

The Hongkong and Shanghai Banking  
Corporation Limited  
Macau Branch

Disclosure of Financial Information  
30 June 2025

(The disclosure of financial information is unaudited)

## Statement of financial position as at 30 June 2025

(Expressed in thousands of Macau Patacas)

	30 Jun 2025 MOP'000	31 Dec 2024 MOP'000
<b>Assets</b>		
Cash and current balances with banks	562,119	694,067
Balances with Autoridade Monetária de Macau (“AMCM”)	392,646	446,056
Monetary bills issued by AMCM	2,839,375	3,234,691
Items in the course of collection from other banks	42,679	80,609
Loans and advances to banks	5,933,968	11,204,686
Loans and advances to customers	11,913,492	10,905,030
Equity securities	250	250
Property, plant and equipment	34,104	37,017
Other assets	261,474	365,052
	21,980,107	26,967,458
	-----	-----
<b>Liabilities</b>		
Deposits by banks	1,730,004	3,312,195
Customer accounts	18,975,810	22,245,445
Items in the course of transmission to other banks	79,359	81,876
Current taxation	34,839	27,278
Deferred tax liabilities	3,012	1,775
Other liabilities	386,044	589,574
	21,209,068	26,258,143
	-----	-----
<b>Net assets</b>	771,039	709,315
<b>Head office account and reserves</b>		
Working capital	150,000	150,000
Head office account	444,575	405,793
Financial assets at FVOCI reserve	7,605	(342)
Share-based payment reserve	11,967	11,920
Property revaluation reserve	15,607	15,634
General regulatory reserve	141,285	126,310
Specific regulatory reserve	-	-
	771,039	709,315
	-----	-----

Statement of profit or loss  
for the half-year ended 30 June 2025  
(Expressed in thousands of Macau Patacas)

	<i>Half-year ended</i> 30 Jun 2025 MOP'000	<i>Half-year ended</i> 30 Jun 2024 MOP'000
Interest income	436,117	593,849
Interest expense	(272,308)	(390,175)
<b>Net interest income</b>	<u>163,809</u>	<u>203,674</u>
Fee and commission income	44,049	43,501
Fee and commission expense	(4,744)	(5,425)
<b>Net fee and commission income</b>	<u>39,305</u>	<u>38,076</u>
Net trading income	57,273	67,710
Other operating income	5,095	7,185
Operating expenses	(151,672)	(143,159)
Change in expected credit losses	(51,773)	(19,377)
<b>Profit before taxation</b>	<u>62,037</u>	<u>154,109</u>
Tax expense	(7,787)	(18,617)
<b>Profit for the period</b>	<u><u>54,250</u></u>	<u><u>135,492</u></u>

Statement of comprehensive income  
for the half-year ended 30 June 2025  
(Expressed in thousands of Macau Patacas)

	<i>Half-year ended</i> 30 Jun 2025 MOP'000	<i>Half-year ended</i> 30 Jun 2024 MOP'000
<b>Profit for the period</b>	54,250	135,492
<b>Items that will not be reclassified subsequently to profit or loss:</b>		
Fair value losses on property revaluation	(27)	(24)
Remeasurement of defined benefit plans	(521)	846
Changes in fair value of share-based payment liability to HSBC Holdings plc	47	(308)
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</b>		
Debt instruments at fair value through other comprehensive income ("FVOCI")		
- Fair value gains/(losses) on financial assets	7,962	(1,259)
- Expected credit losses recognized in the income statement	(15)	-
	7,947	(1,259)
<b>Other comprehensive income/(loss) for the period</b>	7,446	(745)
<b>Total comprehensive income for the period</b>	61,696	134,747

Statement of changes in equity  
for the half-year ended 30 June 2025  
(Expressed in thousands of Macau Patacas)

	Working capital MOP'000	Head Office account MOP'000	Financial assets at FVOCI reserve MOP'000	Share-based payment reserve MOP'000	Property revaluation reserve MOP'000	General regulatory reserve MOP'000	Specific regulatory reserve MOP'000	Total MOP'000
At 1 January 2025	150,000	405,793	(342)	11,920	15,634	126,310	-	709,315
Profit for the period	-	54,250	-	-	-	-	-	54,250
Profit remitted to head office	-	-	-	-	-	-	-	-
Transfer to working capital	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	7,947	-	-	-	-	7,947
Actuarial losses on defined benefits plans	-	(521)	-	-	-	-	-	(521)
Changes in fair value of share-based payment liability to HSBC Holding plc	-	-	-	47	-	-	-	47
Property revaluation	-	-	-	-	(27)	-	-	(27)
Change in regulatory reserve	-	(14,975)	-	-	-	14,975	-	-
Other	-	28	-	-	-	-	-	28
At 30 June 2025	150,000	444,575	7,605	11,967	15,607	141,285	-	771,039

Statement of changes in equity (continued)  
for the half-year ended 30 June 2025  
(Expressed in thousands of Macau Patacas)

	Working capital	Head Office account	Financial assets at FVOCI reserve	Share-based payment reserve	Property revaluation reserve	General regulatory reserve	Specific regulatory reserve	Total
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
At 1 January 2024	-	441,966	93	12,305	16,392	158,558	-	629,314
Profit for the year	-	200,218	-	-	-	-	-	200,218
Profit remitted to head office	-	(119,447)	-	-	-	-	-	(119,447)
Transfer to working capital	150,000	(150,000)	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	(435)	-	-	-	-	(435)
Actuarial gains on defined benefits plans	-	839	-	-	-	-	-	839
Changes in fair value of share-based payment liability to HSBC Holding plc	-	-	-	(385)	-	-	-	(385)
Property revaluation	-	-	-	-	(758)	-	-	(758)
Change in regulatory reserve	-	32,248	-	-	-	(32,248)	-	-
Other	-	(31)	-	-	-	-	-	(31)
At 31 December 2024	150,000	405,793	(342)	11,920	15,634	126,310	-	709,315

Statement of cash flows  
for the half-year ended 30 June 2025  
(Expressed in thousands of Macau Patacas)

	<i>Half-year ended</i> 30 Jun 2025 MOP'000	<i>Half-year ended</i> 30 Jun 2024 MOP'000
<b>Operating activities</b>		
Profit before taxation	62,037	154,109
Adjustments for:		
Depreciation	3,847	3,274
Change in expected credit losses	51,773	19,377
Interest income	(436,117)	(593,849)
Interest expense	272,308	390,175
Interest received	530,127	559,598
Interest paid	(371,376)	(332,897)
Other non-cash items included in profit before tax	28	-
<b>Operating cash flows before changes in working capital</b>	<u>112,627</u>	<u>199,787</u>
Change in balances with AMCM for the purpose of fulfilling minimum liquidity requirement	19,608	(6,301)
Change in monetary bills with original maturity of more than three months	(242,084)	(594,382)
Change in loans and advances to banks with original maturity of more than three months	1,575,895	646,846
Change in gross loans and advances to customers	(932,159)	(104,994)
Change in items in the course of collection from other banks	-	(88,919)
Change in other assets	(31,187)	285,930
Change in deposits by banks	(1,582,191)	60,184
Change in customer accounts	(3,269,635)	851,351
Change in items in the course of transmission to other banks	-	(39,516)
Change in other liabilities	(103,431)	(322,948)
<b>Net cash generated from operating activities</b>	<u>(4,452,557)</u>	<u>887,038</u>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(2,137)	(779)
Proceeds from disposals of property, plant and equipment	-	198
<b>Net cash used in investing activities</b>	<u>(2,137)</u>	<u>(581)</u>

**Statement of cash flows (continued)**  
**for the half-year ended 30 June 2025**  
*(Expressed in thousands of Macau Patacas)*

	<i>Half-year ended 30 Jun 2025 MOP'000</i>	<i>Half-year ended 30 Jun 2024 MOP'000</i>
<b>Net increase in cash and cash equivalents</b>	(4,454,694)	886,457
<b>Cash and cash equivalents as at 1 January</b>	10,225,980	7,385,268
<b>Cash and cash equivalent as at 30 June</b>	<u>5,771,286</u>	<u>8,271,725</u>
 <b>Analysis of balances of cash and cash equivalents</b>		
	<i>Half-year ended 30 Jun 2025 MOP'000</i>	<i>Half-year ended 30 Jun 2024 MOP'000</i>
Cash and current balances with banks	562,119	665,861
Balances with AMCM	392,646	468,480
Monetary bills issued by AMCM	2,839,375	3,818,772
Loans and advances to banks	5,933,968	9,175,301
Others	(36,680)	-
Amount shown in the balance sheet	<u>9,691,428</u>	<u>14,128,414</u>
Less:		
- Balance with AMCM for the purpose of fulfilling minimum liquidity requirement	(339,399)	(359,383)
- Monetary bills issued by AMCM with original maturity over three months	(1,189,486)	(1,713,708)
- Loans and advances to banks with original maturity over three months	(2,391,257)	(3,783,598)
<b>Cash and cash equivalents in the cash flow statement</b>	<u>5,771,286</u>	<u>8,271,725</u>

## Off-balance-sheet exposures as at 30 June 2025

(Expressed in thousands of Macau Patacas)

(a) *Contingent liabilities and commitments*

	<i>Contractual amounts At 30 Jun 2025 MOP'000</i>	<i>Contractual amounts At 31 Dec 2024 MOP'000</i>
Financial guarantees	3,750	3,859
Performance guarantees	3,518,163	2,909,142
Documentary credits and trade related contingencies	660,148	716,182
Other commitments		
- With an original maturity over 1 year	61,841	67,029
- Which are unconditionally cancellable	10,893,637	13,085,056
	10,955,478	13,152,085

Contingent liabilities and commitments are credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

## Off-balance-sheet exposures (continued)

as at 30 June 2025

(Expressed in thousands of Macau Patacas)

### (b) Derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following is a summary of the notional amounts of each significant type of derivatives:

	<i>At 30 Jun 2025</i> MOP'000	<i>At 31 Dec 2024</i> MOP'000
Exchange rate contracts	4,924,153	2,280,468

Derivatives arise from forward transactions undertaken in the foreign exchange market. The notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

The fair values and credit risk weighted amounts of the aforesaid off-balance sheet exposures are as follows:

	<i>At 30 Jun 2025</i> MOP'000	<i>At 31 Dec 2024</i> MOP'000
Fair value		
- Exchange rate contracts		
Assets	21,241	40,563
Liabilities	13,453	22,996

	<i>At 30 Jun 2025</i> MOP'000	<i>At 31 Dec 2024</i> MOP'000
Credit risk weighted amounts		
- Exchange rate contracts	18,904	12,127

## Significant related party transactions

*(Expressed in thousands of Macau Patacas)*

The Branch entered into the following significant related party transactions.

**(a) *Transactions with group companies***

During the first half year, the Branch entered into transactions with related parties in the ordinary course of its banking business including lending and placement of inter-bank deposits, correspondent banking transactions and off-balance sheet transactions. The transactions were priced at the relevant market rates at the time of each transaction.

The amount of related-party transactions during the first half year and outstanding balances at 30 June 2025 and 31 December 2024 are set out below:

	<i>Associates, other branches, subsidiaries and fellow subsidiaries</i>		<i>The Hongkong and Shanghai Banking Corporation, Hong Kong Branch</i>	
	<i>Half-year ended 30 Jun 2025 MOP'000</i>	<i>Half-year ended 30 Jun 2024 MOP'000</i>	<i>Half-year ended 30 Jun 2025 MOP'000</i>	<i>Half-year ended 30 Jun 2024 MOP'000</i>
Interest income	3,215	2,826	169,215	122,059
Interest expense	(6)	(1,245)	(38,169)	(105,690)
Fee and commission income	2,869	3,186	735	301
Fee and commission expense	(338)	(446)	(343)	(306)
Other operating income	5,070	7,169	-	-
Operating expenses	(24,641)	(21,667)	(43,374)	(35,093)
	<hr/>	<hr/>	<hr/>	<hr/>
For the half-year ended 30 June	(13,831)	(10,177)	88,064	(18,729)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## Significant related party transactions (continued)

*(Expressed in thousands of Macau Patacas)*

**(a) Transactions with group companies (continued)**

	<i>Associates, other branches, subsidiaries and fellow subsidiaries</i>		<i>The Hongkong and Shanghai Banking Corporation, Hong Kong Branch</i>	
	<i>At 30 Jun 2025</i>	<i>At 31 Dec 2024</i>	<i>At 30 Jun 2025</i>	<i>At 31 Dec 2024</i>
	<i>MOP'000</i>	<i>MOP'000</i>	<i>MOP'000</i>	<i>MOP'000</i>
Cash and current balances with banks	131,718	132,250	34,158	50,733
Loans and advances to banks	1,167,918	784,289	4,426,458	8,019,722
Other assets	1,983	2,583	20,992	17,212
	<u>1,301,619</u>	<u>919,122</u>	<u>4,481,608</u>	<u>8,087,667</u>
Deposits by banks	20,565	9,434	1,705,729	3,298,051
Customer accounts	51,600	62,812	-	-
Other liabilities	5,361	3,376	21,731	100,848
	<u>77,526</u>	<u>75,622</u>	<u>1,727,460</u>	<u>3,398,899</u>

The Branch's immediate parent is The Hongkong and Shanghai Banking Corporation Limited, which is incorporated in Hong Kong and the Branch's ultimate parent is HSBC Holdings plc, which is incorporated in the United Kingdom. Both the immediate and ultimate parent companies produce consolidated financial statements for public use.

**(b) Key management personnel**

The remuneration of key management personnel, which is included in the staff costs, is as follows:

	<i>Half-year ended 30 Jun 2025</i>	<i>Half-year ended 30 Jun 2024</i>
	<i>MOP'000</i>	<i>MOP'000</i>
Executive officers	<u>2,324</u>	<u>2,726</u>

## Credit risk management

*(Expressed in thousands of Macau Patacas)*

**(a) *Geographical distribution of credit risk exposures***

The geographical distribution is based on the countries where the counterparties were operated or located after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

Exposures to individual countries or jurisdiction, groups of countries or regions within countries of the relevant major types of credit exposures at balance sheet date are shown as follows:

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

### (a) Geographical distribution of credit risk exposures (continued)

As at 30 June 2025

	Banks MOP'000	Governments MOP'000	Public sector entities MOP'000	Others MOP'000	Total exposures MOP'000	Stage 1 ECL MOP'000	Stage 2 ECL MOP'000	Stage 3 ECL MOP'000	Total ECL MOP'000
Loans and advances to customers									
- Macau	-	-	-	11,122,089	11,122,089	3,590	2,424	422,978	428,992
- Hong Kong	-	-	-	440,472	440,472	91	419	-	510
- British Virgin Islands	-	-	-	445,635	445,635	324	156	-	480
- Others	-	-	-	335,329	335,329	44	7	-	51
	-	-	-	12,343,525	12,343,525	4,049	3,006	422,978	430,033
Contingent liabilities and commitments									
- Macau	3,330,294	-	-	9,084,962	12,415,256	570	1,012	3	1,585
- Hong Kong	-	-	-	608,132	608,132	5	6	-	11
- Japan	480,512	-	-	922,000	1,402,512	22	-	-	22
- Others	-	-	-	711,639	711,639	31	11	-	42
	3,810,806	-	-	11,326,733	15,137,539	628	1,029	3	1,660
Loans and advances to banks									
- Macau	690,198	-	-	-	690,198	126	-	-	126
- Hong Kong	4,426,457	-	-	-	4,426,457	-	-	-	-
- Japan	800,689	-	-	-	800,689	-	-	-	-
- Others	16,750	-	-	-	16,750	-	-	-	-
	5,934,094	-	-	-	5,934,094	126	-	-	126

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

### (a) Geographical distribution of credit risk exposures (continued)

As at 30 June 2025

	Banks	Governments	Public sector entities	Others	Total exposures	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
Derivatives (Note 1)									
- Macau	-	-	-	870,889	870,889	-	-	-	-
- Hong Kong	4,018,395	-	-	34,869	4,053,264	-	-	-	-
	<u>4,018,395</u>	<u>-</u>	<u>-</u>	<u>905,758</u>	<u>4,924,153</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 1: Derivatives are shown in notional amount.

Note 2: As at 30 June 2025, there was no investment in debt securities.

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

### (a) Geographical distribution of credit risk exposures (continued)

As at 31 December 2024

	Banks MOP'000	Governments MOP'000	Public sector entities MOP'000	Others MOP'000	Total exposures MOP'000	Stage 1 ECL MOP'000	Stage 2 ECL MOP'000	Stage 3 ECL MOP'000	Total ECL MOP'000
Loans and advances to customers									
- Macau	-	-	-	10,366,378	10,366,378	3,009	2,370	507,309	512,688
- Hong Kong	-	-	-	493,233	493,233	175	326	-	501
- British Virgin Islands	-	-	-	541,199	541,199	463	18	-	481
- Others	-	-	-	17,892	17,892	2	-	-	2
	-	-	-	11,418,702	11,418,702	3,649	2,714	507,309	513,672
Contingent liabilities and commitments									
- Macau	-	-	-	16,781,268	16,781,268	98	155	384	637
- Hong Kong	-	-	-	-	-	-	-	-	-
- Japan	-	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-
	-	-	-	16,781,268	16,781,268	98	155	384	637
Loans and advances to banks									
- Macau	2,400,836	-	-	-	2,400,836	110	-	-	110
- Hong Kong	8,019,721	-	-	-	8,019,721	51	-	-	51
- Japan	784,290	-	-	-	784,290	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-
	11,204,847	-	-	-	11,204,847	161	-	-	161

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

### (a) Geographical distribution of credit risk exposures (continued)

As at 31 December 2024

	Banks MOP'000	Governments MOP'000	Public sector entities MOP'000	Others MOP'000	Total exposures MOP'000	Stage 1 ECL MOP'000	Stage 2 ECL MOP'000	Stage 3 ECL MOP'000	Total ECL MOP'000
Derivatives (Note 1)									
- Macau	-	-	-	633,784	633,784	-	-	-	-
- Hong Kong	1,646,684	-	-	-	1,646,684	-	-	-	-
	<u>1,646,684</u>	<u>-</u>	<u>-</u>	<u>633,784</u>	<u>2,280,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 1: Derivatives are shown in notional amount.

Note 2: As at 31 December 2024, there was no investment in debt securities.

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

(a) **Geographical distribution of credit risk exposures (continued)**

Geographic region with higher than or equal to 10% of the total loans and advances to customers are shown as follows:

	<i>At 30 Jun 2025</i>	<i>At 31 Dec 2024</i>
	MOP'000	MOP'000
<b>Macau</b>		
Gross loans and advances to customers	11,122,089	10,366,378
Impaired loans	1,670,675	1,818,773
Expected credit loss for impaired loans	<u>423,326</u>	<u>507,309</u>

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

(b) *Loans and advances to customers analysed by industry sector*

	<i>At 30 Jun 2025</i>				
	<i>Gross loans and advances to customers</i>	<i>Impaired</i>	<i>Stage 1 ECL</i>	<i>Stage 2 ECL</i>	<i>Stage 3 ECL</i>
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
Agriculture and fisheries	-	-	-	-	-
Mining industries	-	-	-	-	-
Manufacturing industries	-	-	-	-	-
Electricity, gas and water	88,723	-	71	-	-
Construction and public works	2,021,882	358,586	61	29	248,691
Wholesale and retail trade	3,475,908	759,400	440	675	82,343
Restaurants, hotels and similar	8,758	-	19	6	-
Transport, warehousing and communications	-	-	-	-	-
Non-monetary financial institutions	23,533	-	-	-	-
Gaming	-	-	-	-	-
Exhibition and conference	-	-	-	-	-
Education	-	-	-	-	-
Information technology	13,688	-	-	-	-
Other industries	1,550,764	483,458	1,447	693	87,008
Personal loans	5,160,269	69,231	2,011	1,603	4,936
	<u>12,343,525</u>	<u>1,670,675</u>	<u>4,049</u>	<u>3,006</u>	<u>422,978</u>

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

(b) *Loans and advances to customers analysed by industry sector (continued)*

	<i>At 31 Dec 2024</i>				
	<i>Gross loans and advances to customers</i>	<i>Impaired</i>	<i>Stage 1 ECL</i>	<i>Stage 2 ECL</i>	<i>Stage 3 ECL</i>
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
Agriculture and fisheries	-	-	-	-	-
Mining industries	-	-	-	-	-
Manufacturing industries	-	-	-	-	-
Electricity, gas and water	101,195	-	-	-	-
Construction and public works	914,691	379,408	99	-	224,066
Wholesale and retail trade	3,269,329	880,494	389	361	196,840
Restaurants, hotels and similar	9,127	-	7	3	-
Transport, warehousing and communications	-	-	-	-	-
Non-monetary financial institutions	18,836	-	-	-	-
Gaming	-	-	-	-	-
Exhibition and conference	-	-	-	-	-
Education	-	-	-	-	-
Information technology	11,698	-	-	-	-
Other industries	1,671,273	442,946	707	270	81,217
Personal loans	5,422,553	115,925	2,447	2,080	5,186
	<u>11,418,702</u>	<u>1,818,773</u>	<u>3,649</u>	<u>2,714</u>	<u>507,309</u>

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

### (c) Ageing analysis on accounting past due exposures

#### Overdue loans and advances to banks

There were no overdue loans and advances to banks as at 30 June 2025 and 31 December 2024.

#### Overdue loans and advances to non-banks customers

The ageing analysis of loans and advances to customers that are past due is as follows:

As at 30 June 2025

	Gross loans and advances to customers MOP'000	% of total loans and advances to customers MOP'000	Collateral Value MOP'000	Amount of expected credit loss MOP'000
Loans and advances to customers that are past due for periods of:				
– more than 3 months but less than 6 months	7,392	0.06%	19,879	635
– more than 6 months but less than 1 year	9,757	0.09%	13,854	333
– more than 1 year	1,193,646	10.45%	1,320,261	391,847
	<u>1,210,795</u>	<u>10.60%</u>	<u>1,353,994</u>	<u>392,815</u>

As at 31 December 2024

	Gross loans and advances to customers MOP'000	% of total loans and advances to customers MOP'000	Collateral Value MOP'000	Amount of expected credit loss MOP'000
Loans and advances to customers that are past due for periods of:				
– more than 3 months but less than 6 months	9,419	0.08%	23,999	246
– more than 6 months but less than 1 year	1,832	0.02%	3,193	48
– more than 1 year	1,319,172	11.55%	1,362,108	493,791
	<u>1,330,423</u>	<u>11.65%</u>	<u>1,389,300</u>	<u>494,085</u>

As at 30 June 2025, there were no other assets that have been past due for bank and non-bank customers.

As at 30 June 2025, all the past due loans and advances to customers more than 3 months were considered to be impaired.

As at 30 June 2025, there was no management overlay of ECL on loans and advances to customers.

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

(d) *Credit quality analysis under regulatory asset classification*

	At 30 Jun 2025					
	<i>Gross exposure MOP'000</i>	<i>Value of collateral MOP'000</i>	<i>Stage 1 ECL MOP'000</i>	<i>Stage 2 ECL MOP'000</i>	<i>Stage 3 ECL MOP'000</i>	<i>Net exposure MOP'000</i>
Balances with AMCM						
Pass	392,646	-	-	-	-	392,646
Monetary bills issued by AMCM						
Pass	2,839,375	-	23	-	-	2,839,352
Loans and advances to banks						
Pass	5,934,094	-	126	-	-	5,933,968
Loans and advances to customers						
Pass	10,536,023	13,038,482	4,049	2,214	-	10,529,760
Special mention	136,827	121,031	-	444	-	136,383
Substandard	421,881	434,015	-	309	20,865	400,707
Doubtful	30,952	76,737	-	38	635	30,279
Loss	1,217,842	1,345,166	-	1	401,478	816,363
	<u>12,343,525</u>	<u>15,015,431</u>	<u>4,049</u>	<u>3,006</u>	<u>422,978</u>	<u>11,913,492</u>

## Credit risk management (continued)

(Expressed in thousands of Macau Patacas)

(d) *Credit quality analysis under regulatory asset classification (continued)*

	At 31 Dec 2024					
	<i>Gross exposure MOP'000</i>	<i>Value of collateral MOP'000</i>	<i>Stage 1 ECL MOP'000</i>	<i>Stage 2 ECL MOP'000</i>	<i>Stage 3 ECL MOP'000</i>	<i>Net exposure MOP'000</i>
Balances with AMCM						
Pass	446,056	-	-	-	-	446,056
Monetary bills issued by AMCM						
Pass	3,234,693	-	10	-	-	3,234,683
Loans and advances to banks						
Pass	11,204,847	-	161	-	-	11,204,686
Loans and advances to customers						
Pass	9,584,332	13,575,164	3,648	2,289	-	9,578,395
Special mention	15,597	22,173	-	231	-	15,366
Substandard	462,837	516,367	-	109	12,942	449,786
Doubtful	35,556	95,069	1	85	528	34,942
Loss	1,320,380	1,365,301	-	-	493,839	826,541
	<u>11,418,702</u>	<u>15,574,074</u>	<u>3,649</u>	<u>2,714</u>	<u>507,309</u>	<u>10,905,030</u>

## Foreign exchange risk management

### *Foreign currency risk*

Analysis on total net position in currencies other than MOP:

<i>In thousands of MOP equivalent</i>	<i>At 30 Jun 2025</i>			
	<i>United States Dollars</i>	<i>Hong Kong Dollars</i>	<i>Other foreign currencies</i>	<i>Total</i>
Spot assets	4,484,272	8,295,590	3,743,207	16,523,069
Spot liabilities	(7,163,388)	(6,890,244)	(2,587,240)	(16,640,872)
Forward purchase	3,759,707	280,462	883,739	4,923,908
Forward sales	(1,059,848)	(1,815,087)	(2,039,033)	(4,913,968)
Net long/(short) non-structural position	<u>20,743</u>	<u>(129,279)</u>	<u>673</u>	<u>(107,863)</u>
<i>In thousands of MOP equivalent</i>	<i>At 31 Dec 2024</i>			
	<i>United States Dollars</i>	<i>Hong Kong Dollars</i>	<i>Other foreign currencies</i>	<i>Total</i>
Spot assets	8,114,497	10,431,209	2,486,243	21,031,949
Spot liabilities	(8,904,936)	(10,522,484)	(1,704,742)	(21,132,162)
Forward purchase	1,418,869	21,318	609,527	2,049,714
Forward sales	(623,135)	(243,033)	(1,392,575)	(2,258,743)
Net long/(short) non-structural position	<u>5,295</u>	<u>(312,990)</u>	<u>(1,547)</u>	<u>(309,242)</u>

## Liquidity risk management

The following table summarizes the key quantitative indicators for liquidity risk:

	<i>Half-year ended</i> <i>30 Jun 2025</i> MOP'000	<i>Year ended</i> <i>31 Dec 2024</i> MOP'000
(a) The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held	498,434	500,090
(b) The arithmetic mean of the average weekly amount of cash in hand	685,082	714,197
(c) The arithmetic mean of the specified liquid assets at the end of each month	13,061,026	13,014,169
(d) The average ratio of specified liquid assets to total basic liabilities at the end of the month	61.1%	60.2%
(e) The arithmetic mean of its one-month liquidity ratio in the last week of each month	89.0%	111.8%
(f) The arithmetic mean of its three-month liquidity ratio in the last week of each month	67.2%	58.1%

The above ratios and figures calculations are computed based on the data extracted from the weekly and monthly returns submitted to AMCM.

## Liquidity risk management (continued)

(Expressed in thousands of Macau Patacas)

### Analysis on assets and liabilities by remaining maturity

	At 30 Jun 2025							Total
	on demand	within 1 month (except those repayable on demand)	within a period of more than 1 month but not more than 3 months	within a period of more than 3 months but not more than 1 year	within a period of more than 1 year but not more than 3 years	within a period of more than 3 years	within an indefinite period	
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
<b>Assets</b>								
Loans and advances to customers	590,317	1,808,986	772,106	2,052,549	2,364,639	4,324,895	-	11,913,492
Cash and balances with and loans and advances to banks	562,119	3,662,671	1,130,537	1,140,760	-	-	-	6,496,087
Monetary bills issued by AMCM	-	1,649,890	299,281	890,204	-	-	-	2,839,375
Other securities	-	-	-	-	-	-	250	250
<b>Liabilities</b>								
Deposits by banks	186,467	265,740	-	1,277,797	-	-	-	1,730,004
Deposits from holding and associated companies	-	-	-	-	-	-	-	-
Customer accounts	8,749,852	3,942,695	3,697,967	2,585,296	-	-	-	18,975,810
Other securities issued	-	-	-	-	-	-	-	-

## Liquidity risk management (continued)

(Expressed in thousands of Macau Patacas)

### Analysis on assets and liabilities by remaining maturity (continued)

	At 31 Dec 2024							Total
	on demand	within 1 month (except those repayable on demand)	within a period of more than 1 month but not more than 3 months	within a period of more than 3 months but not more than 1 year	within a period of more than 1 year but not more than 3 years	within a period of more than 3 years	within an indefinite period	
	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
<b>Assets</b>								
Loans and advances to customers	396,121	1,763,163	808,937	2,272,985	1,075,710	4,588,114	-	10,905,030
Cash and balances with and loans and advances to banks	694,067	7,816,258	2,010,807	1,377,621	-	-	-	11,898,753
Monetary bills issued by AMCM	-	1,148,234	1,595,221	491,236	-	-	-	3,234,691
Other securities	-	-	-	-	-	-	250	250
<b>Liabilities</b>								
Deposits by banks	288,187	1,160,962	159,910	1,703,136	-	-	-	3,312,195
Deposits from holding and associated companies	-	-	-	-	-	-	-	-
Customer accounts	8,808,882	4,535,890	5,996,624	2,904,049	-	-	-	22,245,445
Other securities issued	-	-	-	-	-	-	-	-

## Other information

*(Expressed in thousands of Macau Patacas)*

**(a) Capital commitments**

There were no capital commitments outstanding not provided for in the financial statements as at 30 June 2025 and 31 December 2024.

**(b) Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	<i>At 30 Jun 2025</i>	<i>At 31 Dec 2024</i>
	MOP'000	MOP'000
Within 1 year	15,915	16,906
After 1 year but within 5 years	37,856	40,220
	53,771	57,126

**(c) Assets pledged as security**

There were no assets that pledged as security for the liabilities of the Branch as at 30 June 2025 and 31 December 2024.

**(d) Outstanding litigations**

There were no outstanding litigations which may have a significant impact on the financial position of the Branch as at 30 June 2025 and 31 December 2024.

## Other information in relation to positions of Head Office, The Hongkong and Shanghai Banking Corporation Limited

The Branch is one of the branches of The Hongkong and Shanghai Banking Corporation Limited (“the Bank”) and therefore it is not required to prepare consolidated accounts. Unless otherwise stated, all information disclosed below is extracted from the corresponding information in the most recently available interim consolidated financial statements of the Bank of which the Branch is a member.

The interim consolidated financial statements can be accessed through various channels, including its website (<http://www.hsbc.com.hk>). For more comprehensive understanding of the financial position and results of operations of HSBC, the information disclosed below should be read in conjunction with the interim consolidated financial statements.

**(a) Consolidated capital adequacy ratio**

	<i>At 30 Jun 2025</i>	<i>At 31 Dec 2024</i>
	%	%
Capital adequacy ratio		
Tier 1 capital ratio	20.5	18.4
Total capital ratio	22.7	20.3

The capital ratios were contained in the ‘Capital Adequacy Ratio’ return submitted to the Hong Kong Monetary Authority (“HKMA”) by The Hongkong and Shanghai Banking Corporation Limited on a consolidated basis that is specified by the HKMA under the requirements of section 3C(1) of the Banking (Capital) Rules.

## Other information in relation to positions of Head Office, The Hongkong and Shanghai Banking Corporation Limited (continued)

(Expressed in Hong Kong dollars)

### (b) Capital and reserves

	<i>At 30 Jun 2025</i> HKD million	<i>At 31 Dec 2024</i> HKD million
Share capital	180,181	180,181
Other equity instruments	79,158	64,677
Other reserves	133,607	102,993
Retained earnings	462,425	471,198
	<hr/>	<hr/>
Total shareholders' equity	855,371	819,049
Non-controlling interests	59,396	58,959
	<hr/>	<hr/>
Total equity	<u>914,767</u>	<u>878,008</u>

### (c) Consolidated assets, liabilities and profits position

	<i>At 30 Jun 2025</i> HKD million	<i>At 31 Dec 2024</i> HKD million
Total assets	11,491,146	10,948,940
Total liabilities	10,576,379	10,070,932
Loans and advances to customers	3,609,474	3,494,298
Deposits by banks	240,412	183,612
Customer accounts	6,839,157	6,564,606
	<hr/>	<hr/>
	<i>Half-year ended</i> <i>30 Jun 2025</i> HKD million	<i>Half-year ended</i> <i>30 Jun 2024</i> HKD million
Profit before taxation	<u>71,188</u>	<u>82,068</u>

## Other information in relation to positions of Head Office, The Hongkong and Shanghai Banking Corporation Limited (continued)

**(d) Shareholders with qualifying holdings**

The Branch is one of the branches of The Hongkong and Shanghai Banking Corporation Limited (“the Bank”). The ultimate holding company of the Bank is HSBC Holdings plc, which is incorporated in the United Kingdom. There are no shareholders with major holdings in HSBC Holdings plc ordinary shares.

**(e) Board of Directors**

The Board of Directors of the Bank at 30 June 2025 comprises:

Dr Peter Tung Shun WONG, GBS, JP (*Non-executive Chairman*)  
David Gordon ELDON, GBS, CBE, JP (*Independent non-executive Deputy Chairman*)  
David Yi Chien LIAO, JP (*Co-Chief Executive Officer*)  
Surendranath Ravi ROSHA (*Co-Chief Executive Officer*)  
Paul Jeremy BROUGH (*Independent non-executive Director*)  
Judy Lai Kun CHAU (*Independent non-executive Director*)  
Edward Wai Sun CHENG, GBS, JP (*Independent non-executive Director*)  
Sonia Chi Man CHENG (*Independent non-executive Director*)  
Yiu Kwan CHOI (*Independent non-executive Director*)  
Andrea Lisa DELLA MATTEA (*Independent non-executive Director*)  
Manveen (Pam) KAUR (*Non-executive Director*)  
Rajnish KUMAR (*Independent non-executive Director*)  
Beau Khoon Chen KUOK (*Independent non-executive Director*)  
Fred Tin Fuk LAM, GBS, JP (*Independent non-executive Director*)  
Annabelle Yu LONG (*Independent non-executive Director*)