



Ant Bank (Hong Kong) Limited

Interim Financial Report (Unaudited)

30 June 2026

ANT BANK (HONG KONG) LIMITED

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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

		6 months ended 30 June 2026	6 months ended 30 June 2025
	Notes	HKD'000	HKD'000
Interest income	3	201,322	117,503
Interest expense	3	(64,294)	(55,355)
NET INTEREST INCOME		137,028	62,148
Fee and commission income		14,687	736
Fee and commission expense		(1,051)	-
NET FEE AND COMMISSION INCOME		13,636	736
Net foreign exchange differences		24,378	12,827
Other income		81	33
Administrative expenses	4	(162,984)	(147,748)
Net charge of impairment allowances	5	(18,124)	(57,093)
LOSS BEFORE TAX		(5,985)	(129,097)
Income tax expense	6	-	-
LOSS FOR THE PERIOD		(5,985)	(129,097)
OTHER COMPREHENSIVE INCOME:			
Items that may be reclassified subsequently to profit or loss:			
Financial assets at FVOCI - debt instruments			
- unrealised (loss) / gain on revaluation		(17,054)	11,925
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(23,039)	(117,172)

The notes on pages 5 to 18 form part of this interim financial report.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

		30 June 2026	31 December 2025
	Notes	HKD'000	HKD'000
ASSETS			
Balances with banks	7	1,273,000	2,920,749
Placement with banks	8	611,353	1,065,567
Loans and advances to customers	9	3,512,767	1,957,115
Amount due from a fellow subsidiary	12	362	53
Financial investments at FVOCI	10	6,496,026	6,559,626
Prepayment and other receivables		18,989	8,253
TOTAL ASSETS		11,912,497	12,511,363
LIABILITIES			
Deposits from customers	11	8,540,682	9,171,484
Repurchase agreements		527,353	487,203
Amounts due to fellow subsidiaries and other related parties	12	87,827	66,300
Other payables and accruals		113,881	122,916
TOTAL LIABILITIES		9,269,743	9,847,903
NET ASSETS		2,642,754	2,663,460
EQUITY			
Share capital	13	3,900,507	3,900,507
Reserves		(1,257,753)	(1,237,047)
TOTAL EQUITY		2,642,754	2,663,460

The notes on pages 5 to 18 form part of this interim financial report.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	<i>Share capital</i> HKD'000	<i>Share- based payment reserve</i> HKD'000	<i>FVOCI reserve</i> HKD'000	<i>Accumulated loss</i> HKD'000	<i>Total equity</i> HKD'000
At 1 January 2025	1,563,510	116,525	(870)	(1,100,286)	578,879
Capital injection	777,907	-	-	-	777,907
Share-based payment	-	4,166	-	-	4,166
Loss for the period	-	-	-	(129,097)	(129,097)
Other comprehensive income	-	-	11,925	-	11,925
At 30 June 2025	<u>2,341,417</u>	<u>120,691</u>	<u>11,055</u>	<u>(1,229,383)</u>	<u>1,243,780</u>
At 1 July 2025	2,341,417	120,691	11,055	(1,229,383)	1,243,780
Capital injection	1,559,090	-	-	-	1,559,090
Share-based payment	-	1,949	-	-	1,949
Loss for the period	-	-	-	(133,768)	(133,768)
Other comprehensive income	-	-	(7,591)	-	(7,591)
At 31 December 2025	<u>3,900,507</u>	<u>122,640</u>	<u>3,464</u>	<u>(1,363,151)</u>	<u>2,663,460</u>
At 1 January 2026	3,900,507	122,640	3,464	(1,363,151)	2,663,460
Capital injection	-	-	-	-	-
Share-based payment	-	2,333	-	-	2,333
Loss for the period	-	-	-	(5,985)	(5,985)
Other comprehensive income	-	-	(17,054)	-	(17,054)
At 30 June 2026	<u>3,900,507</u>	<u>124,973</u>	<u>(13,590)</u>	<u>(1,369,136)</u>	<u>2,642,754</u>

The notes on pages 5 to 18 form part of this interim financial report.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

		6 months ended 30 June 2026	6 months ended 30 June 2025
	Notes	HKD'000	HKD'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(5,985)	(129,097)
Adjustments for:			
Share-based payment expense	14	2,333	3,973
Amortisation of intangible assets	4	-	4,875
Net charge of impairment allowances	5	18,124	57,093
Operating cash flows before changes in operating assets and liabilities		14,472	(63,156)
Changes in operating assets and liabilities:			
Placements with banks with an original maturity beyond three months but less than one year		372,395	(218,330)
Certificate of deposit with an original maturity beyond three months		-	(2,368,403)
Financial assets and investments		46,633	(361,663)
Loans and advances to customers		(1,574,393)	(34,683)
Prepayments and other receivables		(10,736)	(18,711)
Deposits from customers		(630,802)	2,920,180
Amounts due from/ to the fellow subsidiaries and other related parties		21,218	(18,529)
Repurchase agreement		40,150	-
Other payables and accruals		(9,035)	395,475
Net cash (used) in/generated from operating activities		(1,730,098)	232,180
Cash flows from financing activities			
Proceeds from issue of shares		-	777,907
Net cash flows from financing activities		-	777,907
Net (decrease)/increase in cash and cash equivalents		(1,730,098)	1,010,087
Cash and cash equivalents at 1 January		3,614,983	998,318
Cash and cash equivalents at 30 June		1,884,885	2,008,405
Analysis of balances of cash and cash equivalents			
Balance with central bank and banks		1,273,354	1,099,462
Placements with banks with original maturity of three months or less when acquired		611,531	868,996
Certificates of deposit with original maturity within three months		-	39,947
Cash and cash equivalents in the statements of cash flows		1,884,885	2,008,405
Cash flows from operating activities include:			
Interest received		197,680	118,239
Interest paid		90,459	46,952

The notes on pages 5 to 18 form part of this interim financial report.

Notes to the interim financial report

1. GENERAL INFORMATION

Ant Bank (Hong Kong) Limited (the “Bank”) is a limited liability bank incorporated in Hong Kong on 16 August 2018. The banking license was approved and obtained on 9 May 2019. The registered office of the Bank is located at Suites 2101-2105, 2201-2204 and 2301, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

The principal activity of the Bank is the provision of banking services to its customers. The Bank is a licensed bank registered under the Hong Kong Banking Ordinance.

Prior to 23 April 2025, the immediate holding company of the Bank was Alipay (Hong Kong) Investment Limited, a limited liability company incorporated in Hong Kong. On 23 April 2025, the name of the immediate holding company of the Bank has been changed to Ant International (Hong Kong) Investment Limited.

The ultimate holding company of the Bank is Ant International (Cayman) Holding Limited, a limited liability company incorporated in Cayman Islands.

2. MATERIAL ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

This interim financial report has been prepared in compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

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

The interim financial report should be read in conjunction with the financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

The condensed interim financial report is unaudited.

2.2 BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars (“HKD”).

Certain comparative figures in the financial statements have been reclassified to conform with current year’s presentation.

2.3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Bank’s financial statements.

The Bank has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the interim financial report

2. MATERIAL ACCOUNTING POLICIES (continued)

The impacts of adopting these amendments are discussed below:

Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.
- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("ESG")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.
- The amendments introduce new disclosures for disposals of investments in equity instruments designated at FVOCI, and for financial instruments not measured at FVTPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

The Bank has applied the amendments retrospectively. The application of the amendments does not have a material impact on the Bank's financial statements for the periods presented.

Notes to the interim financial report

3. NET INTEREST INCOME

	6 months ended 30 June 2026	6 months ended 30 June 2025
	HKD'000	HKD'000
Interest income arising from financial assets at amortised cost and FVOCI	201,322	117,503
Interest expense arising from financial liabilities at amortised cost	(64,294)	(55,355)
	<u>137,028</u>	<u>62,148</u>

4. ADMINISTRATIVE EXPENSES

	6 months ended 30 June 2026	6 months ended 30 June 2025
	HKD'000	HKD'000
Staff costs (a)	61,834	53,820
Server and technical service fees	44,556	46,225
Marketing expenses	30,963	16,215
Rental expenses	5,660	8,640
Legal and professional fees	3,025	3,703
Amortisation of intangible assets	-	4,875
Other expenses	16,946	14,270
	<u>162,984</u>	<u>147,748</u>

(a) The staff costs include share-based payment expenses (Note 14).

5. NET CHARGE/(REVERSAL) OF IMPAIRMENT LOSSES

	6 months ended 30 June 2026	6 months ended 30 June 2025
	HKD'000	HKD'000
Balances with banks	(399)	191
Placement with banks	(131)	187
Loans and advances to customers (Note 17)	18,741	55,816
Financial investments	(87)	899
	<u>18,124</u>	<u>57,093</u>

Under HKFRS 9, ECL is assessed using an approach which classifies financial assets into three stages, each of which is associated with an ECL requirement that is reflective of the assessed credit risk profile in each instance.

Notes to the interim financial report

6. INCOME TAX EXPENSES

The applicable Hong Kong profits tax rate is 16.5% (2025 Jun: 16.5%). No provision for Hong Kong Profits tax has been made for the period ended 30 June 2026 (2025 Jun: Nil) as the Bank had no estimated assessable profits for the period.

No deferred tax assets was recognized in respect of the losses incurred due to unpredictability of future profit streams.

7. BALANCES WITH BANKS

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Balances with central bank	516,679	1,126,741
Balances with banks	756,675	1,794,761
	1,273,354	2,921,502
Less: Allowances for expected credit losses	(354)	(753)
	<u>1,273,000</u>	<u>2,920,749</u>

The movement in provision for impairment against balances with banks is as follows:

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Beginning of year – Stage 1	753	137
Net (reversal)/charge of impairment allowances (Note 5)	(399)	616
At the end of the period	<u>354</u>	<u>753</u>

Notes to the interim financial report

8. PLACEMENTS WITH BANKS

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Placements with banks with original maturity of three months or less when acquired	611,531	693,481
Placements with banks with original maturity of beyond three months	-	372,395
	611,531	1,065,876
Less: Allowances for expected credit losses	(178)	(309)
	611,353	1,065,567

The movement in provision for impairment against balances with banks is as follows:

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Beginning of year – Stage 1	309	142
Net (reversal)/charge of impairment allowances (Note 5)	(131)	167
At the end of the period	178	309

9. LOANS AND ADVANCES TO CUSTOMERS

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Loans and advances to customers	3,585,787	2,024,597
Less: Allowances for expected credit losses (Note 17)	(73,020)	(67,482)
	3,512,767	1,957,115

The Bank's credit risk policy, including the movement in allowances for expected credit losses, is set out in Note 17.

Notes to the interim financial report

10. FINANCIAL INVESTMENTS

Financial assets at FVOCI

	30 June 2026	31 December 2025
	HKD'000	HKD'000
At fair value:		
Debt securities	6,496,026	6,559,626

The movement in provision for impairment against balances with financial investments is as follows:

Financial assets at FVOCI

	30 June 2026	31 December 2025
	HKD'000	HKD'000
At the beginning of year – Stage 1	1,989	519
Net (reversal)/charge of impairment allowances (Note 5)	(87)	1,470
At the end of the period	1,902	1,989

Notes to the interim financial report

11. DEPOSITS FROM CUSTOMERS

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Savings deposits	6,114,584	6,462,899
Fixed deposits	2,426,098	2,708,585
Total	8,540,682	9,171,484

12. AMOUNTS DUE FROM/(TO) FELLOW SUBSIDIARIES AND RELATED PARTIES

The Bank had the following outstanding balances due from/(to) fellow subsidiaries and other related parties:

	30 June 2026	31 December 2025
	HKD'000	HKD'000
AISG E-commerce Private Limited	362	53
	362	53
AIHK Markets Limited (Previously known as Alipay Hong Kong Limited)	(38)	(37)
Alibaba Cloud (Singapore) Private Limited	(2,349)	(3,947)
Alipay (Hangzhou) Information Technology Co., Ltd.	(6)	(6)
Alipay Financial Services (HK) Limited	(7,800)	(9,919)
Alipay Payment Services (HK) Limited	(38,827)	(26,107)
Ant International (Hong Kong) Holding Limited (Previously known as Ant (Hong Kong) Holding Limited)	(6,589)	(3,113)
Ant International Business (Shanghai) Co., Ltd. (Previously known as Shanghai Ant Chuangjiang Information Technology Co., Ltd.)	(7,571)	(9,384)
BNext (Hong Kong) Company Limited	(16,751)	(7,280)
Cainiao Smart Logistics Network (Hong Kong) Limited	-	(67)
Taobao China Holding Limited	(5,238)	(5,278)
World First Asia Pte. Ltd.	(2,658)	(1,162)
	(87,827)	(66,300)

The amounts due to fellow subsidiaries and other related parties are unsecured, interest-free and repayable within 12 months.

Notes to the interim financial report

13. SHARE CAPITAL

	30 June 2026		31 December 2025	
	Number of Shares	HKD'000	Number of shares	HKD'000
Ordinary shares, issued and fully paid				
At beginning of year	500,000,000	3,900,507	200,000,000	1,563,510
Issuance of shares	-	-	300,000,000	2,336,997
At the end of the period	<u>500,000,000</u>	<u>3,900,507</u>	<u>500,000,000</u>	<u>3,900,507</u>

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Bank do not have a par value.

Notes to the interim financial report

14. SHARE OPTION SCHEMES

The following table lists the total fair value of share option schemes of SERs, RSUs, SAR, Alibaba RSUs and GRUs for the period ended 30 June 2026 and year ended 2025:

	30 Jun 2026	31 Dec 2025
Granted during the period/year	-	2,114,229
Vested during the period/year	5,169,843	10,484,296
Replaced/forfeited during the period/year	293,797	2,316,807
Average remaining life (years)	<u>2.69 ~ 2.88</u>	<u>3.00 ~ 3.15</u>

The fair values of SERs, RSUs, SAR, Alibaba RSUs and GRUs were determined at the grant date using the market approach.

The following table lists the total fair value of share option schemes of ESOP for the period ended 30 June 2026 and year ended 2025:

	30 Jun 2026	31 Dec 2025
Granted during the period/year	2,173,700	2,463,500
Vested during the period/year	5,536,263	4,896,528
Replaced/forfeited during the period/year	770,667	402,667
Average remaining life (years)	<u>3.41</u>	<u>3.45</u>

The fair values of ESOP were determined at the grant date using the binomial option-valuation model. The following table lists the inputs to the pricing models for the period ended 30 June 2026 and year ended 2025:

	30 Jun 2026	31 Dec 2025
Risk free interest rate	2.33% ~ 2.88%	2.88% ~ 3.15%
Expected dividend yield	0.00%	0.00%
Expected life (years)	5.00	5.00
Expected volatility	<u>29.49% ~ 42.34%</u>	<u>29.39% ~ 30.01%</u>

Management estimated the equity volatility based on the average historical volatility of the comparable companies with a term commensurate with the time to expiration date as of the valuation dates.

Share Economic Interest Rights ("SERs")

Since 2014, Hangzhou Junhan Equity Investment Partnership ("Junhan") made a grant of Share Economic Interest Rights ("SERs") similar to share-appreciation awards linked to the valuation of Ant Group Co., Ltd. ("Ant Group") to employees of the Bank. The vesting of SERs is conditional upon the fulfilment of requisite service conditions to the Bank, and SERs will be settled by Junhan according to the SERs plan. Junhan has the right to repurchase the vested awards from the holders upon certain conditions.

During the period, the Bank recognised share-based payment reversal of HKD112,000 (6 months ended 30 June 2025: Recognised expense of HKD364,000) in connection with the above SERs.

Notes to the interim financial report

14. SHARE OPTION SCHEMES (continued)

Restricted Share Units ("RSUs")

In 2018, Ant Group adopted the 2018 Equity Incentive Plan (the "2018 Plan"). A fellow subsidiary, Ant International Co., Limited ("Ant International") was established to hold the 2018 Plan. Some employees were granted RSUs. The fair value of RSUs at the grant date was based on the fair value of an ordinary share of Ant Group. The vesting of RSUs is conditional upon the fulfilment of requisite service conditions to the Bank and RSUs will be settled by Ant International according to the RSUs plan.

During the period, the Bank recognised share-based payment expense of HKD529,000 (6 months ended 30 June 2025: HKD636,000) in connection with the above RSUs.

Share Appreciation Right ("SAR")

According to the 2018 Equity Incentive Plan (the "2018 Plan"), some employees were granted SAR by Ant International. The fair value of SAR at the grant date was based on the fair value of an ordinary share of Ant Group. The vesting of SAR is conditional upon the fulfilment of requisite service conditions to the Bank and SAR will be settled by Ant International according to the SAR plan.

During the period, the Bank recognised share-based payment expense of HKD732,000 (6 months ended 30 June 2025: HKD2,050,000) in connection with the above SAR plan.

During the period, the Bank has no cash-settled share-based payment expense (6 months ended 30 June 2025: HKD185,000) in connection with the above SAR.

Alibaba Restricted Share Units ("Alibaba RSUs")

Some employees were granted Alibaba RSUs by Alibaba Group Holding Limited. The fair values of Alibaba RSUs are the fair value of the underlying stock of Alibaba Group Holding Limited. The vesting of Alibaba RSUs is conditional upon the fulfilment of requisite service conditions to the Bank.

During the period, the Bank has no share-based payment expense (6 months ended 30 June 2025: Nil) in connection with the above Alibaba RSUs.

Growth Rewards Units ("GRUs")

According to the 2021 equity incentive plan ("2021 plan"), some employees were granted GRUs by the Ant Group. The vesting of GRUs is conditional upon the fulfilment of requisite service conditions by the employee to the Bank. The value of GRUs is linked to the fair value of an ordinary share of Ant Group. Since GRUs shall be settled using cash of the subsidiaries of Ant Group according to the fair value of GRUs at exercise date, GRUs were recognised as cash-settled share-based payments.

During the period, the Bank has no cash-settled share-based payment expense (6 months ended 30 June 2025: Reversal of HKD194,000) in connection with the above GRUs.

Ant International Option ("ESOP")

In 2025, some of the employees of the Bank were granted ESOP. The fair value of ESOP at the grant date was based on the fair value of the relative ordinary share. The vesting of ESOP is conditional upon the fulfilment of requisite service conditions to the Bank.

During the period, the Bank recognised share-based payment expense of HKD1,184,000 (6 months ended 30 June 2025: HKD1,117,000).

Notes to the interim financial report

15. RELATED PARTY TRANSACTIONS

There were no changes in the related party transactions described in 2025 Annual Report that have had a material impact on the financial position or performance of the Bank in the six months ended 30 June 2026.

16. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments (net of impairment allowances) as at 30 June 2026 and 31 December 2025 are as follows:

Financial assets

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Balances with banks	1,273,000	2,920,749
Placements with banks	611,353	1,065,567
Loans and advances to customers	3,512,767	1,957,115
Financial investments	6,496,026	6,559,626
	<u>11,893,146</u>	<u>12,503,057</u>

Financial liabilities

	30 June 2026	31 December 2025
	HKD'000	HKD'000
Deposits from customers	8,540,682	9,171,484
Repurchase agreements	527,353	487,203
Amounts due to fellow subsidiaries and other related parties	87,827	66,300
Financial liabilities included in other payables and accruals	89,970	93,876
	<u>9,245,832</u>	<u>9,818,863</u>

The fair values of the financial assets and liabilities measured at amortised cost are approximated the carrying amounts largely due to the short-term maturities of these instruments.

Notes to the interim financial report

17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Maximum exposure and period-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Bank's Credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and period-end staging classification as at 30 June 2026 and 31 December 2025. The amounts presented are gross carrying amounts for financial assets.

	Stage 1 HKD'000	Stage 2 HKD'000	Stage 3 HKD'000	Total HKD'000
<u>At 30 June 2026</u>				
Balances with banks	1,273,354	-	-	1,273,354
Placements with banks	611,531	-	-	611,531
Loans and advances to customers	3,562,137	15,461	8,189	3,585,787
Financial assets and investments	6,496,026	-	-	6,496,026
Off balance sheet exposures	2,982,824	-	-	2,982,824
	<u>14,925,872</u>	<u>15,461</u>	<u>8,189</u>	<u>14,949,522</u>
<u>At 31 December 2025</u>				
Balances with banks	2,921,502	-	-	2,921,502
Placements with banks	1,065,876	-	-	1,065,876
Loans and advances to customers	1,998,100	13,078	13,419	2,024,597
Financial assets and investments	6,559,626	-	-	6,559,626
Off balance sheet exposures	3,029,227	-	-	3,029,227
	<u>15,574,331</u>	<u>13,078</u>	<u>13,419</u>	<u>15,600,828</u>

The details of the exposure of loans and advances to customers for which allowances for expected credit losses is recognised are set out as below.

Loans and advances to customers – gross amount

	Stage 1 HKD'000	Stage 2 HKD'000	Stage 3 HKD'000	Total HKD'000
At 1 January 2025	852,022	42,612	26,195	920,829
Transfer to Stage 1	2	(2)	-	-
Transfer to Stage 2	(756)	756	-	-
Transfer to Stage 3	(1,112)	(27)	1,139	-
Net change in exposures	<u>1,147,944</u>	<u>(30,261)</u>	<u>(13,915)</u>	<u>1,103,768</u>
At 31 December 2025 and 1 January 2026	1,998,100	13,078	13,419	2,024,597
Transfer to Stage 1	914	(155)	(759)	-
Transfer to Stage 2	(1,999)	2,040	(41)	-
Transfer to Stage 3	(2,588)	(460)	3,048	-
Net change in exposures	<u>1,567,710</u>	<u>958</u>	<u>(7,478)</u>	<u>1,561,190</u>
At 30 June 2026	<u>3,562,137</u>	<u>15,461</u>	<u>8,189</u>	<u>3,585,787</u>

Notes to the interim financial report

17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Loans and advances to customers – Allowances for expected credit losses

	Stage 1 HKD'000	Stage 2 HKD'000	Stage 3 HKD'000	Total HKD'000
At 1 January 2025	7,626	13,874	23,575	45,075
Net transfers between stages	(25)	12	13	-
Net change in exposures	42,797	(8,085)	74,928	109,640
Net re-measurement from stage change	1	472	831	1,304
Financial assets disposed	(402)	(866)	(34,477)	(35,745)
Write-offs and recovery	-	-	(52,792)	(52,792)
At 31 December 2025 and 1 January 2026	49,997	5,407	12,078	67,482
Net transfers between stages	596	(28)	(568)	-
Net change in exposures	12,468	(2,873)	6,596	16,191
Net re-measurement from stage change	(676)	759	2,467	2,550
Write-offs and recovery	-	-	(13,203)	(13,203)
At 30 June 2026	62,385	3,265	7,370	73,020

Notes to the interim financial report

17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

The tables below summarise the maturity profile of the Bank's non-derivative financial liabilities at 30 June 2026 and 31 December 2025 based on the contractual undiscounted cash flows:

As at 30 June 2026	Total contractual undiscounted cash flow	On demand	Less than 3 months	3 to 12 months	More than 1 year
	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
FINANCIAL LIABILITIES:					
Deposits from customers	8,556,649	6,114,584	1,608,460	813,227	20,378
Repurchase agreements	527,737	-	527,737	-	-
Amounts due to fellow subsidiaries and other related parties	87,827	-	87,827	-	-
Financial liabilities included in other payables and accruals	89,970	-	89,970	-	-
Total financial liabilities	<u>9,262,183</u>	<u>6,114,584</u>	<u>2,313,994</u>	<u>813,227</u>	<u>20,378</u>

As at 31 December 2025	Total contractual undiscounted cash flow	On demand	Less than 3 months	3 to 12 months
	HKD'000	HKD'000	HKD'000	HKD'000
FINANCIAL LIABILITIES:				
Deposits from customers	9,183,734	6,462,899	1,898,901	821,934
Repurchase agreements	487,447	-	487,447	-
Amounts due to fellow subsidiaries and other related parties	66,300	-	66,300	-
Financial liabilities included in other payables and accruals	93,876	-	93,876	-
Total financial liabilities	<u>9,831,357</u>	<u>6,462,899</u>	<u>2,546,524</u>	<u>821,934</u>



Review report to the board of directors of Ant Bank (Hong Kong) Limited

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 1 to 18, which comprises the condensed interim statement of financial position of Ant Bank (Hong Kong) Limited (the "Bank") as of 30 June 2026 and the related condensed interim statement of profit or loss and other comprehensive income and condensed interim statement of changes in equity and condensed interim statement of cash flows for the six-month period then ended and explanatory notes. The directors are responsible for the preparation and fair presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34, *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants.

Our responsibility is to express a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

30 September 2026