



Supplementary Notes to Financial Statements (unaudited)

For period ended 31 December 2025

Mox Bank Limited

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1. Supplementary Notes to Financial Statements (unaudited)

Introduction

These notes are supplementary to and should be read in conjunction with the 2025 Annual Financial Statements. The financial statements and this supplementary notes to financial statements (unaudited) taken together comply with the Banking (Disclosure) Rules (“Rules”) under section 60A of the Banking Ordinance. These banking disclosures are governed by the Bank’s disclosure policy, which has been approved by the Board of Directors. The disclosure policy sets out the approach to determine the content, appropriateness and frequency of the disclosures, the approach to ensure the relevance and adequacy of the disclosures, and the internal control over the process for making the disclosures. The disclosures have been subject to independent review in accordance to the disclosure policy. Additional disclosures as required by the Banking (Disclosure) Rules will be available on our website: <https://mox.com/> on or before 30 April 2026.

Basis of preparation

The capital adequacy ratio (“CAR”) was compiled in accordance with the Banking (Capital) Rules (“BCR”) issued by the HKMA. The Bank adopted the Standardised (Credit Risk) Approach for credit risk in calculating the risk weighted assets. For market risk, the Bank adopted Standardised (Market Risk) Approach prior to June 2024 . Since end of June 2024, the Bank has been exempted under section 22(1) of the BCR from the calculation of market risk under section 17 . For operational risk, the capital requirement is calculated using the standardised approach.

Basis of consolidation

As of 31 December 2025, the Bank does not have any subsidiaries for consolidation purpose.

2. Key prudential ratios and metrics

a. Key prudential ratios (KM1)

The following table sets out an overview of the Bank's key prudential ratios.

		(a)	(b)	(c)	(d)	(e)
		31 Dec 2025 HK\$'000	30 Sep 2025 HK\$'000	30 Jun 2025 HK\$'000	31 Mar 2025 HK\$'000	31 Dec 2024 HK\$'000
	Regulatory capital (amount)					
1 & 1a	Common Equity Tier 1 (CET1)	1,530,904	965,498	1,102,390	1,033,246	1,110,463
2 & 2a	Tier 1	1,998,973	1,433,567	1,570,459	1,501,315	1,578,532
3 & 3a	Total capital	2,152,466	1,517,176	1,657,008	1,589,466	1,655,641
	RWA (amount)					
4	Total RWA	13,019,545	7,455,901	7,599,253	7,689,969	6,670,498
4a	Total RWA (pre-floor)	13,019,545	7,455,901	7,599,253	7,689,969	
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5 & 5a	CET1 ratio (%)	11.76	12.95	14.51	13.44	16.65
5b	CET1 ratio (%) (pre-floor ratio)	11.76	12.95	14.51	13.44	
6 & 6a	Tier 1 ratio (%)	15.35	19.23	20.67	19.52	23.66
6b	Tier 1 ratio (%) (pre-floor ratio)	15.35	19.23	20.67	19.52	
7 & 7a	Total capital ratio (%)	16.53	20.35	21.80	20.67	24.82
7b	Total capital ratio (%) (pre-floor ratio)	16.53	20.35	21.80	20.67	
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.50	2.50	2.50	2.50	2.50
9	Countercyclical capital buffer requirement (%)	0.50	0.50	0.50	0.50	0.50
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.00	3.00	3.00	3.00	3.00
12	CET1 available after meeting the AI's minimum capital requirements (%)	6.44	7.57	9.15	8.08	11.30
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	28,948,839	25,713,007	24,996,201	23,738,728	23,145,436
13a	LR exposure measure based on mean values of gross assets of SFTs	28,948,839	25,713,007	24,996,201	23,738,728	
14, 14a & 14b	LR (%)	6.91	5.58	6.28	6.32	6.82
14c & 14d	LR (%) based on mean values of gross assets of SFTs	6.91	5.58	6.28	6.32	
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2 institution only:					
17a	LMR (%)	75.58	87.76	86.40	82.25	83.85

2. Key prudential ratios (continued)

a. Key prudential ratios (KM1) (continued)

		(a)	(b)	(c)	(d)	(e)
		31 Dec 2025 HK\$'000	30 Sep 2025 HK\$'000	30 Jun 2025 HK\$'000	31 Mar 2025 HK\$'000	31 Dec 2024 HK\$'000
Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)						
	Applicable to category 1 institution only:					
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

The capital ratios and LMR remained well above the minimum regulatory requirements.

CET1 ratio, Tier 1 and total capital ratio dropped as the Bank has been launching its products and services resulting in consumption of capital for business operation costs.

Leverage ratio increased due to capital injection in Q4 2025.

3. Overview of risk management and RWA

a. Overview of risk-weighted amount (OVA)

Note 29 on pages 43 to 70 of the 2025 financial statements sets out a description of risk management objectives and policies and how the Board of Directors and senior management assess and manage risks, enabling users to gain a clear understanding of risk tolerance and appetite in relation to the main activities and all significant risks.

b. Overview of risk-weighted amount ("RWA") (OV1)

The following table sets out an overview of capital requirement in terms of a detailed breakdowns of RWAs for various risk.

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		31 Dec 2025 HK\$'000	30 Sep 2025 HK\$'000	31 Dec 2025 HK\$'000
1	Credit risk for non-securitization exposures	12,279,415	6,688,753	982,353
2	Of which STC approach	12,279,415	6,688,753	982,353
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
5a	Of which retail IRB approach	-	-	-
5b	Of which specific risk-weight approach	-	-	-
6	Counterparty credit risk and default fund contributions	-	-	-
7	Of which SA-CCR approach	-	-	-
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	-	-	-
11	Equity positions in banking book under the simple risk-weight method and internal models method	N/A	N/A	N/A
12	Collective investment scheme ("CIS") exposures – look-through approach / third-party approach	N/A	N/A	N/A
13	CIS exposures – mandate-based approach	N/A	N/A	N/A

3. Overview of risk management and RWA (continued)

b. Overview of risk-weighted amount ("RWA") (OV1) (continued)

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		31 Dec 2025 HK\$'000	30 Sep 2025 HK\$'000	31 Dec 2025 HK\$'000
14	CIS exposures – fall-back approach	N/A	N/A	N/A
14a	CIS exposures – combination of approaches	N/A	N/A	N/A
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	Market risk	N/A	N/A	N/A
21	Of which STM approach	N/A	N/A	N/A
22	Of which IMA	N/A	N/A	N/A
22a	Of which SSTM approach	N/A	N/A	N/A
23	Capital charge for moving exposures between trading book and banking book	N/A	N/A	N/A
24	Operational risk	973,488	917,925	77,879
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Output floor level applied	N/A	N/A	N/A
27	Floor adjustment (before application of transitional cap)	N/A	N/A	N/A
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
28a	Deduction to RWA	233,358	150,777	18,669
28b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	233,358	150,777	18,669
28c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
29	Total	13,019,545	7,455,901	1,041,563

Increase in credit risk for non-securitization exposure is mainly due to increase in customer loan balances.

Since end of June 2024, the Bank has been exempted under section 22(1) of the BCR from the calculation of market risk under section 17.

4. Linkage between financial statements and regulatory exposures

a. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory categories (LI1)

The following table sets out an information on assets and liabilities to enable users to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, with a breakdown into regulatory risk categories of every item of the assets and liabilities reported in financial statements based on the scope of accounting consolidation.

As of 31 Dec 2025	Carrying values as reported in published financial statements HK\$'000	Carrying values under scope of regulatory consolidation HK\$'000	Carrying values of items:				
			subject to credit risk framework HK\$'000	subject to counterparty credit risk framework HK\$'000	subject to the securitization framework HK\$'000	subject to market risk framework HK\$'000	not subject to capital requirements or subject to deduction from capital HK\$'000
Assets							
Balances with central bank	1,912,546	1,912,546	1,912,546	-	-	-	-
Investment securities	8,972,042	8,972,042	8,972,042	-	-	-	-
Advances to customers	14,165,072	14,165,072	14,165,072	-	-	-	-
Amounts due from immediate holding company	1,046,691	1,046,691	1,046,691	-	-	-	-
Amounts due from fellow subsidiary	177	177	177	-	-	-	-
Amounts due from related companies	3,033	3,033	3,033	-	-	-	-
Intangible assets	614,924	614,924	-	-	-	-	614,924
Property and equipment	22,383	22,383	22,383	-	-	-	-
Prepayment and other assets	309,779	309,779	309,779	-	-	-	-
Total assets	27,046,647	27,046,647	26,431,723	-	-	-	614,924
Liabilities							
Repurchase agreement at amortised cost	1,500,000	1,500,000	-	-	-	-	1,500,000
Deposits from customers	20,988,125	20,988,125	-	-	-	-	20,988,125
Amounts due to immediate holding company	1,452,021	1,452,021	-	-	-	-	1,452,021
Amounts due to fellow subsidiary	2,370	2,370	-	-	-	-	2,370
Amounts due to related companies	7,094	7,094	-	-	-	-	7,094
Other payables	483,140	483,140	-	-	-	-	483,140
Total liabilities	24,432,750	24,432,750	-	-	-	-	24,432,750

4. Linkage between financial statements and regulatory exposures (continued)

b. Main sources of differences between regulatory exposure amounts and carrying values in financial statements (LI2)

The following table sets out information on the main sources of differences between the carrying values in financial statements and the exposure amounts used for the calculation of regulatory capital in respect of the assets and liabilities based on the scope of regulatory consolidation.

As of 31 Dec 2025		Total HK\$'000	Items subject to:			
			credit risk framework HK\$'000	securitization framework HK\$'000	counterparty credit risk framework HK\$'000	market risk framework HK\$'000
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	27,046,647	26,431,723	-	-	-
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	-	-	-	-	-
3	Total net amount under regulatory scope of consolidation	27,046,647	26,431,723	-	-	-
4	Off-balance sheet amounts	25,677,674	25,677,674	-	-	-
5	Differences due to allowances	300,751	300,751	-	-	-
				-	-	-
6	Exposure amounts considered for regulatory purposes	53,025,073	52,410,148	-	-	-

c. Explanations of differences between accounting and regulatory exposure amounts (LIA)

The key differences between regulatory exposure amounts and accounting carrying values under the regulatory scope of consolidation are:

- (i) Off-balance sheet amounts: Off-balance sheet amounts include contingent liabilities and guarantees after application of credit conversion factors
- (ii) Differences due to allowances: The carrying value of assets in the financial statements are net of allowances. However, regulatory exposures under standardized approach are net of specific allowances

4. Linkage between financial statements and regulatory exposures (continued)

d. Prudent valuation adjustments (PV1)

The following table sets out a detailed breakdown of the constituent elements of valuation adjustment.

As of 31 Dec 2025		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Equity HK\$'000	Interest rates HK\$'000	FX HK\$'000	Credit HK\$'000	Commodities HK\$'000	Total HK\$'000	Of which: In the trading book HK\$'000	Of which: In the banking book HK\$'000
1	Close-out uncertainty, of which:	-	-	-	-	-	-	-	-
2	<i>Mid-market value</i>	-	-	-	-	-	-	-	-
3	<i>Close-out costs</i>	-	-	-	-	-	-	-	-
4	<i>Concentration</i>	-	-	-	-	-	-	-	-
5	Early termination	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-
7	Operational risks	-	-	-	-	-	-	-	-
8	Investing and funding costs	-	-	-	-	-	-	-	-
9	Unearned credit spreads	-	-	-	-	-	-	-	-
10	Future administrative costs	-	-	-	-	-	-	-	-
11	Other adjustments	-	-	-	-	-	-	-	-
12	Total adjustments	-	-	-	-	-	-	-	-

5. Composition of regulatory capital

a. Composition of regulatory capital (CC1)

As of 31 Dec 2025		(a)	(b)
		Amount HK\$'000	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	6,216,900	(2)
2	Retained earnings	(4,073,357)	(3)
3	Disclosed reserves	2,285	(4)
5	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)	-	
6	CET1 capital before regulatory deductions	2,145,828	
CET1 capital: regulatory deductions			
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liabilities)	-	-
9	Other intangible assets (net of associated deferred tax liabilities)	614,924	(1)

5. Composition of regulatory capital

a. Composition of regulatory capital (CC1)

As of 31 Dec 2025		(a)	(b)
		Amount HK\$'000	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
10	Deferred tax assets (net of associated deferred tax liabilities)	-	
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	-	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	-	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	-	
26b	Regulatory reserve for general banking risks	-	
26c	Securitization exposures specified in a notice given by the MA	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	614,924	
29	CET1 capital	1,530,904	

5. Composition of regulatory capital

a. Composition of regulatory capital (CC1)

		(a)	(b)
As of 31 Dec 2025		Amount HK\$'000	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	468,069	
31	of which: classified as equity under applicable accounting standards	468,069	(5)
32	of which: classified as liabilities under applicable accounting standards	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
36	AT1 capital before regulatory deductions	468,069	
	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	468,069	
45	Tier 1 capital (T1 = CET1 + AT1)	1,998,973	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	153,493	
51	Tier 2 capital before regulatory deductions	153,493	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 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)	-	

5. Composition of regulatory capital

a. Composition of regulatory capital (CC1)

		(a)	(b)
As of 31 Dec 2025		Amount HK\$'000	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
54a	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)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	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)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	-	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	-	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within BCR §48(1)(g)	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	153,493	
59	Total regulatory capital (TC = T1 + T2)	2,152,466	
60	Total RWA	13,019,545	
Capital ratios (as a percentage of RWA)			
61	CET1 capital ratio	11.76%	
62	Tier 1 capital ratio	15.35%	
63	Total capital ratio	16.53%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical capital buffer requirement	0.50%	
67	of which: higher loss absorbency requirement	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	6.44%	
National minima (if different from Basel 3 minimum)			
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	

5. Composition of regulatory capital

a. Composition of regulatory capital (CC1)

		(a)	(b)
As of 31 Dec 2025		Amount HK\$'000	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	-	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	

5. Composition of regulatory capital (continued)

a. Composition of regulatory capital (CC1)

Notes to the template
As of 31 Dec 2025

	Description	Hong Kong basis HKD'000	Basel III basis HKD'000
9	Other intangible assets (net of associated deferred tax liabilities)	614,924	614,924
	<u>Explanation</u> As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights ("MSRs") may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
10	Deferred tax assets (net of associated deferred tax liabilities)	-	-
	<u>Explanation</u> As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<u>Explanation</u> For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<u>Explanation</u> For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

5. Composition of regulatory capital (continued)

a. Composition of regulatory capital (CC1)

Notes to the template

As of 31 Dec 2025

	Description	Hong Kong basis HKD'000	Basel III basis HKD'000
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<u>Explanation</u> The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
54	Insignificant LAC investments in Tier 2 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)	-	-
	<u>Explanation</u> The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and non-capital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
Remarks: The amount of the 10% threshold and 5% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.			

5. Composition of regulatory capital (continued)

b. Reconciliation of regulatory capital to balance sheet (CC2)

	(a)	(b)	(c)
	Balance sheet as in published financial statements (as at 31 Dec 2025) (HKD'000)	Under regulatory scope of consolidation (as at 31 Dec 2025) (HKD'000)	Cross reference to note 5(a) of (CC1)
Assets			
Balances with central bank	1,912,546	1,912,546	
Investment securities	8,972,042	8,972,042	
Advances to customers	14,165,072	14,165,072	
Amount due from immediate holding company	1,046,691	1,046,691	
Amount due from a fellow subsidiary	177	177	
Amount due from related companies	3,033	3,033	
Property and equipment	22,383	22,383	
Intangible assets	614,924	614,924	(1)
Prepayment and other assets	309,779	309,779	
Total assets	27,046,647	27,046,647	
Liabilities			
Repurchase agreement at amortised cost	1,500,000	1,500,000	
Deposits from customers	20,988,125	20,988,125	
Amounts due to immediate holding company	1,452,021	1,452,021	
Amount due to a fellow subsidiary	2,370	2,370	
Amount due to a related company	7,094	7,094	
Other payables	483,140	483,140	
Total liabilities	24,432,750	24,432,750	
Shareholders' equity			
Share capital	6,216,900	6,216,900	
Of which: amount eligible for CET1	-	6,216,900	(2)
Other equity instruments	468,069	468,069	
Of which: amount eligible for AT1	-	468,069	(5)
Reserves	(4,071,072)	(4,071,072)	
Of which: FVOCI reserves - debt	10,409	10,409	(4)
Of which: Other reserve	(8,124)	(8,124)	(4)
Of which: Retained earnings	(4,073,357)	(4,073,357)	(3)
Total shareholders' equity	2,613,897	2,613,897	

5. Composition of regulatory capital (continued)

c. Main features of regulatory capital instruments (CCA)

The following is a summary of the bank's common equity tier 1 ("CET1") capital, additional tier 1 ("AT1") capital and tier 2 capital instruments.

		HKD Ordinary Shares
1	Issuer	Mox Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong
<i>Regulatory treatment</i>		
4	Transitional Basel III rules	N/A
5	Basel III rules	CET1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK\$6,217 Million
9	Par value of instrument	N/A
10	Accounting classification	Equity
11	Original date of issuance	10 Aug 2018: 20,000 ordinary shares 25 Feb 2019: 29,980,000 ordinary shares 3 Apr 2019: 131,092,000 ordinary shares 19 Nov 2020: 46,920,000 ordinary shares 26 Feb 2021: 46,920,000 ordinary shares 10 Mar 2022: 65,688,000 ordinary shares 25 Nov 2022: 31,280,000 ordinary shares 1 Feb 2023: 54,740,000 ordinary shares 21 Jul 2023: 31,280,000 ordinary shares 30 Nov 2023: 35,190,000 ordinary shares 5 Jun 2024: 17,595,000 ordinary shares 13 Dec 2024: 37,145,000 ordinary shares 30 Apr 2025: 15,640,000 ordinary shares 30 Oct 2025: 78,200,000 ordinary shares
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

5. Composition of regulatory capital (continued)
c. Main features of regulatory capital instruments (CCA) (continued)

		HKD AT1 Capital
1	Issuer	Mox Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	N/A
5	Basel III rules	Additional Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK\$233.7 Million
9	Par value of instrument	HK\$234.6 Million
10	Accounting classification	Equity
11	Original date of issuance	20 Mar 2024
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 20 Mar 2029 Redemption amount at par.
16	Subsequent call dates, if applicable	Each Reset Date thereafter
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend / coupon	Fixed
18	Coupon rate and any related index	Year 1 to 5: 8.37 per cent. per annum payable semi-annually in arrear Year 5 onwards: Resets every 5 years
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Non-Viability Event. "Non-Viability Event" means the earlier of: (i) the Monetary Authority notifying the Issuer in writing that the Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and (ii) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or

5. Composition of regulatory capital (continued)
c. Main features of regulatory capital instruments (CCA) (continued)

		HKD AT1 Capital
		equivalent support is necessary, without which the Issuer would become non-viable.
32	If write-down, full or partial	Full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	<p>The rights and claims of Securityholders against the Issuer to payment in respect of the Securities (including, without limitation, any payments in respect of damages awarded for breach of any obligations), in the event of the winding-up of the Issuer (other than pursuant to a Permitted Reorganisation), shall rank:</p> <ul style="list-style-type: none"> (i) subordinate and junior in right of payment to, and of all claims of (x) all unsubordinated creditors of the Issuer (including its depositors), (y) all creditors in respect of Tier 2 Capital Instruments of the Issuer and (z) all other Subordinated Creditors of the Issuer whose claims are stated to rank senior to the Securities or rank senior to the Securities by operation of law or contract; (ii) pari passu in right of payment to, and of all claims of the holders of Parity Obligations; and (iii) senior in right of payment to, and of all claims of holders of Junior Obligations. <p>"Additional Tier 1 Capital Instruments" means any instrument issued, entered into or guaranteed by the Issuer that constitutes or qualifies as Additional Tier 1 capital of the Issuer pursuant to the Banking Capital Regulations.</p> <p>"CET1 Capital Instruments" means any instrument issued or entered into by the Issuer that constitutes Common Equity Tier 1 capital of the Issuer pursuant to the Banking Capital Regulations.</p> <p>"Junior Obligations" means all classes of the Issuer's share capital (including without limitation any preference shares) and any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as CET1 Capital Instruments or that ranks or is expressed to rank junior to the Securities by operation of law or contract.</p> <p>"Parity Obligations" means any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as an Additional Tier 1 Capital Instrument or any instrument or other obligation issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank pari passu with the Securities by operation of law or contract, which excludes any Junior Obligations of the Issuer.</p>

5. Composition of regulatory capital (continued)

c. Main features of regulatory capital instruments (CCA) (continued)

		HKD AT1 Capital
		<p>"Subordinated Creditors" means all creditors the indebtedness of which is subordinated, in the event of winding-up of the Issuer, in right of payment to, and of all claims of, the depositors and other unsubordinated creditors of the Issuer other than those whose claims rank or are expressed to rank by operation of law or contract pari passu with, or junior to, the claims of the Securityholders. For this purpose "indebtedness" shall include all liabilities, whether actual or contingent.</p> <p>"Tier 2 Capital Instruments" means any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as Tier 2 capital of the Issuer pursuant to the Banking Capital Regulations.</p>
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

5. Composition of regulatory capital (continued)
c. Main features of regulatory capital instruments (CCA) (continued)

		HKD AT1 Capital
1	Issuer	Mox Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	N/A
5	Basel III rules	Additional Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK\$234.3 Million
9	Par value of instrument	HK\$234.6 Million
10	Accounting classification	Equity
11	Original date of issuance	17 Sep 2024
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 17 Sep 2029 Redemption amount at par.
16	Subsequent call dates, if applicable	Each Reset Date thereafter
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend / coupon	Fixed
18	Coupon rate and any related index	<p>Year 1 to 5: 8.06 per cent. per annum payable semi-annually in arrear</p> <p>Year 5 onwards: Resets every 5 years at a rate of distribution determined by the Issuer on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the Margin.</p> <p>"Margin" means 5.43 per cent.</p> <p>"Reference Bond" means for any Reset Period a government security or securities issued by the Hong Kong government selected by the Issuer as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in Hong Kong dollars and of a comparable maturity to the relevant Reset Period.</p> <p>"Reset Rate" means in respect of a Reset Period, the relevant annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price.</p>
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative

5. Composition of regulatory capital (continued)
c. Main features of regulatory capital instruments (CCA) (continued)

HKD AT1 Capital

23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>Upon a Non-Viability Event.</p> <p>"Non-Viability Event" means the earlier of:</p> <ul style="list-style-type: none"> (i) the Monetary Authority notifying the Issuer in writing that the Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and (ii) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.
32	If write-down, full or partial	Full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	<p>The rights and claims of Securityholders against the Issuer to payment in respect of the Securities (including, without limitation, any payments in respect of damages awarded for breach of any obligations), in the event of the winding-up of the Issuer (other than pursuant to a Permitted Reorganisation), shall rank:</p> <ul style="list-style-type: none"> (i) subordinate and junior in right of payment to, and of all claims of (x) all unsubordinated creditors of the Issuer (including its depositors), (y) all creditors in respect of Tier 2 Capital Instruments of the Issuer and (z) all other Subordinated Creditors of the Issuer whose claims are stated to rank senior to the Securities or rank senior to the Securities by operation of law or contract; (ii) pari passu in right of payment to, and of all claims of the holders of Parity Obligations; and (iii) senior in right of payment to, and of all claims of holders of Junior Obligations. <p>"Additional Tier 1 Capital Instruments" means any instrument issued, entered into or guaranteed by the Issuer that constitutes or qualifies as Additional Tier 1 capital of the Issuer pursuant to the Banking Capital Regulations.</p>

5. Composition of regulatory capital (continued)
c. Main features of regulatory capital instruments (CCA) (continued)

		HKD AT1 Capital
		<p>"CET1 Capital Instruments" means any instrument issued or entered into by the Issuer that constitutes Common Equity Tier 1 capital of the Issuer pursuant to the Banking Capital Regulations.</p> <p>"Junior Obligations" means all classes of the Issuer's share capital (including without limitation any preference shares) and any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as CET1 Capital Instruments or that ranks or is expressed to rank junior to the Securities by operation of law or contract.</p> <p>"Parity Obligations" means any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as an Additional Tier 1 Capital Instrument or any instrument or other obligation issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank pari passu with the Securities by operation of law or contract, which excludes any Junior Obligations of the Issuer.</p> <p>"Subordinated Creditors" means all creditors the indebtedness of which is subordinated, in the event of winding-up of the Issuer, in right of payment to, and of all claims of, the depositors and other unsubordinated creditors of the Issuer other than those whose claims rank or are expressed to rank by operation of law or contract pari passu with, or junior to, the claims of the Securityholders. For this purpose "indebtedness" shall include all liabilities, whether actual or contingent.</p> <p>"Tier 2 Capital Instruments" means any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as Tier 2 capital of the Issuer pursuant to the Banking Capital Regulations.</p>
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

6. Macroprudential supervisory measures

a. Geographical distribution of credit exposures used in countercyclical capital buffer (CCyB1)

The following table shows the geographical breakdown of risk-weighted amount (“RWA”) in relation to private sector credit exposures as of 31 Dec 2025:

	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect (%)	RWA used in computation of CCyB ratio HKD'000	AI-specific CCyB ratio (%)	CCyB amount (HKD'000)
1	Hong Kong SAR	0.50	11,327,866		
2	Australia	1.00	378		
4	France	1.00	56		
4	United Kingdom	2.00	338		
5	South Korea	1.00	22		
6	Sum ¹		11,328,661		
7	Total ²		11,331,180	0.50	65,098

¹This represents the sum of RWAs for the private sector credit exposures in jurisdictions with a non-zero countercyclical buffer rate.

²The total RWAs used in the computation of the CcyB ratio in row (3) represents the total RWAs for the private credit exposures in all jurisdictions to which the group is exposed, including jurisdictions with no countercyclical buffer rate or with a countercyclical buffer rate set at zero.

7. Leverage ratio

a. Summary comparison of accounting assets against leverage ratio exposures measure (LR1)

The following table reconciles the total assets in the published financial statements to the LR exposure measure.

As of 31 Dec 2025

		Value under the LR framework
		HKD'000
1	Item	
1	Total consolidated assets as per published financial statements	27,046,647
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves	Not applicable
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative contracts	-
9	Adjustment for SFTs (i.e. repos and similar secured lending)	-
10	Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures)	2,585,619
11	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from LR exposure measure	
12	Other adjustments	(683,427)
13	Leverage ratio exposure measure	28,948,839

7. Leverage ratio (continued)

b. Leverage ratio (LR2)

The following table sets out a detailed breakdown of the components of the LR denominator, as well as information on LR, minimum applicable LR and mean-SFT adjusted LR.

		(a)	(b)
		HKD'000	
		31 Dec 2025	30 Sep 2025
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	27,497,384	24,030,197
2	Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	-	-
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
4	Less: Adjustment for securities received under SFTs that are recognised as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	(519,240)	(274,343)
6	Less: Asset amounts deducted in determining Tier 1 capital	(614,924)	(614,868)
7	Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)	26,363,220	23,140,986
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
9	Add-on amounts for PFE associated with all derivative contracts	-	-
10	Less: Exempted CCP leg of client-cleared trade exposures	-	-
11	Adjusted effective notional amount of written credit-related derivative contracts	-	-
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts	-	-
13	Total exposures arising from derivative contracts (sum of rows 8 to 12)	-	-
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total exposures arising from SFTs (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	25,677,674	25,537,508
20	Less: Adjustments for conversion to credit equivalent amounts	(23,092,055)	(22,965,487)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	2,585,619	2,572,021
Capital and total exposures			
23	Tier 1 capital	1,998,973	1,433,567
24	Total exposures (sum of rows 7, 13, 18 and 22)	28,948,839	25,713,007

7. Leverage ratio (continued)

b. Leverage ratio (LR2) (continued)

		(a)	(b)
		HKD'000	
		31 Dec 2025	30 Sep 2025
Leverage ratio			
25 & 25a	Leverage ratio	6.91%	5.58%
26	Minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	Not applicable	Not applicable
Disclosure of mean values			
28	Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30 & 30a	Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	28,948,839	25,713,007
31 & 31a	Leverage ratio based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	6.91%	5.58%

Leverage ratio increased due to capital injection in Q4 2025.

8. Liquidity

a. Liquidity Risk Management (LIQA)

The following Liquidity Risk Management related information provides the supplement to the Liquidity Risk Section from 2025 Mox Bank Limited Directors' Report and Financial Statements.

As of 31 December 2025, the Bank maintains the LMR of 65.83%.

In addition, the following table is an extraction from Part 4 of Liquidity Monitoring Tools return, which sets out the details of the Bank's maturity profile covering on- and off-balance sheet items broken down by maturity buckets and the resultant liquidity gaps.

As at 31 December 2025 HK\$'000	Total Amount	Within 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	Over 5 years	Balancing Amount
On-balance sheet assets							
Due from MA for a/c of Exchange Fund	1,813,903	1,813,903	-	-	-	-	-
Due from banks	792,159	618,284	-	173,875	-	-	-
Debt securities, prescribed instructions and structured financial instruments (net of short positions)	8,972,042	8,972,042	-	-	-	-	-
Loans and advances to non-bank customers	14,213,402	333,348	423,622	1,710,089	4,545,782	95,757	7,104,804
Other assets (including provisions)	1,704,263	364,252	23,056	92,489	223,407	31,309	969,750
Total	27,495,769	12,101,829	446,678	1,976,453	4,769,189	127,066	8,074,554
On-balance sheet liabilities							
Deposits from non-bank customers							
(a) Pledged deposits	-	-	-	-	-	-	-
(b) Demand, savings and current account deposits	11,059,691	11,059,691	-	-	-	-	-
(c) Term, call and notice deposits	9,928,436	3,619,457	3,514,395	2,142,604	651,980	-	-
Due to Banks	1,305,085	-	-	-	1,305,085	-	-
Amount payable arising from securities financing transactions (other than securities swap transactions)	1,500,000	1,500,000	-	-	-	-	-
Other Liabilities (including provisions)	1,088,660	534,354	7,420	8,368	3,411	-	535,107
Capital and reserves	2,613,897	-	-	-	468,069	-	2,145,828
Total	27,495,769	16,713,502	3,521,815	2,150,972	2,428,545	-	2,680,935
Off-balance sheet claims							
Other off-balance sheet claims	-	-	-	-	-	-	-
Off-balance sheet obligations							
Other off-balance sheet obligations	19,835	-	-	-	-	19,835	-
Total	19,835	-	-	-	-	19,835	-
Funding Gaps							
Contractual Maturity Mismatch		(4,611,673)	(3,075,137)	(174,519)	2,340,644	107,231	
Cumulative Contractual Maturity Mismatch		(4,611,673)	(7,686,810)	(7,861,329)	(5,520,685)	(5,413,454)	

9. Credit risk for non-securitization exposures

a. General information about credit risk (CRA)

Our approach to credit risk can be found in the Risk management approach section in Note 29 on pages 43 to 70 of the 2025 financial statements.

b. Credit quality of exposures (CR1)

The following table sets out an overview of the credit quality of on- and off-balance sheet exposures.

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amounts of		Allowances / impairments	Of which ECL accounting provisions for credit losses on STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values (a+b-c)
		Defaulted Exposures	Non- defaulted exposures		Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		
As of 31 Dec 2025		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
1	Loans	278,513	16,958,882	519,240	139,506	379,734	-	16,718,155
2	Debt securities	-	8,966,104	-	-	-	-	8,966,104
3	Off-balance sheet exposures	11,954	25,665,720	-	-	-	-	25,677,674
4	Total	290,467	51,590,706	519,240	139,506	379,734	-	51,361,933

The categorization of Expected Credit Loss (“ECL”) accounting provisions into the regulatory categories of specific and collective provisions follows the treatment specified in the completion instruction of the HKMA Capital Adequacy Ratio – MA(BS)3 return. According to the completion instruction, the ECL accounting provisions classified into Stage 1 and Stage 2 are treated as collective provisions, while those classified under Stage 3 are treated as specific provisions.

Loans included balances with central banks and banks, loans and advances to customers, corporate exposures, qualifying non-bank financial institution exposures, and related accrued interest receivables.

Off-balance sheet exposures included direct credit substitutes and unconditionally cancellable commitments.

9. Credit risk for non-securitization exposures (continued)

c. Changes in defaulted loans and debt securities (CR2)

The following table sets out information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs.

	HKD\$'000
1 Defaulted loans and debt securities at end of the previous reporting period (30 June 2025)	40,696
2 Loans and debt securities that have defaulted since the last reporting period	420,232
3 Returned to non-defaulted status	-
4 Amounts written off	(168,889)
5 Other changes	(13,526)
6 Defaulted loans and debt securities at end of the current reporting period (31 Dec 2025)	278,513

d. Additional disclosure related to credit quality of exposures (CRB)

The following table sets out an additional qualitative and quantitative information on the credit quality of exposures to supplement the quantitative information provided under templates CR1 and CR2. Please refer to note 2(d) of the financial statements for the approach for determining credit-impairment provisions and definition of “credit impaired”.

I. Exposures by geographical location (CRB1)

As at 31 Dec 2025	Gross carrying amount HKD\$'000
1 Hong Kong	48,933,354
2 Others	2,947,819
Total	51,881,173

Increase in exposures in HK was mainly driven by the growth in balance sheet.

II. Exposures by Industry (CRB2)

As at 31 Dec 2025	Gross carrying amount HKD\$'000
1 Individuals	39,899,945
2 Financial concerns	1,313,421
3 Others ¹	10,667,807
Total	51,881,173

¹ “Others” constitutes segment less than 10% of total RWA and is disclosed on an aggregated basis.

Increase in exposures across industries was mainly driven by the growth in balance sheet.

9. Credit risk for non-securitization exposures (continued)

d. Additional disclosure related to credit quality of exposures (CRB) (continued)

III. Exposures by residual maturity (CRB3)

As at 31 Dec 2025	Repayable on demand to 1 year HKD\$'000	Due between 1 year to 5 years HKD\$'000	Due after 5 years HKD\$'000	Total HKD\$'000
1 Loans	10,974,324	6,275,025	-	17,249,349
2 Debt securities	8,966,104	-	-	8,966,104
3 Off-balance sheet exposures	25,645,885	-	19,835	25,665,720
Total	45,586,313	6,275,025	19,835	51,881,173

Increase in exposures across industries was mainly driven by the growth in balance sheet.

IV. Impaired exposures and related allowances and write-offs by geographical location (CRB4)

As at 31 Dec 2025	Gross impaired advances HKD\$'000	Specific provisions HKD\$'000	Advances written-off in a year HKD\$'000
1 Hong Kong	277,447	139,506	305,259
2 Others	1,066	-	825
Total	278,513	139,506	306,084

V. Impaired exposures and related allowances and write-offs by Industry (CRB5)

As at 31 Dec 2025	Gross impaired advances HKD\$'000	Specific provisions HKD\$'000	Advances written-off in a year HKD\$'000
1 Individuals	278,513	139,506	306,084
Total	278,513	139,506	306,084

VI. Aging analysis of accounting past due exposures (CRB6)

Please refer to Note 29 of the 2025 financial statements for aging analysis of past due exposures.

VII. Breakdown of restructured exposures (CRB7)

As at 31 Dec 2025	HKD\$'000
Impaired	9,239
Not impaired	231,017
Total	240,256

9. Credit risk for non-securitization exposures (continued)

e. Qualitative disclosures related to credit risk mitigation (CRC)

The Bank has established a Credit Risk Type framework that sets out policies and procedures covering the measurement and management of credit risk. Details can be found in the Risk management approach section in Note 29 on pages 43 to 70 of the 2025 financial statements.

f. Overview of recognized credit risk mitigation (CR3)

As of 31 Dec 2025

		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
1	Loans	17,237,395	-	-	-	-
2	Debt securities	8,966,104	-	-	-	-
3	Total	26,203,499	-	-	-	-
4	Of which defaulted	278,513	-	-	-	-

The movement in loans and debt securities is in line with the balance sheet movement during the period.

g. Qualitative disclosures on use of ECAI ratings under STC approach (CRD)

External ratings where available are used to assign risk-weights for standardized approach (SA) exposures for various exposure classes.

These external ratings must come from External Credit Assessment Institutions (ECAI); which currently include Moody's, Standard & Poor's and Fitch. The bank uses the ECAI rating from these agencies in its day-to-day business, which are tracked and kept updated.

The bank determines ECAI issuer ratings or ECAI issue-specific ratings in a process consistent with BCR and the exposure classes are assigned risk weightings as prescribed in the BCR.

9. Credit risk for non-securitization exposures (continued)

h. Credit risk exposures and effects of recognized credit risk mitigation – for STC approach (CR4)

The following table sets out the effect of any recognized CRM (including recognized collateral under both comprehensive and simple approaches) on the calculation of capital requirements. RWA density provides a synthetic metric on riskiness of each portfolio.

As of 31 Dec 2025		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	%
1	Sovereign exposures	10,631,882	-	10,631,882	-	-	0%
2	Public sector entity exposures	-	-	-	-	-	0%
3	Multilateral development bank exposures	-	-	-	-	-	0%
3a	Unspecified multilateral body exposures	-	-	-	-	-	0%
4	Bank exposures	1,298,870	-	1,298,870	-	277,188	21%
4a	Qualifying non-bank financial institution exposures	14,550	-	14,550	-	6,851	47%
5	Eligible covered bond exposures	-	-	-	-	-	0%
6	General corporate exposures	35,924	-	35,924	-	32,898	92%
6a	Of which: non-bank financial institution exposures excluding those reported under row 4a	-	-	-	-	-	0%
6b	Specialized lending	-	-	-	-	-	0%
7	Equity exposures	-	-	-	-	-	0%
7a	Significant capital investments in commercial entities	-	-	-	-	-	0%
7b	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	-	-	-	-	-	0%
7c	Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates	-	-	-	-	-	0%
8	Retail exposures	13,943,759	25,645,886	13,943,759	2,564,588	11,047,943	67%
8a	Exposures arising from IPO financing	-	-	-	-	-	0%
9	Real estate exposures	-	-	-	-	-	0%

9. Credit risk for non-securitization exposures (continued)

h. Credit risk exposures and effects of recognized credit risk mitigation – for STC approach (CR4) (continued)

As of 31 Dec 2025

Exposure classes		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	%
9a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9b	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9c	Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9d	Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9e	Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9f	Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9g	Of which: land acquisition, development and construction exposures	-	-	-	-	-	0%
10	Defaulted exposures	148,198	11,954	148,198	1,195	224,090	150%
11	Other exposures	670,610	19,835	670,610	19,835	690,445	100%
11a	Cash and gold	-	-	-	-	-	0%
11b	Items in the process of clearing or settlement	-	-	-	-	-	0%
12	Total	26,743,793	25,677,675	26,743,793	2,585,618	12,279,415	42%

Note:

Increase in credit risk exposures (RWA) under STC approach during the period is mainly due to increase in retail exposures.

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5)

The following table sets out a breakdown of credit risk exposures by asset classes and by risk weights (corresponding to the classification of exposures according to the approaches used).

At 31 Dec 2025

In HKD'000

1		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
	Sovereign exposures	10,631,882	-	-	-	-	-	10,631,882		
2		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
	Public sector entity exposures	-	-	-	-	-	-	-		
3		0%	20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
	Multilateral development bank exposures	-		-	-	-	-	-	-	
3a		20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
	Unspecified multilateral body exposures	-	-	-	-	-	-	-		
4		20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
	Bank exposures	1,124,976	173,874	-	-	-	-	20	-	1,298,870

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
4a	Qualifying non-bank financial institution exposures	2,062	-	-	11,710	778	-	-	-	14,550

		10%	15%	20%	25%	35%	50%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
5	Eligible covered bond exposures	-	-	-	-	-	-	-	-	-

		20%	30%	50%	65%	75%	85%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
6	General corporate exposures	-	-	6,052		-	-	29,872	-	-	35,924
6a	Of which: non-bank financial institution exposures excluding those reported under row 4a	-	-	-		-	-	-	-	-	-

		20%	50%	75%	80%	100%	130%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
6b	Specialized lending	-	-	-	-	-	-	-	-	-

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		100%	250%	400%	Other	Total credit exposure amount (post-CCF and post-CRM)
7	Equity exposures		-	-	-	-
		250%	400%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)
7a	Significant capital investments in commercial entities	-	-	-	-	-
		150%	250%	400%	Other	Total credit exposure amount (post-CCF and post-CRM)
7b	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	-	-	-	-	-
		150%		Other		Total credit exposure amount (post-CCF and post-CRM)
7c	Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates	-	-	-	-	-

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		45%	75%	100%	Other	Total credit exposure amount (post CCF and post-CRM)
8	Retail exposures	4,445,231	12,062,443	-	673	16,508,347

		0%	Other	Total credit exposure amount (post-CCF and post-CRM)
8a	Exposures arising from IPO financing	-	-	-

		0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
9	Real estate exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)		-	-	-		-	-	-	-		-	-				-			-	-

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		0 %	20 %	25 %	30 %	35 %	40 %	45 %	50 %	60 %	65 %	70 %	75 %	85 %	90 %	100 %	105 %	110 %	150 %	Other	Total credit exposure amount (post-CCF and post-CRM)
9b	Of which: no loan splitting applied		-	-	-		-	-	-	-		-	-				-			-	-
9c	Of which: loan splitting applied (secured)																				
9d	Of which: loan splitting applied (unsecured)																				
9e	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)				-	-		-		-			-		-		-			-	-
9f	Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-		-		-		-	-			-	-		-			-	-	-
9g	Of which: no loan splitting applied	-	-		-		-		-	-			-	-		-			-	-	-
9h	Of which: loan splitting applied (secured)																				
9i	Of which: loan splitting applied (unsecured)																				

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		0 %	20 %	25 %	30 %	35 %	40 %	45 %	50 %	60 %	65 %	70 %	75 %	85 %	90 %	100 %	105 %	110 %	150 %	Other	Total credit exposure amount (post-CCF and post-CRM)
9j	Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties)											-			-			-		-	-
9k	Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-		-		-		-				-	-		-			-	-	-
9l	Of which: no loan splitting applied	-	-		-		-		-				-	-		-			-	-	-
9m	Of which: loan splitting applied (secured)																				
9n	Of which: loan splitting applied (unsecured)																				
9o	Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties)																		-	-	-
9p	Of which: land acquisition, development and construction exposures															-			-	-	-

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

At 31 Dec 2025

In HKD'000

		50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
10	Defaulted exposures		-	149,393	-	149,393

		100%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)
11	Other exposures	690,445	-	-	690,445

		0%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
11a	Cash and gold	-	-	-	-

		0%	20%	Other	Total credit exposure amount (post-CCF and post-CRM)
11 b	Items in the process of clearing or settlement	-	-	-	-

Note:

Increase in credit risk exposures (RWA) under STC approach during the period is mainly due to increase in retail exposures.

9. Credit risk for non-securitization exposures (continued)

i. Credit risk exposures by asset classes and by risk weights – for STC approach (CR5) (continued)

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

At 31 Dec2025

In HKD'000

	Risk Weight	(a)	(b)	(c)	(d)
		On-balance sheet exposure	Off-balance sheet exposure (pre-CCF)	Weighted average CCF*	Exposure (post-CCF and post-CRM)
1	Less than 40%	11,932,794	-	100%	11,932,794
2	40-70%	3,005,848	14,571,452	10%	4,462,993
3	75%	10,955,778	11,074,434	10%	12,063,221
4	85%	-	-	-	-
5	90- 100%	700,482	19,835	100%	720,317
6	105-130%	673	-	-	673
7	150%	148,218	11,954	10%	149,413
8	250%	-	-	-	-
9	400%	-	-	-	-
10	1,250%	-	-	-	-
11	Total exposures	26,743,793	25,677,675		29,329,411

* Weighting is based on off-balance sheet exposure (pre-CCF).

Please refer to note 9(d) for the main drivers of the change in total exposures post-CCF and post-CRM.

10. Counterparty Credit risk

As at 31 Dec 2025, the Bank does not have any counterparty default risk exposures.

11. Securitization exposures

As at 31 Dec 2025, the Bank does not have any Securitization exposures.

12. Market risk

As at 31 Dec 2025, the Bank is exempted under section 22(1) of the Banking (Capital) Rules BCR from the calculation of market risk under section 17.

13. Credit valuation adjustment risk

As at 31 Dec 2025, the Bank does not have any credit valuation adjustment risk exposures.

14. Asset encumbrance (ENC)

The following table sets out a breakdown of encumbered and unencumbered assets.

	(a)	(c)	(d)
As of 31 Dec 2025	Encumbered assets HKD'000	Unencumbered assets HKD'000	Total HKD'000
Balances with central bank	-	1,912,546	1,912,546
Investment securities	1,501,616	7,470,426	8,972,042
Advances to customers	-	14,165,072	14,165,072
Amount due from immediate holding company	-	1,046,691	1,046,691
Other assets	-	950,296	950,296
Total assets	1,501,616	25,545,031	27,046,647

15. Operational risk

a. General information on operational risk framework (ORA)

Operational Risk (OR) is defined as the “Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)”. These risks are primarily mitigated through the application of an effective system of controls.

Operational & Technology Risk is one of the Principal Risk Types (PRTs) which is managed at the Mox Executive Risk Committee (ERC).

The Bank has adopted the Group Operational & Technology Risk Type Framework (O&T RTF) which sets out the approach to measure and assess Operational and Technology risk control effectiveness across the Bank. All risks are required to be assessed in line with the Risk and Control Self-Assessment (RCSA) and Response Management processes as set out in the O&T RTF. The diverse nature of OR requires different disciplines to effectively manage and control risk. These are categorized as risk sub-types under this O&T RTF. These are supported by relevant Group policy, standards and Mox local addendum.

The Head of Operational, Technology and Cyber Risk (“OTCR”) is responsible for Operational Risk Management of the Bank. The ERC oversees the management of operational risk and ensures that it meets the standards of the O&T RTF. The ERC meets regularly to review the Bank’s significant risks and to ensure appropriateness and adequacy of mitigating action plans. The Chief Risk Officer is the chair of the ERC.

The Operational Risk Event Jira Board is the operational risk management system being used to capture the operational risk loss across the Bank. The data is used to estimate the Operational Risk Capital requirements in line with Cap.155L Banking (Capital) Rules.

The Operational Risk reporting to Senior Management consists of Risk Appetite metrics, Residual Risk Profile, Operational Loss trends, Material Risk Events, Key Risk Indicators, Emerging Risks and thematic risks.

The Board reviews and approves the Risk Appetite metrics on an annual basis. There is periodic reporting to the Board on escalation or breach of Risk Appetite metrics, progress updates on key risk remediation plans for Material Risks. There is periodic update on Emerging Risks and Key Risk Areas by the respective Risk Framework Owners.

15. Operational risk (continued)

a. General information on operational risk framework (ORA) (continued)

Risk Management and monitoring

Risk Appetite

The Bank aims to manage operational and technology risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Bank's franchise. Adherence to this Operational Risk Appetite statement is monitored through Board-approved metrics with breach and escalation thresholds.

Day-to-day Management and Monitoring

The Bank uses RCSA to provide a systematic approach for identification and assessment of operational risks, including design and operation of mitigating controls. The RCSA provides a complete, accurate and forward-looking profile of the Material Risks the Bank is exposed to, including individual risks and in aggregation. Identified Material Risks must have Key Controls to maintain these risks within acceptable levels. A regular and robust process needs to be in place for monitoring the effectiveness of Key Controls (through Key Control Indicators and Control Sample Testing), and exposure to Material Risks. The RCSA aids in the identification of Elevated Residual Risks, followed by remediation actions in line with the Response Framework.

The RCSA requires the identification of all significant processes in the Bank, which are assessed for associated risks. Risks are assessed as within tolerance (Low) or Material (Medium, High, or Very High). Wherever this risk is assessed to be Material, key controls are implemented to mitigate the risk. The performance of these key controls is monitored regularly, and an assessment is then made as to their effectiveness in mitigating the risk. Whenever the resulting residual risk is elevated (\geq Medium), treatment plans are established to reduce the residual risk within an acceptable timeframe. Root Cause Reviews are conducted for significant OR events to identify incremental control enhancements for implementation.

The Operational Risk Capital is calculated in accordance with Cap. 155L Banking (Capital) Rules.

15. Operational risk (continued)

b. Business indicator and business indicator components breakdown (OR2)

In HKD'000		(a)	(b)	(c)
	BI and its subcomponents	2025	2024	2023
1	Interest, leases and dividend component	378,824		
1a	Interest and leases income	1,042,603	951,079	674,675
1b	Interest and leases expenses	376,289	431,849	251,659
1c	Interest earning assets	21,787,841	17,428,340	11,293,722
1d	Dividend income	-	-	-
2	Services component	268,842		
2a	Fee and commission income	98,980	71,190	75,674
2b	Fee and commission expenses	66,755	48,089	30,326
2c	Other operating income	21,990	8	5
2d	Other operating expenses	214,887	204,977	140,818
3	Financial component	1,323		
3a	Net P&L on trading book	-	-	-
3b	Net P&L on banking book	809	1,930	1,230
4	BI	648,989		
5	Business indicator component (BIC)	77,879		

Disclosure on the BI:

In HKD'000		(a)
6a	BI gross of excluded divested businesses and activities	-
6b	Reduction in BI due to excluded divested businesses and activities	-

The BIC increased as the Bank has been launching its products and services resulting in growth in balance sheet and income statement.

c. Minimum operational risk capital requirement (OR3)

in HKD'000		(a)
1	Business indicator component (BIC)	77,879
2	Internal loss multiplier (ILM)	1
3	Minimum operational risk capital requirement	77,879
4	Total RWA for operational risk	973,488

16. Interest rate Risk

a. Interest rate risk in banking book – risk management objectives and policies (IRRBB)

Overview

The Bank defines Interest Rate Risk in the Banking Book (“IRRBB”) as the potential for a reduction in future earnings or economic value due to changes in interest rates. This risk arises from differences in the re-pricing profile, interest rate basis, and optionality of banking book assets, liabilities, an off-balance sheet items. IRRBB represents an economic and commercial risk to the Bank and its capital adequacy. The Bank monitors IRRBB against Board-approved Risk Appetite.

IRRBB is managed by the ALCO and is independently monitored by Treasury Risk. IRRBB is also subject to Internal Audit review and model governance. IRRBB models, if any, will be independently validated a designated model validation party and approved by the Executive Risk Committee.

Measurement of IRRBB

The Bank uses two key metric types for measuring IRRBB: Net Interest Income (“NII”) Sensitivity, an income measure which quantifies the potential change in projected net interest income over a one-year horizon from defined movements in interest rates; and Economic Value of Equity (“EVE”), a value measure which estimates the potential change in the present value of the Bank’s Banking Book assets and liabilities from defined movements in interest rates. Both NII and EVE are monitored monthly against defined Risk Appetite limits.

Methodology

NII and EVE are calculated under various interest rate scenarios, including parallel and non-parallel shifts and a range of internally designed scenarios that assess vulnerabilities in the Bank’s business model and key assumptions under interest rate shocks and stresses. Risk Appetite limits are monitored with respect to six interest rate scenarios prescribed by the HKMA.

The model assumptions used internally do not differ from the ones set by the HKMA.

The EVE is calculated based on the assumption that expired interest rate sensitive positions are not replaced. The cash flows include commercial spread components and financial investments consider credit dependent spread components, if applicable. Cash flows including commercial margins and other spread components are discounted with a risk-free rate curve per currency (based on IBOR and Swap market rates).

The NII is computed based on the assumption of a constant balance sheet excluding non-rate-sensitive items. All the positions captured are assumed to run to maturity and slotted into the appropriate time bands according to the earliest interest repricing date (as per MA(BS)12A) including for non-maturing deposits (“NMD”).

As at 31 December 2025, the Bank’s average and longest repricing maturing assigned to NMD is 1 day.

Prepayment model has been used to forecast prepayment rates on retail fixed rate loans. The redemption rates has been applied to Term deposits.

Adverse currency impacts on EVE are aggregated for significant currencies following HKMA’s standardized framework.

16. Interest rate risk (continued)

a. Interest rate risk in banking book – risk management objectives and policies (IRRBB) (continued)

Management of IRRBB

Risk limits and management action triggers (“MAT”) are established for on-going monitoring of impact to economic value of equity (“EVE”) and net interest income (“NII”) resulting under IRRBB scenarios being independently monitor by Treasury Risk and subject to monthly review by ALCO.

b. Quantitative information on interest rate risk in banking book (IRRBB1)

The interest rate risk sensitivity figures presented in the IRRBB1 table represent the effect of six interest rate scenarios defined by HKMA on the expected present value of the banking book as well as the impact of the two parallel shock scenarios on the net interest income of the banking book.

HK\$'M	Period	ΔEVE^1		ΔNII^1	
		Change in economic value of equity	Change in net interest income	Change in net interest income	Change in net interest income
		As 31 December 2025	As 31 December 2024	At 31 December 2025	As 31 December 2024
1	Parallel up	100	106	95	56
2	Parallel down	-	-	(91)	(56)
3	Steeper	-	-		
4	Flattener	156	91		
5	Short rate up	124	114		
6	Short rate down	-	-		
7	Maximum	156	114	95	56
	Period	As 31 December 2025		As 31 December 2024	
8	Tier 1 capital	1,999		1,579	

¹ Positive values of ΔEVE and ΔNII indicate losses under the respective scenarios, in accordance with HKMA's disclosure requirement.

As of 31 December 2025, the most adverse of the six HKMA interest rate scenarios with regard to EVE was the “Flattener” scenario, resulting in an adverse change of economic value of equity of HK\$156 million, representing an effect equal to 7.8% of Tier 1 Capital.

The more adverse of the two parallel interest rate scenarios with regard to NII over the next 12 months was the “Parallel up” scenario, resulting in a potential loss of HK\$95 million.

17. Remuneration

a. Remuneration policy (REMA)

As an Authorised Institution majority owned by Standard Chartered PLC (the Group), Mox Bank Limited (the Bank) is governed by both the Hong Kong and the UK remuneration regulations where the Group is headquartered, as set out by the Hong Kong Monetary Authority (HKMA), the Prudential Regulation Authority and the Financial Conduct Authority.

The Board of Directors of the Bank have delegated authority to approve remuneration matters to its Remuneration Committee (the RemCo), which is responsible for ensuring the Bank's remuneration framework and policy are in line with needs of the business and in compliance with applicable Hong Kong laws and regulations. The RemCo comprises of 5 non-executive directors, of which 3 are independent non-executive directors. It oversees the remuneration of all colleagues and has direct oversight of individual performance and pay recommendations for members of the Executive Committee, including Head of Internal Audit, who are identified as Senior Management under the HKMA supervisory framework. The Bank has not classified any individuals as Key Personnel under the HKMA framework given employees below the Executive Committee level are not authorised to take material risk on behalf of the Bank

17. Remuneration (continued)

a. Remuneration policy (REMA) (continued)

The Group's remuneration framework which applies globally across all Group subsidiaries and branches is applicable to the Bank, with certain policies and programmes tailored to align with the Bank's business or local regulatory needs. The Bank's remuneration approach is applicable to all employees, and is designed to reward colleagues for the progress made in the execution of Bank strategy and to promote sound risk management. In addition, the Group's Fair Pay Charter sets out the principles used to guide reward and performance decision-making globally and supports the Group's commitment to deliver fair and competitive remuneration to all colleagues.

The Bank's remuneration components are salary, benefits and variable compensation. Variable compensation is designed to support embedding a performance-oriented culture and the principle that colleagues should share in the success of the Bank and is determined based on a review of business and individual performance. At the Bank and business unit level, balanced scorecards include financial and strategic measures and have a significant risk, control and conduct performance weighting. In reviewing the scorecard outcome, the RemCo carefully considers the balance between rewarding colleagues for strong performance and delivering growth for shareholders, and takes into account underlying business performance, the Bank's risk appetite, as well as the broader macroeconomic environment. At an individual level, all employees' performance is assessed by what is achieved and how it is achieved in line with the Bank's valued behaviours.

In addition to the RemCo's consideration of risk management performance in variable compensation funding, to ensure a strong alignment between conduct, risk management and reward, the control functions provide input to risk adjustment processes such as the assessment of malus and clawback of variable compensation. Individual level control breaches and conduct cases are linked to performance ratings and corresponding variable compensation reductions. The methodology for determining individual variable remuneration awards, using the Bank's balanced scorecard outcomes, ensures that colleagues in Control Functions (including Audit, Compliance and Risk) are remunerated in accordance with the collaborative achievement of the Bank's goals.

Variable compensation is typically delivered in cash. For Senior Managers identified under the HKMA framework who have a direct impact on the Bank's strategic direction, at least 40% of the variable compensation is deferred either in phantom options in the Bank's shares, or deferred cash and deferred equity awards made in the Group's shares, in order to comply with HKMA guidelines and to align with the Bank's long-term interest. The deferred portions vest over at least three years in equal tranches and are subject to malus and clawback provisions in line with other forms of variable compensation. As approved by the RemCo, the Bank has engaged an independent advisor in the share valuation for the Bank's phantom option awards.

The remuneration approach is reviewed and adopted by the RemCo annually and the Bank engaged an external provider to conduct the annual review on the Bank's remuneration system in 2025. No material changes were made to the remuneration approach following the review that took place during December 2025.

Further details of the Group, Standard Chartered PLC, remuneration approach can be found in the most recent Directors' Remuneration Report (page 180 to 206) in the [Annual Report of Standard Chartered PLC](#).

17. Remuneration (continued)

b. Remuneration awarded during financial year (REM1)

Remuneration amount and quantitative information			2025	2024
			Senior management and Key personnel HK\$'000	Senior management and Key personnel HK\$'000
1	Fixed remuneration	Number of employees	12	11
2		Total fixed remuneration	33,752	30,295
3		Of which: cash-based	31,655	28,387
4		Of which: deferred	-	-
5		Of which: shares or other share-linked instruments	-	-
6		Of which: deferred	-	-
7		Of which: other forms	2,097	1,908
8		Of which: deferred	-	-
9	Variable remuneration	Number of employees	11	11
10		Total variable remuneration	11,014	13,570
11		Of which: cash-based	6,409	7,779
12		Of which: deferred	-	727
13		Of which: shares or other share-linked instruments	4,605	5,791
14		Of which: deferred	4,605	4,701
15		Of which: other forms	-	-
16		Of which: deferred	-	-
17	Total remuneration		44,766	43,865

c. Special payments (REM2)

As of 31 Dec 2025

Special payments	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
		HKD'000		HKD'000		HKD'000
Senior management and Key personnel	-	-	-	-	3	4,247

As of 31 Dec 2024

Special payments	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
		HKD'000		HKD'000		HKD'000
Senior management and Key personnel	-	-	-	-	-	-

17. Remuneration (continued)

d. Deferred remuneration (REM3)

The table below shows the deferred and retained remuneration for Senior Management and Key Personnel (note 1)

	2025	2024
	Senior Management and Key Personnel	Senior Management and Key Personnel
Analysis of total amount of outstanding deferred remuneration		
Total amount of outstanding deferred and retained remuneration	HKD'000	HKD'000
Cash (Note 2)	1,700	1,378
Shares or other share-linked instruments (Note 3)	14,031	9,131
Others	-	-
Total	15,730	10,509
Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment (Note 4)		
Cash (Note 2)	-	-
Shares or other share-linked instruments (Note 3)	14,031	9,131
Others	-	-
Total	14,031	9,131

	2025	2024
	Senior Management and Key Personnel	Senior Management and Key Personnel
Analysis of adjustments of deferred remuneration		
Total amount of amendment during the year due to ex post explicit adjustments	HKD'000	HKD'000
Cash (Note 2)	-	-
Shares or other share-linked instruments (Note 3)	-	-
Others	-	-
Total	-	-
Total amount of amendment during the year due to ex post implicit adjustment		
Cash (Note 2)	-	-
Shares or other share-linked instruments (Note 3)	1,289	267
Others	-	-
Total	1,289	267
Total amount of deferred remuneration paid out in the financial year		
Cash (Note 2)	-	-
Shares or other share-linked instruments (Note 3)	4,451	4,282
Others	-	-
Total	4,451	4,282

17. Remuneration (continued)

d. Deferred remuneration (REM3) (continued)

Note:

- (1) The Bank has classified members of the Bank's Executive Committee, including Head of Audit as Senior Management under HKMA's CG-5 supervisory framework, and has not identified individuals as Key Personnel as employees below the Executive Committee level are not authorised to take material risk on behalf of the Bank.
- (2) Deferred remuneration in cash reflects deferred cash granted by the Bank to Senior Management that remain outstanding during the year.
- (3) Deferred remuneration in shares and share-linked instruments reflects deferred equity awards granted by the Bank to Senior Management that remain outstanding and include Mox phantom option awards and equity awards made in Standard Chartered Bank PLC shares as applicable.
- (4) Ex post adjustments refers to adjustments made after the awards are granted.

Acronyms

AI	Authorized institutions	LCR	Liquidity coverage ratio
AIRB	Advanced internal ratings-based approach	LGD	Loss given default
ALCO	Asset and Liability Committee	LMR	Liquidity Maintenance Ratio
ASA	Alternative standardized approach	LR	Leverage Ratio
ASF	Available stable funding	LTA	Look through approach
AT1	Additional Tier 1	MBA	Mandate-based approach
Bank	Mox Bank Limited	MSRs	Mortgage servicing rights
BCBS	Basel Committee on Banking Supervision	N/A	Not applicable
BCR	Banking (Capital) Rules	NSFR	Net stable funding ratio
BDR	Banking (Disclosure) Rules	OF	Object finance
BIA	Basic indicator approach	OTC	Over-the-counter
BSC	Basic approach	PD	Probability of default
CCF	Credit conversion factor	PF	Project finance
CCP	Central counterparty	PFE	Potential future exposure
CCR	Counterparty credit risk	PRC	People's Republic of China
CCyB	Countercyclical capital buffer	PVA	Prudential Valuation Adjustments
CEM	Current exposure method	PSE	Public sector entity
CET1	Common equity tier 1	QRRE	Qualifying revolving retail exposures
CF	Commodities finance	RC	Replacement cost
CIS	Collective investment scheme	RSF	Required stable funding
CRC	Comprehensive risk charge	RW	Risk-weight
CRM	Credit risk mitigation	RWA	Risk-weighted asset/risk-weighted amount
CVA	Credit valuation adjustment	S&P	Standard & Poor's
D-SIB	Domestic systematically important authorized institution	SA-CCR	Standardized approach for counterparty credit risk
DTAs	Deferred tax assets	SEC-ERBA	Securitization external ratings-based approach
EAD	Exposure at default	SEC-FBA	Securitization fall back approach
EL	Expected loss	SEC-IRBA	Securitization internal ratings-based approach
EPE	Expected positive exposures	SEC-SA	Securitization standardized approach
FBA	Fall-back approach	SFT	Securities financing transaction
G-SIB	Global systematically important bank	SME	Small and Medium Enterprises
HKMA	Hong Kong Monetary Authority	SRW	Supervisory risk-weights
HVCRE	High-volatility commercial real estate	STC	Standardized (credit risk) approach
HQLA	High quality liquid assets	STM	Standardized (market risk) approach
IMM	Internal models approach	STO	Standardized (operational risk) approach
IMM (CCR)	Internal models approach (counterparty credit risk) approach	VaR	Value at risk
ICAAP	Internal Capital Adequacy Assessment Process		
IPRE	Income-producing real estate		
IRB	Internal ratings-based approach		
JCCyB	Jurisdictional countercyclical capital buffer		
JVs	Joint ventures		
LAC	Loss-absorbing capacity		