

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u> <u>Non-bank</u> <u>financial</u> <u>institutions</u>	<u>Non-financial</u> <u>private sector</u>	<u>Others</u>	<u>Total</u>
1. Developed Countries	21,032	-	1,102	3,688	-	25,822
of which: - Germany	20,661	-	18	221	-	20,900
2. Developing Asia Pacific	17,946	-	910	2,203	-	21,059
of which: - South Korea	13,163	-	910	-	-	14,073

Equivalent in millions of HKD

31-Dec-25

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u> <u>Non-bank</u> <u>financial</u> <u>institutions</u>	<u>Non-financial</u> <u>private sector</u>	<u>Others</u>	<u>Total</u>
1. Developed Countries	23,606	-	1,147	3,606	-	28,359
of which: - Germany	23,564	-	23	301	-	23,888
2. Developing Asia Pacific	12,604	-	1,091	2,197	-	15,892
of which: - South Korea	10,397	-	1,091	-	-	11,488

(v) Overdue or rescheduled assets

	30-Jun-26		31-Dec-25	
	<u>in mio HKD</u>	<u>% to total loans and advances to customers</u>	<u>in mio HKD</u>	<u>% to total loans and advances to customers</u>
Gross amount of overdue loans and advances to customers :				
- more than three months but not more than six months	-	0.0%	-	0.0%
- more than six months but not more than one year	-	0.0%	-	0.0%
- more than one year	-	0.0%	-	0.0%
	<u>-</u>		<u>-</u>	

As at 30 June 2026 and 31 December 2025, there were no overdue loans and advances to banks and other accounts.

Specific provision for overdue loans and advances to customers - -

As at 30 June 2026 and 31 December 2025, there were no collateral held against the overdue loans and advances to customers.

Gross amount of rescheduled loans and advances

(excluding those which have been overdue for over three months and reported above)

- to customers	-	0.0%	-	0.0%
- to banks	-	0.0%	-	0.0%

As at 30 June 2026 and 31 December 2025, there were no repossessed assets held against loans and advances to customers, banks and other accounts. Upon repossession, DZ BANK AG HK Branch would continue to record loans concerned as loans and advances until realisation of the assets repossessed.

(vi) Non-Bank Mainland exposures

As at 30 June 2026

Types of Counterparties	On-balance sheet exposure in mio HKD	Off-balance sheet exposure in mio HKD	Total in mio HKD
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	151	609	760
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,729	938	2,667
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	1,880	1,547	3,427
Total assets after provision	51,262		
On-balance sheet exposures as percentage of total assets	3.67%		

As at 31 December 2025

Types of Counterparties	On-balance sheet exposure in mio HKD	Off-balance sheet exposure in mio HKD	Total in mio HKD
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	194	569	763
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,500	1,482	2,982
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	1,694	2,051	3,745
Total assets after provision	46,425		
On-balance sheet exposures as percentage of total assets	3.65%		

(vii) **Currency Risk**

Foreign currency exposure arising from trading, non-trading and structural positions :
(Individual currency constituting 10% or more of total net position in all foreign currencies)

Equivalent in millions of HKD

30-Jun-26

	EUR	USD	AUD	Total
Spot assets	28,708	16,778	3,683	49,169
Spot liabilities	(9,334)	(11,584)	(2,319)	(23,237)
Forward purchases	19,156	77,229	1,537	97,922
Forward sales	(38,622)	(82,361)	(2,918)	(123,901)
Net option position	-	-	-	-
Net long (short) position	(92)	62	(17)	(47)

Equivalent in millions of HKD

31-Dec-25

	EUR	USD	CNY	AUD	SGD	Total
Spot assets	30,316	12,079	10	3,674	1	46,080
Spot liabilities	(10,813)	(6,321)	(1,889)	(2,492)	-	(21,515)
Forward purchases	4,983	54,429	11,190	902	1,968	73,472
Forward sales	(24,993)	(60,179)	(9,300)	(2,093)	(1,962)	(98,527)
Net option position	-	-	-	-	-	-
Net long (short) position	(507)	8	11	(9)	7	(490)

IV. **Off-balance sheet exposures**

30-Jun-26
in mio HKD

31-Dec-25
in mio HKD

Contingent liabilities and commitments

Contractual or notional amounts

- Direct credit substitutes	150	155
- Transaction-related contingencies	28	27
- Trade-related contingencies	527	275
- Note issuance and revolving underwriting facilities	-	-
- Other commitments	4,600	5,542
- Others	-	-

Derivatives

Notional amounts

- Exchange rate contracts	161,931	116,939
- Interest rate contracts	11,592	5,149
- Others	-	-

Fair values Assets

- Exchange rate contracts	1,057	325
- Interest rate contracts	-	1
- Others	-	-
	<u>1,057</u>	<u>326</u>

Fair values Liabilities

- Exchange rate contracts	812	598
- Interest rate contracts	18	6
- Others	-	-
	<u>830</u>	<u>604</u>

As at 30 June 2026 and 31 December 2025, the Bank has no bilateral netting arrangements.

V. Liquidity ratio	Q2 2026	Q2 2025
The average liquidity maintenance ratio for the financial period	328.92%	251.14%

The above ratios are calculated based on the arithmetic mean of the average values of each calendar month for the reporting period. Both Q2 2026 and Q2 2025 ratios are based on 3 months average.

Section B - Bank Information (DZ BANK Group)

	31-Dec-25	30-Jun-25
I. Capital and capital adequacy		
Regulatory capital ratios with full application of the CRR		
- Consolidated Common Equity Tier 1 capital ratio	18.4%	17.9%
- Consolidated Tier 1 capital ratio	20.5%	20.1%
- Consolidated Total capital ratio	23.6%	22.8%
	31-Dec-25	30-Jun-25
	<u>in mio EUR</u>	<u>in mio EUR</u>
Consolidated shareholders' fund (Capital & Reserves)	35,196	33,954
II. Other financial information	31-Dec-25	30-Jun-25
	<u>in mio EUR</u>	<u>in mio EUR</u>
- Total assets	661,425	666,488
- Total liabilities	626,229	632,534
- Total loans and advances	360,512	351,882
- Banks	150,288	143,705
- Non-bank customers	210,224	208,177
- Total customer deposits	148,398	148,814
	31-Dec-25	31-Dec-24
	<u>in mio EUR</u>	<u>in mio EUR</u>
- Pre-tax profit*	4,282	3,303
- After-tax profit*	2,880	2,390

* Pre-tax profit and After-tax profit presented in this disclosure statement are referred to the "Profit before taxes" and "Net profit" respectively in DZ BANK Group Annual Report.



Statement of Compliance

In preparing this financial information disclosure statement, DZ BANK AG HK Branch has fully complied with the disclosure standards set out in the "Banking (Disclosure) Rules" and "Guideline on the Application of the Banking (Disclosure) Rules" issued by the Hong Kong Monetary Authority ("HKMA").

A handwritten signature in blue ink, appearing to read "Johannes Hack".

Johannes Hack
Chief Executive
DZ BANK AG Hong Kong Branch