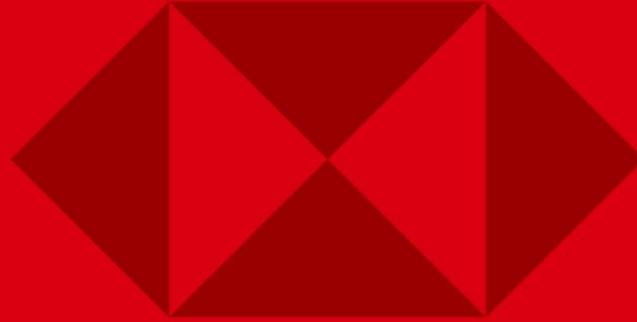


HSBC Holdings plc 4Q25 results

Fixed Income Investor Presentation



Two iconic banks  One bright future



Results & strategy

Our three strategic priorities – progressing at pace and with discipline

Our ambition: To be the most trusted bank globally, putting customers at the heart of everything we do

Three strategic priorities:

Be simple and agile

**Drive customer-
centricity**

**Deliver focused
sustainable growth**

Built on four strong businesses:

UK

HK

**Corporate and
Institutional Banking
(CIB)**

**International Wealth
and Premier Banking
(IWPB)**

Strategic Priority 1: Be simple and agile

Simplifying the Group to unlock HSBC's growth potential

Aligned organisation structure to our strategy

DONE

- ◆ Two home markets and two globally connected businesses. All four built on our core strengths
- ◆ All four businesses growing, delivering mid-teens or better ROTE¹

Leadership: Agility. Accountability. Speed.

DONE

- ◆ Group OpCo streamlined from 18 to 12 members
- ◆ c.60% of revenues now with single line of accountability at OpCo
- ◆ c.15%² net reduction in MD positions (from de-duplication)

Organisational simplification saves (immaterial revenue impact): \$1.5bn to be taken to bottom line

AHEAD

- ◆ \$1.2bn annualised savings actioned – remaining savings (\$0.3bn) to be actioned in 1H26 - 6 months ahead of plan
- ◆ \$0.6bn realised in 2025 P&L vs \$0.3bn guided³
- ◆ c.4.4k net reduction in FTE (ex Tech) in 2025; invested in Tech FTEs which were up by c.1.8k

Cost reallocation: \$1.5bn raised to \$1.8bn

ON TRACK

Cost reallocation away from non-strategic businesses : \$1.5bn

- ◆ Of which \$0.7bn: Completed or announced exits (associated revenue c.\$1bn), including 11 exits announced in 2025
- ◆ Of which \$0.6bn: In active execution including strategic reviews

\$0.3bn reported-basis cost synergies* across HSBC and Hang Seng Bank following the Hang Seng Bank privatisation – to be reinvested for growth

Streamlining and upgrading our operating model

ON TRACK

- ◆ >50 end-to-end process simplification initiatives, partly enabled by Gen AI, across onboarding/KYC, data access, credit workflows, fraud detection, contact centres...
- ◆ 1,165⁴ non-strategic apps demised in 2025 – c.36% of reduction for 2025-28

* In line with UK reporting standards

Figures throughout this presentation may be subject to rounding adjustments and therefore may not sum precisely to totals given in charts, tables or commentary

◆ denotes a measure shown on a reported FX basis.

Strategic Priority 2: Drive customer-centricity

Four businesses built on customer trust

HK

- ◆ HSBC **NPS score increased** from 6 to 15 (maintain #1 ranking)¹
- ◆ Hang Seng Bank RB&W **NPS score increased** from -6 to 0 (#2 vs. #4 in 2024)¹
- ◆ **1.1m** new-to-bank customers in 2025, totalling **>7m** customers²
- ◆ **+11%** YoY Premier customer growth, totalling **1m** customers²

UK

- ◆ HSBC **NPS score increased** from 15 to 21 (#9 vs. #11 in 2024)³
- ◆ first direct **NPS score increased** from 45 to 47 (#2 vs. #2 in 2024)³
- ◆ UK Business Banking lending increased **13%** YoY⁴
- ◆ **c.60k** new Premier customers (c.+70% YoY)⁵, totalling >1m Premier customers

CIB

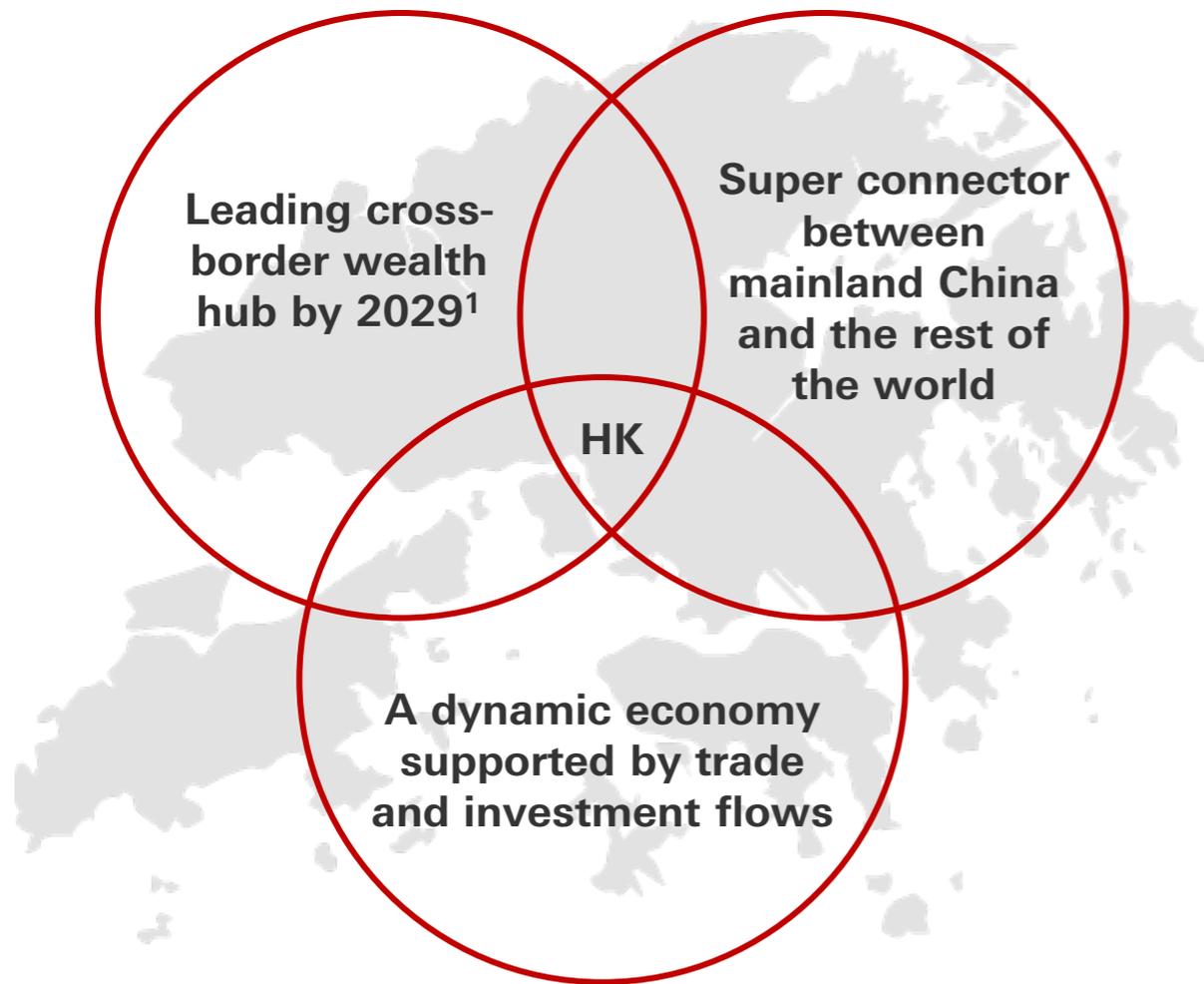
- ◆ **#1 Trade Bank** for 9 consecutive years, based on 13k corporates surveyed⁶
- ◆ **#1 Payments Bank**, in products, services, & technology, based on 30k corporates surveyed⁷
- ◆ **Best Bank for Global Corporate FX**, based on 700+ corporate users of FX services⁸
- ◆ **Top 4** in foreign issuance of USD DCM⁹

IWPB

- ◆ **\$80bn Net New Invested Assets**¹⁰, +\$16bn YoY
- ◆ Double-digit growth in Invested Assets in **mainland China, India, Singapore** and the **UAE**¹¹
- ◆ **Most trusted bank** by wealth clients in **Singapore**¹²
- ◆ Launched our new Premier proposition in **India, UAE** and **Malaysia** in 2025, following HK, UK and Singapore launches in 2024

Strategic Priority 3: Investing to deliver focused sustainable growth

Hong Kong: Continuing to invest to consolidate our market position in a high growth market



#1

Consolidating market position
in Hong Kong

Hang Seng Bank privatisation enables us to:

- ◆ **Scale capabilities and drive growth** across both banks for all existing and new customers
- ◆ Deliver reported-basis revenue and cost synergies of **\$0.5bn*** by 2028, **making the privatisation more accretive than a share buyback**
- ◆ **Unlock additional revenue and cost upside**, with management ambition of additional \$0.4bn

* In line with UK reporting standards; incl. \$0.3bn of cost synergies

Future technologies

Investing in innovation and culture to navigate a fast-changing world

Digital Assets

HSBC Orion

- ◆ HSBC Orion digital asset platform has secured the UK Government's Digital Gilt Mandate (DIGIT)
- ◆ HKSAR's HKD10bn digital green bond – the largest digital bond globally¹

Tokenised assets

- ◆ Tokenised deposits and frictionless payments rolled out in the UK, HK, Singapore and Luxembourg, with further markets expected in 2026
- ◆ >\$1bn in Gold Token traded value² – one of the largest tokenised gold products in the world by AUM

Gen AI transformation

Empower colleagues

- ◆ c.85% employees enabled with Gen AI productivity tool³
- ◆ 31k engineers empowered with AI-enabled coding assistant

End-to-end process re-engineering

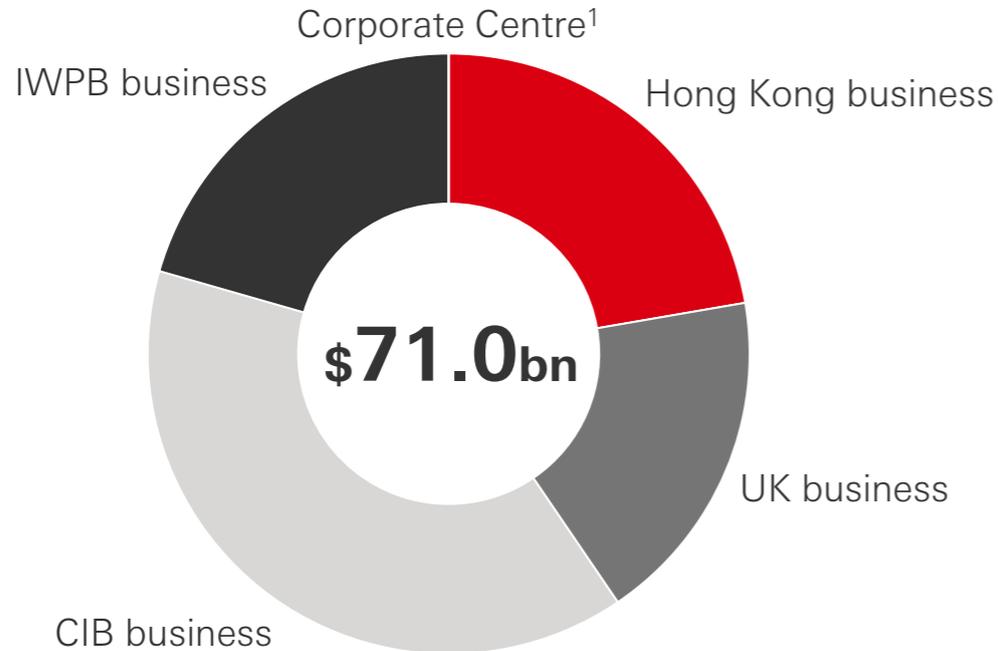
- ◆ End-to-end process simplification inc. onboarding / KYC, fraud prevention and detection, credit applications, contact centre transformation...

Enhance customer experience

- ◆ >50% CRM engagement enabled by Banker Assist⁴, augmenting c.1400 customer facing colleagues to deliver faster and better customer service
- ◆ 1000+ RMs leveraging Wealth AI platform to deliver tailored customer insights at scale

A diversified and capital-generative business

2025: \$68bn revenue / \$71bn excl. notable items



Strong capital	14.9% CET1 ratio	32.9% MREL ratio
Highly liquid; well funded	\$862bn² Total HQLA	55% Loan / deposit ratio
Prudent approach to credit risk	76% Proportion of gross customer loans classified as 'Strong' or 'Good' credit quality	90% Proportion of personal loan book secured

Organic capital generation

17.2% RoTE (ex notable items)
(13.3% reported)

\$21.1bn
Profit attributable to ordinary shareholders

Strong performance in 2025

Performance highlights

Revenue*

\$71.0bn

+5% YoY

PBT*

\$36.6bn

+7% YoY

Deposits

\$1,787bn

+\$78bn YoY†

RoTE‡

17.2%

+1.6ppts YoY

Income statement, \$bn	2024	2025	Δ, \$	Δ, %
Revenue excl. notable items	67.6	71.0	3.4	5%
PBT excl. notable items	34.2	36.6	2.4	7%
Revenue	66.0	68.3	2.3	3%
ECL	(3.4)	(3.9)	(0.5)	(14)%
Costs	(33.1)	(36.4)	(3.3)	(10)%
Associates	2.9	1.9	(1.0)	(34)%
PBT	32.4	29.9	(2.5)	(8)%
Balance sheet	2024	2025	Δ, \$	Δ, %
Customer loans, \$bn	970.8	988.4	17.6	2%
Customer deposits, \$bn	1,719.2	1,786.8	67.6	4%
CET1 ratio, % ▶	14.9%	14.9%	-	-

* Revenue and PBT exclude notable items, see slide 41

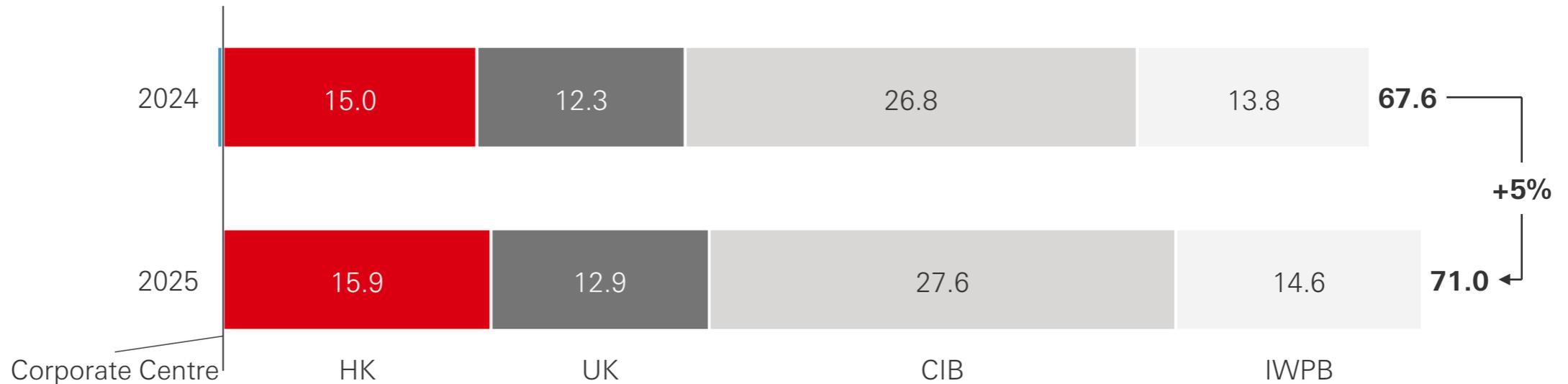
† Growth of \$78bn includes held-for-sale balances of \$16bn for 4Q25 and \$6bn for 4Q24, which are not included in the \$1,787bn absolute value quoted

‡ Excluding notable items. Based on updated methodology, see 2025 Annual Report and Accounts page 93

Four growing, high-returning businesses

All four businesses growing in revenue and deposits, all delivering mid-teens or better RoTE

Revenue excl. notable items*, \$bn



RoTE excl. notable items†, %

35.5%

22.9%

16.2%

19.0%

Deposits (growth YoY), \$bn

543 | +37

364 | +11

598 | +10

281 | +9

* See slide 42 for reconciliation of reported revenue to revenue excluding notable items

† See 2025 Annual Report and Accounts pages 93 and 94 for reconciliation of RoTE to RoTE excluding notable items

Completed the privatisation of Hang Seng Bank, sooner than anticipated

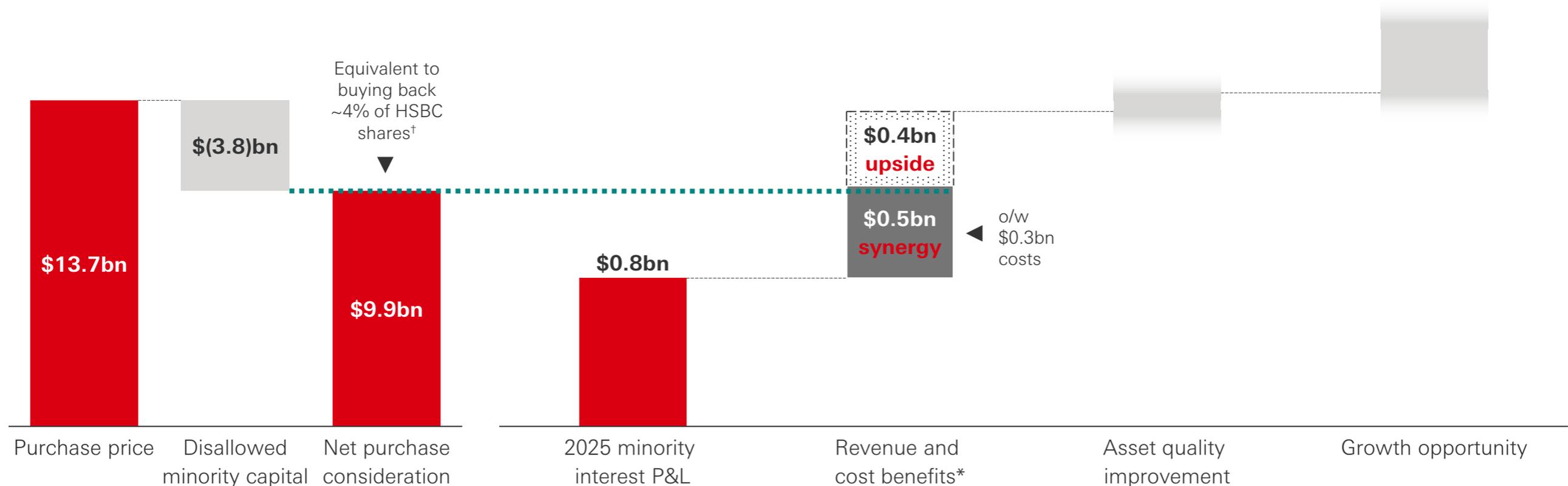
Value of the privatisation to shareholders:

- 1

CET1 impact of the transaction lower than purchase price
- 2

More accretive than a share buyback from the recognition of the minority interest P&L and expected synergies
 Management ambition to generate benefits of \$0.9bn by YE28, of which \$0.5bn is classified as expected synergies in line with UK reporting standards given the inherent uncertainty
- 3

Additional upside expected from asset quality improvement, further investments into Hang Seng Bank and market growth

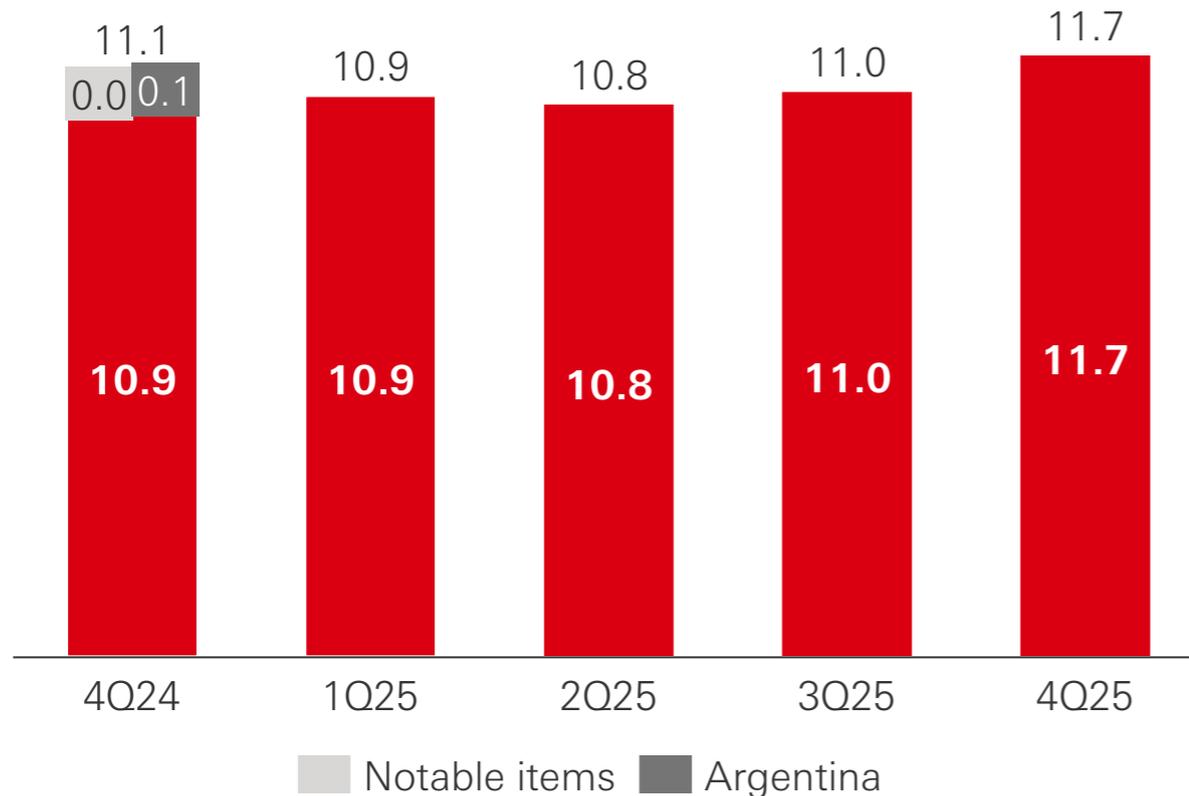


* In line with UK reporting standards, expected synergies are haircut for uncertainty. Expect synergies of \$0.5bn, post haircut, to be achieved by YE28, including \$0.3bn cost synergies which we intend to re-invest into priority areas. Gross benefits of \$0.9bn, approximately half relates to revenue. Expect to recognise \$0.6bn material notable item (restructuring charges). See slide 35

† Share buyback equivalent at the point of announcement (9 Oct 2025)

Banking NII: FY26 guidance of at least \$45bn

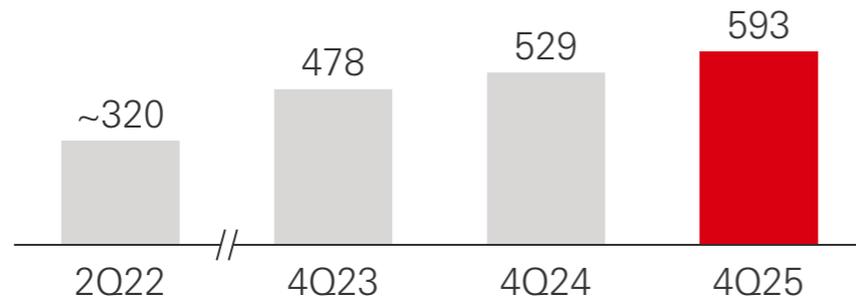
Banking NII, \$bn



- ◆ **FY25 Banking NII of \$44.1bn**
- ◆ **+\$0.7bn Banking NII QoQ**, of which:
 - ~\$0.1bn specific items positively impacting 4Q25 which we do not expect to repeat
 - ~\$0.4bn in Hong Kong including from higher HIBOR
- ◆ **Expect FY26 Banking NII of at least \$45bn**, including:
 - Deposit growth
 - Structural hedge
 - Forward rates below 4Q average and exit rate

Banking NII drivers

Structural hedge balance, \$bn ▶



Structural hedge reinvestment

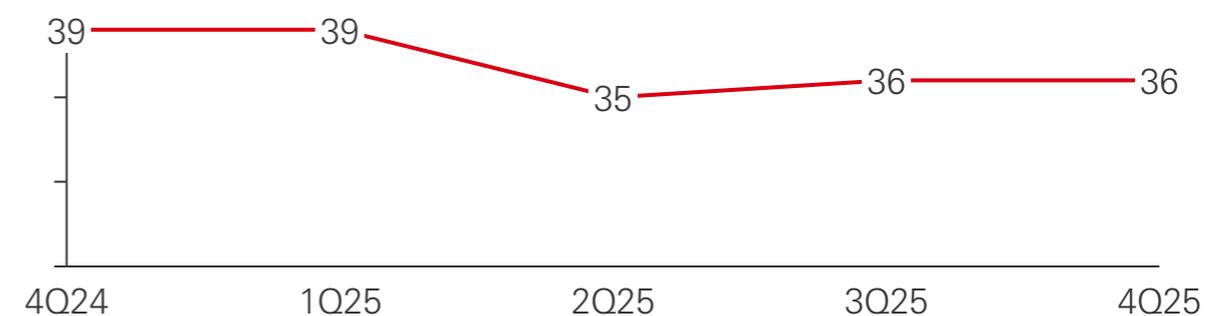
\$bn	Balance	Average yield
Notional balance	593	
– 2026	~110	~2.7%
– 2027	~110	~3.4%
– 2028	~100	~3.7%

- ◆ The **structural hedge is \$593bn** with an average life remaining around 3.1 years
- ◆ Maturing structural hedge assets are replaced at prevailing rates

Banking NII – year 1 sensitivity to a (100)bps down-shock*

\$m	
USD	(1,184)
HKD	(606)
GBP	(499)
EUR	(129)
Other	(971)
Total	(3,389)

Time deposits as a % of Hong Kong customer deposits†

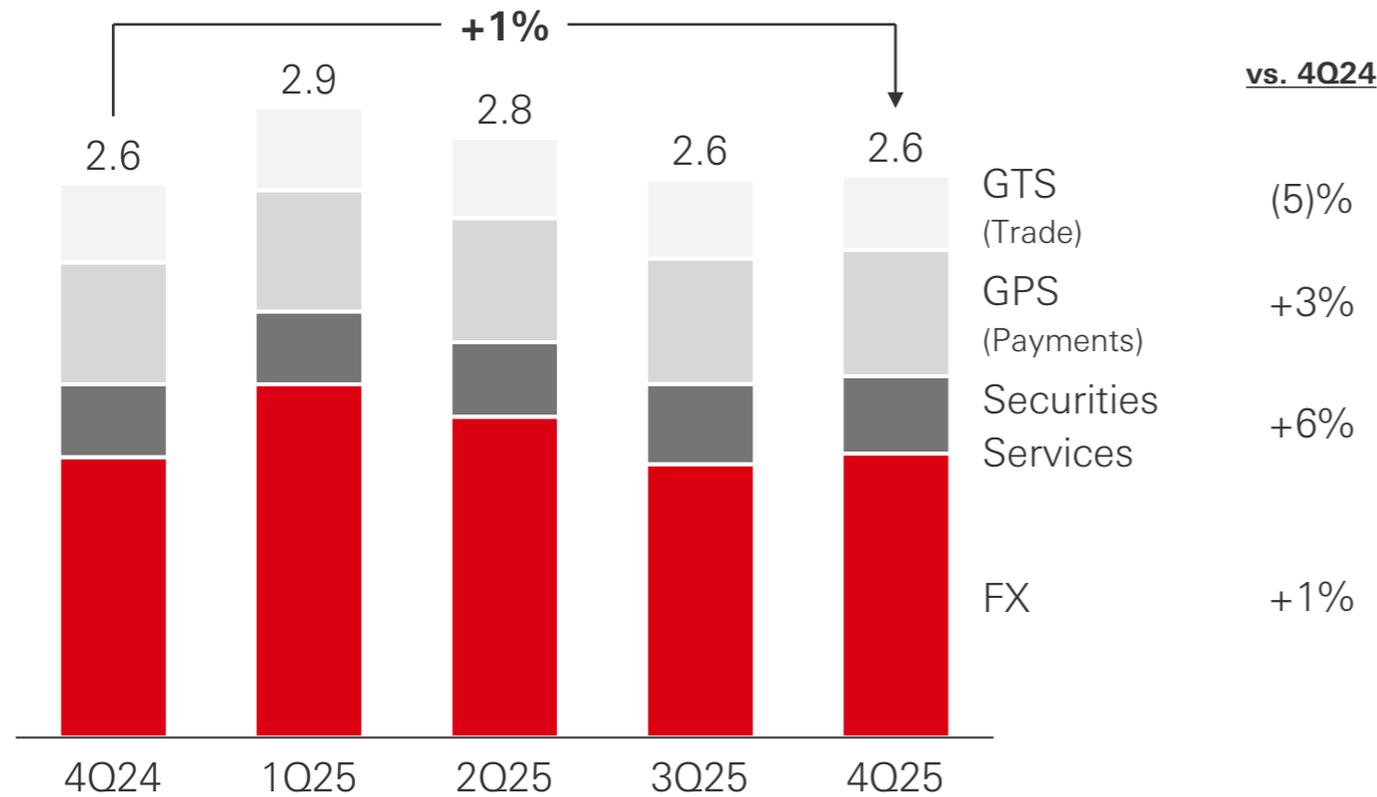


* Assumptions include a static balance sheet, no management actions and a 50% pass-through – see pages 164 – 165 of 2025 Annual Report and Accounts for further detail

† Relates to Hong Kong (entity)

The world's wholesale transaction bank

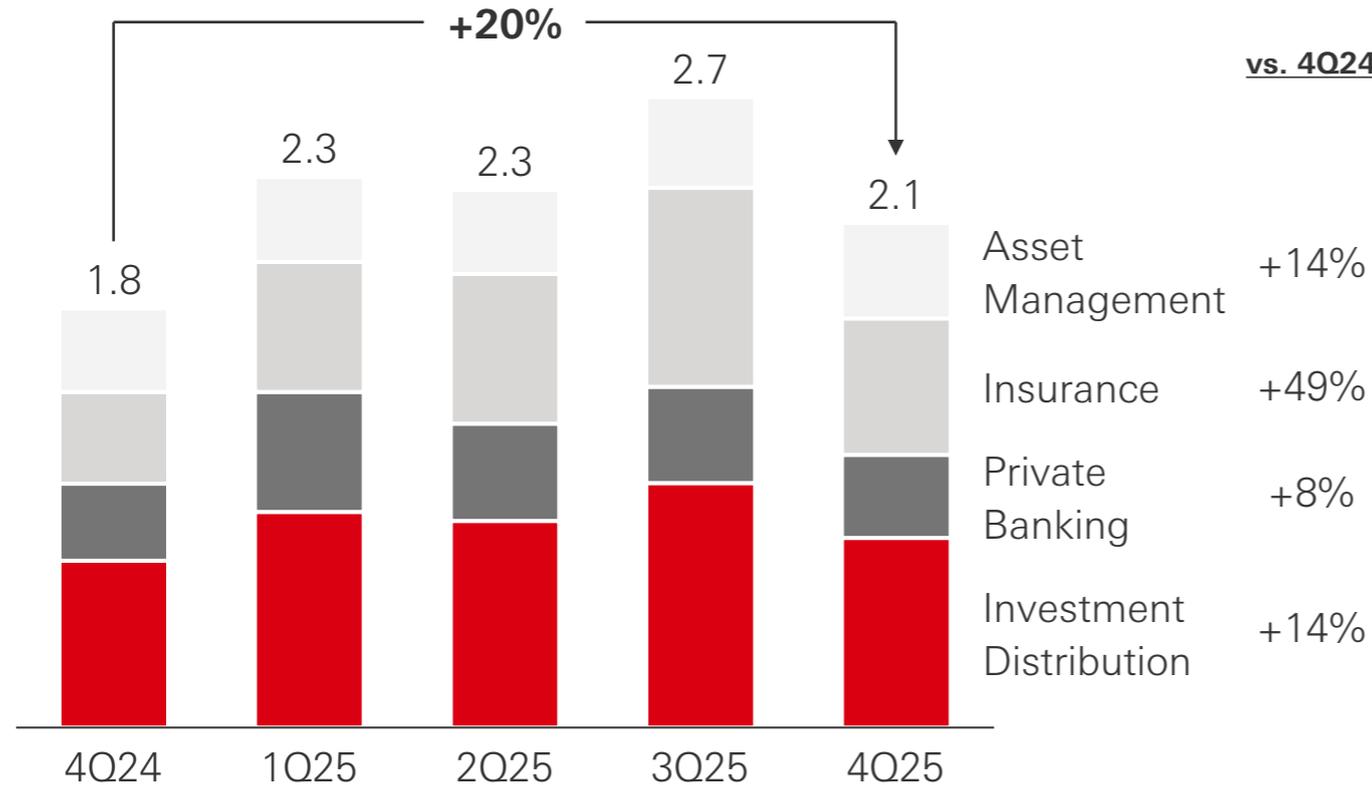
Fee and other income, \$bn



- ◆ **+6% Securities Services**, reflecting higher market valuations and new client wins
- ◆ **+3% GPS**, driven by new client mandates and payment volumes, in particular international payments
- ◆ **+1% FX**, reflecting strong client flow and high levels of volatility
- ◆ **(5)% GTS**, reflecting strong 4Q24; with continued growth in volumes and strong engagement with clients

Wealth: strong, broad-based growth showing strategic focus

Fee and other income, \$bn



Existing disclosures

\$1,535bn (Asia: \$773bn)

4Q25 Invested Assets
+19% YoY (Asia: +20%)

\$7bn (Asia: \$(3)bn)

4Q25 Net New Invested Assets

Updated disclosures*

\$1,563bn (Asia: \$1,055bn)

4Q25 Wealth balances
+15% YoY (Asia: +16%)

\$26bn (Asia: \$19bn)

4Q25 Net New Money

\$14.6bn

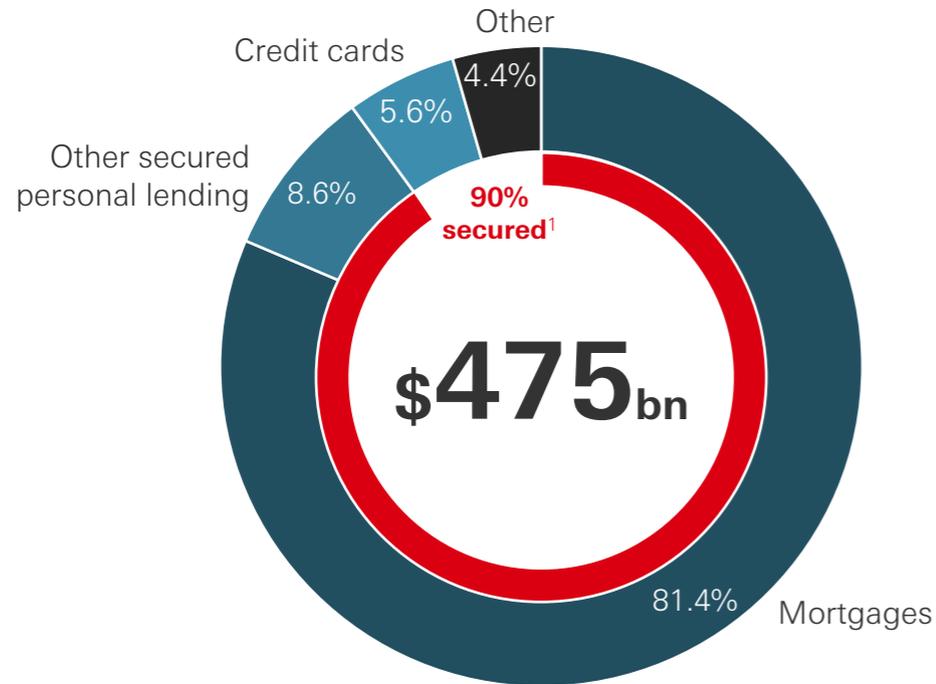
4Q25 Insurance manufacturing CSM balance

4Q24: \$12.1bn

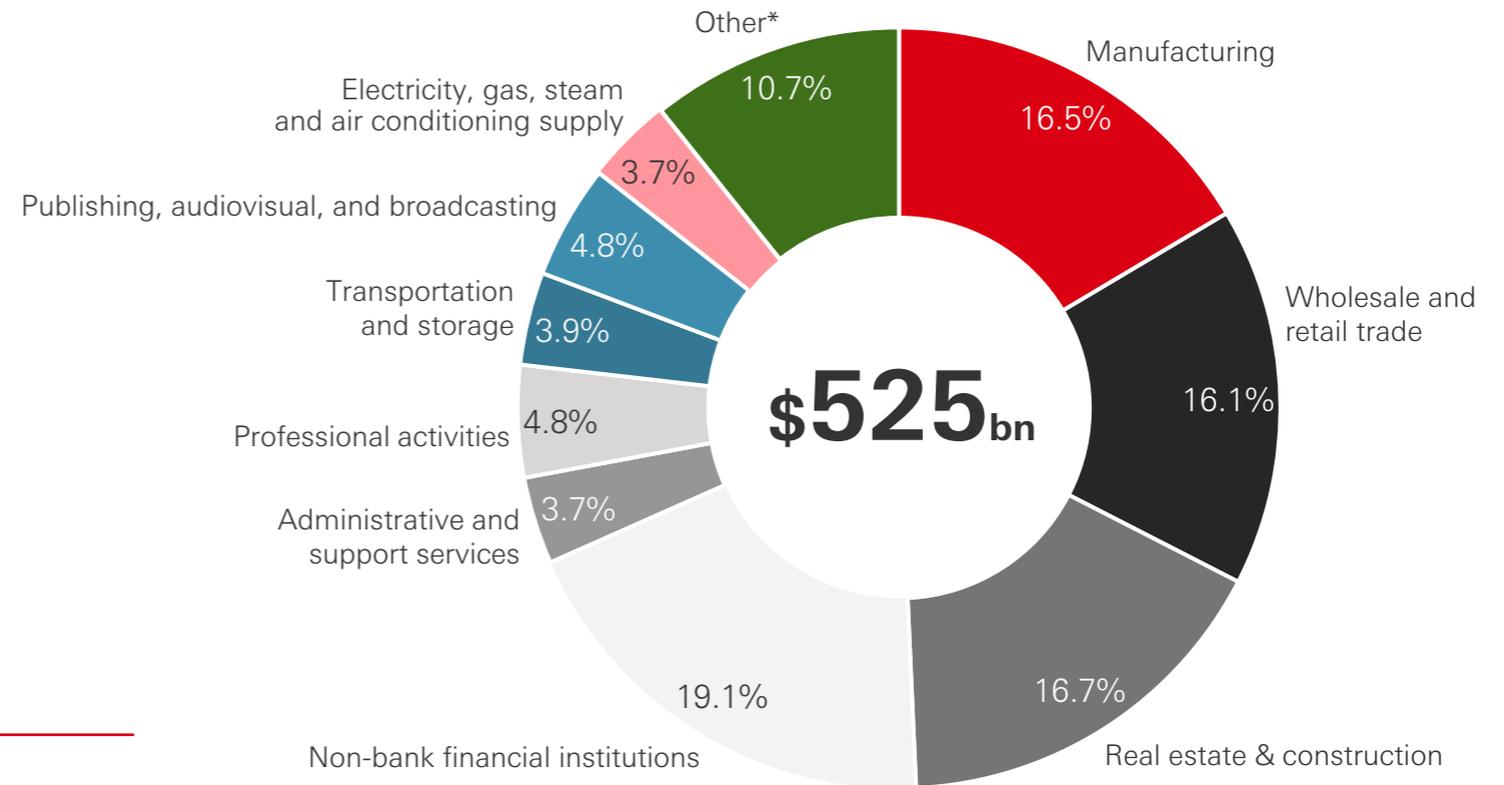
* We intend to report based on an updated definition of Wealth balances and Net New Money, starting from 1Q26, see slides 38 to 40 for definition and reported numbers based on new definition. Invested Assets, Net New Invested Assets, Wealth balances, Net New Money and Insurance manufacturing CSM balance are all on a reported FX basis.

Gross customer lending

Personal loan book, \$bn



Wholesale loan book, \$bn



Retail mortgage average LTVs (portfolio, indexed FY25)

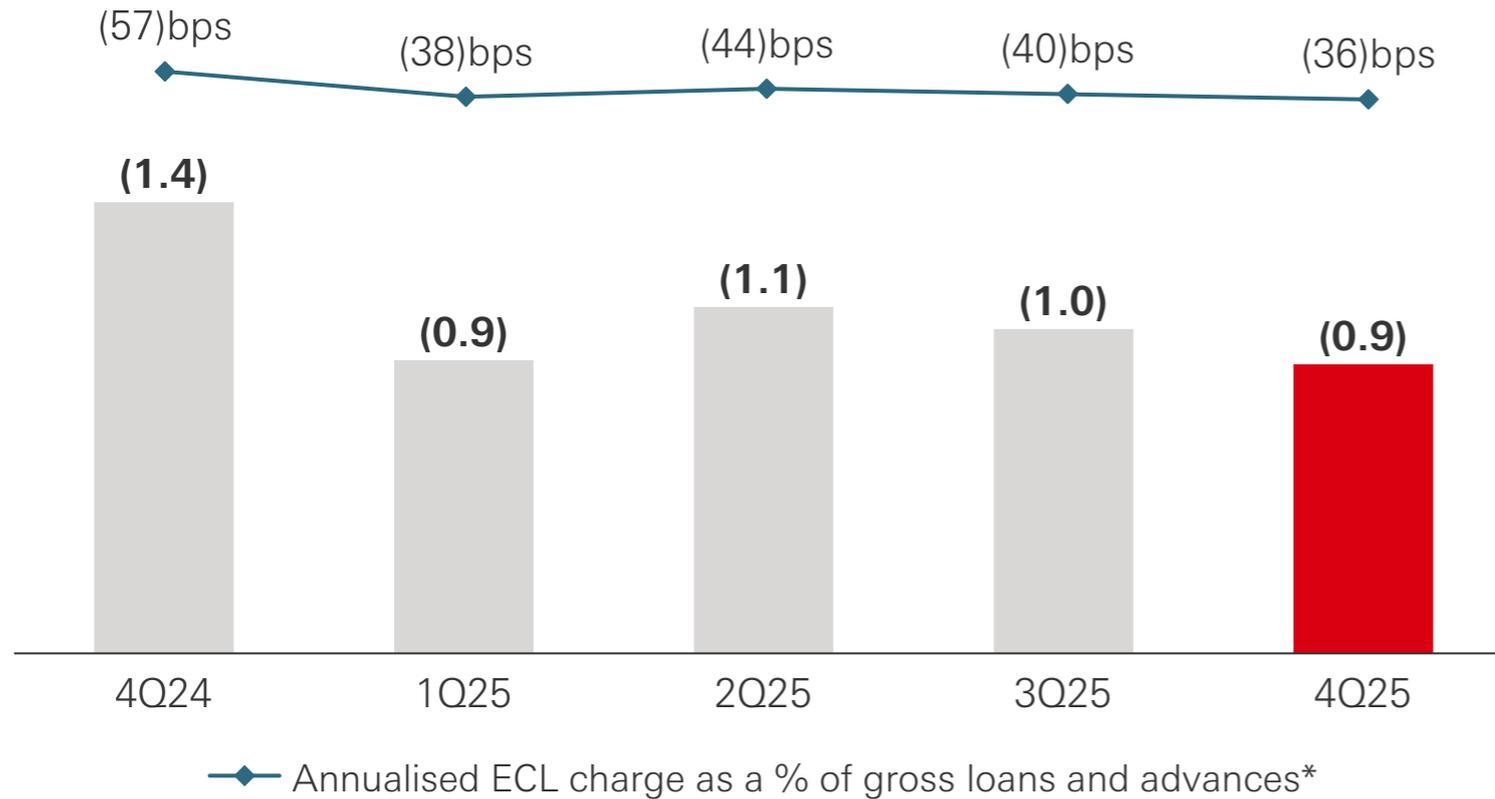
UK: 55%
New lending: 69%

HK: 60%
New lending: 70%

* 'Other' comprises 12 individual sectors, none of which are greater than 3% of total wholesale loans and advances to customers

Credit: FY25 credit charge (39)bps

ECL charge, \$bn

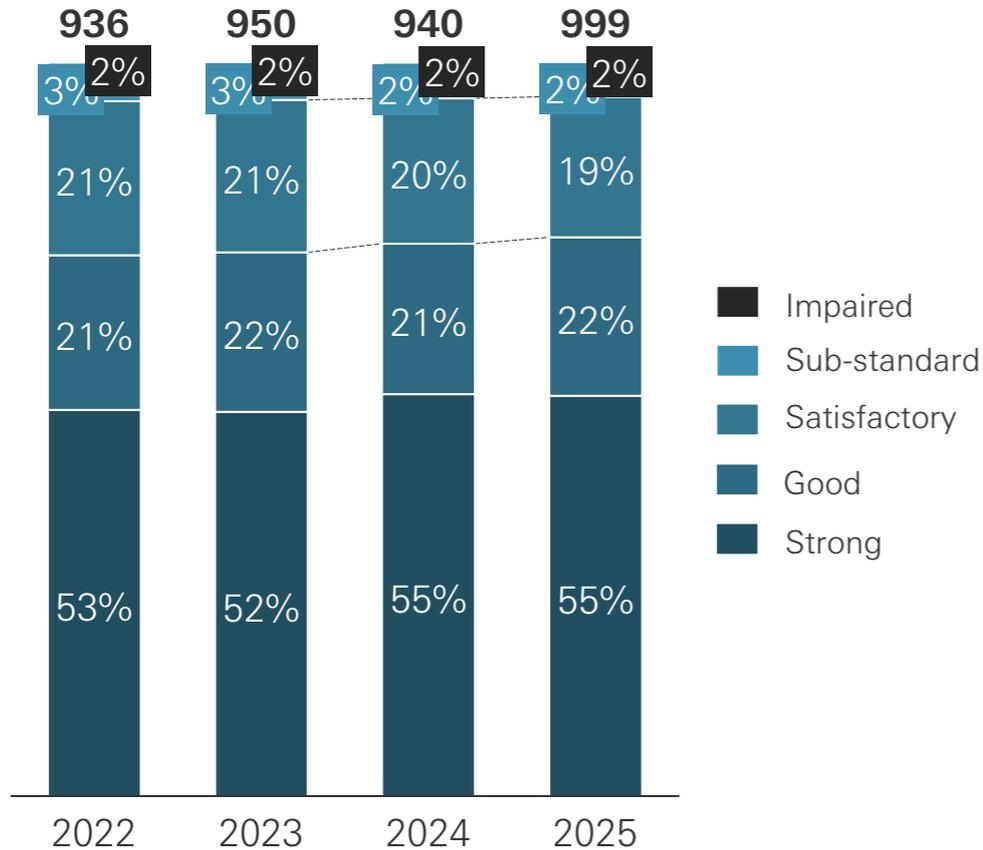


- ◆ **\$(0.9)bn 4Q25 ECL charge**
 - Immaterial ECL from HK CRE (see slide 29)
- ◆ **(39)bps FY25 ECL charge**, within our guidance of ~ (40)bps
- ◆ **FY26 guidance of ~ (40)bps***

* As a percentage of average gross loans and advances, including held-for-sale loan balances

Asset quality

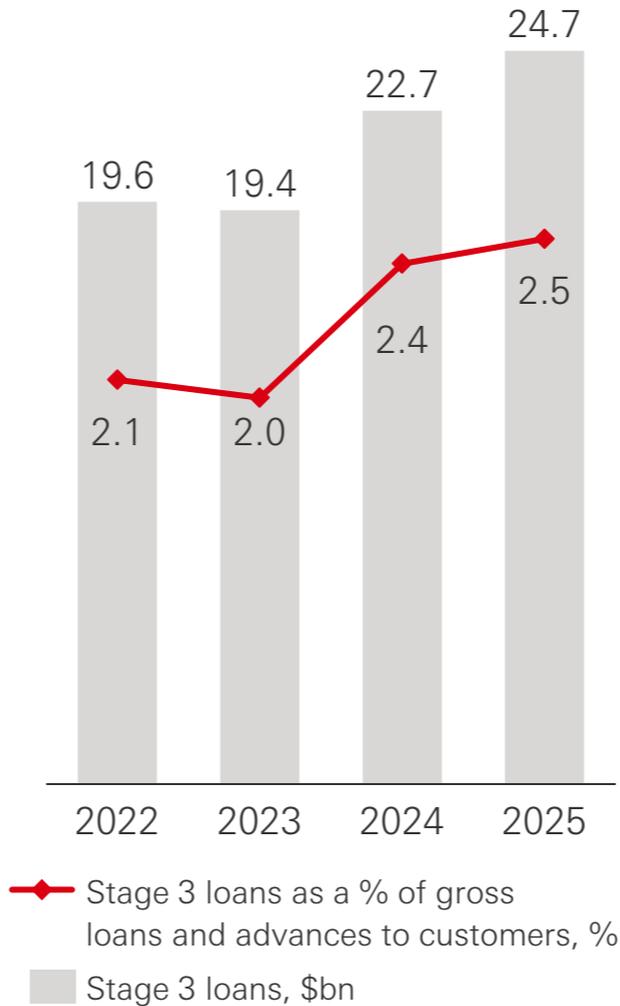
Gross loans to customers by credit quality classification trend, \$bn ▶



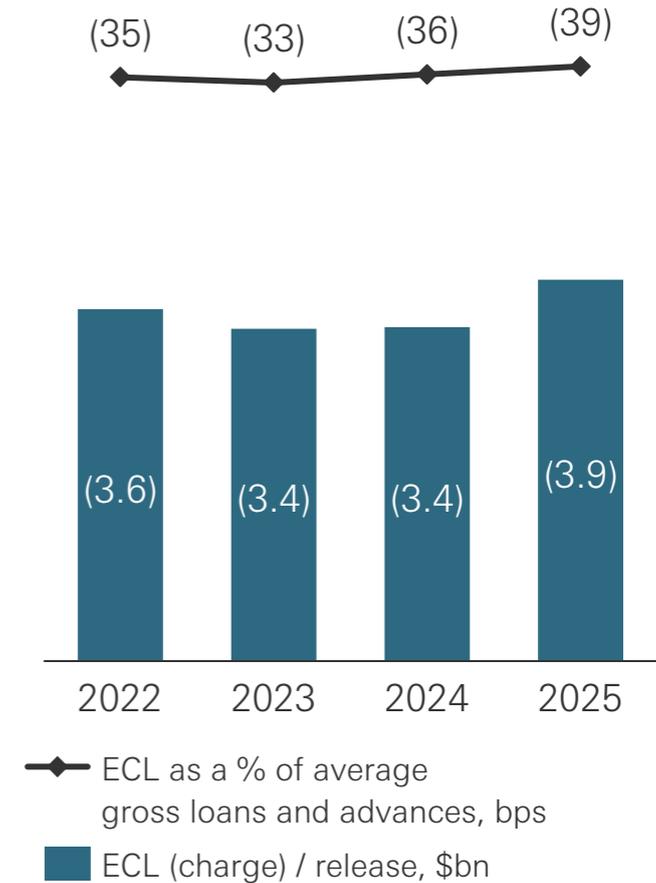
Wholesale loans classified as Strong or Good credit quality are equivalent to an investment grade rating from an external credit rating agency

* Including loans purchased or originated credit impaired

Stage 3 loans to customers* ▶

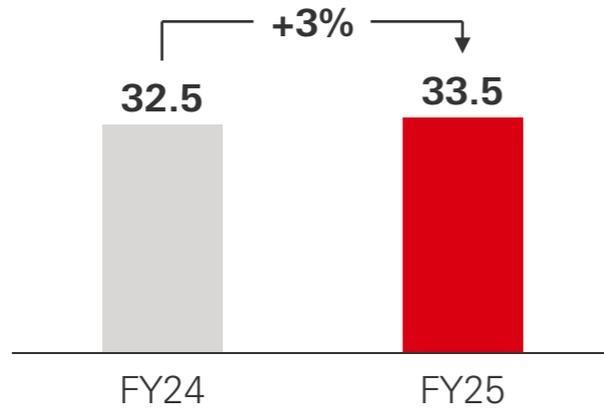


Reported ECL (charge) / release ▶



Costs: delivered 3% FY25 cost guidance, accelerated simplification savings

Target basis costs, \$bn



Expected realisation of P&L savings, \$bn



- ◆ **Delivered 3% target basis cost growth in FY25**
 - Actions taken to realise ~\$1.2bn annualised simplification savings on an accelerated timeline (previously ~\$1.0bn by YE25)
 - ~\$0.6bn simplification savings realised in the FY25 P&L (originally guided to ~\$0.3bn at 4Q24 results)

- ◆ **FY26 cost guidance of ~1% growth, on a target basis***

* FY26 target cost baseline is \$(33.5)bn

Targets

**2026, 2027
and 2028
targets**

Revenue

Rising to 5% YoY growth by 2028, excluding notable items

RoTE

17% or better, excluding notable items, each year

Dividends

50% of EPS, excluding material notable items and related impacts

Guidance

2026 guidance

Banking NII | at least \$45bn¹

ECL charge | ~(40)bps²

Costs | ~1% growth, on a target basis³

CET1 ratio | 14-14.5% target range⁴

Simplification

Savings | ~\$1.5bn savings from re-organisation to be delivered by YE26

Re-allocation | ~\$1.8bn costs to be re-allocated to priority growth areas in the medium term*
Including \$0.3bn cost synergies in Asia from HSB privatisation, to be achieved by YE28

Hang Seng privatisation

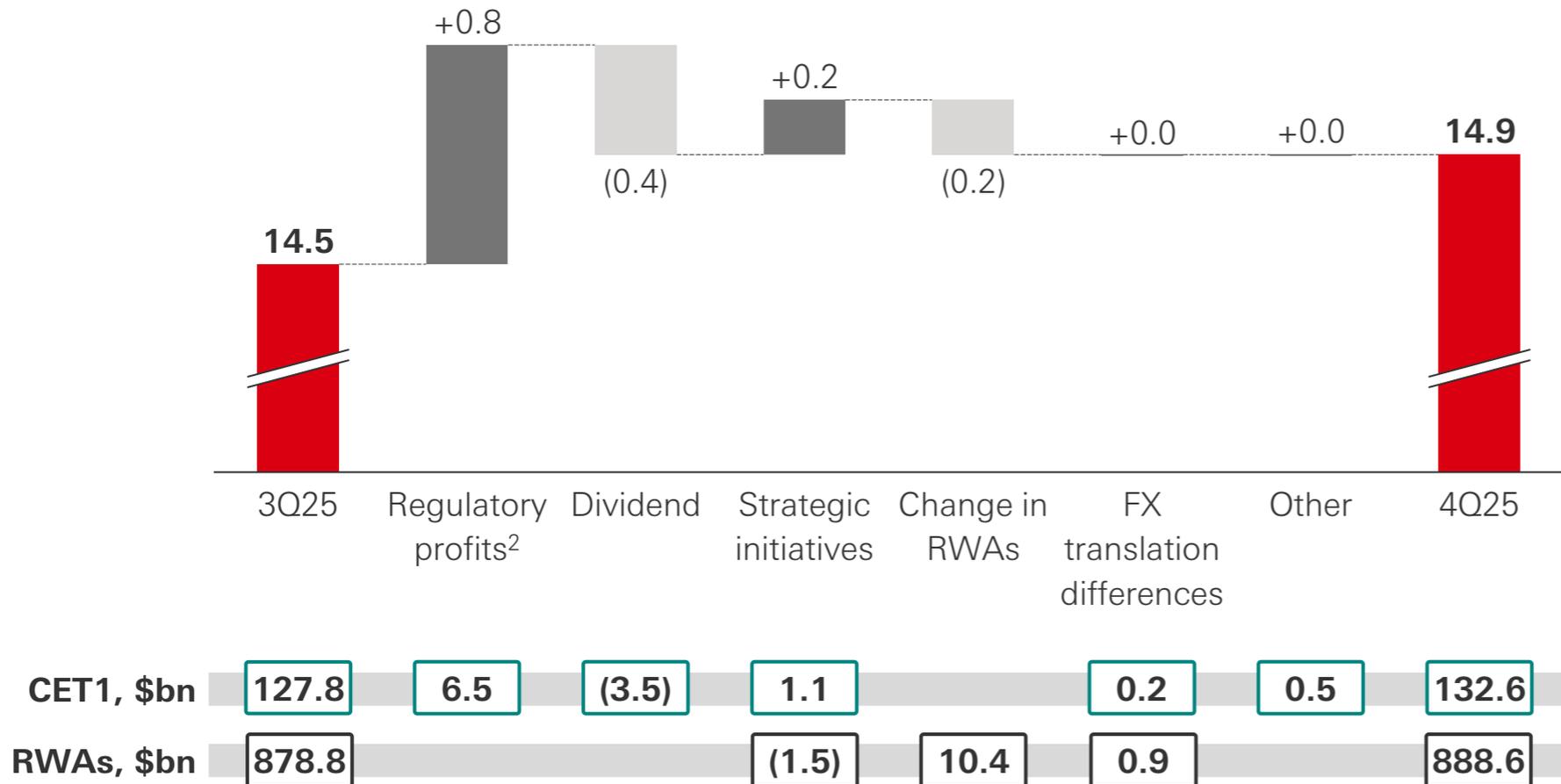
Revenue and cost benefits | \$0.5bn revenue and cost synergies, to be achieved by YE28
\$0.4bn potential further upside, to be achieved by YE28

Restructuring costs | ~\$0.6bn material notable item, by FY28

Balance sheet, capital and issuance

Capital: strong organic capital generation during the quarter

CET1 ratio, %¹ ▶



- ◆ c.80bps regulatory profit in 4Q25
- ◆ 4Q25 change in RWAs includes operational risk RWA increase of c.\$12bn driven by higher average income
- ◆ c.20bps strategic initiatives mainly driven by French life insurance disposal

Events after the balance sheet date*

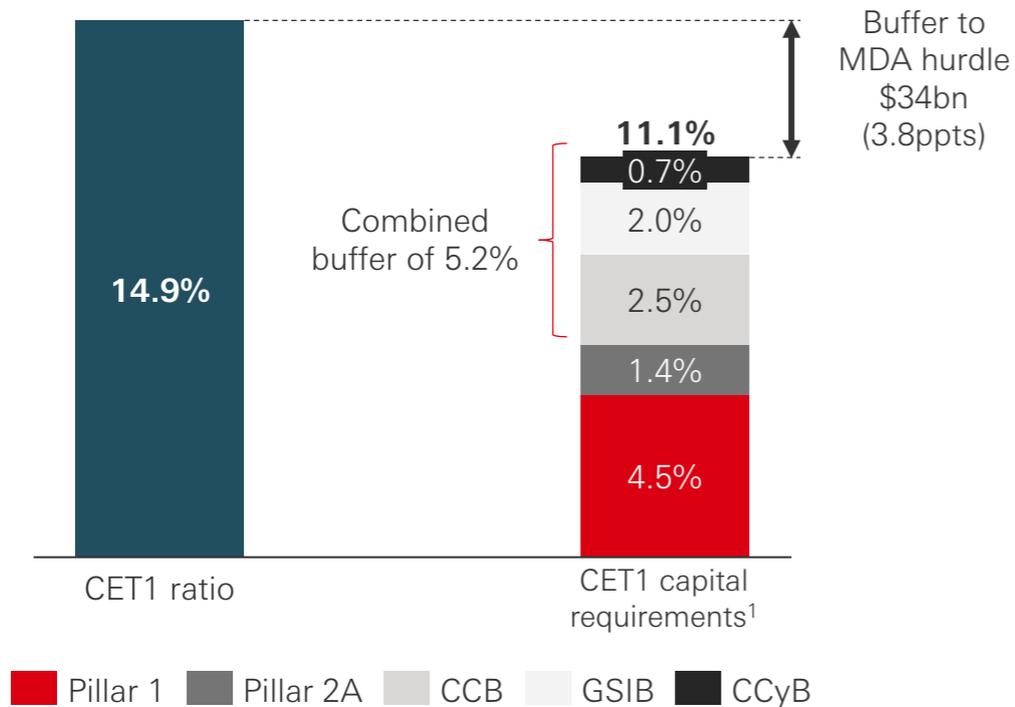
- ◆ Hang Seng Bank privatisation had a net (110)bps CET1% impact in January 2026[†], which includes 10bps release of incremental hedging-related market risk RWAs (see slide 27)

* See slide 43 for a list of market participation impacts in relation to upcoming exits

† As at 31 December 2025

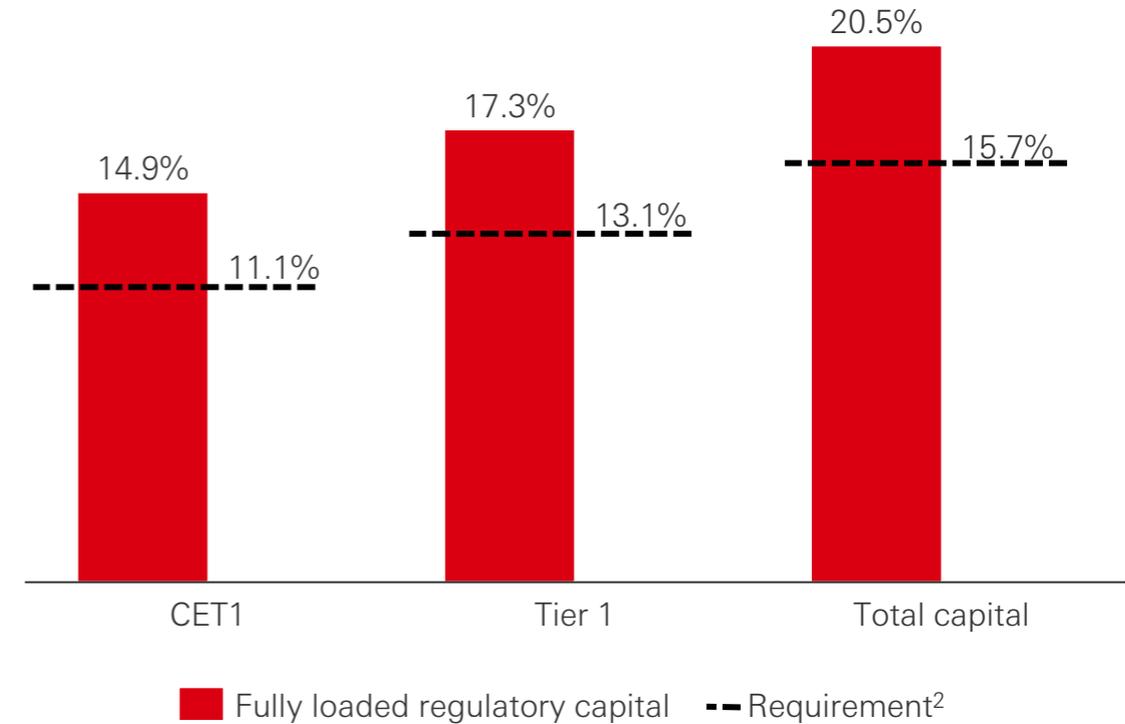
FY25 capital position versus requirements

CET1 ratio as a % of RWAs, vs. requirements



- ◆ **CET1 ratio to be managed within our medium-term target range of 14-14.5%**
- ◆ **Pillar 2A set at 2.5% of RWAs**, of which 1.4% must be met by CET1 capital

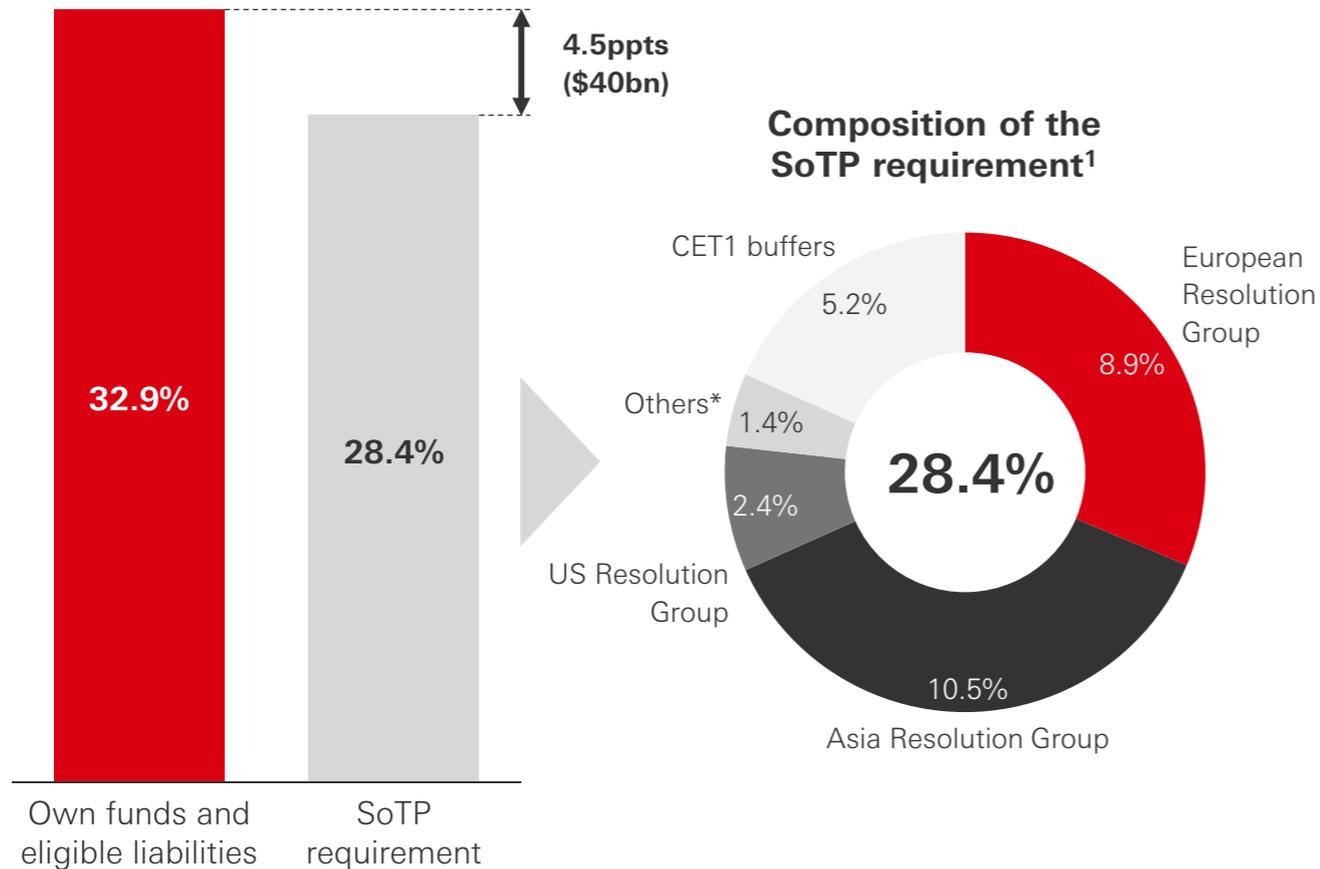
Regulatory capital as a % of RWAs, vs. requirements



- ◆ **The distributable reserves of HSBC Holdings plc were \$46bn** having increased by \$18bn in 2025 primarily due to profits and the cancellation of \$17bn of share premium and capital redemption reserves, offset by \$21bn of shareholder distributions and AT1 coupons.

MREL position

Position versus requirement as a % of Group RWAs



- ◆ **4.5ppts / \$40bn buffer** to current requirement
- ◆ The Group's binding MREL requirement is currently the aggregation of each resolution group's local regulatory requirements and other Group entities' capital requirements, otherwise known as the 'sum of the parts' (or 'SoTP')
- ◆ The Group is subject to the higher of a number of requirements, the SoTP is currently the highest. The others are:
 - 18% of RWAs plus CET1 buffers (23.2% of RWAs)
 - 6.75% of leverage exposure plus CET1 buffers (equivalent to 27.0% of RWAs)
 - Twice the sum of the Pillar 1 and Pillar 2A requirements, plus CET1 buffers (26.3% of RWAs)[^]

* Capital or TLAC requirements relating to other Group entities

[^] Effective 1 January 2026

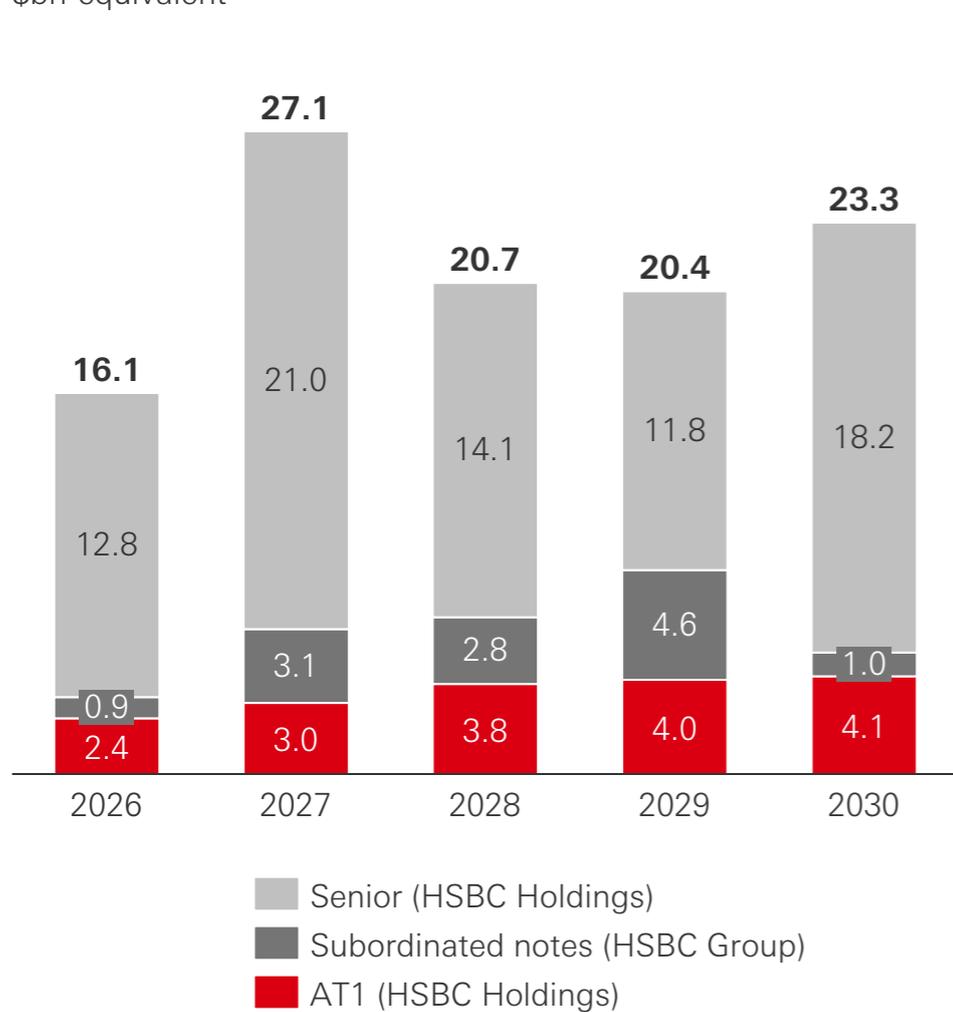
2026 issuance plan

	Planned gross issuance	2026 calls and maturities	2025 gross issuance
HoldCo senior	~\$20bn	\$12.8bn	\$25.7bn <i>Including \$6.5bn of pre-funding conducted in 4Q</i>
Tier 2	~\$1bn	\$1.0bn	\$4.0bn <i>Including \$1.5bn linked to liability management</i>
AT1	~\$4bn	\$2.3bn	\$4.1bn
OpCo	Expect certain subsidiaries to issue modest senior / secured debt in local markets	-	Highlights: <ul style="list-style-type: none"> ▪ HSBC USA: \$1.3bn senior unsecured ▪ HBUK: €0.8bn covered bond

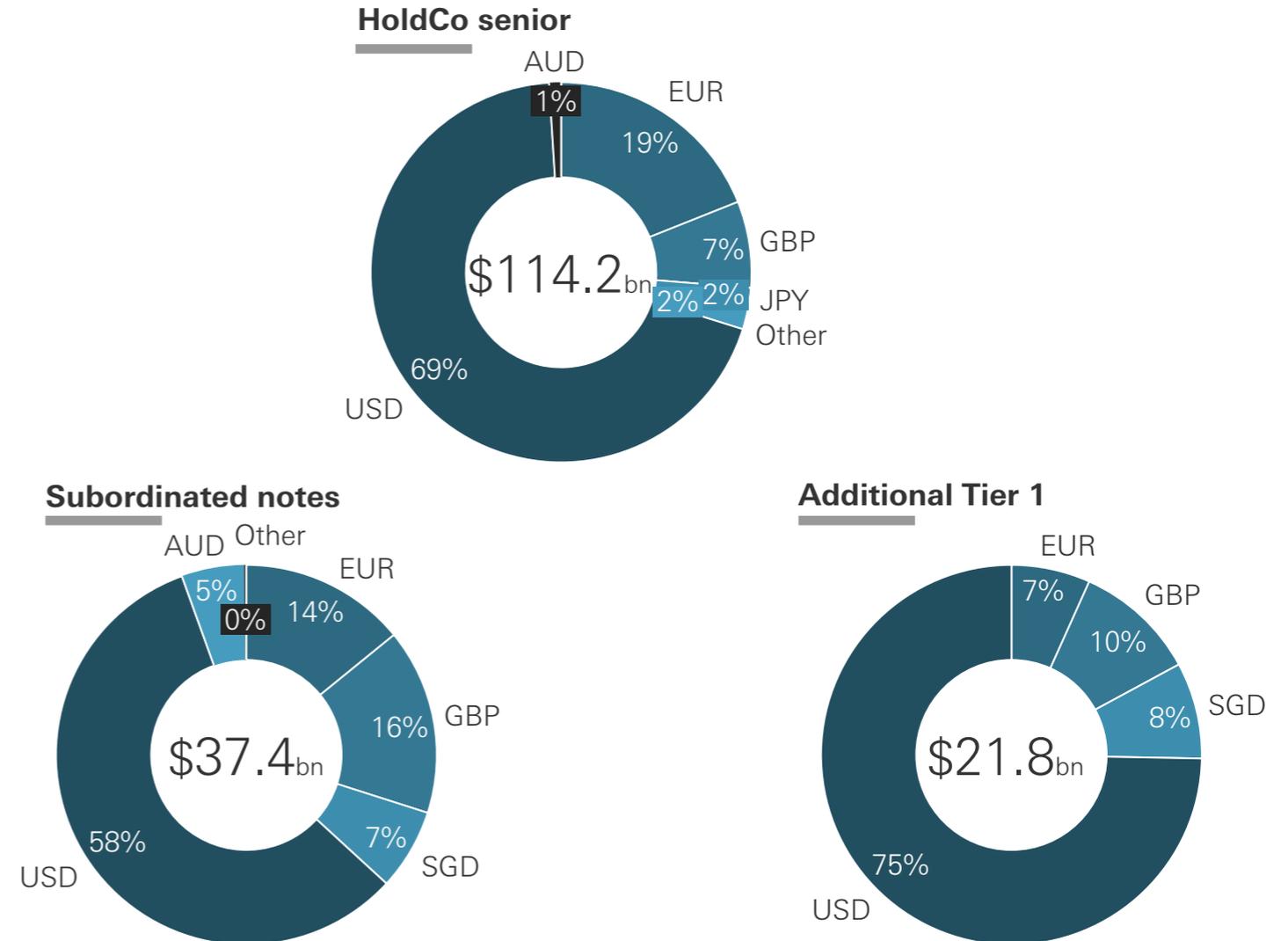
Portfolio instruments

Maturity profile¹

\$bn-equivalent

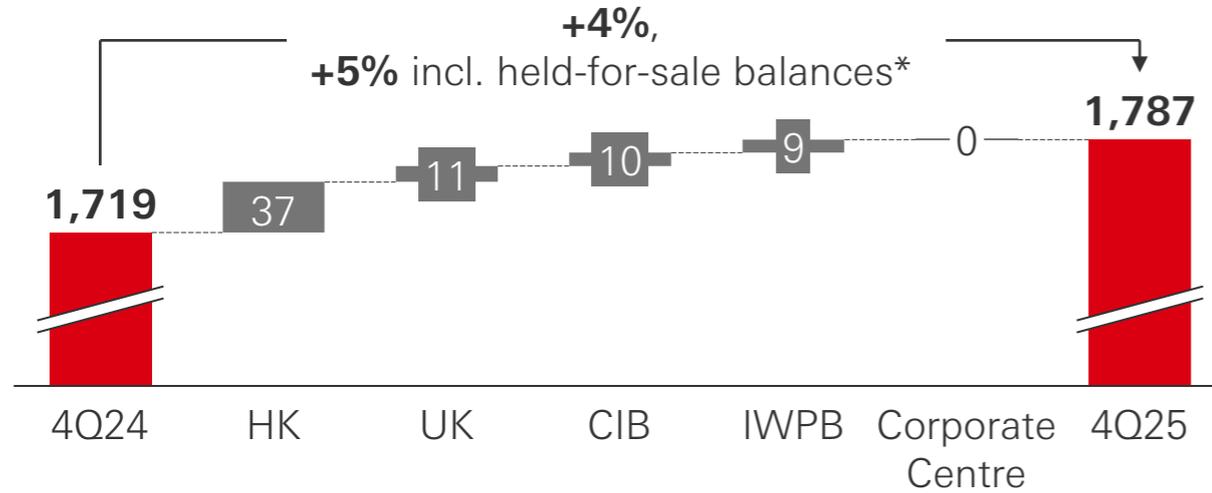


Outstanding instruments by currency (notional)



Customer deposits & loans: strong and growing deposit franchise, +\$78bn YoY*

Deposits, \$bn



HK: capital and wealth inflows into Hong Kong

UK: franchise growth including HSBC Innovation Banking

CIB: strong GPS client demand and new mandate wins

IWPB: Private Bank and Premier flows

Loans, \$bn



HK: customer repayments and muted credit demand

UK: growth in mortgages and targeted sectors in Commercial Banking

CIB: mainly in Asia; increase in GTS with contribution from TradePay

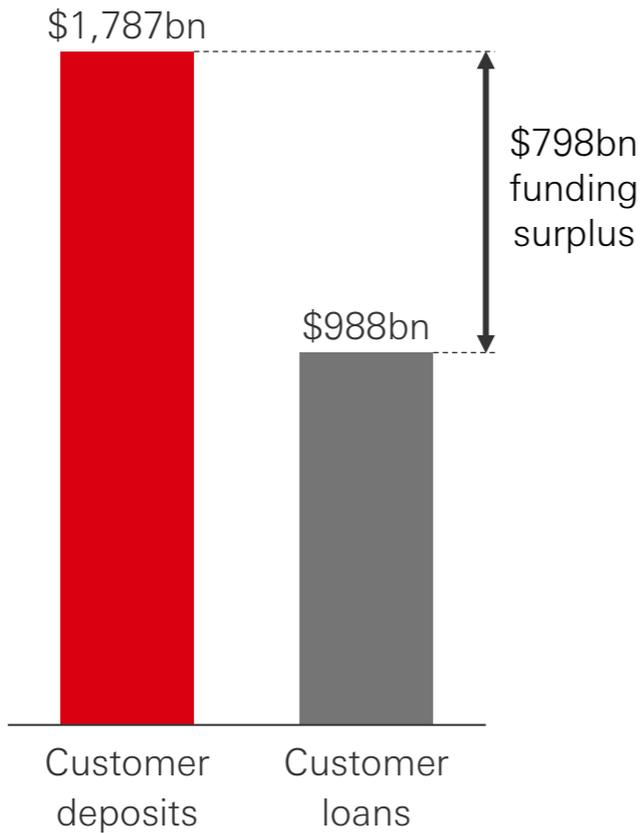
IWPB: US mortgage sale in the quarter

* Including \$16bn held-for-sale balances for 4Q25 and \$6bn for 4Q24

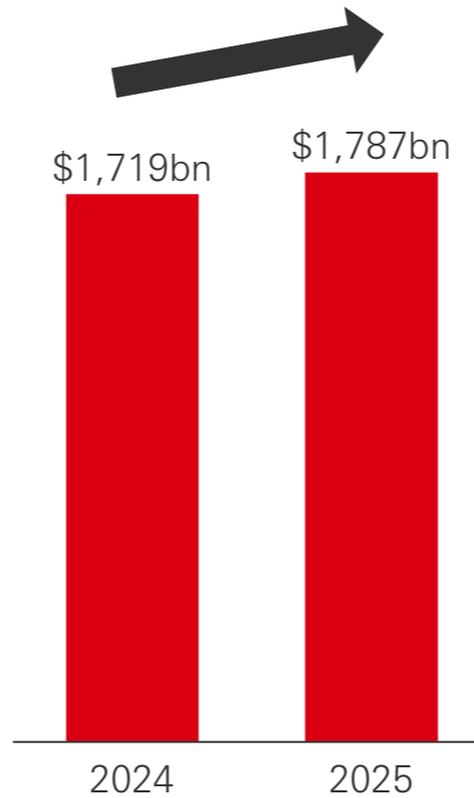
† +2% YoY incl. held-for-sale balances of \$2bn for 4Q25 and \$1bn for 4Q24

Funding and liquidity

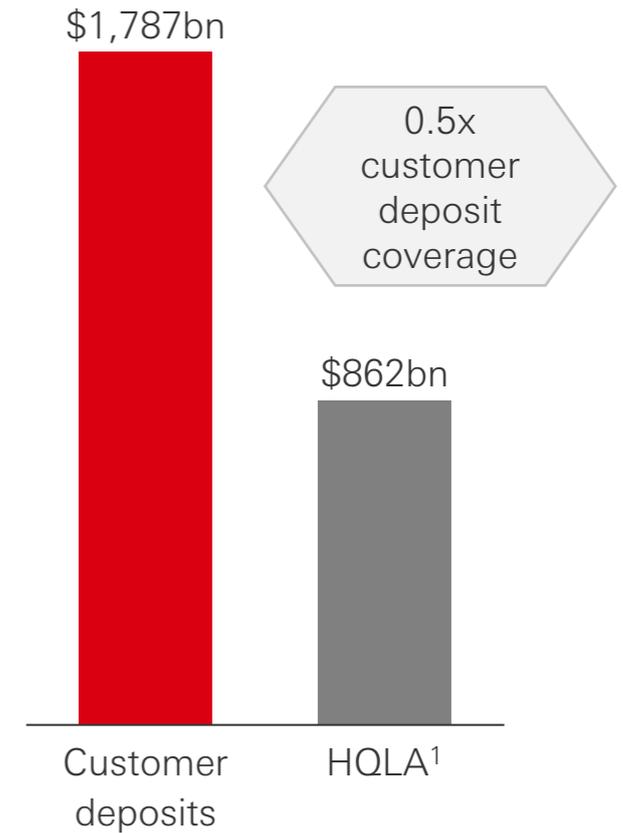
55% loan to deposit ratio



5% Year-on-year customer deposit growth*



\$0.9tn Total HQLA^



* Including \$16bn held-for-sale balances for 4Q25 and \$6bn for 4Q24 which are not included in the \$1,787bn absolute value quoted

¹ Total HQLA in sites, includes \$165bn of HQLA excluded for computation of the Group LCR but included in local entity liquidity ratios

Appendix

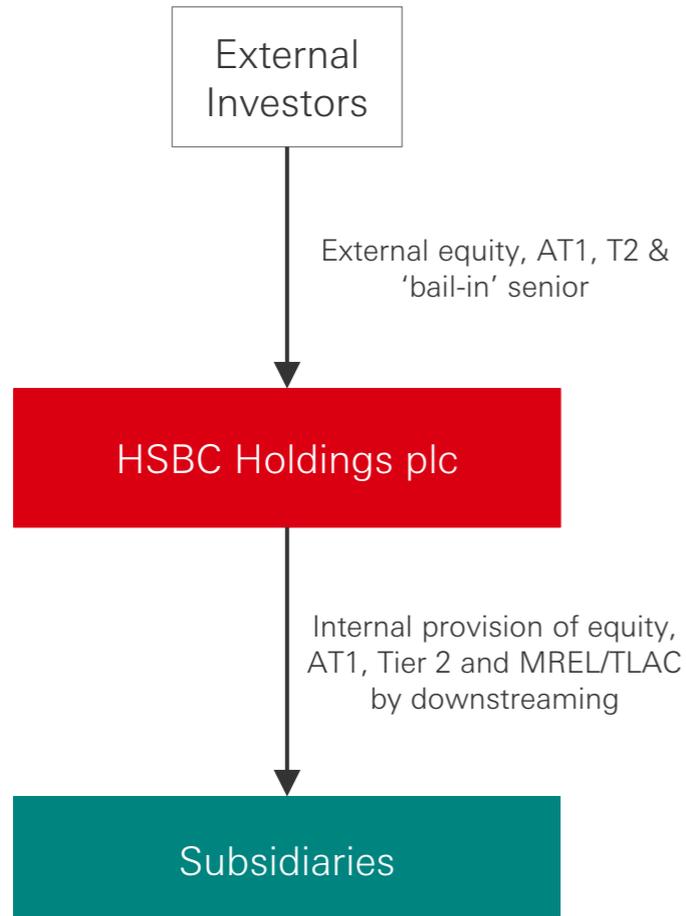
MREL / TLAC position

	HSBC Group ¹	US Resolution Group	Europe Resolution Group (Including HSBC Holdings) ¹	Asian Resolution Group
MREL / TLAC position	Total MREL / TLAC: \$292bn Of which: non-regulatory capital: \$109bn	Total TLAC: \$24bn Of which: non-regulatory capital (long-term debt): \$10bn	Total MREL / TLAC: \$117bn Of which: non-regulatory capital: \$68bn	Total TLAC: \$121bn Of which: non-regulatory capital: \$31bn
Balance sheet	RWAs: \$889bn Leverage exposure: \$2,877bn	RWAs: \$110bn Average assets: \$238bn	RWAs: \$328bn Leverage exposure: \$1,163bn	RWAs: \$380bn Leverage exposure: \$1,385bn
Requirement	The greater of: <ul style="list-style-type: none"> 18% of RWAs 6.75% of leverage exposure 2 x (P1 + P2A)[^] Sum-of-the-parts* 	TLAC ² : the greater of: <ul style="list-style-type: none"> 18% of RWAs 9% of average assets Long-Term Debt: the greater of: <ul style="list-style-type: none"> 6% of RWAs 3.5% of average assets 	The greater of: <ul style="list-style-type: none"> 18% of RWAs 6.75% of leverage exposure 2 x (P1 + P2A) 	Firm specific requirement, subject to TLAC floor of the greater of: <ul style="list-style-type: none"> 18% of RWAs 6.75% of leverage exposure

* The sum-of-the-parts calculation also includes capital requirements or TLAC requirements relating to other Group entities

[^] Effective 1 January 2026

Approach to issuance



HSBC Holdings plc

- ◆ Since 2015, HSBC Holdings has been the Group's issuing entity for external AT1, Tier 2 and MREL / TLAC-eligible senior
- ◆ Issuance executed with consideration to our maturity profile

Internal capital and MREL/TLAC

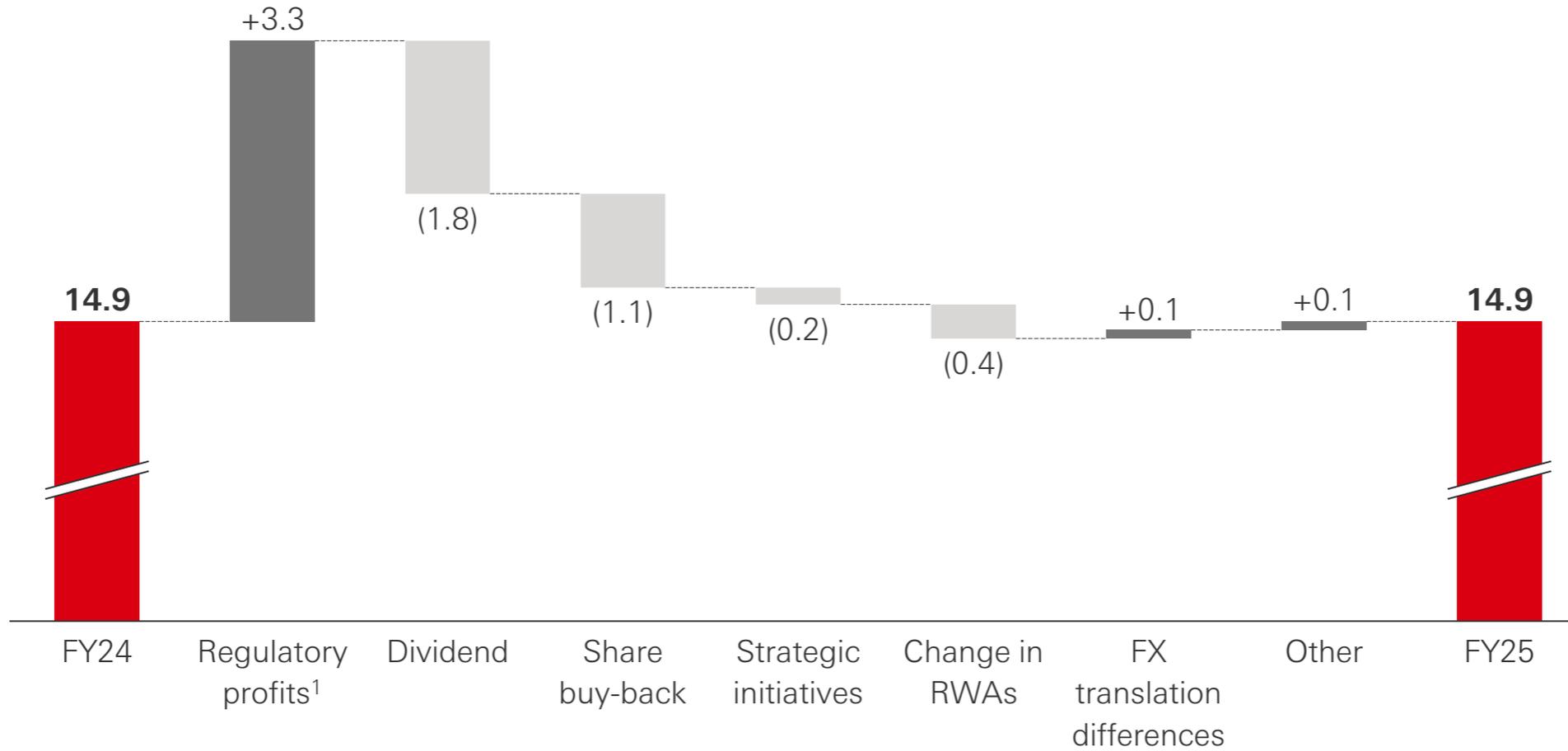
- ◆ Proceeds of external debt issued by HSBC Holdings is predominantly used to acquire internal capital and MREL/TLAC instruments issued by its subsidiaries
- ◆ HSBC Holdings does not generally provide funding to subsidiaries for day-to-day liquidity needs
- ◆ HSBC Holdings retains proceeds and dividends for its own liquidity and capital management (we seek to manage within a **target operating range of \$19-\$24bn**)

External debt issued by subsidiaries

- ◆ HSBC will continue to issue senior and secured debt from certain subsidiaries to meet local funding and liquidity requirements. This debt is not intended to constitute MREL/TLAC
- ◆ External legacy capital instruments issued by subsidiaries are not eligible as MREL/TLAC

2025 Capital walk

CET1 ratio, % ▶



Hang Seng Bank: financial summary

Reported results, \$m	1H24	2H24	1H25	2H25	FY23	FY24	FY25
Revenue	2,595	2,654	2,648	2,689	5,210	5,249	5,336
ECL	(192)	(420)	(623)	(409)	(798)	(612)	(1,032)
Costs	(964)	(985)	(971)	(1,030)	(1,869)	(1,949)	(2,001)
Associates	6	(1)	(14)	8	25	5	(6)
Profit before tax	1,446	1,247	1,039	1,258	2,568	2,693	2,297
Customer loans	108,794	105,475	102,340	101,148	110,134	105,475	101,148
Customer deposits	149,556	159,223	162,070	161,549	147,358	159,223	161,549

Indicative capital impact of Hang Seng Bank privatisation

\$bn	4Q25	Indicative day one impact:	
		\$bn	CET1 ratio %
Total equity (per balance sheet)	205.7	(13.7)	
Non-controlling interests (NCI)	(7.4)	+7.0	
Total shareholders' equity	198.2	(6.7)	
Additional Tier 1	(20.7)	—	
Total ordinary shareholders' equity ('NAV')	177.5	(6.7)	
Allowable NCI in CET1	3.3	(3.2)	
Other NAV to CET1 adjustments	(7.8)	—	
CET1 before regulatory adjustments	173.0	(9.9)	
Threshold deductions – CET1	(13.8)	(1.0)	
Other regulatory adjustments to CET1 capital	(26.6)	—	
Regulatory adjustments	(40.4)	(1.0)	
Indicative day one impact - CET1 / CET1 ratio	132.6	(10.9)	(1.20)%[†]

- ◆ The privatisation of Hang Seng Bank in January 2026 had a day one impact of **c.(120)bps** on Group CET1* comprising the impact of:
 - Purchase consideration of \$13.7bn
 - Derecognition of \$7.0bn of balance sheet NCI relating to Hang Seng Bank
 - Deduction of \$3.2bn of allowable NCI
 - Threshold deductions impacts on CET1 capital and RWAs arising from the above
- ◆ The above was partly offset by a release of ~10bps of incremental hedging-related market risk RWAs, giving a net CET1 impact of **c.(110)bps**
- ◆ No goodwill arises on completion of the privatisation
- ◆ The TNAV impact is \$6.7bn

* Illustrative, based on CET1 capital ratio as at 31 December 2025

† Includes +3bps impact of the \$(2.5)bn RWA reduction from the day-one threshold deduction adjustment

Hang Seng Bank privatisation related expectations

Value of the privatisation to shareholders	=	Pre-tax by YE28, \$bn		+	Asset quality improvement	+	Growth opportunity Further investments into Hang Seng Bank and market growth
		Revenue and cost benefits*	0.9				
		— Revenue and cost synergies	0.5				
		— Potential further upside	0.4				
		Restructuring costs (material notable item)	(0.6)				

* \$0.9bn gross benefits are expected to be split broadly equally between revenue and cost

Hong Kong commercial real estate

Excluding exposure to mainland China borrowers

Loans and advances to customers by credit quality, \$bn

			Of which Hang Seng Bank	
	FY24	FY25	FY24	FY25
Strong	4.5	3.3	2.6	1.7
Good	9.8	8.2	4.4	3.4
Satisfactory	10.7	10.4	5.1	4.6
Sub-standard	3.7	2.4	2.2	1.7
— <i>Of which: >70% LTV</i>	0.1	0.0	0.1	—
Credit impaired	4.6	6.3	2.6	3.5
— <i>Of which: >70% LTV</i>	1.2	1.9	0.7	1.1
Total	33.2	30.6	16.8	15.0
Memo items:				
ECL charge	(0.1)	(0.7)	(0.1)	(0.4)
ECL allowance	(0.4)	(1.1)	(0.2)	(0.7)
— <i>Of which: credit impaired</i>	(0.3)	(0.9)	(0.1)	(0.6)
Average LTV sub-standard	46%	42%	49%	42%
Average LTV credit impaired	58%	71%	60%	74%
% portfolio secured*	54%	57%	61%	63%

- ◆ Increase in ECL allowances in 2025 due to negative credit migration and pressure on collateral values
- ◆ Negative credit migration mainly driven by the secured portfolio, which accounts for 57% of the total portfolio, though the pace of migration slowed in the 4th quarter
- ◆ Repayments of highest quality loans that are rated Strong
- ◆ Unsecured exposures are typically granted to strong, listed Hong Kong developers which are commonly members of conglomerate groups with diverse cashflows
 - Largely stable, with limited Credit impaired levels and 89% rated Strong or Good
- ◆ \$8.7bn rated Sub-standard or Credit impaired:
 - \$2.4bn Sub-standard (immaterial balance LTV >70%)
 - \$6.3bn Credit impaired (of which \$1.9bn LTV >70%), against which we have an ECL allowance of \$(0.9)bn

* Based on total limits, including off balance sheet commitments, of \$42.8bn (FY24: \$49.2bn)

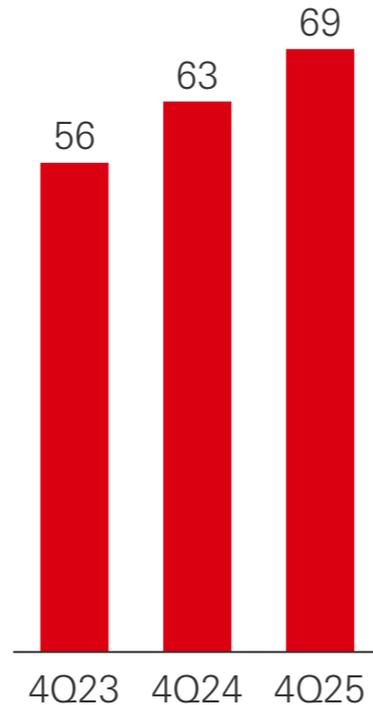
Mainland China exposure

Balances booked in mainland China

Gross customer loans, \$bn



Customer deposits, \$bn



- ◆ Mainland China drawn risk exposure is defined as lending booked in mainland China and wholesale lending booked offshore where the ultimate parent and beneficial owner is in mainland China

Wholesale exposure analysis, \$bn

	4Q23	4Q24	4Q25
NBFI	1.2	0.9	1.0
Banks	31.0	30.7	34.8
Sovereign & public sector	37.1	34.8	34.4
Corporates	91.7	91.3	91.0
Total	161.0	157.7	161.2

Wholesale exposure by counterparty type and credit quality, \$bn

	NBFI	Banks	Sovereign & public sector	Corporates	Total
Strong	0.2	33.6	34.3	37.6	105.7
Good	0.7	1.1	0.1	25.3	27.2
Satisfactory	0.1	0.2	—	24.6	24.9
Sub-standard	—	—	—	1.5	1.5
Credit impaired	—	—	—	2.0	2.0
Total	1.0	34.8	34.4	91.0	161.2

* Wholesale drawn risk exposure of \$161.2bn includes on balance sheet lending as well as issued off balance sheet exposures, excludes unutilised commitments and MSS financing. 62% is booked onshore

Wealth metrics (1/3)

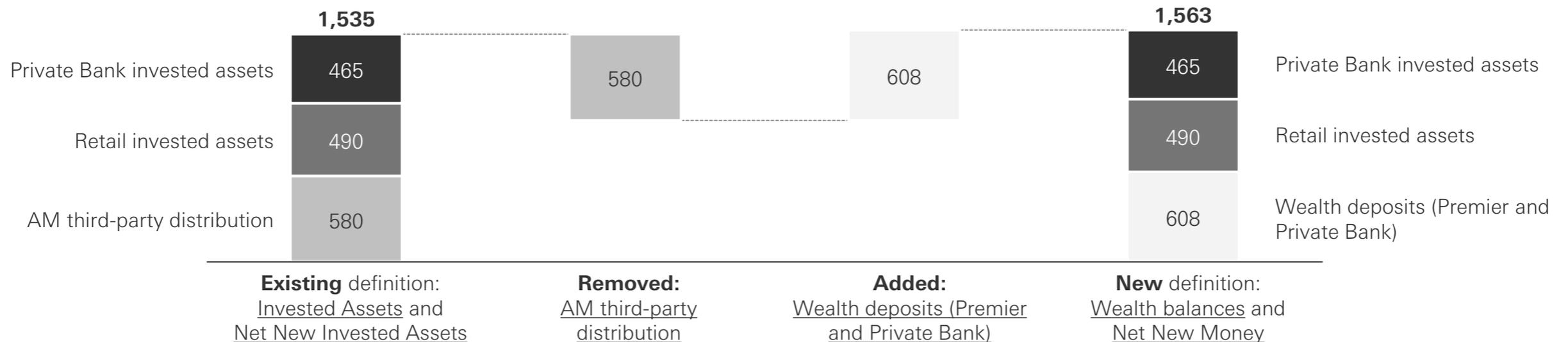
To better describe the relationship we have with our customers by focusing on their total wealth, which includes both deposits and investment products, we provide updated disclosures:

- ◆ **Wealth balances**, to replace Invested Assets from 1Q26
- ◆ **Net New Money**, to replace Net New Invested Assets from 1Q26

Changes to existing disclosures are driven by:

- ◆ Removing balances relating to Asset Management third-party distribution activities
- ◆ Adding deposit balances from Premier and Private Bank clients

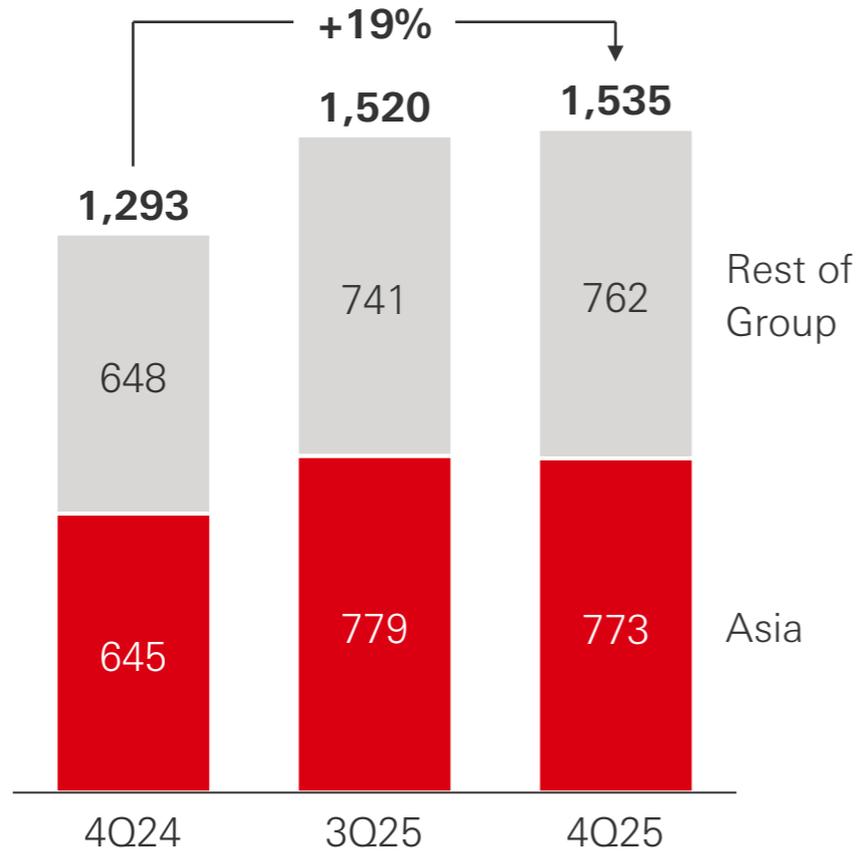
Illustration based on FY25 wealth balances, \$bn



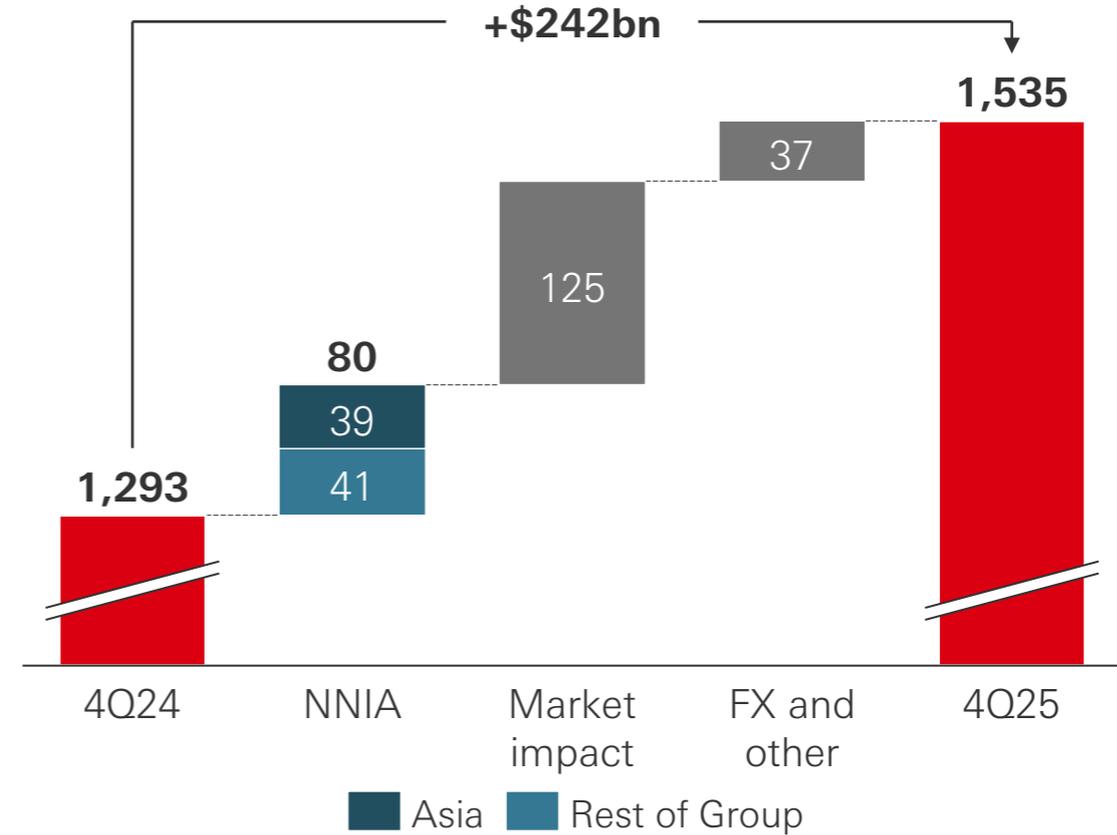
Wealth metrics (2/3)

Existing Wealth metrics

Invested Assets, \$bn ▶



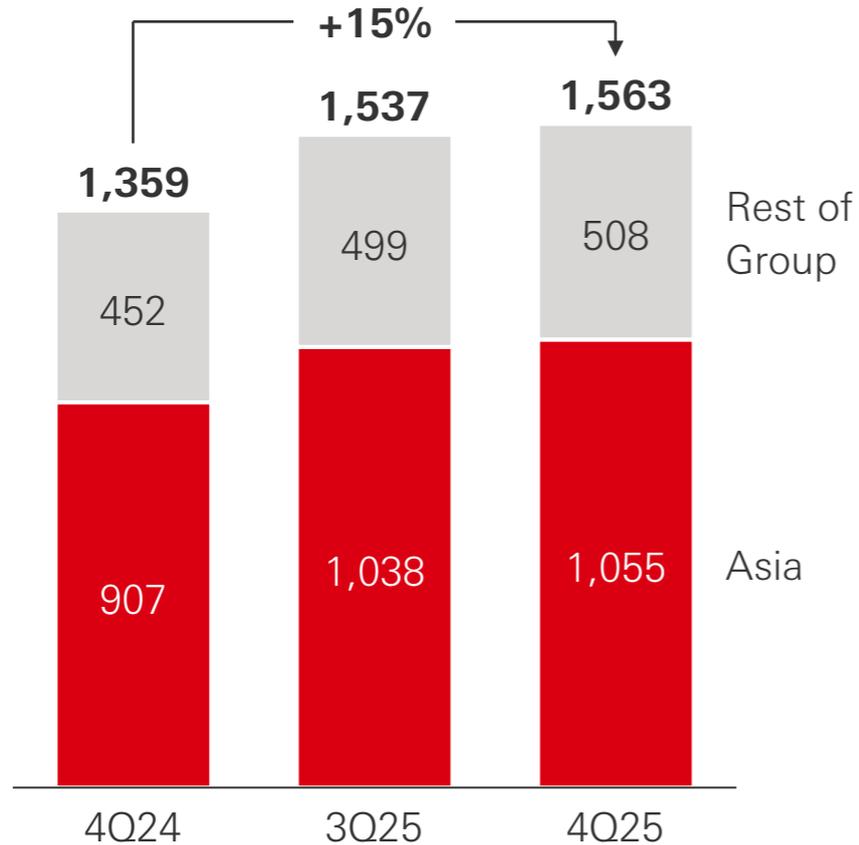
Invested Assets evolution, \$bn ▶



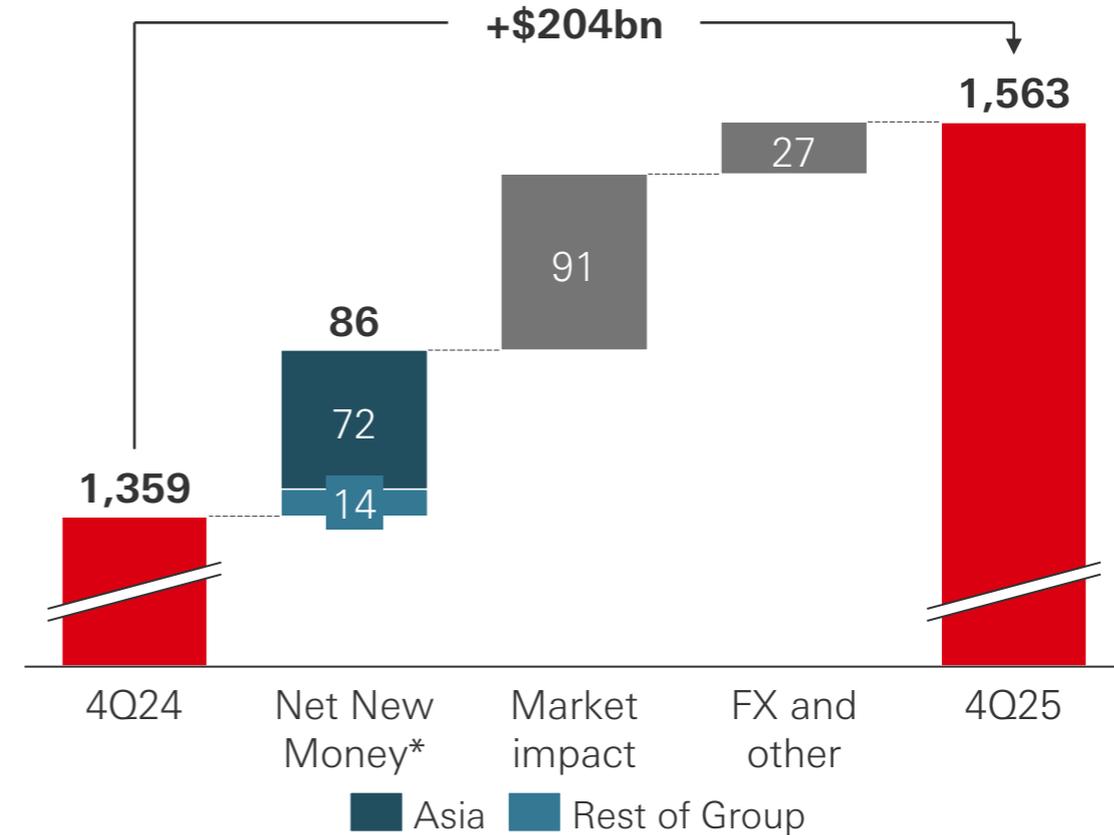
Wealth metrics (3/3)

Revised Wealth metrics to replace existing metrics from 1Q26

Wealth balances, \$bn ▶



Wealth balances evolution, \$bn ▶



Based on our previous definition Wealth balances were \$2,143bn (4Q24: \$1,848bn)

* Of which NNIA were \$46bn and net new deposits were \$40bn

Notable items

\$bn	4Q24	4Q25	FY24	FY25
Constant currency PBT	2.3	6.8	32.4	29.9
Less: notable items	(5.1)	(1.8)	(1.8)	(6.7)
— Disposals, wind-down, acquisitions and related costs	(5.0)	(1.5)	(1.5)	(2.1)
— Restructuring and other related costs	(0.1)	(0.3)	(0.0)	(1.0)
— Legal provisions	—	(0.0)	—	(1.4)
— Early redemption of legacy securities	0.0	—	(0.2)	—
— BoCom dilution and impairment losses	—	—	—	(2.1)
Constant currency PBT, excl. notable items	7.4	8.6	34.2	36.6

Revenue – supplementary information

2025 reported revenue to revenue excluding notable items

\$m	HK	UK	CIB	IWPB	Corporate Centre	Total
Reported revenue	15,878	12,938	27,637	14,520	(2,699)	68,274
Notable items	—	—	9	73	2,664	2,746
Constant currency revenue, excl. notable items	15,878	12,938	27,646	14,593	(35)	71,020

2024 reported revenue to revenue excluding notable items

\$m	HK	UK	CIB	IWPB	Corporate Centre	Total
Reported revenue	15,034	11,954	26,819	13,976	(1,929)	65,854
Currency translation	13	388	(47)	(159)	(40)	155
Constant currency revenue	15,047	12,342	26,772	13,817	(1,969)	66,009
Notable items	—	—	14	(26)	1,594	1,582
Constant currency revenue, excl. notable items	15,047	12,342	26,786	13,791	(375)	67,591

Strategic transactions material notable items (where disclosed)

	Timing
Malta*	\$(0.4)bn fee and other income – 1H26
UK life insurance†	\$(0.2)bn fee and other income – 1Q26
South Africa†	\$(0.1)bn fee and other income – 2H26 ²
Germany custody business	\$0.1bn fee and other income – 2026 ³
Sri Lanka retail banking	Immaterial gain on disposal – 1H26
German fund administration	Immaterial gain on disposal – 2H26
Hang Seng Bank privatisation related restructuring costs	\$(0.6)bn costs – by YE28

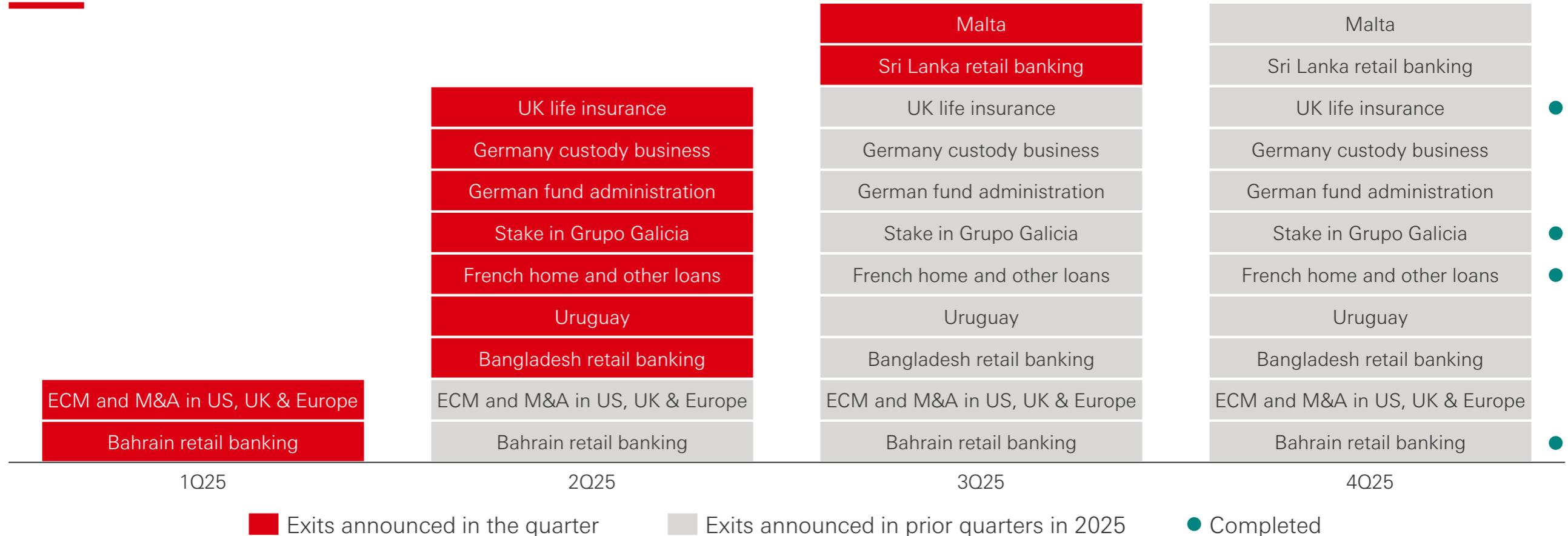
In relation to market participation, other impacts may be incurred in addition to those listed above (e.g. transaction costs). Impacts are estimates as of 31 December 2025, which may change at completion. Details on this slide are included in the 2025 Annual Report and Accounts pages 329 to 331

* The transaction did not meet the criteria for held for sale in the fourth quarter of 2025 and remains subject to regulatory approvals

† No incremental impact on CET1 capital as a result of UK life insurance and South Africa transactions. See Note 1 on slide 50

Exits: 11 announced in 2025, four completed to date

Exits announced in 2025



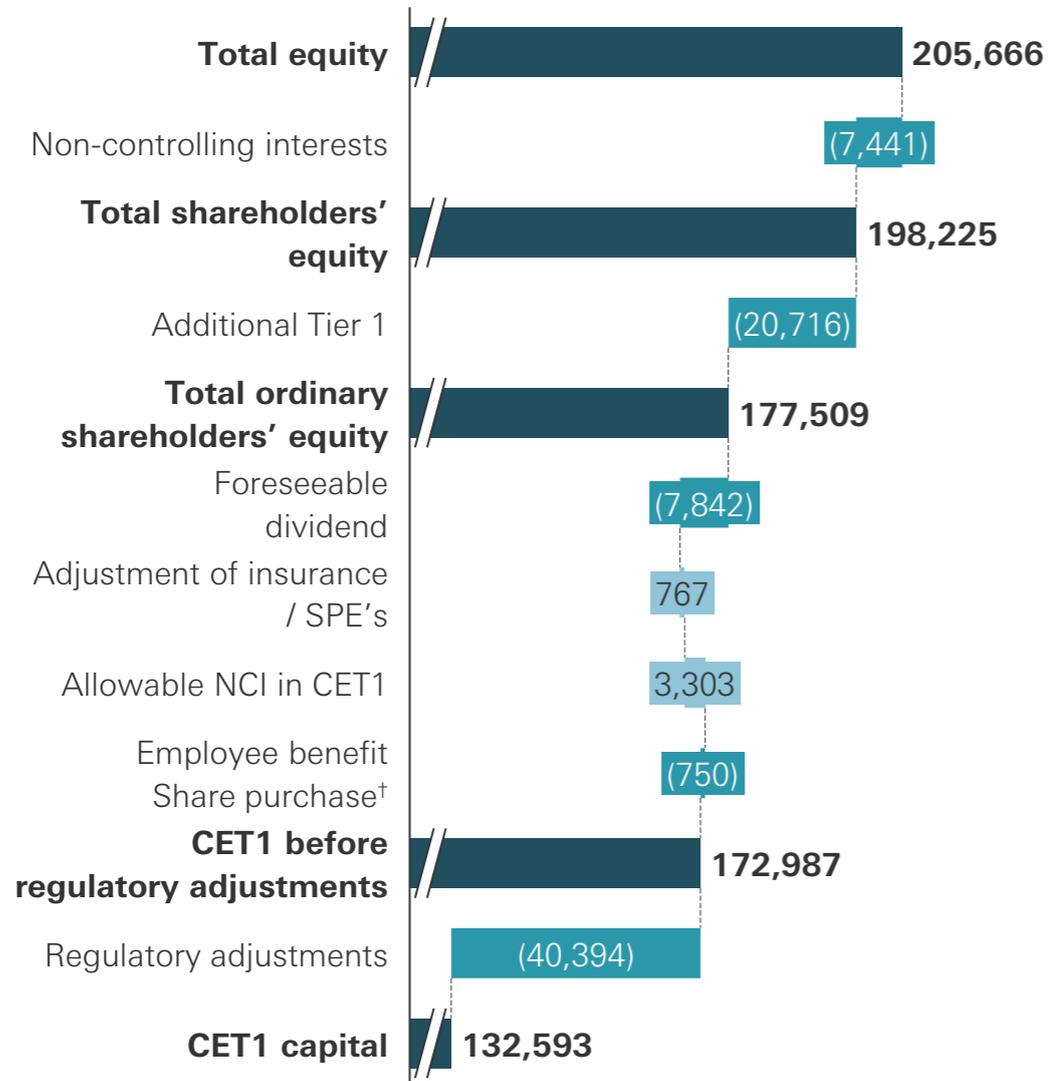
Retail activities in **Australia, Indonesia, Egypt** and **insurance manufacturing business in Singapore** are under strategic review

UK life insurance sale completed on 30 Jan 2026

In 2025, we also completed the sales of our French life insurance business and our German private banking business, which were announced in 2024

Total shareholders' equity to CET1 capital

4Q25 total equity to CET1 capital (reported FX), \$m



Total equity to CET1 capital walk (reported FX), \$m

	2025	3Q25	4Q25
Total equity (per balance sheet)	199,869	198,688	205,666
Non-controlling interests*	(7,315)	(7,258)	(7,441)
Total shareholders' equity	192,554	191,430	198,225
Additional Tier 1	(20,716)	(20,716)	(20,716)
Total ordinary shareholders' equity ('NAV')	171,838	170,714	177,509
Foreseeable dividend	(5,034)	(6,328)	(7,842)
Adjustment for insurance / SPE's	606	740	767
Allowable NCI in CET1*	3,576	3,386	3,303
Contingent purchase of own shares for employee benefit†	—	—	(750)
CET1 before regulatory adjustments	170,986	168,512	172,987
Prudential valuation adjustment	(1,337)	(1,268)	(1,348)
Intangible assets	(13,511)	(13,549)	(13,626)
Deferred tax asset deduction	(3,326)	(3,078)	(3,076)
Cash flow hedge adjustment	(368)	206	(450)
Excess of expected loss	(3,475)	(3,460)	(3,593)
Own credit spread and debt valuation adjustment	1,008	1,579	1,725
Defined benefit pension fund assets	(5,957)	(6,025)	(6,167)
Direct and indirect holdings of CET1 instruments	(40)	(40)	(40)
Other regulatory adjustments to CET1 capital	(45)	(43)	(40)
Threshold deductions	(14,116)	(15,069)	(13,779)
Regulatory adjustments	(41,167)	(40,747)	(40,394)
CET1 capital	129,819	127,765	132,593

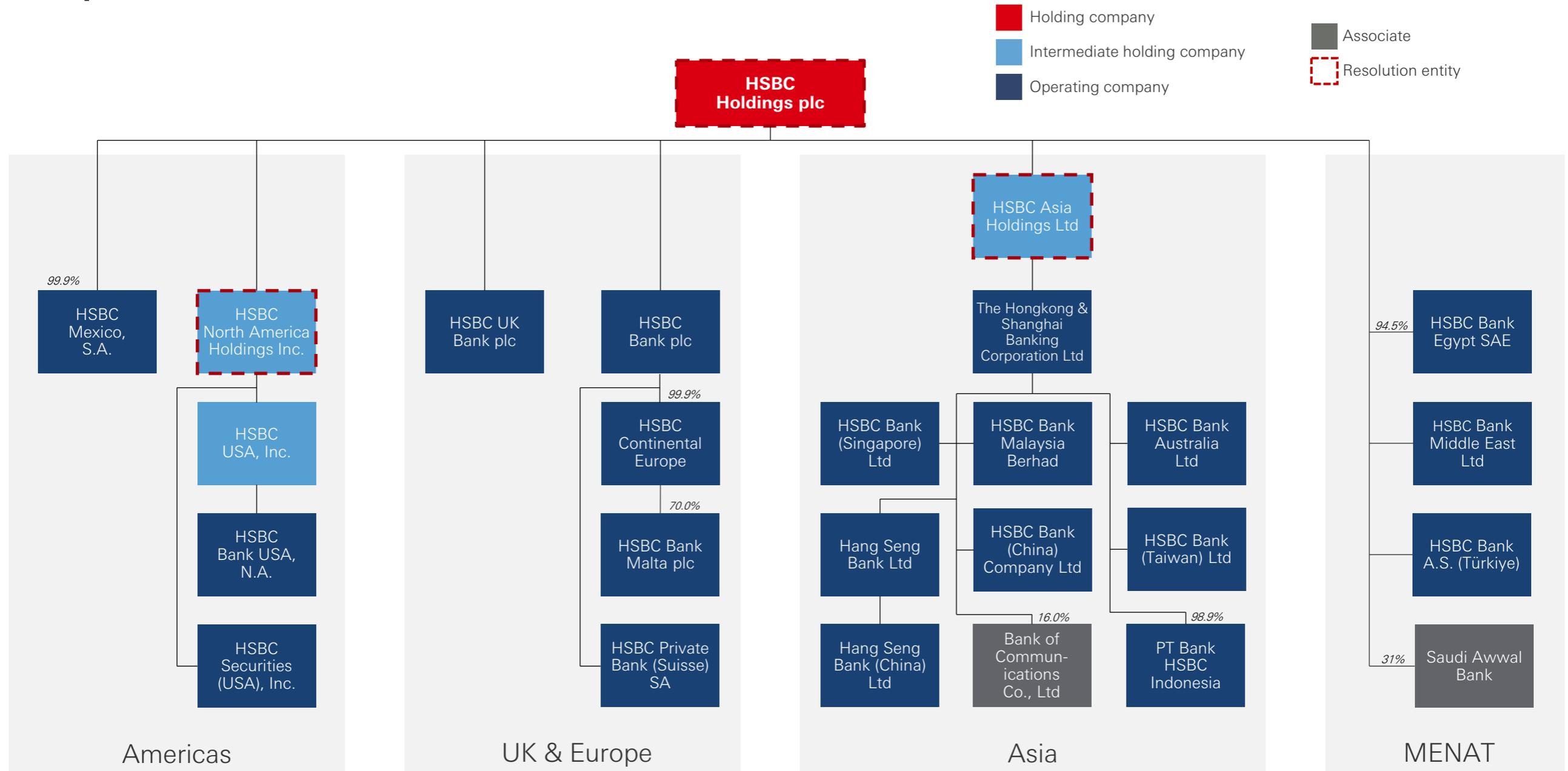
* 4Q25 non-controlling interests include \$7,001m of Hang Seng Bank accounting NCI, of which \$3,247m is allowable NCI in CET1 and \$3,754m is non-allowable

† Includes a CET1 regulatory deduction of 9bps due to contingent purchase of our own shares for employee benefits

Credit ratings for main issuing entities

Long term senior ratings as at 24 February 2026	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
HSBC Holdings plc	A-	STABLE	A3	STABLE	A+	STABLE
The Hongkong and Shanghai Banking Corporation Ltd	AA-	STABLE	Aa3	STABLE	AA-	STABLE
HSBC Bank plc	A+	STABLE	A1	STABLE	AA-	STABLE
HSBC UK Bank plc	A+	STABLE	A1	STABLE	AA-	STABLE
HSBC Continental Europe (formerly HSBC France)	A+	STABLE	Aa3	STABLE	AA-	STABLE
HSBC Bank USA NA	A+	STABLE	Aa3	STABLE	AA-	STABLE

Simplified structure chart



Glossary

AIEA	Average interest earning assets
APAC	Asia Pacific
AT1	Additional Tier 1
Banking NII	Banking net interest income is an alternative performance measure, and is defined as Group net interest income after deducting: (1) the internal cost to fund trading and fair value net assets for which associated revenue is reported in 'Net income from financial instruments held for trading or managed on a fair value basis', also referred to as 'trading and fair value income'. These funding costs reflect proxy overnight or term interest rates as applied by internal funds transfer pricing; (2) the funding cost of foreign exchange swaps in Markets Treasury, where an offsetting income or loss is recorded in trading and fair value income. These instruments are used to manage foreign currency deployment and funding in our entities; (3) third-party net interest income in our insurance business
BoCom	Bank of Communications Co. Limited, an associate of HSBC
Bps	Basis points. One basis point is equal to one-hundredth of a percentage point
CASA	Current accounts and savings accounts
CET1	Common Equity Tier 1
CIB	Corporate and Institutional Banking
CCB	Capital Conservation Buffer
CCyB	Countercyclical Capital Buffer
Corporate Centre	Corporate Centre primarily comprises the financial impact of certain acquisitions and disposals, and the share of profit, dilution and impairment loss impacts from interests in our associates and joint ventures. It also includes Central Treasury, stewardship costs and consolidation adjustments
CRE	Commercial Real Estate
CSM	Contractual Service Margin, a component of the carrying amount of a group of insurance contract assets or liabilities which represents the unearned profit which the Group will recognise as it provides insurance contract services under the insurance contracts in the Group
CSM release	The systematic recognition of the unearned profit of insurance contracts in revenue over the period that services are provided
DPS	Dividend per share
ECL	Expected credit losses. In the income statement, ECL is recorded as a change in expected credit losses and other credit impairment charges. In the balance sheet, ECL is recorded as an allowance for financial instruments to which only the impairment requirements in IFRS 9 are applied
ECM	Equity capital markets
EPS	Earnings per share
FVOCI	Fair value through other comprehensive income
GPS	Global Payments Solutions
Group	HSBC Holdings plc and its subsidiary undertakings
GTS	Global Trade Solutions
HBAP	The Hongkong and Shanghai Banking Corporation Limited, our principal operating entity in Asia

HIBOR	Hong Kong Interbank Offered Rate
HoldCo	Holding Company
HQLA	High-quality liquid assets
HSBC Group	HSBC Holdings plc and its subsidiary undertakings
IFRS	International Financial Reporting Standard
IWPB	International Wealth and Premier Banking
LCR	Liquidity coverage ratio
LTV	Loan-to-value ratio
Markets Treasury	Execution arm of HSBC's Treasury function, responsible for cash and liquidity management, funding, and management of structural interest rate risk of the Group
MENAT	Middle East and North Africa, including Türkiye
MREL	Minimum requirement for own funds and eligible liabilities
MSS	Markets and Securities Services
M&A	Mergers and acquisitions
NBFI	Non-bank financial institution
New business CSM	Insurance new business contractual service margin
NII	Net interest income
NIM	Net interest margin
n.m.	Not meaningful
NNIA	Net new invested assets
NRFB	Non ring-fenced bank in Europe and the UK
OCI	Other Comprehensive Income
OpCo	Operating Company
P1	Pillar 1
P2A	Pillar 2A
PAOS	Profit attributable to ordinary shareholders
PBT	Profit before tax
Ppt	Percentage points
SoTP	The 'sum-of-the-parts', used in reference to the Group's minimum requirement for own funds and eligible liabilities. Specifically, this refers to the total requirement building from the sum of the requirements of each of its component parts.
TLAC	Total Loss Absorbing Capacity
UK RFB	HSBC UK Bank plc (HSBC UK), the UK ring-fenced bank, established July 2018 as part of ring fenced bank legislation
RoTE	Return on average tangible equity
RWA	Risk-weighted asset
TNAV	Tangible net asset value
TMD	Time deposits
Wholesale Transaction Banking	Comprises the following products in our CIB, Hong Kong and UK businesses: Global Trade Solutions, Global Payments Solutions, Global Foreign Exchange and Securities Services

Footnotes

Results and strategy

Slide 3: Strategic priority 1

1. RoTE excl. notable items
2. Reduction from October 2024 to December 2025
3. Guidance disclosed in February 2025 at 4Q24 results
4. Gross application demise

Slide 4: Strategic priority 2

1. Scores pertain to our Retail Banking and Wealth business only; refers to Strategic NPS (sNPS)
2. HSBC only – excludes Hang Seng Bank; Excl. PayMe
3. Refers to Strategic NPS (sNPS) scores
4. Excl. Covid loan run-off; c.1% growth incl. Covid loan
5. NTB and upgrades
6. 13k clients surveyed by Euromoney in 2025
7. 30k clients surveyed by Euromoney in 2025 in services, products and technology
8. Coalition Greenwich Voice of Client – 2025 Global Foreign Exchange Study; joint winners with JPMorgan
9. Bloomberg – US corporate bonds – Foreign issue
10. Global Wealth NNIA incl. AM 3rd party distribution
11. Includes AM 3rd party
12. WealthLens Singapore 2025 study by AFFLUENTIAL on HNWI and UHWN

Slide 5: Strategic priority 3

1. Source: BCG Global Wealth Report 2025

Slide 6: Future technologies

1. In HKD, RMB, USD and EUR tranches
2. Over 19 months since launch
3. As at 9 February 2026, based on staff members and contractors with access permissions
4. Based on daily engagement and interaction with CRM platform; engagement of users with Banker Assist is 51% since October 2025; 60% over last 30 days (Jan-Feb 2026)

Slide 7: A diversified and capital-generative business

1. Corporate Centre revenues were \$(35)m excluding notable items
2. Total HQLA in sites, includes \$165bn of HQLA excluded for computation of the Group LCR but included in local entity liquidity ratios

Slide 20: Guidance

1. Based on our current expectations for policy rates
2. As a percentage of average gross loans and advances, including held-for-sale loan balances. Our medium-term planning range is (30) to (40)bps
3. Our target basis costs exclude notable items and include the impact of simplification-related saves associated with our announced reorganisation
4. Over the medium term

Balance sheet & issuance

Slide 22: Capital

1. Ratio movements include the impact of threshold deductions
2. Regulatory profits exclude the impact of strategic initiatives

Slide 23: FY25 capital position versus requirements

1. Excludes Pillar 2B requirements. The sum of the requirements may not precisely add to the CET1 capital requirements % of RWAs due to the rounding differences
2. Excludes Pillar 2B requirements

Slide 24: MREL position

1. See the section 'Resolution structure' on page 30 of the 31 December 2025 Pillar 3 disclosures document for more detail of our resolution entities and groups.

Slide 26: Portfolio instruments

1. To next call date if callable; otherwise to maturity

Appendix

Slide 30: MREL / TLAC position

1. From 30 June 2025, the regulatory valuation of Tier 2 capital and TLAC includes the associated accrued interest.
2. The TLAC requirements for our US business are calculated based on the greater of 1) a specified minimum percentage of risk weighted assets, including a buffer of 2.5% of risk weighted assets, and 2) a specified minimum percentage of average total consolidated assets (based on the U.S. tier 1 leverage ratio)

Footnotes

Appendix, continued

Slide 32: 2025 Capital walk

1. Regulatory profits exclude the impact of strategic initiatives

Slide 43: Strategic transactions material notable items

1. UK life insurance: recycling of foreign currency translation reserves losses, no incremental impact on CET1 capital
South Africa: recycling of foreign currency translation reserves and other reserves losses, no incremental impact on CET1 capital
2. South Africa: transaction is expected to complete in 1Q26, upon subsequent wind-down of the entity, expected in the second half of 2026, cumulative foreign currency translation reserves and other reserves will recycle to the income statement
3. Germany custody business: the sale will be completed in a phased manner, starting in 1Q26. Completion of the transaction depends on the timing for completion of all client transfers

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Forward-looking statements

This Presentation may contain projections, estimates, forecasts, ambitions, targets, commitments, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, environmental, social and governance (‘ESG’)- related matters, strategy and business of the Group which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “plan”, “estimate”, “seek”, “intend”, “target”, “believe”, “potential” and “reasonably possible” or the negatives thereof or other variations thereon or comparable terminology (together, “forward-looking statements”), including the strategic priorities and any financial, investment and capital targets and any ESG ambitions, targets and commitments described herein. Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including, without limitation, those which are referable to general market or economic conditions, regulatory and government policy changes, continued volatility in trade and tariff policies, increased volatility in interest rates and inflation levels and other macroeconomic risks, geopolitical tensions such as the Russia-Ukraine war, further conflict in the Middle East or elsewhere, specific economic developments, such as the uncertain performance of the commercial real estate sector in mainland China and Hong Kong, or the efficacy of the Group’s actions in managing and mitigating ESG-related risks, and in progressing towards the Group’s ESG ambitions, targets and commitments. Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, ambitions, targets, commitments, prospects or returns contained herein.

Additional detailed information concerning important factors, including but not limited to ESG-related factors, that could cause actual results to differ materially from this Presentation is available in our Annual Report and Accounts for the fiscal year ended 31 December 2025, which we expect to file with the Securities and Exchange Commission (the “SEC”) on Form 20-F on or around 26 February 2026 (the “2025 Form 20-F”).

Alternative Performance Measures

This Presentation contains non-IFRS measures used by management internally that constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with SEC rules and regulations (“Alternative Performance Measures”). The primary Alternative Performance Measures we use are presented on a “constant currency” basis which is computed by adjusting comparative period reported results for the effects of foreign currency translation differences, which distort period-on-period comparisons.

Reconciliations between Alternative Performance Measures and the most directly comparable measures under IFRS are provided in our 2025 Form 20-F which, when filed with the SEC, will be available at www.hsbc.com.

Information in this Presentation was prepared as at 25 February 2026.

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