



Condensed Interim Financial Statements (Unaudited)

For the period ended 30 June 2026

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Introduction

The Directors are pleased to announce the unaudited interim results of Mox Bank Limited ("Mox" or "the Bank") for the six months ended 30 June 2026.

2026 First Half Results

Mox is the digital bank set up by Standard Chartered Bank (Hong Kong) Limited in partnership with PCCW Limited, HKT Limited and CTrip Financial Management (Hong Kong) Co., Limited. Mox is a licensed bank registered under the Hong Kong Banking Ordinance. The Bank's principal activities are the provision of banking and related financial services in Hong Kong, focusing on serving the banking needs of individual retail customers.

For the period ended 30 June 2026, the Bank turned to profitability with a profit before taxation of HK\$9 million, compared to a loss before taxation of HK\$181 million for the period ended 30 June 2025.

The Bank's net asset decreased by HK\$2 million, from HK\$2,614 million as of 31 December 2025, to HK\$2,612 million as of 30 June 2026.

Condensed statement of profit or loss and other comprehensive income for the period ended 30 June 2026 (unaudited)

(Expressed in thousands of Hong Kong dollars)

	Note	6 months ended 30 June 2026 HK\$'000	6 months ended 30 June 2025 HK\$'000
Interest income	3	640,586	500,898
Interest expense	4	(188,664)	(202,678)
Net interest income		451,922	298,220
Net fee income	5	61,342	6,075
Net trading expense	6	(373)	(5,774)
Net gains on derecognition of financial assets at fair value through other comprehensive income ("FVOCI")		–	4,914
Total operating income		512,891	303,435
Staff costs		(142,159)	(166,845)
Premises and equipment		(61,322)	(57,892)
Others		(206,251)	(195,772)
Operating expenses	7	(409,732)	(420,509)
Operating profit/(loss) before credit impairment		103,159	(117,074)
Credit impairment	8	(94,528)	(63,871)
Profit/(loss) before taxation		8,631	(180,945)
Taxation		–	–
Profit/(loss) after taxation		8,631	(180,945)
Other Comprehensive Income			
<i>Items that may be reclassified subsequently to profit or loss when specific conditions are met:</i>			
Financial assets at FVOCI			
– changes in the fair value, net of tax		(10,659)	50,141
– reclassification adjustments for gains included in profit or loss		–	(4,914)
Total comprehensive loss for the period		(2,028)	(135,718)

The notes on pages 6 to 22 form part of these unaudited condensed interim financial statements.

Condensed statement of financial position at 30 June 2026 (unaudited)

(Expressed in thousands Hong Kong dollars)

	Note	At 30 June 2026 HK\$'000	At 31 December 2025 HK\$'000
Assets			
Balances with central bank		1,336,632	1,912,546
Investment securities	9	10,743,396	8,972,042
Advances to banks		158,721	–
Advances to customers	10	12,853,891	14,165,072
Amounts due from immediate holding company		1,416,415	1,046,691
Amounts due from a fellow subsidiary		179	177
Amounts due from related companies		2,422	3,033
Intangible assets		631,364	614,924
Property and equipment	11	49,055	22,383
Prepayment and other assets	12	337,852	309,779
Total assets		<u>27,529,927</u>	<u>27,046,647</u>
Liabilities			
Repurchase agreement at amortised cost		1,000,000	1,500,000
Deposits from customers	13	20,901,287	20,988,125
Amounts due to immediate holding company		2,494,533	1,452,021
Amounts due to a fellow subsidiary		15,350	2,370
Amounts due to a related companies		11,409	7,094
Other payables		495,479	483,140
Total liabilities		<u>24,918,058</u>	<u>24,432,750</u>
Net Assets		<u>2,611,869</u>	<u>2,613,897</u>
Equity			
Share capital		6,216,900	6,216,900
Other equity instruments		468,069	468,069
Other reserve		(8,124)	(8,124)
Reserves		(4,064,976)	(4,062,948)
Total Equity		<u>2,611,869</u>	<u>2,613,897</u>

The notes on pages 6 to 22 form part of these unaudited condensed interim financial statements.

Condensed statement of changes in equity for the period ended 30 June 2026 (unaudited)

(Expressed in thousands Hong Kong dollars)

	Share capital HK\$'000	Accumulated losses HK\$'000	FVOCI Reserves HK\$'000	Other equity instruments HK\$'000	Other reserve HK\$'000	Total HK\$'000
Balance at 1 January 2025	5,278,500	(3,589,141)	(5,529)	468,069	–	2,151,899
Changes in equity for period ended 30 June 2025:						
Shares issued	156,400	–	–	–	–	156,400
Total comprehensive loss for the period	–	(180,945)	45,227	–	–	(135,718)
Balance at 30 June 2025	5,434,900	(3,770,086)	39,698	468,069	–	2,172,581
Changes in equity for period ended 31 December 2025:						
Share issued	782,000	–	–	–	–	782,000
Transactions with shareholder	–	–	–	–	(8,124)	(8,124)
Total comprehensive loss for the period	–	(303,271)	(29,289)	–	–	(332,560)
Balance at 31 December 2025	6,216,900	(4,073,357)	10,409	468,069	(8,124)	2,613,897
Changes in equity for period ended 30 June 2026:						
Shares issued	–	–	–	–	–	–
Total comprehensive loss for the period	–	8,631	(10,659)	–	–	(2,028)
Balance at 30 June 2026	<u>6,216,900</u>	<u>(4,064,726)</u>	<u>(250)</u>	<u>468,069</u>	<u>(8,124)</u>	<u>2,611,869</u>

The notes on pages 6 to 22 form part of these unaudited condensed interim financial statements.

Condensed cash flow statement for the period ended 30 June 2026 (unaudited)

(Expressed in thousands Hong Kong dollars)

	For 6 months ended 30 June 2026 HK\$'000	For 6 months ended 30 June 2025 HK\$'000
Operating activities		
Profit/(loss) before taxation	8,631	(180,945)
Adjustments for non-cash items and other adjustments included within income statements	153,721	119,480
Change in operating assets	(727,439)	(889,557)
Change in operating liabilities	475,353	1,849,070
Net cash (used in)/from operating activities	<u>(89,734)</u>	<u>898,048</u>
Investing activities		
Payments for purchase of property and equipment	(105)	(2,172)
Additions to intangible assets	(68,943)	(76,761)
Net cash used in investing activities	<u>(69,048)</u>	<u>(78,933)</u>
Financing activities		
Proceeds from issuing shares	–	156,400
Principal portion of lease payments	(4,607)	(5,328)
Interest element on lease liabilities	(543)	(374)
Net cash (used in)/from financing activities	<u>(5,150)</u>	<u>150,698</u>
Net (decrease)/increase in cash and cash equivalents	<u>(163,932)</u>	<u>969,813</u>
Cash and cash equivalents at 1 January	5,368,526	2,262,920
Effect of foreign exchange	<u>(920)</u>	<u>14,920</u>
Cash and cash equivalents at 30 June	<u><u>5,203,674</u></u>	<u><u>3,247,653</u></u>
<i>Cash flows from operating activities include:</i>		
Interest received	1,569,964	467,646
Interest paid	<u>(538,136)</u>	<u>(218,455)</u>

The notes on pages 6 to 22 form part of these unaudited condensed interim financial statements.

Notes to the condensed financial statements

(Expressed in thousands Hong Kong dollars)

1 Principal activities

Mox Bank Limited (the “Bank”) is a licensed digital bank registered under the Hong Kong Banking Ordinance. The principal activities of the Bank are the provision of banking and related financial services.

2 Significant accounting policies

(a) Statement of compliance

These condensed interim financial statements have been prepared in compliance with Hong Kong Accounting Standards (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The preparation of the condensed interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. In preparing the condensed interim financial statements, the significant judgement made by management in applying the Bank’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for the year ended 31 December 2025.

The condensed interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). The condensed interim financial statements are unaudited.

(b) Basis of preparation

The accounting policies applied in preparing these condensed interim financial statements are materially consistent with those applied in preparing the financial statements for the year ended 31 December 2025. None of the other revised accounting standards, which became effective from 1 January 2026, have a material impact on the condensed interim financial statements.

3 Interest income

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
Interest income arising from financial assets at amortised cost	519,580	320,556
Interest income arising from financial assets at fair value through comprehensive income	<u>121,006</u>	<u>180,342</u>
	<u>640,586</u>	<u>500,898</u>

Interest income received from placements made with immediate holding company amounted to HK\$13,581,000 (30 June 2025: HK\$41,960,000).

4 Interest expense

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
Interest expense arising from financial liabilities at amortised cost	188,121	202,304
Interest expense arising from lease liabilities	<u>543</u>	<u>374</u>
	<u>188,664</u>	<u>202,678</u>

Interest expense paid to immediate holding company amounted to HK\$20,757,000 (30 June 2025: HK\$90,000).

5 Net fee income

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
Fee and commission income		
Services transferred at a point in time		
– Interchange fee	25,389	9,643
– Amortisation of capitalised contract costs	(16,764)	(17,252)
– Payment handling fee	33,065	27,800
– Securities broker fee	11,432	7,686
– Others	45,863	2,134
Fee and commission expense (Note)	<u>(37,643)</u>	<u>(23,936)</u>
	<u>61,342</u>	<u>6,075</u>

Note: Included amortisation of capitalised contract costs amounted to HK\$6,925,000 (30 June 2025: HK\$4,390,000).

6 Net trading expense

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
Foreign exchange losses	<u>373</u>	<u>5,774</u>

7 Operating expenses

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
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(a) Staff costs

Salaries, wages and other benefits	137,053	149,288
Share based payments	2,339	1,236
Retirement benefits	(6,088)	7,887
Other staff costs	<u>8,855</u>	<u>8,434</u>
	<u>142,159</u>	<u>166,845</u>

<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
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(b) Premises and equipment

Amortisation of capitalised software	52,503	48,005
Depreciation of right-of-use operating lease asset	4,655	5,837
Depreciation of computer equipment, furnitures and fittings	1,492	1,393
Other premises and equipment costs	<u>2,672</u>	<u>2,657</u>
	<u>61,322</u>	<u>57,892</u>

7 Operating expenses (continued)

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
(c) Other items		
Service fee paid to an immediate holding company	32,033	14,969
Auditors' remuneration	1,604	1,537
Other expenses	<u>172,614</u>	<u>179,266</u>
	<u>206,251</u>	<u>195,772</u>

Service fee paid to immediate holding company relates to service support for various function. The service fee is charged on a cost basis.

Professional fee included purchase of services from related parties amounted to HK\$10,495,000 (30 June 2025: HK\$9,394,000). These purchases are made on similar terms as those with other suppliers.

Other expenses included receipts from related parties on reimbursement of marketing costs made under joint promotional initiatives amounted to HK\$21,000 (30 June 2025: HK\$58,000).

8 Credit impairment

	<i>6 months period ended 30 June 2026 HK\$'000</i>	<i>6 months period ended 30 June 2025 HK\$'000</i>
Credit impairment on advances to customers, analysed by:		
– Stage 1	(32,890)	(14,584)
– Stage 2	(40,080)	(26,552)
– Stage 3	195,871	122,912
– POCI	(11,286)	–
Credit impairment relating to loan commitments	<u>(17,087)</u>	<u>(17,905)</u>
	<u>94,528</u>	<u>63,871</u>

9 Investment securities

	<i>At 30 June 2026 HK\$'000</i>	<i>At 31 December 2025 HK\$'000</i>
<i>At FVOCI:</i>		
– Treasury bills	9,365,729	8,817,979
– Certificate of deposit held	1,377,667	154,063
	<u>10,743,396</u>	<u>8,972,042</u>

As at 30 June 2026 and 31 December 2025, there were no investment securities that is impaired, overdue or rescheduled.

10 Advances to customers

	<i>At 30 June 2026 HK\$'000</i>	<i>At 31 December 2025 HK\$'000</i>
Gross advances to customers	13,143,572	14,522,517
Less: Credit impairment, analysed by:		
– Stage 1	(116,990)	(149,874)
– Stage 2	(117,907)	(157,987)
– Stage 3	(55,529)	(53,154)
– POCI	(2,346)	(2,827)
	<u>12,850,800</u>	<u>14,158,675</u>
Gross advances to customers at fair value through profit or loss	<u>3,091</u>	<u>6,397</u>
Total net advances to customers	<u>12,853,891</u>	<u>14,165,072</u>

11 Property and equipment

	<i>At 30 June 2026</i>			
	<i>Right-of-use operating lease property HK\$'000</i>	<i>Leasehold improvement HK\$'000</i>	<i>Office equipment HK\$'000</i>	<i>Total HK\$'000</i>
Cost				
At 1 January 2026	85,846	13,385	21,107	120,338
Additions	32,713	–	105	32,818
At 30 June 2026	<u>118,559</u>	<u>13,385</u>	<u>21,212</u>	<u>153,156</u>
Accumulated depreciation				
At 1 January 2026	71,254	11,316	15,385	97,955
Charge for the year	4,655	828	663	6,146
At 30 June 2026	<u>75,909</u>	<u>12,144</u>	<u>16,048</u>	<u>104,101</u>
Net book value				
At 30 June 2026	<u>42,650</u>	<u>1,241</u>	<u>5,164</u>	<u>49,055</u>

11 Property and equipment (continued)

	<i>At 31 December 2025</i>			
	<i>Right-of-use operating lease property HK\$'000</i>	<i>Leasehold improvement HK\$'000</i>	<i>Office equipment HK\$'000</i>	<i>Total HK\$'000</i>
Cost				
At 1 January 2025	85,846	13,385	18,231	117,462
Additions	–	–	2,876	2,876
At 31 December 2025	<u>85,846</u>	<u>13,385</u>	<u>21,107</u>	<u>120,338</u>
Accumulated depreciation				
At 1 January 2025	59,580	9,661	14,189	83,430
Charge for the year	<u>11,674</u>	<u>1,655</u>	<u>1,196</u>	<u>14,525</u>
At 31 December 2025	<u>71,254</u>	<u>11,316</u>	<u>15,385</u>	<u>97,955</u>
Net book value				
At 31 December 2025	<u>14,592</u>	<u>2,069</u>	<u>5,722</u>	<u>22,383</u>

12 Prepayments and other assets

	<i>At 30 June 2026 HK\$'000</i>	<i>At 31 December 2025 HK\$'000</i>
Capitalised contract costs	212,639	214,606
Prepaid expenses	50,698	51,999
Sundry debtors	22,228	3,984
Deposits	3,943	3,943
Amounts due from brokers	44,673	31,858
Other receivables	<u>3,671</u>	<u>3,389</u>
	<u>337,852</u>	<u>309,779</u>

As of end of period 30 June 2026 and 31 December 2025, there were no assets that is impaired, overdue or rescheduled.

13 Deposits from customers

	<i>At 30 June 2026 HK\$'000</i>	<i>At 31 December 2025 HK\$'000</i>
Savings accounts	10,439,673	11,059,690
Time Deposits	<u>10,461,614</u>	<u>9,928,435</u>
	<u>20,901,287</u>	<u>20,988,125</u>

14 Fair values of financial instruments

Valuation of financial instruments carried at amortised costs

For financial instruments as of 30 June 2026 and 31 December 2025 that are not carried at fair value, the Bank has ascertained that their fair values were the reasonable approximation of the carrying amounts at period end due to short-term nature.

Valuation of financial instruments carried at fair value

The following table present the carrying value of the Bank's financial assets recognised at fair value on a recurring basis, classified according to the fair value hierarchy.

	<i>Level 1 HK\$'000</i>	<i>Level 2 HK\$'000</i>	<i>Total HK\$'000</i>
At 30 June 2026			
Investments securities measured at FVOCI	<u>9,365,729</u>	<u>1,377,667</u>	<u>10,743,396</u>
	<u>9,365,729</u>	<u>1,377,667</u>	<u>10,743,396</u>

14 Fair values of financial instruments (continued)

	<i>Level 1</i> <i>HK\$'000</i>	<i>Level 2</i> <i>HK\$'000</i>	<i>Total</i> <i>HK\$'000</i>
At 31 December 2025			
Investments securities measured at FVOCI	8,817,979	154,063	8,972,042
	<u>8,817,979</u>	<u>154,063</u>	<u>8,972,042</u>

The were no significant transfers of financial assets or liabilities between level 1 and level 2 fair value hierarchy classifications.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Bank is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

15 Immediate parent and ultimate controlling party

At 30 June 2026, the directors consider the immediate holding company and ultimate holding company of the Bank to be Standard Chartered Bank (Hong Kong) Limited and Standard Chartered PLC respectively, which are incorporated in Hong Kong and the United Kingdom and registered in Hong Kong and England and Wales respectively.

16 Material related party transactions

There were no significant changes in the related party transaction described in 2025 annual report that have a material impact on the financial position or performance of the Bank in the six months ended 30 June 2026. All related party transactions that took place in the six months ended 30 June 2026 were of similar nature to those disclosed in the 2025 annual report.

As at 30 June 2026, there were no impaired, overdue or rescheduled balances.

17 Off balance sheet exposures

The following is a summary of the contractual amounts of each significant contingent liability and commitment:

	<i>At 30 June 2026 HK\$'000</i>	<i>At 31 December 2025 HK\$'000</i>
Direct credit substitute	18,690	19,835
Loan commitments which are unconditionally cancellable	<u>26,399,388</u>	<u>25,657,840</u>
	<u>26,418,078</u>	<u>25,677,675</u>

The direct credit substitute represents financial guarantee the Bank issued to its immediate holding company for collateralised staff housing mortgage loan issued by its immediate holding company to the Bank's employees as part of staff benefit programme.

The amount of guarantee is the aggregated amount of loan granted to employees that was in excess of the HKMA regulatory loan to value ratio cap. The amount of 'excess' were assessed individually for each loan.

As of 30 June 2026 and 31 December 2025, these loans remain fully collateralised by the respective property values.

The remaining contractual maturities for the financial guarantee range between 15 years to 29 years.

Other commitments which are unconditionally cancellable represent the undrawn portion of the credit card facilities issued to customers.

The total credit risk weighted amount of off-balance sheet exposures is HK\$18,690,000 (31 December 2025: HK\$19,835,000).

18 Post balance sheet events

There have been no events after the reporting date that would require disclosure in these financial statements.

19 International claims

International claims are on-balance sheet exposures of counterparties based on the location of those counterparties after taking into account the transfer of risk. Recognised risk transfer refers to the reduction of exposure to a particular country by an effective transfer of credit risk to a different country.

International claims on individual countries or segments, after risk transfer, amounting to 10% or more of the aggregated international claims are shown as below:

	<i>Banks</i>	<i>Official</i>	<i>Non-bank</i>	<i>Non-</i>	
	<i>HK\$'000</i>	<i>Sector</i>	<i>Financial</i>	<i>financial</i>	
		<i>HK\$'000</i>	<i>institution</i>	<i>private</i>	<i>Total</i>
			<i>HK\$'000</i>	<i>sector</i>	<i>HK\$'000</i>
				<i>HK\$'000</i>	
At 30 June 2026					
Offshore centres	903,568	–	25,113	–	928,681
– of which Hong Kong SAR	903,568	–	25,113	–	928,681
Developed countries	614,112	2,310,795	–	–	2,924,907
– of which United States	–	2,310,795	–	–	2,310,795
– of which Australia	614,112	–	–	–	614,112
At 31 December 2025					
Offshore centres	3,806,399	–	–	4,288	3,810,687
– of which Hong Kong SAR	3,806,399	–	–	4,288	3,810,687
Developed countries	–	2,949,273	–	–	2,949,273
– of which United States	–	2,949,273	–	–	2,949,273
– of which Australia	–	–	–	–	–

20 Advances to customers analysed by industry sector

The analysis of gross advances to customers by industry sector is based on the categories used by the HKMA.

	At 30 June 2026 HK\$'000	% of collateral covered by collateral or other liabilities HK\$'000
Gross advances for use in Hong Kong		
Industrial, commercial and financial		
– Property development	–	–
– Property investment	–	–
– Financial concerns	–	–
– Stockbrokers	–	–
– Wholesale and retail trade	–	–
– Manufacturing	–	–
– Transport and transport equipment	–	–
– Recreational activities	–	–
– Information technology	–	–
– Others	–	–
Individuals		
– Advances for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	–	–
– Advances for the purchase of other residential properties	–	–
– Credit card advances	7,031,286	–
– Others	5,795,684	–
Total gross advances for use in Hong Kong	12,826,970	–
Gross advances for use outside Hong Kong	4,695	–
Gross advances to customers	12,831,665	–

The amount of impaired and overdue loans and advances to customers and expected credit loss provision for industry sectors which constitute not less than 10% of the Bank's total advances to customers are as follows:

	Impaired advances to customers HK\$'000	Overdue advances to customers HK\$'000	Stage 3 credit loss provision HK\$'000	Stage 1 & 2 expected credit loss provision HK\$'000
At 30 June 2026				
Gross loans and advances for use in Hong Kong				
Individuals	291,821	36,581	143,333	228,416

20 Advances to customers analysed by industry sector (continued)

	<i>At 31 December 2025 HK\$'000</i>	<i>% of collateral covered by collateral or other liabilities HK\$'000</i>
Gross advances for use in Hong Kong		
Industrial, commercial and financial		
– Property development	–	–
– Property investment	–	–
– Financial concerns	–	–
– Stockbrokers	–	–
– Wholesale and retail trade	–	–
– Manufacturing	–	–
– Transport and transport equipment	–	–
– Recreational activities	–	–
– Information technology	–	–
– Others	–	–
Individuals		
– Advances for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	–	–
– Advances for the purchase of other residential properties	–	–
– Credit card advances	7,321,091	–
– Others	6,832,118	–
Total gross advances for use in Hong Kong	14,153,209	–
Gross advances for use outside Hong Kong	4,483	–
Gross advances to customers	14,157,692	–

The amount of impaired and overdue loans and advances to customers and expected credit loss provision for industry sectors which constitute not less than 10% of the Bank's total advances to customers are as follows:

	<i>Impaired advances to customers HK\$'000</i>	<i>Overdue advances to customers HK\$'000</i>	<i>Stage 3 credit loss provision HK\$'000</i>	<i>Stage 1 & 2 expected credit loss provision HK\$'000</i>
At 31 December 2025				
Gross loans and advances for use in Hong Kong				
Individuals	286,079	48,837	138,482	300,608

21 Advances to customers by geographical location

The analysis of gross advances to customers by geographical location is in accordance with the location of counterparties, after into account of any recognised risk transfer.

	<i>Total gross loans and advances to customers HK\$'000</i>	<i>Impaired advances to customers HK\$'000</i>	<i>Overdue advances to customers HK\$'000</i>	<i>Stage 3 credit loss provision HK\$'000</i>	<i>Stage 1 & 2 expected credit loss provision HK\$'000</i>
30 June 2026					
Hong Kong	12,826,970	291,821	36,581	143,333	228,411
Others	<u>4,695</u>	<u>166</u>	<u>166</u>	<u>149</u>	<u>426</u>
Total	<u>12,831,665</u>	<u>291,987</u>	<u>36,747</u>	<u>143,482</u>	<u>228,837</u>
31 December 2025					
Hong Kong	14,153,209	286,079	48,837	138,482	300,608
Others	<u>4,483</u>	<u>1,065</u>	<u>1,065</u>	<u>1,024</u>	<u>143</u>
Total	<u>14,157,692</u>	<u>287,144</u>	<u>49,902</u>	<u>139,506</u>	<u>300,751</u>

22 Overdue and rescheduled assets

	<i>At 30 June 2026</i>		<i>At 31 December 2025</i>	
	<i>HK\$'000</i>	<i>% of advances to customers</i>	<i>HK\$'000</i>	<i>% of advances to customers</i>
Gross advances to customers which have been overdue with respect to either principal or interest for periods of:				
– 6 months or less but over 3 months	36,735	0.29%	49,902	0.35%
– 1 year or less but over 6 months	12	–	–	–
– Over 1 year	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>36,747</u>	<u>0.29%</u>	<u>49,902</u>	<u>0.35%</u>

22 Overdue and rescheduled assets (continued)

	At 30 June 2026 HK\$'000		At 31 December 2025 HK\$'000	
Fair value of collateral held against the covered portion of overdue advances to customers				
– Covered portion of overdue advances to customers		<u>–</u>		<u>–</u>
– Uncovered portion of overdue advances to customers		<u>36,747</u>		<u>49,902</u>
Stage 3 expected credit loss provision against advances to customers overdue more than 3 months		<u>32,522</u>		<u>43,575</u>
	At 30 June 2026		At 31 December 2025	
	% of		% of	
	advances to		advances to	
	customers		customers	
	HK\$'000		HK\$'000	
Rescheduled loans and advances to customers	<u>256,513</u>	<u>2.0%</u>	<u>236,088</u>	<u>1.63%</u>

Rescheduled loans and advances are those loans and advances, which have been restructured or renegotiated because of a deterioration in the financial position of the borrowers, or the inability of the borrowers to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Bank. Rescheduled loans and advances to customers are stated net of any loans and advances that have subsequently become overdue for over 3 months and reported as overdue loans and advances in note d.

As at 30 June 2026, there were no overdue and rescheduled advances to banks and other financial institutions, investment securities and other assets.

23 Mainland exposure

The following illustrates the disclosure the Bank is required to make under the prevailing Return of Mainland Activities (MA(BS)20) in respect of its Non-bank Mainland China exposures.

	<i>At 30 June 2026</i>		
	<i>On-balance</i>	<i>Off-balance</i>	<i>Total</i>
	<i>sheet exposure</i> <i>HK\$'000</i>	<i>sheet exposure</i> <i>HK\$'000</i>	
Type of counterparties			
1. Central government, central government – owned entities and their subsidiaries and joint ventures	–	–	–
2. Local governments, local government-owned entities and their subsidiaries and joint ventures	–	–	–
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	187	–	187
4. Other entities of central government not reported in item 1 above	–	–	–
5. Other entities of local government 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	–	–	–
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	2,422	–	2,422
Total	2,609	–	2,609
Total assets after provision	27,474,626		
On-balance sheet exposures as percentage of total assets	0.01%		

23 Mainland exposure (continued)

	<i>At 31 December 2025</i>		
	<i>On-balance sheet exposure HK\$'000</i>	<i>Off-balance sheet exposure HK\$'000</i>	<i>Total HK\$'000</i>
Type of counterparties			
1. Central government, central government – owned entities and their subsidiaries and joint ventures	–	–	–
2. Local governments, local government-owned entities and their subsidiaries and joint ventures	–	–	–
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	190	–	190
4. Other entities of central government not reported in item 1 above	–	–	–
5. Other entities of local government 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	–	–	–
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	2,402	–	2,402
Total	2,592	–	2,592
Total assets after provision	26,978,144		
On-balance sheet exposures as percentage of total assets	0.01%		

24 Currency risk

The currency risk arising from the Bank's operations for those individual currencies which each constitute more than 10% of the total net positions in all foreign currencies are as follows:

	<i>At 30 June 2026</i>	<i>At 31 December 2025</i>
	<i>United States dollar HK\$'000</i>	<i>United States dollar HK\$'000</i>
Spot assets	3,736,209	3,506,415
Spot liabilities	(3,724,254)	(3,521,041)
Net long/(short) non-structural position	11,945	(14,626)

The Bank does not have structural FX position as of 30 June 2026 and 31 December 2025.