

The Shanghai Commercial & Savings Bank Ltd. Hong Kong Branch

Key Financial Information Disclosure Statement
For the half year ended 30 Jun 2026

KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT FOR THE HALF YEAR ENDED 30 JUN 2026

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DECLARATION

SECTION A. INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)

I. PROFIT AND LOSS INFORMATION FOR THE HALF YEAR ENDED 30-JUN-26

Figures in HKD Thousand

For the half year ended	30-Jun-26	30-Jun-25
Interest income	182,198	204,492
Interest expenses	(89,516)	(104,761)
Net interest income	92,682	99,731
Other operating income		
Gain less losses arising from non-trading activities in foreign currencies	18,779	24,860
Income from investment held for trading	1,613	(18)
Net fee and commission income		
- Fee and commission income	35,441	31,753
- Fee and commission expenses	(1,281)	(966)
Others	70	59
	54,622	55,688
Total Income	147,304	155,419
Operating expenses		
Staff and rental expenses	(20,303)	(19,665)
Other expenses (less fees and commission expenses)	(6,176)	(6,835)
Total expenses	(26,479)	(26,500)
Net charge for debt provision	0	(1,200)
Profit before taxation	120,825	127,719
Taxation charge	(20,655)	(22,380)
Profit after taxation	100,170	105,339

II. BALANCE SHEET INFORMATION AS AT 30 JUN-26
Figures in HKD Thousand

As at	30-Jun-26	31-Dec-25
ASSETS		
Cash and balances with banks (except those included in amount due from overseas offices)	2,854,901	3,273,690
Placement with banks and other financial institutions maturing between one and twelve months (except those included in amount due from overseas offices)	2,283,125	2,186,099
Amount due from overseas offices	5,032	5,029
Trade bills less impairment allowances	51,799	87,888
Loans and advances less impairment allowances	3,372,559	2,695,232
Financial assets at fair value through other comprehensive income securities less impairment allowances	1,150,636	1,028,157
Other assets		
- accrued interest	49,588	45,773
- other accounts	84,869	40,481
Property, plant and equipment	15,896	16,800
TOTAL ASSETS	9,868,405	9,379,149
LIABILITIES		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas office)	490,195	116,756
Current, fixed, savings and other deposits from customers		
- Demand deposits and current accounts	74,823	70,619
- Savings deposits	2,690,007	2,841,675
- Time deposits	5,908,062	5,819,599
Amount due to overseas offices	518,465	420,950
Other amounts and provisions	97,225	43,667
TOTAL LIABILITIES	9,778,777	9,313,266
Reserves and current profit / (loss)	89,628	65,883
TOTAL EQUITY AND LIABILITIES	9,868,405	9,379,149

III. SUPPLEMENTARY FINANCIAL INFORMATION

1. TRADE BILLS AND IMPAIRMENT ALLOWANCES ON TRADE BILLS

Figures in HKD Thousand

As at	30-Jun-26	31-Dec-25
Trade bills	52,322	88,776
Collective impairment allowances	(523)	(888)
Gross trade bills less impairment allowances	51,799	87,888

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES

Figures in HKD Thousand

A. Advances to customers and impairment allowances on advances to customers

As at	30-Jun-26	31-Dec-25
Advances to customers	2,151,306	1,894,143
Advances to banks and other financial institutions	1,423,593	1,003,055
Total	3,574,899	2,897,198
Collective impairment allowances	(40,664)	(43,885)
Individual impairment allowances	(156,126)	(153,836)
Total	(196,790)	(197,721)
Gross advances less impairment allowances	3,378,109	2,699,477
Allowances as a percentage of gross advances		
- Collective impairment allowances	1.14%	1.51%
- Individual impairment allowances	4.37%	5.31%
Total	5.50%	6.82%

B. Impairment allowances

Balance as at 30- Jun-26

- Advances to customers
- Advances to banks and other financial institutions

Individual impairment allowances	Collective impairment allowances	Total
156,126	26,428	182,554
0	14,236	14,236
156,126	40,664	196,790

Balance as at 31- Dec-25

- Advances to customers
- Advances to banks and other financial institutions

Individual impairment allowances	Collective impairment allowances	Total
151,702	33,854	185,556
2,134	10,031	12,165
153,836	43,885	197,721

C. Impaired advances to customers

As at

- Gross impaired advances to customers *
- Individual impairment allowances
Total

30-Jun-26	31-Dec-25
772,297	760,905
(156,126)	(153,836)
616,171	607,069

Market value of collateral pledged

Covered portion of impaired advances

Uncovered portion of impaired advances

0	0
0	0
772,297	760,905

Gross impaired advances as a percentage of gross advances to customers

21.60%	26.26%
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Individual impairment allowances as a percentage of gross impaired advances

20.22%	20.22%
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D. Overdue and rescheduled advances to customers
As at

a. Advances to customers overdue for
more than 1 month and up to 3 months
more than 3 months and up to 6 months
more than 6 months and up to 1 year
more than 1 year
Individual impairment allowances made in
respect of the above overdue advances

Market value of collateral held against the covered
portion of all overdue advances

Covered portion of all overdue advances

Uncovered portion of all overdue advances *

b. Rescheduled advances to customers

a. Advances to customers overdue for
more than 1 month and up to 3 months
more than 3 months and up to 6 months
more than 6 months and up to 1 year
more than 1 year

b. Rescheduled advances to customers

* The advances have been offset by pledged land.

E. Reconciliation for advances to customer between overdue advances and impaired advances is as follows:

Advances to customers overdue for more than 1 month and
up to 3 months

Advances to customers overdue for more than 3 months

Less: loans overdue but not impaired

Add: overdue loans for 3 months or less than on which
interests is being placed in suspense or interest ceased to
accrue

Add: impaired loans overdue for 3 months or less or not yet
overdue and on which is still being accrued

Total impaired advances

F. Repossessed assets

As at 30-Jun-26 and 31-Dec-25, there were no repossessed assets held by our bank.

	30-Jun-26	31-Dec-25
	0	0
	0	726,049
	0	0
	0	0
	0	145,210
	0	0
	0%	20%
	0%	80%
	772,297	34,856
As a percentage of total gross advances to customers		
	30-Jun-26	31-Dec-25
	0.00%	0.00%
	0.00%	25.06%
	0.00%	0.00%
	0.00%	0.00%
	0.00%	25.06%
	21.60%	1.20%

	30-Jun-26	31-Dec-25
	0	0
	0	726,049
	0	(580,839)
	0	0
	0	0
	0	0
	0	145,210

3. DEBT SECURITIES HELD AND OTHER ACCOUNTS

Figures in HKD Thousand

A. Financial assets at fair value through other comprehensive income

As at

	30-Jun-26	31-Dec-25
Floating rate notes	332,937	337,752
Debt securities	817,699	690,405
Total	1,150,636	1,028,157

Issued by:

Government organization	55,717	55,504
Banks	511,700	394,869
Corporate entities	583,219	577,784
Total	1,150,636	1,028,157

Impairment allowances

0 0

Financial assets at fair value through other comprehensive income securities less impairment allowances

1,150,636 1,028,157

Impairment allowances as a percentage of amortised cost securities

0% 0%

B. Overdue or impaired securities

0 0

Balance as at 30-Jun-26

- Neither overdue nor impaired	0	0
- Non-overdue but impaired	0	0
- Overdue and impaired	0	0
Total	0	0

Balance as at 31-Dec-25

- Neither overdue nor impaired	0	0
- Non-overdue but impaired	0	0
- Overdue and impaired	0	0
Total	0	0

C. Other accounts

As at

	30-Jun-26	31-Dec-25
Deposits in advanced	2,534	3,556
Prepaid expenses	2,852	3,424
Others	79,483	33,501
Total	84,869	40,481

4. OFF BALANCE SHEET INFORMATION

Figures in HKD Thousand

A. Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

As at	30-Jun-26	31-Dec-25
Direct credit substitutes	491,217	398,101
Trade-related contingencies		
- customer's liabilities under letter of credit	24,254	35,318
- customer's liabilities under acceptance	52,652	21,816
Forward forward deposits placed	0	0
Other commitments		
- other commitments within an original maturity of not more than one year	1,129,227	773,486
- other commitments within an original maturity of more than one year	346,886	333,957
	<u>1,476,113</u>	<u>1,107,443</u>

B. Derivative financial instruments

As at	30-Jun-26	31-Dec-25
	Contract/notional amount	Contract/notional amount
- exchange rate contracts	0	0
- interest rate swap contracts	0	0
	<u>0</u>	<u>0</u>
Replacement costs of derivatives (of the above derivatives)	Replacement costs	Replacement costs
- exchange rate contracts	(20,229)	(2,792)
- interest rate swap contracts	0	0
	<u>(20,229)</u>	<u>(2,792)</u>

The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market.

5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions MA (BS2A) and Assets and Liabilities of an Authorised Institution MA (BS1) submitted to the Hong Kong Monetary Authority.

Figures in HKD Thousand

A. By loan usage

As at

	30-Jun-26		31-Dec-25	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
1. Loan and advances for use in Hong Kong				
a. Industrial, commercial and financial				
- Property development	200,000	0	200,000	0
- Property investment	27,677	27,677	27,124	27,124
- Financial concerns	1,007,154	562,815	1,244,460	792,049
- Wholesale and retail trade	249,189	150,529	236,339	234,339
- Manufacturing	385,630	117,411	308,381	119,107
- Transport and transport equipment	445,437	0	87,567	0
	2,315,087	858,432	2,103,871	1,172,619
b. Individuals				
- Others	0	0	0	0
	0	0	0	0
2. Trade finance	45,161	11,704	80,304	17,671
3. Loan for use outside Hong Kong	1,214,651	20,713	713,023	21,631
Total	3,574,899	890,849	2,897,198	1,211,921

B. Analysis of impaired advances for the individual loan usage category:

As at

	30-Jun-26		31-Dec-25	
	Impaired advances	Individual impairment allowances	Impaired advances	Individual impairment allowances
- Property investment	27,677	5,535	27,124	5,425
- Financial concerns	736,925	147,385	726,049	145,210
- Wholesale and retail trade	936	187	1,000	200
- Trade Finance	6,759	3,019	6,732	3,001
	772,297	156,126	760,905	153,836

C. By geographical area

As at 30-Jun-26

	Outstanding balance	Advances overdue for over 1-3 months	Advances overdue for over 3 months	Impaired advances	Individual impairment allowances
- Hong Kong	514,591	0	0	29,814	5,962
- Taiwan	149,352	0	0	5,558	2,779
- China	156,270	0	0	0	0
- others	2,754,686	0	0	736,925	147,385
	3,574,899	0	0	772,297	156,126

As at 31-Dec-25

	Outstanding balance	Advances overdue for over 1-3 months	Advances overdue for over 3 months	Impaired advances	Individual impairment allowances
- Hong Kong	1,328,246	0	726,049	755,389	151,078
- Taiwan	126,303	0	0	5,516	2,758
- China	162,885	0	0	0	0
- others	1,279,764	0	0	0	0
	2,897,198	0	726,049	760,905	153,836

6. INTERNATIONAL CLAIMS DISCLOSURE

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account the transfer of country risk. They are prepared in accordance with the HKMA banking return of International Banking Statistics MA(BS)21 completion instruction. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

Figures in HKD Million
As at 30-Jun-26

	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore centres						
- Hong Kong SAR	918	9	434	305	0	1,666
Developing Asia and Pacific						
- China	39	0	39	12	0	90
- Taiwan	1,961	0	0	0	0	1,961
	<u>2,918</u>	<u>9</u>	<u>473</u>	<u>317</u>	<u>0</u>	<u>3,717</u>

As at 31-Dec-25

	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore centres						
- Hong Kong SAR	529	9	96	347	0	981
Developing Asia and Pacific						
- China	39	0	39	11	0	89
- Taiwan	2,324	0	0	0	0	2,324
	<u>2,892</u>	<u>9</u>	<u>135</u>	<u>358</u>	<u>0</u>	<u>3,394</u>

7. NON-BANK MAINLAND CHINA EXPOSURES

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of Mainland Activities MA(BS)20 issued by HKMA.

Exposure in Mainland China arising from non-bank counterparties are summarized as follows:

Figures in HKD Million

As at 30-Jun-26

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	0	0	0
Local governments, local government-owned entities and their subsidiaries and JVs	116	0	116
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	50	0	50
Other entities of central government not reported in item 1 above	0	0	0
Other entities of local government not reported in item 2 above	0	0	0
PRC nationals residing outside mainland China or entities incorporated outside mainland China where the credit is granted for use in mainland China	2,409	570	2,979
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	<u>2,575</u>	<u>570</u>	<u>3,145</u>
Total assets after provision			<u>9,868</u>
On-balance sheet exposures as percentage of total assets			<u>26.09%</u>

7. NON-BANK MAINLAND CHINA EXPOSURES- continued

As at 31-Dec-25

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	0	0	0
Local governments, local government-owned entities and their subsidiaries and JVs	111	0	111
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	50	0	50
Other entities of central government not reported in item 1 above	0	0	0
Other entities of local government not reported in item 2 above	0	0	0
PRC nationals residing outside mainland China or entities incorporated outside mainland China where the credit is granted for use in mainland China	1,951	403	2,354
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	2,112	403	2,515

Total assets after provision

9,379

On-balance sheet exposures as percentage of total assets

22.52%

8. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA banking return of "Foreign Currency Position" completion instructions.

The net position in foreign currencies are disclosed as follows:

Figures in HKD Million

As at 30-Jun-26

	USD	GBP	JPY	EUR	CNY	CHF	AUD	NZD	Total
Spot assets	7,558	8	187	206	292	737	47	0	9,035
Spot liabilities	(8,063)	(8)	(186)	(206)	(587)	0	(4)	0	(9,054)
Forward purchases	503	0	0	0	297	0	0	0	800
Forward sales	(5)	0	0	(1)	(1)	(736)	(43)	0	(786)
Net option position	0	0	0	0	0	0	0	0	0
Net long (short) position	(7)	0	1	(1)	1	1	0	0	(5)

As at 31-Dec-25

	USD	GBP	JPY	EUR	CNY	CHF	AUD	NZD	Total
Spot assets	7,086	6	218	226	1,017	0	68	0	8,621
Spot liabilities	(7,471)	(6)	(217)	(225)	(694)	0	(3)	0	(8,616)
Forward purchases	377	0	0	1	0	0	0	0	378
Forward sales	(1)	0	0	(2)	(313)	0	(65)	0	(381)
Net option position	0	0	0	0	0	0	0	0	0
Net long (short) position	(9)	0	1	0	10	0	0	0	2

9. Liquidity information

The average liquidity maintenance ratio ("LMR") is being calculated based on the arithmetic mean of the average value of liquidity maintenance ratio for each month during reporting period. The liquidity maintenance ratio is calculated in accordance with the guidelines of the HKMA and the Banking (Liquidity) Rules.

	2026	2025
Average liquidity maintenance ratio for the period of April to June	43.74%	44.24%

IV OTHER INFORMATION

1. DISCLOSURE OF REMUNERATION

A. Remuneration system

In accordance with HKMA's Supervisory Policy Manual Guideline on a Sound Remuneration System - CG5 issued on March 12, 2015, Shanghai Commercial & Savings Bank has disclosed the relevant information in 2025 Bank Annual Report.

2. LIQUIDITY RISK MANAGEMENT

A. Policy Statement of Liquidity risk management

The purpose of liquidity risk management is to ensure our abilities with sufficient cash flows to meet obligations payable to our customers and interbank counterparties. And our Branch should always hold an adequate quantity of high quality liquid assets in order to handle the situation of liquidity shortfalls.

Our Branch obeys "Hong Kong Branch Liquidity Management Policy", "Recovery Plan" and other related regulations from our Head office to manage the liquidity risk.

Our Branch manages the liquidity on a prudent basis to ensure that we can always maintain a sufficiently high liquidity maintenance ratio relative to the statutory minimum. Otherwise, the internal limit of liquidity maintenance ratio on average for each calendar month is set at 40% and daily limit is set at 37% in order for the Branch to retain sufficient liquidity during its normal course of operation.

B. Management Mechanism of liquidity risk management

Asset and Liability Committee ("ALCO") is mainly responsible for the liquidity risk management in our Branch.

Assets and Liability Committee ("ALCO") is in charge of funds sources and asset allocation management, as well as market risk, liquidity risk and interest rate risk management, and other matters related to assets and liabilities management; members include the General Manager; the department heads of administration, operation, financial market, business, and wealth management; senior compliance manager and the risk control manager. The ALCO is chaired by the General Manager.

The Branch's liquidity risk management system contains the following factors: effective monitoring by senior management, liquidity risk management strategies, policies and processes, identification of liquidity risk, risk calculation including limit, stress testing and cash flow analysis, internal controls and monitoring mechanisms, IT systems and crisis disposal mechanisms.

Risk control department takes the lead for the Branch's liquidity risk management. For liquidity risk management, it should be separately controlled according to different currencies. However, considering that the total volume of foreign currency liabilities (excluding USD) is small, the Branch consolidates and manages different foreign currencies together.

The Branch's liquidity risk management framework can accurately, continuously calculate, monitor, manage, control and report liquidity risk status in a timely manner. It can calculate cash flow and maturity mismatch every day according to contractual maturities, followed by calculating and analysing related data according to different currencies under liquidity risk management mode. Lastly, it can effectively and timely monitor and control the Branch's large amount fund flow.

3. Disclosure Statement Available to the Public

Copies of the Disclosure Statement may be obtained from the reception of The Shanghai Commercial & Savings Bank Limited, Hong Kong Branch on 10/F, Peninsula Office Tower, 18 Middle Road, Tsim Sha Tsui, Kowloon, Hong Kong.

A copy of the Disclosure Statement has been lodged with the Hong Kong Monetary Authority's Public Registry and is available on the website https://www.scsb.com.hk/hk_hk_07.jsp for public inspection.

SECTION B - INFORMATION OF THE BANK (CONSOLIDATED BASIS)

I. CAPITAL AND CAPITAL ADEQUACY RATIO

	30-Jun-26	31-Dec-25
A. Capital adequacy ratio	17.26%	18.50%

Figures in HKD Thousand

	30-Jun-26	31-Dec-25
B. Aggregate amount of shareholders' funds	52,723,620	50,778,992

The capital adequacy ratio was compiled in accordance with the "Basel III capital accord". In accordance with the Capital Rules, the bank has adopted the "Standardised approach" for the calculation of the risk-weighted assets for credit risk and market risk, and "Basic indicator approach" for the calculation of operational risk.

II. OTHER FINANCIAL INFORMATION

Figures in HKD Thousand

	30-Jun-26	31-Dec-25
Total assets	619,699,044	604,793,782
Total liabilities	549,192,118	536,566,555
Total advances	305,181,109	298,502,001
Total customer deposit	489,782,568	491,218,096
	Jan to Jun 26	Jan to Jun 25
Income / (loss) before income tax	3,712,361	2,708,835
Less: Income tax expenses	(582,976)	(281,226)
Consolidated income	3,129,385	2,427,609
Belong to:		
Stockholders of the parent company	2,503,172	2,091,685
Minority interest in subsidiaries	626,213	335,925
	3,129,385	2,427,609

The applied exchange rate of TWD to HKD on :

2026/06/30	4.0610
2025/12/31	4.0355
2025/06/30	3.7310

Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of authorized institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of Shanghai Commercial & Savings Bank Limited, Hong Kong Branch for the half year ended 30 Jun 2026. We confirmed that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-I "Guideline on the Application of the Banking (Disclosure) Rules" issued in Aug 2015, and to the best of my knowledge and belief, it is not false or misleading.

Lu Feng Wei

Mr. Lu Feng Wei

Branch General Manager

The Shanghai Commercial & Savings Bank Limited, Hong Kong Branch

11-Sep-26

Date