

GRUPO FINANCIERO HSBC, S.A. DE C.V.

First Quarter ended 31 March 2026 Report



Highlights

Quarter ended 31 March 2026

Total operating income excluding loan impairment charges

MXN16,875m ↑ 4.2% or MXN675m
(Q1 2025: MXN16,200m)

Profit before tax

MXN5,480m ↑ 67.5% or MXN2,208m
(Q1 2025: MXN3,272m)

Return on equity¹

17.72% ↑ 532bps
(Q1 2025: 12.4%)

Net income before discontinued operations

MXN4,137m ↑ 52.5% or MXN1,428m
(Q1 2025: MXN2,713m)

Profit before tax (under IFRS)²

MXN5,040m ↑ 32.0% or MXN1,217m
(Q1 2025: MXN3,823m)

At Quarter ended March 2026

Net Loans and advances to customers

MXN440.2bn ↓ 10.6% or MXN52.2bn
(At 31 Mar 2025: MXN492.5bn)

Total Deposits

MXN531.2bn ↓ 8.9% or MXN51.7bn
(At 31 Mar 2025: MXN582.9bn)

Capital adequacy ratio

19.8% ↑ 230 bps
(At 31 Mar 2025: 17.5%)

Common equity tier 1 ratio

13.3% ↑ 184 bps
(At 31 Mar 2025: 11.5%)

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Award and recognition

EUROMONEY – Best Bank for Wealth Management

The British magazine *Euromoney* recognised HSBC Mexico as the **Best Bank for Wealth Management** (*Mexico's Best for High Net Worth*), a category that highlights financial institutions that have excelled in services and solutions for high-net-worth clients—from traditional portfolio management and advisory services to digital platforms and alternative investments. Key factors supporting this recognition include a comprehensive proposition for high-net-worth clients built on four pillars (wealth, health, travel and international), as well as access to global capabilities and expert advice on investments, insurance and financing through Wealth Centres.

EUROMONEY – No. 1 Bank for Trade Finance

In addition, *Euromoney* also named HSBC Mexico the No. 1 Bank for trade finance for the ninth consecutive year, according to the survey conducted by the prestigious British publication. This recognition underscores HSBC's commitment to Mexican companies engaged in import and export activities, particularly in a challenging and rapidly evolving global environment. The bank has strengthened its focus on helping businesses understand and navigate today's complexity, with its international connectivity and presence in more than 60 countries and territories providing added value for clients. This year, HSBC was also voted the No. 1 Bank for trade finance globally and across Latin America.

¹ Annualized, both 1Q25 and 1Q26.

² The main differences between Mexican GAAP and IFRS results for the three months to 2026 relate to differences in loan impairment charges, post-employment benefit, effective interest rate, deferred profit sharing, other insurance adjustment and additional tier 1 (AT1).

Economic review and outlook

Economic activity

The economic activity index (IGAE by its acronym in Spanish) fell by 0.9% in month-on-month terms in January, suggesting a slow start to the year. Services, industrial production, and agriculture activities declined by 0.6%, 1.1% and 3.7% month-on-month, respectively. Yet, leading indicators suggest a more stable performance in the rest of Q1 2025.

On an annual basis, overall activity rose by 0.5% in seasonally adjusted terms in January. Agricultural activities and services grew by 2.4% and 0.9% year-on-year, respectively. In contrast, industrial production fell by 0.1% year-on-year.

Monetary policy

After keeping rates on hold in February, Mexico's central bank (Banxico) cut the policy rate by 25bp in March. With this move, the monetary policy rate fell to 6.75% in Q1 2026 from 7.0% in Q4 2025.

Inflation results

Inflation rose to 4.59% year-on-year in March 2026 from 3.69% in December 2025. This was mainly driven by price increases within the non-core component. Core inflation rose to 4.45% year-on-year in March 2026 from 4.33% in December 2025.

Financial performance – key metrics

Grupo Financiero HSBC Mexico delivered stable profit before tax in 2026, largely due to a strong improvement in other operating income and lower expected credit losses, despite some pressure on parts of revenue. Loan and deposit balances declined as part of the Shift to Affluent strategy.

Profit before tax for the three months of 2026 was MXN5,480m, an increase of MXN2,208m or 67.5% compared with MXN3,272m for the same period in 2025.

Net interest income for the three months of 2026 was MXN12,082m, a decrease of MXN237m or 1.9% compared with MXN12,319m for the same period in 2025. The decrease is following our strategic refocus and lower market interest rates.

Loan impairment charges for the three months of 2026 were MXN2,264m, a decrease of MXN1,977m or -46.6% compared with MXN4,241m for the same period in 2025. The reduction was mainly due to lower balances as part of the Shift to Affluent Strategy and releases mostly in Corporates and Cards.

Net fee income for the three months of 2026 was MXN3,048m, an increase of MXN21m or 0.7% compared with MXN3,027m for the same period in 2025. Overall, it was broadly stable with a modest uplift, with wealth-related fees (investment funds) and trade-related fees (Imports) offsetting softer cards and transactional fee lines, while lower fee expenses provided additional support.

Trading income for the three months ended 2026 was MXN818m, down MXN486m (-37.3%) from MXN1,304m in the same period of 2025. The decrease was mainly driven by a fall in the value of the MXN government bond portfolio following an unexpected rise in MXN discount rates. Rates moved higher in March amid a weaker international backdrop (including the conflict in Iran), which put upward pressure on MXN inflation expectations. The result was compounded by lower FX cash trading volumes in January and February.

Other operating income (expense) for the three months of 2026 was an income of MXN939m, an improvement of MXN1,246 million or 405.9% compared to MXN307 million expenses for the same period in 2025. The increase was mainly driven by the sale of our participations in E-Globo and TransUnion.

Administrative and personnel expenses for the three months of 2026 were MXN9,237m, an increase of MXN475m or 5.4%, compared with MXN8,762m for the same period in 2025. Comparing 1Q 2026 vs 2025, we have higher employee costs

mainly in IWPB and CIB and an increase in IT maintenance costs.

The cost efficiency ratio was 54.7% for the three months of 2026 compared with 54.1% for the same period in 2025, as revenue growth of 4.2% was outpaced by overall cost dynamics.

The effective tax rate was 24.5% for the three months of 2026, compared with 17.1% reported for the same period in 2025. The increase is primarily driven by the change effective from 2026 reducing non-deductibles for tax purposes.

At 31 March 2026, **net loans and advances** were MXN440.2bn, showing an overall decrease of MXN54.4bn, or 10.6% compared with MXN492.5bn. The decrease is driven by -12.6% reduction in (CIB) portfolio compared to 31 March 2025, with (IWPB) portfolio reducing by -8.7%. This reduction is primarily due to uncertain macroeconomic conditions, which have delayed the origination of new lending deals on CIB and alignment with the Shift to Affluent Strategy in IWPB.

At 31 March 2026, **credit cost ratios³ and loan loss reserves ratios⁴** were 2.0% (3.3% as of 31 March 2025) and 3.7% (3.7% as of 31 March 2025).

Return on equity was 17.72% for the three months of 2026 compared with 12.4% for the same period in 2025.

Stage 3 Loans As at 31 March 2026, stage 3 loans were MXN14.3bn, representing 3.2% of gross loans. Of this, 0.5% comprised loans assessed as unlikely to pay, despite not being 90 days past due, while 2.7% related to loans overdue by 90 days or more. At March 2025, stage 3 loans were MXN12.3bn, representing 2.4% of gross loans, with 0.1% unlikely to pay but not 90 days past due, and 2.3% overdue by 90 days or more.

Total loan loss allowances at 31 March 2026 were MXN17bn, a decrease of MXN2.1bn (-11.4%) from MXN19.1bn in March 2025. The coverage ratio declined to 118.3% in 2026 from 155.6% in 2025⁵.

At 31 March 2026, **total deposits** were MXN531.2bn, a decrease of MXN51.7bn or -8.9%, compared with MXN582.9bn at 31 March 2025, as a result of strategy execution and slower pipeline (CIB) and lower time deposits (IWPB) consistent with customers

³ Credit cost ratio: Loan Impairment charges annualized/Gross Loans

⁴ Loan loss reserve ratio: Loan Loss Reserves/Gross Loans.

⁵ Coverage Ratio: Expected credit losses/Total loan portfolio with credit risk stage 3.

shifting away from term placements.⁶

HSBC Mexico S.A. ('the bank') profit before tax for the three months of 2026 was MXN4,763m, an increase of MXN2,137m or 81.4% compared with MXN2,626m for the same period in 2025, mainly driven by lower loan impairment charges and stronger other operating income, partly offset by higher administrative and personnel expenses and weaker trading income.

HSBC Bank Mexico S.A. ('the bank') net income for the three months of 2026 was MXN3,631m, an increase of MXN1,366m or 60.3% compared with MXN2,265m for the same period in 2025 mainly due to lower loan impairment charges and a strong uplift in other operating income, which more than offset slightly lower

NII, weaker trading income and higher operating costs.

HSBC Bank Mexico S.A. ('the bank') net interest income for the three months of 2026 was MXN11,972m, a decrease of MXN225m or 1.8%, compared with MXN12,197m for the same period in 2025. The decrease is due to reduced loan volumes, lower asset yields only partly offset by lower funding costs.

The **profit before tax of Grupo Financiero HSBC's insurance subsidiary** for the three months of 2026 was MXN387m, a decrease of MXN-37m or -8.8% compared with MXN424m for the same period in 2025. Performance was mainly driven by negative mark-to-market revaluations arising from movements in rates.

HSBC Mexico S.A. ('the bank') is a subsidiary of Grupo Financiero HSBC, S.A. de C.V. (Grupo Financiero HSBC) and is subject to supervision by the Mexican Banking and Securities Commission. The bank is required to file financial information on a quarterly basis (in this case for the period ended 31 March 2026) and this information is publicly available. Given that this information is available in the public domain, Grupo Financiero HSBC has elected to file this release. HSBC Seguros, S.A. de C.V. Grupo Financiero HSBC (HSBC Seguros) is Grupo Financiero HSBC's insurance subsidiary.

Results are prepared in accordance with Mexican GAAP (Generally Accepted Accounting Principles).

⁶ Figures split by segment are MXN275.7bn IWPB and MXN255.5bn CIB.

Our business segments^{7,8,9}

Effective from 1 January 2025, reporting segments comprise two main businesses along with Corporate Centre:

Corporate and Institutional Banking ('CIB')

is an international wholesale bank with significant competitive advantages, such as leveraging our international network to our customers. It has the products and skills required to serve the global banking needs of international corporate clients, particularly in transaction banking where we continue to invest. These strengths enable us to better capture global and intraregional flows as supply chains reconfigure, new trade routes emerge, economies grow, and customers' expectations of financial services evolve.

International Wealth and Premier Banking ('IWPB')

is ideally placed to capture the increasing number of affluent and high net worth, especially those with international banking needs who seek new investment opportunities to help them protect and grow their wealth. Our recognized brand, financial strength and complementary footprints serve to reinforce HSBC's position in the world's fastest-growing wealth markets. We also have an asset management business with distinct specialism in both regions offering customers access to investment opportunities across asset classes. Our unique positioning enables us to drive customer acquisition and increase take-up of wealth products, as well as growing our share of corridor flows.

Corporate and Institutional Banking (CIB)^{10,11}

Offers a full range of commercial financial services and tailored solutions to clients ranging from small enterprises to large corporates operating internationally.

Review of financial performance

Figures in MXN Millions

	Quarter to End					
	31-Mar-26			31-Mar-25		
	CIB ^{8*}	MSS ⁹	CIB	CIB ^{8*}	MSS ⁹	CIB
Net interest income	3,043	302	3,345	3,548	290	3,838
Non-interest income	438	147	585	213	459	672
Total Revenue	3,481	449	3,930	3,761	749	4,510
Loan impairment charges	546	-	546	(735)	-	(735)
Net operating income	4,027	449	4,476	3,026	749	3,775
Administrative and personnel expenses	(1,489)	(282)	(1,771)	(1,429)	(254)	(1,683)
Share of profits in equity interest	2	-	2	7	-	7
Profit/(loss) before tax	2,540	167	2,707	1,604	495	2,099

*Credit & Lending, Trade and Payment Services

Key metrics

Profit before tax for the three months of 2026 was MXN 2,707m, an increase of MXN 608m or 29.0% compared with MXN 2,099m for the same period in 2025; this is driven by loan impairment charges given releases from this year compared to a business-as-usual scenario on credit provisions last year, partially offset by lower net interest income in addition to higher Administrative Expenses driven by inflationary pressure. With Markets Treasury allocation, profit before tax was MXN 3,667m.

Total revenue for the three months of 2026 was MXN 3,930m, a reduction of MXN 580m or -12.9% compared with MXN 4,510m for the same period in 2025, reflecting lower net interest income driven by reduced asset and deposit volumes amid the current economic environment. This was partly offset by stronger Lending and Debt Capital Markets fees, supported by increased origination and execution across domestic and cross-border markets, aligned with our Internationalisation strategy to leverage HSBC's global brand and help customers do business worldwide.

Loan impairment charges for the three months of 2026 were a release of MXN 546m, a decrease of MXN 1,281m or 174.3%

compared with a provision of MXN 735m for same period in 2025, mainly explained by lower volumes and releases this year due to better performance in Corporates.

Administrative and personnel expenses for the three months of 2026 were MXN 1,771m, an increase of MXN 88m or 5.2% compared with MXN 1,683m for the same period in 2025. This rise is attributed to inflationary pressure coupled with enhanced investment in IT.

At 31 March 2026, **net loans and advances to customers** were MXN 207.7bn, a decrease of MXN 30.0bn or 12.6% compared with MXN 237.6bn at 31 March 2025. This reduction is primarily due to slower pipeline conversion amid the current economic environment and clients favoring debt placements.

At 31 March 2026, **total deposits** were MXN 255.5bn, a decrease of MXN 31.1bn or 10.9% compared with MXN 286.6bn at 31 March 2025. This reduction is attributed to the Business Banking Upper strategy execution, coupled with slower pipeline materialization.

⁷ Markets Treasury total profit before tax for the three months to 2026 was MXN1,072m. Since June 2020, Markets Treasury is allocated out to the global businesses, to align them better with their revenue and expense and for the three months to 2026 profit before tax allocation by business was MXN112m to IWPB and MXN960m to CIB.

⁸ WPB does not include Insurance results which was MXN386m in profit before taxes for the three months to 2026.

⁹ Corporate Centre & Other MXN815 loss before tax for the three months to 2026 is not included.

¹⁰ CIB*: Credit and Lending, Trade and Payment Services

¹¹ MSS*: Market and Securities Services

Milestones

Client transaction. HSBC has been recognized in Mexico as the #1 Trade Finance Bank at the Euromoney Awards, demonstrating the successful execution of our strategy and the value we deliver to our clients. In addition, strong Debt Capital Markets execution across domestic and cross-border markets, navigating volatility while maintaining high-quality outcomes. Corporate clients completed sizeable multi-tranche issuances, achieving record or year-to-date tightest spreads. Internationally, local institutional clients were highly active, including a dual-tranche transaction and a tender offer for a major energy client. This included a three-tranche issuance with broad global participation—the largest non-

SPV cross-border issuance in Mexico's history—across the US, Europe, Latin America and the Middle East.

Client event. From 21 February to 1 March, HSBC sponsored the Mexican Tennis Open in Acapulco and hosted 40 CIB clients, each accompanied by a guest. HSBC also held Business Growth Councils across four cities in Mexico, engaging 80+ customers from a range of sectors. In addition, invitations were extended to geopolitical update webinars on Venezuela and Iran featuring a well-recognized international analyst, attracting 450+ attendees

International Wealth and Premier Banking (IWPB)

Offers a full range of competitive banking products and services to help manage the finances of our clients, buy their homes, and save and invest for the future.

Review of financial performance

Figures in MXN Millions

	Quarter To End	
	31-Mar-26	31-Mar-25
Net interest income	7,735	8,216
Non-interest income	3,600	2,392
Total revenue	11,335	10,608
Loan impairment charges	(2,810)	(3,507)
Net operating income	8,525	7,102
Administrative and personnel expenses	(7,057)	(6,290)
Share of profits in equity interest	104	68
Profit/(loss) before tax	1,572	880

Key metrics

Profit before tax for the three months ended 31 March 2026 was MXN1,572m, an increase of MXN692m (+78.6%) compared with MXN880m for the three months ended 31 March 2025. The increase was mainly driven by one-off gain on sale related with M&A transactions and lower loan impairment charges, partly offset by higher administrative and personnel expenses. With Markets Treasury allocation, profit before tax was MXN1,683m.

Total revenue for the three months ended 31 March 2026 was MXN11,335m, an increase of MXN727m (+6.9%) compared with MXN10,608m for the three months ended 31 March 2025, primarily driven by one-off gain on sale related with M&A transactions.

Loan impairment charges for the three months ended 31 March 2026 were MXN2,810m, a decrease of MXN697m (-19.9%) compared with the prior year, mainly due to lower balances and improved portfolio performance.

Milestones

Grupo Financiero HSBC, S.A. de C.V. continues its path to become the main bank of its customers. Relevant milestones achieved include:

Shift to Affluent Strategic Priority: IWPB Mexico is accelerating its Shift to Affluent strategy through the launch of HSBC One and HSBC One+ credit card, targeting emerging affluent customers as a scalable entry point into the affluent ecosystem, fully aligned with the Premier 3.0 pillars and strengthening segment continuity

Administrative and personnel expenses for the three months ended 31 March 2026 were MXN7,057m, an increase of MXN767m (+12.2%) compared with MXN6,290m for the three months ended 31 March 2025. The increase was driven primarily by taxes related to M&A transactions and continued investment aligned with the business strategy.

At 31 March 2026, **net loans and advances to customers** were MXN232.5bn, showing an overall decrease of MXN22.2bn (8.7%) compared with MXN254.6bn at 31 March 2025. The decrease was broad-based across the loan portfolio, reflecting lower origination through sales channels and alignment with the business strategy.

Total deposits at 31 March 2026 were MXN275.6bn, a decrease of MXN20.6bn (-7.0%) compared with MXN296.3bn at 31 March 2025, mainly due to lower time deposits

to drive future growth. With a refreshed identity, HSBC Life confirms its commitment to stand by its customers, expanding Dotal insurance with new coverages and terms while delivering a more powerful mobile dashboard that puts policy documents at customer's fingertips.

Wealth and Premier Solutions: with a growing performance (11% YoY) in mutual funds AUMs, continues positioning HSBC within the main competitors in the Mexican industry.

About HSBC

Grupo Financiero HSBC, S.A. de C.V., is one of the leading financial groups in Mexico with 675 branches, 4,868 ATMs and 12,653 employees as of 31 March 2026.

For more information, visit www.hsbc.com.mx.

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 56 countries and territories. With assets of USD 3,306bn at 31 March 2026, HSBC is one of the world's largest banking and financial services organisation.

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Consolidated financial statements**Consolidated Income Statement – GROUP Quarter ended 31 March 2026***Figures in MXN Millions*

	Group	
	31-Mar-26	31-Mar-25
Interest income	19,814	24,246
Interest expense	(7,732)	(11,927)
Net interest income	12,082	12,319
Loan impairment charges	(2,264)	(4,241)
Risk-adjusted net interest income	9,818	8,078
Fees income	3,681	3,647
Fees expense	(633)	(620)
Premiums, Technical provisions, claims and other liabilities (Insurance)	(12)	(143)
Trading income	818	1,304
Other operating income (expense)	939	(307)
Total operating income	14,611	11,959
Administrative and personnel expenses	(9,237)	(8,762)
Net operating income	5,374	3,197
Share of profits in equity interest	106	75
Profit before tax	5,480	3,272
Income tax	(1,343)	(559)
Net income before discontinued operations	4,137	2,713
Net income	4,137	2,713

Consolidated Income Statement – BANK Quarter ended 31 March 2026

Figures in MXN Millions

	Bank	
	31-Mar-26	31-Mar-25
Interest income	19,711	24,153
Interest expense	(7,739)	(11,956)
Net interest income	11,972	12,197
Loan impairment charges	(2,264)	(4,241)
Risk-adjusted net interest income	9,708	7,956
Fees income	3,309	3,397
Fees expense	(756)	(744)
Trading income	403	769
Other operating income (expense)	1,112	(150)
Total operating income	13,776	11,228
Administrative and personnel expenses	(9,117)	(8,676)
Net operating income	4,659	2,552
Share of profits in equity interest	104	74
Profit before tax	4,763	2,626
Income tax	(1,132)	(361)
Net income before discontinued operations	3,631	2,265
Net income	3,631	2,265

Consolidated Balance Sheet – At Quarter ended 2026 (Comparatives)

Figures in MXN millions

	Group		Bank	
	31 Mar 26	31 Mar 25	31 Mar 26	31 Mar 25
Assets				
Cash and cash equivalents	82,846	61,550	82,636	61,369
Margin accounts	336	390	336	390
Financial Investments	258,921	235,813	212,619	203,833
Trading financial investments	106,289	85,331	67,544	60,036
Financial investments hold to collect and sale	99,578	103,729	92,021	97,044
Financial investments hold to collect principal and interest (securities) (net)	53,054	46,753	53,054	46,753
Reverse repurchases agreements	29,506	56,204	29,506	56,204
Derivative transactions	13,526	19,162	13,526	19,162
Loan and advances - credit risk stage 1				
Commercial loans	211,367	246,799	211,367	246,799
Consumer loans	81,770	97,476	81,770	97,476
Mortgage loans	140,043	145,871	140,043	145,871
Total loan portfolio with credit risk stage 1	433,180	490,146	433,180	490,146
Loan and advances - credit risk stage 2				
Commercial loans	786	3,522	786	3,522
Consumer loans	2,771	3,102	2,771	3,102
Mortgage loans	2,362	2,385	2,362	2,385
Total loan portfolio with credit risk stage 2	5,919	9,009	5,919	9,009
Loan and advances - credit risk stage 3				
Commercial loans	6,810	5,256	6,810	5,256
Consumer loans	2,918	3,097	2,918	3,097
Mortgage loans	4,616	3,954	4,616	3,954
Total loan portfolio with credit risk stage 3	14,344	12,307	14,344	12,307
Credit Portfolio measured at fair value	3,691	-	3,691	-
Gross loans and advances to customers	453,443	511,462	453,443	511,462
Expected credit losses	(16,968)	(19,144)	(16,968)	(19,144)
Gross loans and advances to customers - Insurance	90	161	-	-
Total net loans and advances to customers	440,256	492,479	440,166	492,318
Premium receivables	2,624	2,780	-	-
Accounts receivables from reinsurers and rebonding companies	65	107	-	-
Other accounts receivable (net)	49,050	45,185	48,499	45,231
Foreclosed assets	357	317	357	317
Long term assets held for sale	-	1,063	-	1,063
Property, furniture and equipment (net)	6,270	6,428	6,270	6,428
Property, furniture and equipment (net) – Rights-of-use assets (RoU)	2,582	3,105	2,581	3,102
Prepayments and other assets	6,098	7,028	5,951	6,613
Long-term investments	462	458	405	406
Deferred income tax asset (net)	7,245	7,659	7,122	7,543
Intangible assets (net)	7,199	7,133	7,199	7,133
Intangible assets (net) – RoU assets	218	255	-	-
Goodwill	955	955	-	-
Benefits receivable in securitization transactions	-	-	-	-
Total assets	908,516	948,071	857,173	911,112

Consolidated Balance Sheet – At Quarter ended 2026 (continued)

Figures in MXN millions

	Group		Bank	
	31 Mar 26	31 Mar 25	31 Mar 26	31 Mar 25
Liabilities				
Deposits	531,161	582,905	531,725	583,324
Demand deposits	361,267	383,821	361,817	384,226
Time deposits	148,104	177,199	148,118	177,213
Bank bond outstanding	18,985	19,374	18,985	19,374
Global deposit account without movements	2,805	2,511	2,805	2,511
Bank deposits and other liabilities	6,771	11,147	6,771	11,147
On demand	0	-	0	-
Short-term	3,146	6,361	3,146	6,361
Long-term	3,625	4,786	3,625	4,786
Pending securities to pay	0	1	0	1
Technical reserves	44,545	31,029	0	-
Unsettled transactions	0	1	0	-
Repurchase agreements	79,805	72,332	79,805	72,332
Collateral sold	25,063	49,381	25,063	49,381
Reports (credit balance)	19,476	48,013	19,476	48,013
Securities lending	5,587	1,368	5,587	1,368
Derivative financial liabilities	13,896	22,410	13,896	22,410
Trading derivatives	13,893	22,400	13,893	22,400
Hedging derivatives	3	10	3	10
Accounts payable from reinsurers and rebonding companies	15	19	0	-
Lease liabilities	2,681	3,174	2,680	3,171
Other payable accounts	58,052	37,881	56,691	37,129
Settlement accounts	36,756	17,099	36,138	17,007
Income tax and employee profit sharing payable	1,446	1,101	1,446	1,101
Contributions for future capital increases	1,127	1,336	1,035	1,258
Sundry creditors and other accounts payable	18,723	18,344	18,073	17,763
Financial instruments qualifying as liabilities (subordinated debt)	41,658	39,706	41,658	39,706
Subordinated debentures outstanding	41,658	39,706	41,658	39,706
Income tax liabilities	1,514	1,223	1,466	1,198
Employee benefit liabilities	6,262	5,613	6,204	5,556
Deferred credits and receivable in advance	1,846	2,098	1,846	2,098
Total liabilities	813,269	858,922	767,806	827,453
Equity				
Paid in capital	43,373	43,373	38,318	38,318
Capital stock	6,218	6,218	6,132	6,132
Additional paid in capital	37,155	37,155	32,186	32,186
Other reserves	55,140	48,873	54,138	48,277
Capital reserves	1,244	1,244	15,990	15,305
Retained earnings – prior years	49,759	44,915	34,517	30,707
Net income	4,137	2,713	3,631	2,265
Result from the mark-to-market of available- for-sale securities	735	159	890	299
Result from cash flow hedging transactions	-147	(87)	-147	(87)
Adjustment in the employee pension	-3,857	(3,171)	-3,832	(3,148)
Total controlling interests	95,244	89,147	89,367	83,659
Minority interest in capital	3	3	0	-
Total shareholder's equity	95,247	89,150	89,367	83,659
Total liabilities and equity	908,516	948,071	857,173	911,112

Consolidated Balance Sheet – At Quarter ended 2026

(continued)

Figures in MXN millions

	Group		Bank	
	31 Mar 26	31 Mar 25	31 Mar 26	31 Mar 25
<u>Memorandum accounts</u>				
Third party accounts	86,737	85,178	0	-
Clients current accounts	1,801	303	0	-
Custody operations	84,936	84,875	0	-
Proprietary position	2,700,480	2,750,343	2,468,764	2,528,253
Irrevocable lines of credit granted	441,494	431,710	441,494	431,710
Goods in trust or mandate	306,613	201,174	306,613	201,174
Trusts	305,728	200,306	305,728	200,306
Mandate	885	868	885	868
Goods in custody or under administration	473,416	415,882	473,416	415,882
Collateral received by the institution	37,241	58,760	37,241	58,760
Collateral received and sold or delivered as guarantee	26,377	49,840	26,377	49,840
Suspended interest on stage 3 loans	735	517	735	517
Other control accounts	1,414,604	1,592,460	1,182,888	1,370,370
Total memorandum account	2,787,217	2,835,521	2,468,764	2,528,253

Consolidated Statement of Changes in Shareholders' Equity

Figures in MXN millions

Group	Capital contributed	Capital reserves	Retained earnings – prior years	Valuation of financial investments hold to collect or sale	Valuation of cash flow hedging transactions	Remeasurement of defined benefits to employees	Total controlling interest	Minority interest	Total equity
Total Balances at 01 Jan 2026	43,373	1,244	49,776	899	(96)	(3,670)	91,526	3	91,529
Adjustments for accounting changes	-	-	(17)	-	-	-	(17)	-	(17)
Cash dividends*	-	-	-	-	-	-	-	-	-
Capitalization of other equity items	-	-	-	-	-	-	-	-	-
Comprehensive Income:									
Net income	-	-	4,137	-	-	-	4,137	-	4,137
Other comprehensive income:									
Valuation of financial investments hold to collect and sale	-	-	-	(164)	-	-	(164)	-	(164)
Valuation of cash flow hedging transactions	-	-	-	-	(51)	-	(51)	-	(51)
Remeasurement of defined benefits to employees	-	-	-	-	-	(187)	(187)	-	(187)
Total	-	-	4,137	(164)	(51)	(187)	3,735	-	3,735
Final balances as of 31 March 2026¹²	43,373	1,244	53,896	735	(147)	(3,857)	95,244	3	95,247

¹² Include AT1 coupon payments.

Consolidated Statement of Changes in Shareholders' Equity

Figures in MXN million

Bank	Capital contributed	Capital reserves	Retained earnings – prior years	Valuation of financial investments hold to collect or sale	Valuation of cash flow hedging transactions	Remeasurement of defined benefits to employees	Total controlling interest	Minority interest	Total equity
Total Balances at 01 Jan 2026	38,318	15,990	34,525	1,081	(97)	(3,644)	86,173	-	86,173
Adjustments for accounting changes	-	-	(8)	-	-	-	(8)	-	(8)
Movements inherent to the shareholders' decision:									
Dividends declared (including AT1 coupon payments)	-	-	-	-	-	-	-	-	-
Capitalization of other equity items	-	-	-	-	-	-	-	-	-
Reserve movements	-	-	-	-	-	-	-	-	-
Comprehensive income:									
Net income	-	-	3,631	-	-	-	3,631	-	3,631
Other comprehensive income:									
Valuation of financial investments hold to collect and sale	-	-	-	(191)	-	-	(191)	-	(191)
Valuation of cash flow hedging transactions	-	-	-	-	(50)	-	(50)	-	(50)
Remeasurement of defined benefits to employees	-	-	-	-	-	(188)	(188)	-	(188)
Participation in comprehensive income of other entities	-	-	-	-	-	-	-	-	-
Total	-	-	3,631	(191)	(50)	(188)	3,202	-	3,202
Final balances as of 31 March 2026	38,318	15,990	38,148	890	(147)	(3,832)	89,367	-	89,367

Three months ended 31 March 2026 Report



Consolidated Statement of Cash Flow - Group

Figures in MXN millions

	31 Mar 2026
Profit/(loss) before taxes	5,480
Adjustments for items associated with investing activities	1,138
Depreciation of property, furniture and equipment	569
Amortization of intangible assets	675
Participation in the net result of other entities	(106)
Adjustments for items associated with financing activities	1,437
Interest associated with bank deposits and other liabilities	151
Financial instruments qualifying as liabilities (subordinated debt)	1,286
Changes in items related to operating activities	1,708
Bank deposits and other liabilities	(3,747)
Margin accounts	112
Financial investments	3,060
Reverse repurchases agreements	16,846
Derivative transactions (assets)	5,425
Loan portfolio (net)	20,329
Debtors of re-insurance	(20)
Recoverable amounts for reinsurance and refinancing (net)	9
Change in benefits from receiving securitization operations	-
Change in inventories	-
Other accounts receivable (net)	(27,034)
Foreclosed assets (net)	(2)
Change in securities lending (liabilities)	(36)
Deposits	(34,794)
Technical reserves	3,059
Repurchase agreements	9,866
Collaterals sold or given in guarantee	(1,989)
Derivative transactions (liabilities)	(5,528)
Accounts payable for reinsurers	6
Change of assets/liabilities for employee benefits	(614)
Other accounts payable	20,975
Other provisions	(2,950)
Income tax payments	(1,265)
Net cash flows from operating activities	9,763
Investing activities:	
Payments for the acquisition of property, furniture and equipment	(252)
Proceeds from the sale of property, furniture and equipment	-
Collections of cash dividends from permanent investments	76
Payments for acquisition of intangible assets	(456)
Other receipts from investing activities	-
Other payments from investing activities	-
Net cash flows from investing activities	(632)
Financing activities:	
Payments of bank loans and other organizations	(347)
Cash dividend payments	-
Proceeds from the issuance of financial instruments that qualify as liabilities	-
Collections for the issuance of financial instruments that qualify as liabilities	-
Net cash flows from financing activities	(347)
Increase/Decrease in cash and equivalents	8,784
Cash and equivalents at beginning of period	74,062
Cash and equivalents as of 31 March 2026	82,846

Consolidated Statement of Cash Flow - Bank
Figures in MXN millions

31 Mar 2026

Profit before taxes	4,763
Adjustments for items associated with investing activities	1,131
Depreciation of property, furniture and equipment	569
Amortization of intangible assets	666
Other adjustments for items associated with investing activities	(104)
Adjustments for items associated with financing activities	1,437
Interest associated with bank deposits and other liabilities	151
Financial instruments qualifying as liabilities (subordinated debt)	1,286
Changes in items related to operating activities:	2,427
Bank deposits and other liabilities	(3,747)
Margin accounts	112
Financial investments	6,758
Reverse repurchases agreements	16,846
Derivative transactions (assets)	5,425
Loans and advances (net)	20,324
Change in benefits from receiving securitization operations	-
Other accounts receivable (net)	(26,755)
Change in securities lending (liabilities)	-
Foreclosed assets (net)	(36)
Other operating assets	(486)
Deposits	(34,687)
Repurchase agreements	-
Collaterals sold or given in guarantee	9,866
Derivative transactions (liability)	(1,989)
Adjustments for employee benefits	(5,528)
Other operational liabilities	18,180
Change of assets/liabilities for employee benefits	(389)
Other accounts payable	2,580
Other provisions	(2,894)
Income tax payments	(1,153)
Net cash flows from operating activities	9,758
Investing activities:	
Payments for the acquisition of property, furniture and equipment	(252)
Payments for the acquisition of affiliates	-
Collections of cash dividends from permanent investments	76
Payments for acquisition of intangible assets	(456)
Other payments from investing activities	-
Net cash flows from investing activities	(632)
Financing activities:	
Lease liability payments	(347)
Cash dividend payments	-
Proceeds from the issuance of financial instruments that qualify as liabilities	-
Payments associated with financial instruments that qualify as a liability	-
Net cash flows from financing activities	(347)
Increase/Decrease in cash and equivalents	8,779
Cash and equivalents at beginning of period	73,857
Cash and equivalents as of 31 March 2026	82,636

Changes in Mexican accounting standards

Introduction

These consolidated financial statements are prepared in accordance with the accounting standards applicable to financial group holding companies in Mexico, effective as of the date of the consolidated statement of financial position, issued by the National Banking and Securities Commission (CNBV for its acronym in Spanish), the entity responsible for inspecting and supervising financial group holding companies and reviewing their financial information. The subsidiaries financial statements have been prepared in accordance with the accounting criteria established by the CNBV, except for the consolidated financial statements of HSBC Insurance Company, which are prepared under the criteria applicable to Finance and Insurance Institutions in Mexico, issued by the National Insurance and Bonding Commission (CNSF, for its acronym in Spanish).

The accounting criteria established by the National Banking and Securities Commission and the National Insurance and Bonding Commission, generally follow the requirements of the Mexican Financial Reporting Standards (NIF, for its acronym in Spanish), issued by the Mexican Financial Reporting and Sustainability Standards Board (CINIF, for its acronym in Spanish), and additionally include rules for the recognition, valuation, presentation and disclosures for banking sector particular transactions, which in some cases could be different from NIF.

The accounting criteria states that the Banking Commission will issue specific rules for specialized operations. In the absence of express accounting criteria, the supplementary process established in chapter 90 Supplementary in NIF A-1, Conceptual framework of NIF will be observed, and in accordance with this, only in the event that International Financial Reporting Standards (IFRS) do not provide a solution to the accounting recognition, a supplementary standard belonging to any other regulatory scheme may be applied in the following order: Accounting Principles Generally Accepted In the United States of America and any accounting standards that is part of a set of formal and recognized standards, provided that they meet all the requirements set forth in the aforementioned NIF.

The recent changes or new developments in accounting standards issued by CNBV or CINIF applicable to the bank as principal subsidiary of Grupo Financiero HSBC, are described below:

I. Accounting changes in place in 2026.

- *NIF improvements 2025.*

NIF C-19 "Financial liabilities" – Aligns with IFRS 9, providing additional requirements must be met, to de-recognise financial liabilities in settlement date when they are cash-settled through the use of electronic payment systems: i) entity does not have the ability to withdraw, stop or cancel payment instruction, ii) no practical ability to use the cash intended to settle the payment instruction and iii) settlement risk associated with electronic payment system is insignificant.

NIF C-19 "Financial liabilities" and NIF C-20 "Hold-to-collect financial instruments" – Additional disclosures are required to divulgate enough information to know and well understood by interested parties, the possible uncertainties about expected future cash flows as investor and/or issuer related to financial instruments with contingent features such as ESG assets. Only applicable to "Public Interest Entities" (EIP by its acronym in Spanish).

- *New NIF A-2 "Uncertainties about going concern".*

Issued on December 6th, 2024, the objective of this standard is to clarify how the entities must analyse events and financial conditions that could originate uncertainties about going concern. Including guidance about measurement, presentation, and disclosures to entities under such situation.

- *Improvements in CNBV accounting criteria.*

Issued on September 11th, 2025, the CNBV issued an update in the accounting criteria applicable to financial institutions in Mexico, in which the principal changes are:

- Improvements in the wording to align with terms used in NIF.
- Further guidance to analyse under "NIF C-10, Derivatives and hedge relationship", if a financial transaction should be considered as derivative or financial guarantee based on its economic substance.
- Inclusion of a new line within Other Comprehensive Income (OCI) to recognise fair value changes of equity instruments that were irrevocable designated to be measured through OCI.
- Amendments in accounting criteria "D-4 Cash Flows statement".

The changes are effective from 1 January 2026, with no material impact on adoption.

II. NIF improvements 2026.

Improvements that result in accounting changes

NIF B-11, Disposal of non-current assets and discontinued operations - It was clarified that the cash flow statement effects arising from the disposal of non-current assets and the discontinuation of operations must be recognised prospectively. Accordingly, prior periods must not be restated.

NIF C-10, Derivative financial instruments and hedging relationships

a) Own-use commodity contracts – The standard explains that a contract to buy or sell a non-financial item (e.g. commodities) that can be net-settled without taking possession qualifies as a derivative. If the contract is entered into to purchase, deliver or use the item (an "own-use" contract), it is not a derivative. The amendment now requires such contracts to be treated as derivatives when, on initial recognition, the entity irrevocably designates them to be measured at fair value through profit or loss to avoid an accounting mismatch. This converges with IFRS 9 Financial Instruments.

b) Qualifying hedging instruments – It was clarified that only financial instruments contracted with independent third parties to the reporting entity (whether at consolidated group level or at the individual entity level) may qualify as hedging instruments.

Improvements that do not result in accounting changes

Nine months ended 30 September 2025 Report

NIF A-1, Conceptual Framework - Wording updates to clarify the components included within equity.

NIF C-20, Financial instruments to Hold to collect - Clarification that a change in business model requires evidence of a change in management's strategy for managing financial instruments.

NIF D-4, Income taxes - Clarifications that this standard applies to profit entities that are required to pay income taxes based on taxable profit determined on a net basis.

Additional clarifications were also made to disclosure requirements and to certain terms in the NIF Glossary.

The Bank did not have significant impacts from the adoption of these amendments

III. NIF effective from 1 January 2028 (early adoption permitted from 1 January 2027).

NIF B-1, Basis for the preparation of financial statements - NIF is being updated to maintain convergence with IFRS, particularly IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 18 Presentation and Disclosure in Financial Statements (effective from 2027). The update expands its scope and refines its objective by setting out overarching requirements for the presentation of financial statements (including content, identification, structure, offsetting, reporting frequency, comparative information, basis of preparation and accounting policies), while retaining the specific guidance on accounting changes and error corrections.

NIF B-3, Statement of comprehensive income- This standard is being updated to align with IFRS 18 in the presentation and disclosure of the statement of comprehensive income. It introduces the following standardised categories:

*Operating;
Investing;
Financing;
Income taxes; and
Discontinued operations.*

The standard includes specific classification requirements for each category, as well as tailored requirements for entities whose main business activities are specific. For Public Interest Entities as defined by NIF, additional disclosures are required for any Management-defined Performance Measures (MPMs)

As of the end of the reporting period, CNBV has not issued guidance on the adoption of these new NIF. The Bank is therefore awaiting its position to assess the potential impacts on the preparation of its financial information.

Differences between Mexican GAAP and International Financial Reporting Standards (IFRS) Grupo Financiero HSBC, S.A. DE C.V.

HSBC Holdings plc, the ultimate parent of Grupo Financiero HSBC, S.A. DE C.V., reports its results under International Financial Reporting Standards (IFRS). Set out below is a reconciliation of the results of Grupo Financiero HSBC, S.A. DE C.V. from Mexican GAAP to IFRS for the three months ended 31 March 2026 and an explanation of the key reconciling items.

31 Mar 2026

Figures in MXN millions

Grupo Financiero HSBC – Profit / (loss) before tax under Mexican GAAP	5,480
Differences arising from:	
Loan impairment charges and other differences in presentation under IFRS	(269)
IFRS16	91
Effective interest rate	(149)
Valuation of defined benefit pensions and post-retirement healthcare benefits, including post-employment benefits	65
Fair value adjustments on financial instruments	(24)
Deferred profit sharing	(12)
Collection Cost	45
Other insurance adjustments ¹³	(142)
Others	(45)
Profit before/(loss) tax under IFRS	5,040

¹³ Includes technical reserves and effects from IFRS 17

Summary of key differences between results as reported under Mexican GAAP and IFRS

1. Valuation of defined benefit pensions and post-retirement healthcare benefits, including post-employment benefits

Mexican GAAP

The present value of Defined Benefit Obligations "DBO" (including indemnity benefits for other reasons than restructuring), are calculated at the reporting date by the schemes actuaries through the Projected Unit Credit Method using a corporate/governmental bond rate as a base rate to determine the discount rate applicable.

The net costs recognised in the income statement is mainly comprised of the current service cost, plus the unwinding of the discount rate on plan liabilities (the discount rate used could be either corporate or government rate as long as it is applicable on consistent way), less the expected return on plan assets. Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has occurred), as well as the effects of changes in actuarial assumptions.

According to Mexican Accounting standard, actuarial gains and losses could be: 1) recognized separately in Other Comprehensive Income in the bank's consolidated financial statements and recycling through P&L over the average working life of the employees or 2) fully recognized in income statement, as election of the entity.

IFRS

The main differences between Mexican GAAP and IFRS comprise:

- Actuarial gains/losses are recognized in OCI under IFRS not subject to recycling or recognised totally in income statement.
- The measurement of the present value of DBO is based on a Mexican governmental rate bond, instead of a corporate rate bond.
- Indemnity benefits are not included in DBO, given they are not considered as part of benefits granted from past services.

2. Effective interest rate (EIR) adjustments

Mexican GAAP

From 2023, HSBC completed the adoption of the EIR method, where the commissions charged to the borrowers and incremental costs incurred to third parties at loan inception are recorded into a deferred credit account (liability) and as an asset, respectively. Both are part of loan net value to determine the effective interest rate and recognised using the EIR method in the net interest income during the expected life of the financial instruments in accordance with CNBV accounting standards.

Nevertheless, there are still some differences in EIR calculation for Mex GAAP in comparison with IFRS, such as: the exception of the use of EIR in credit cards and the possibility to not adjust the original EIR for those loans which the interest rate is resettable during their expected life.

Important to highlight that HSBC only applies the EIR for those loans originated at or after the implementation date (01Jan23) using a portfolio approach in accordance with the CNBV accounting standards and transitory provisions applicable to the implementation.

IFRS

After initial recognition, an entity shall measure the loan at its amortised cost using the effective interest rate "EIR" method without exceptions.

The amortised cost of the financial instrument includes any premium, discount, or fees paid and or received as result of the recognition of the financial asset.

3. Loan impairment charges and other differences in presentation under IFRS

Mexican GAAP

Loan impairment charges are calculated following the rules issued by the CNBV which since 2022 adopted an approach of Expected Credit Losses (ECL), nevertheless it will maintain some differences with IFRS methodology. Such rules establish different methodologies for ECL provisions for each type of loan.

IFRS

The impairment requirements under IFRS 9 are based on ECL concept that requires the recognition of provisions on a timely basis and forward-looking manner. ECL is determined via a two-step approach: 1) where the financial instruments are first assessed at inception regarding to for their relative credit deterioration, and 2) on ongoing basis followed by the measurement of the ECL (which depends on the credit deterioration categories).

Financial instruments with status of "performing" are considered in "Stage 1". Financial instruments which are considered to have experienced a significant increase in credit risk since their inception are in "Stage 2". Financial instruments for which there is objective evidence of impairment (in default or credit deterioration) are in "Stage 3". Financial instruments that are credit-impaired upon initial recognition are Purchased or Originated Credit Impaired (POCI), remaining this category until derecognition.

4. Fair value adjustments on financial instruments

Mexican GAAP

Since 2022, the NIF B-17 "Fair Value Measurement" requires that for those derivatives and financial instruments that should be measured at fair value, their value should be adjusted to reflect factors that would not be captured by the internal methodology of valuation, such as Debit and Credit Value Adjustments (CVA/DVA) and the use of a price into the Bid/Offer differential, as long as those financial instruments are included in the scope of article 175 Bis 3 of CNBV regulation.

IFRS

Fair Value Adjustments ("FVAs") include additional factors than those specified in Mexican GAAP.

5. Deferred-profit sharing (PTU diferida)

Mexican GAAP

Accounting standards requires that a Deferred-Employee Profit Sharing (Deferral PTU) shall be calculated applying a similar model to deferred income tax (assets and liabilities method). It is derived from temporary differences between the accounting profit and income to be used to calculate the profit sharing. Given the

Three months ended 31 March 2026 Report

changes issued on 23 April 2021 by the Mexican government to introduce a threshold in the calculation of the "Employee Profit Sharing" (PTU by its acronym in Spanish) (the more favourable to the employee between a cap of three months of employee's wages or the average of PTU paid during the three last periods), the new procedure to calculate deferral PTU is as follows:

Step 1.- Calculate the temporary differences between accounting and taxable for PTU at the reporting end period.

Step 2.- Determine the PTU rate expected to be incurred during the following years, based on financial and tax projections or the PTU incurred in the current period.

Step 3.- PTU rate x temporary differences amount.

An asset or liability for the Deferral PTU would be recognized according to method of comparing assets and liabilities sets out in Income Tax standards applicable in Mexico (*NIF D-4 "Income Taxes"*).

IFRS

Deferral PTU is not allowed to be recognised under IFRS.

6. Insurance liabilities and Insurance premiums recognized on an annualised basis

Mexican GAAP

Insurance liabilities are determined based on Solvency II methodology established by local regulator (CNSF) which considers best estimate liability and a risk margin concept. The

best estimate is based on up-to-date credible information and realistic assumptions and aims to represent a total liability valuation aligned to its expected pricing transfer to the customer. The risk margin is calculated as the cost of providing an amount of capital equal to 10% of the Solvency Capital Requirement necessary to support the insurance obligations over their lifetime.

Insurance premiums are recognized under annualization criteria which is based to determine the total premium for the coverage period (one year), consequently total premium is recognized since the moment where insurance contracts are written.

IFRS

For insurance liabilities starting in 2023, INMX applied IFRS17 accounting standard, that aims to align insurance accounting with the principles applied by other industries, while recognizing the specific complexities of the contracts, their long-term nature, and the linkages to underlying assets (especially for participating contracts).

Establish globally consistent standard, setting a framework for measuring insurance contracts consistent with observable market parameters, and based on best estimate assumptions. The profits recognized in line with service provision (i.e., over the life of the contract) and included enhanced and more granular disclosures.

During September, some policies of UL product were reviewed and after review, the treatment of liabilities for these specific policies were moved from IFRS17 to IFRS9, without impact in equity, only a reclassification was made between Insurance Liabilities & Financial Liabilities.