



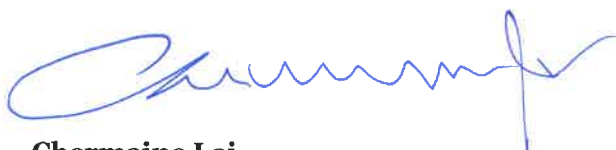
***MASHREQ BANK - PUBLIC SHAREHOLDING COMPANY
(KNOWN AS MASHREQBANK PSC)
- HONG KONG BRANCH***

Interim Financial Disclosure Statements
As at 30 June 2025

Mashreqbank psc Hong Kong Branch
Interim Financial disclosure statements as at 30 June 2025

DECLARATION BY CHIEF EXECUTIVE

It is hereby certified that the information disclosed in this statement is prepared in compliance with Part 8 of the Banking (Disclosure) Rules and to the best of my knowledge and belief, it is not false or misleading in any material respect.



Chermaine Lai
CHIEF EXECUTIVE
(MASHREQBANK PSC - HONG KONG BRANCH)
September 2025

Mashreqbank psc Hong Kong Branch

30 June 2025

Financial Information

STATEMENT OF PROFIT AND LOSS

	For the half-year ended 30-06-2025 HK\$'000	For the half-year ended 30-06-2024 HK\$'000
Interest income	501,020	550,323
Interest expense	(435,153)	(443,924)
Net interest income	65,867	106,399
Fee and commission income	32,299	35,600
Fee and commission expense	(11,538)	(31,962)
Net fee and commission income	20,761	3,638
Gains less losses arising from other trading activities	7,413	15,623
Other income	337	471
Operating income	94,378	126,131
Staff and rental expenses	(21,820)	(20,579)
Other expenses	(18,924)	(21,916)
Operating profit before impairment	53,634	83,636
Provision of impairment allowances	(25,904)	(3,153)
Profit before taxation	27,730	80,483
Income tax expense	(8,248)	(13,327)
Profit after taxation	19,482	67,156

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Financial Information

STATEMENT OF FINANCIAL POSITION

	Notes	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Assets			
Cash and balances with banks	1	8,882	58,717
Placements with banks	1	-	155,466
Due from exchange fund		33,937	83,498
Due from overseas offices		187,760	11,505
Trade bills		14,775,204	11,628,526
Loans and receivables	2	6,883,196	6,942,663
Securities measured at amortised cost		780,263	771,081
Property, plant and equipment		209	1,089
Other assets		187,017	196,785
Less: General provisions for other claims		(1,721)	(568)
Total Assets		22,854,747	19,848,762
Liabilities			
Deposits and balances from banks		14,784,994	13,102,507
Due to overseas offices		32,498	228,802
Customer deposits	8	1,227	542,435
Certificates of deposit issued		7,454,922	5,237,288
Other liabilities		581,106	737,730
Total Liabilities		22,854,747	19,848,762

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Additional Information

1. CASH AND CASH EQUIVALENTS

	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Cash and balances with banks	8,888	58,955
Placements with banks	-	155,291
Accrued interest	-	175
Less:		
General Provisions	(6)	(238)
Specific Provisions	-	-
Total cash and cash equivalents	8,882	214,183

2. LOANS AND RECEIVABLES

	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Loans and advances to customers	6,874,825	6,923,394
Accrued interest	17,290	26,979
Less:		
General Provisions	(8,919)	(7,710)
Specific Provisions	-	-
Total loans and receivables	6,883,196	6,942,663

3. IMPAIRED LOANS AND ADVANCES TO CUSTOMERS

Impairment allowances are booked in Hong Kong Branch, and determined based on the expected credit loss provision requirement of IFRS9. Booking of expected credit loss allowances are based on assessment completed by the Head Office in the UAE.

Impaired loans and advances are classified as "substandard", "doubtful" and "loss" under the classification of loan quality. There were no impaired loans and advances to customers as at 30 June 2025 and 31 December 2024.

4. OVERDUE AND RESCHEDULED ASSETS

There were no assets which have been overdue for more than 3 months and no rescheduled assets as at 30 June 2025 and 31 December 2024.

5. REPOSSESSED ASSETS

There were no repossessed assets as at 30 June 2025 and 31 December 2024.

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Additional Information

6. LOANS AND ADVANCES TO CUSTOMERS BY GEOGRAPHICAL AREA

The following are loans and advances to customers by geographical areas which are classified according to the location of the counterparties after taking into account any recognized risk transfer. Countries to which not less than 10% of total loans and advances to customers are shown as follows:

	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
British Virgin Islands	1,170,453	1,163,201
China	2,051,000	1,575,070
Hong Kong	2,286,944	3,540,760
Other	1,366,428	644,363
Total	6,874,825	6,923,394

7. LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS

	As at 30-06-2025 HK\$'000	% covered by collateral or other security	As at 31-12-2024 HK\$'000	% covered by collateral or other security
Industrial, commercial and financial:				
Manufacturing	1,081,971	-	1,046,951	-
Electricity and gas	341,056	-	43,107	-
Information technology	799,214	-	2,035,996	-
Wholesale and retail trade	1,769,586	-	1,622,706	-
Transport and transport equipment	1,100,684	100%	1,050,726	100%
Total Loans and advances for use in Hong Kong	5,092,511	21.61%	5,799,486	18.12%
Loans and advances for use outside Hong Kong	1,782,314	-	1,123,908	-
Total	6,874,825	16.01%	6,923,394	15.18%

8. CUSTOMER DEPOSITS

	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Demand deposits and current accounts	1,227	1,435
Saving deposits	-	-
Time, call and notice deposits	-	541,000
Total customer deposits	1,227	542,435

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Additional Information

9. NON-BANK MAINLAND CHINA EXPOSURES

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the types of direct exposures with reference to the completion instructions for the HKMA return of Mainland activities.

	Items in the HKMA return	On-balance sheet exposures HK\$'000	Off-balance sheet exposures HK\$'000	Total exposure HK\$'000
As at 30-06-2025				
Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	1	2,126,183	757,501	2,883,684
Local governments, local government-owned entities and their subsidiaries and JVs	2	-	-	-
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3	3,803,266	20,698	3,823,964
Other entities of central government not reported in item 1 above	4	-	-	-
Other entities of local governments not reported in item 2 above	5	-	-	-
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6	-	-	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	7	251,463	-	251,463
Total	8	6,180,912	778,199	6,959,111
Total assets after provision	9	22,854,747		
On-balance sheet exposures as percentage of total assets	10	27.04%		

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9. NON-BANK MAINLAND CHINA EXPOSURES (CONTINUED)

	Items in the HKMA return	On-balance sheet exposures HK\$'000	Off-balance sheet exposures HK\$'000	Total exposure HK\$'000
As at 31-12-2024				
Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	1	2,154,403	699,327	2,853,730
Local governments, local government-owned entities and their subsidiaries and JVs	2	-	-	-
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3	3,984,882	273,834	4,258,716
Other entities of central government not reported in item 1 above	4	-	-	-
Other entities of local governments not reported in item 2 above	5	-	-	-
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6	-	-	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	7	102,854	-	102,854
Total	8	6,242,139	973,161	7,215,300
 Total assets after provision	 9	 19,848,762		
 On-balance sheet exposures as percentage of total assets	 10	 31.45%		

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10. INTERNATIONAL CLAIMS

The country-risk exposures in the table below are prepared in accordance with the HKMA Return of the International Banking Statistics. International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk.

Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

	in HKD Million					
As at 30-06-2025						
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore Centres	125	-	-	2,580	-	2,705
Developing Asia and Pacific	12,208	-	-	2,060	-	14,268
- Vietnam	7,716	-	-	-	-	7,716
- Bangladesh	3,470	-	-	-	-	3,470

	in HKD Million					
As at 31-12-2024	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore Centres	201	83	-	3,886	-	4,170
- Hong Kong SAR	186	83	-	2,661	-	2,930
Developing Africa and Middle East	1,291	-	-	-	-	1,291
Developing Asia and Pacific	9,480	-	-	1,583	-	11,063
- Vietnam	4,884	-	-	-	-	4,884
- India	1,941	-	-	-	-	1,941

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11. CURRENCY RISK

The net positions of the foreign currencies, which individually constitutes not less than 10% for both Jun 2025 and Dec 2024 position of the branch's total net position in all foreign currencies, are disclosed as follow:

in HKD Million				
As at 30-06-2025	US Dollars	Euro	Chinese Renminbi	Total
Spot assets	18,189	2,374	232	20,795
Spot liabilities	(19,775)	(1,390)	(811)	(21,976)
Forward purchases	2,652	109	935	3,696
Forward sales	(1,086)	(1,088)	(360)	(2,534)
Net long/ (short) position	(20)	5	(4)	(19)

in HKD Million				
As at 31-12-2024	US Dollars	Euro	Chinese Renminbi	Total
Spot assets	15,755	1,640	1,456	18,851
Spot liabilities	(16,396)	(1,253)	(697)	(18,346)
Forward purchases	2,008	107	4	2,119
Forward sales	(1,432)	(490)	(765)	(2,687)
Net long/ (short) position	(65)	4	(2)	(63)

There is neither structured position nor option position held as at 30 June 2025 and 31 December 2024.

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12. OFF BALANCE SHEET EXPOSURES (OTHER THAN DERIVATIVE TRANSACTIONS)

	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Transaction-related contingent items	11,461	11,336
Trade-related contingent items	1,828,539	576,227
Other commitments	3,154,180	2,041,906
Total	4,994,180	2,629,469

13. DERIVATIVES

Notional amount:	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Exchange rate contracts	3,742,078	3,335,314

Fair value assets:	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Exchange rate contracts	-	-

Fair value liabilities:	As at 30-06-2025 HK\$'000	As at 31-12-2024 HK\$'000
Exchange rate contracts	24,750	71,647

No bilateral netting agreement for derivative transaction has been made as at 30 June 2025 and 31 December 2024.

14. LIQUIDITY INFORMATION

Quarterly Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the three months of the quarter completed in accordance with Banking (Liquidity) Rules.

	Q2 2025	Q2 2024
Average Liquidity Maintenance Ratio for the period	60.91%	63.90%

Liquidity Risk Management

Liquidity Risk Management is a component of Mashreqbank psc Hong Kong Branch's Asset and Liability management framework.

The Liquidity Risk Management frame comprises of the following:

- Roles and responsibilities, organizational structure for oversight
- Operational liquidity risk management
- Periodic reporting of liquidity positions
- Managing funding sources
- Liquidity Contingency Plan that establishes indicators to alert senior management to potential liquidity and funding problems

The Hong Kong Asset and Liability Committee ("ALCO") comprising key members from local management and Treasury, conducts meeting on a regular basis to review the liquidity reports and deliberate important liquidity risk management matters.

- (a) **Liquidity Monitoring:** Branch manages the operational liquidity by cash flow mismatch analysis under defined business scenarios. Short term liquidity stress tests are performed based on institution specific, general market crisis and a combined scenario. The results of the stress tests are used to adjust liquidity risk management strategies, policies and positions.

The Branch follows the applicable guidance set forth by the HKMA in Supervisory Policy Manual LM-2 "Sound systems and controls for liquidity risk management".

- (b) **Liquidity Reporting:** In house systems and procedures are in place to meet the various reporting requirements. Daily cash flow mismatch reports are produced by using contractual cash flows in the balance sheet and placing them into appropriate time buckets. The regulatory reports for Liquidity Maintenance Ratio are prepared in accordance with the relevant reporting requirements.
- (c) **Funding Strategy:** The liquidity and funding positions of the Branch is centrally managed at Hong Kong branch. The Branch maintains a diverse range of funding sources. The Branch also maintains an appropriate duration of funding to avoid any significant tenor mismatch.

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Group Information (Consolidated basis)

1. CAPITAL AND CAPITAL ADEQUACY

1. Capital Ratio

	As at 30-06-2025	As at 31-12-2024
Total capital ratio	17.55%	17.49%
Tier 1 capital ratio	16.16%	15.99%
Common equity tier 1 capital ratio	14.76%	14.45%

The capital ratios are calculated in accordance with the Basel III capital requirements of the Central Bank of the UAE.

2. Shareholders' funds

	As at 30-06-2025 AED'000	As at 31-12-2024 AED'000
Aggregate Amount	36,995,807	37,780,194

2. OTHER FINANCIAL INFORMATION

	As at 30-06-2025 AED'000	As at 31-12-2024 AED'000
Total assets	293,634,808	267,453,158
Total liabilities	256,639,001	229,672,964
Total loans and advances	134,120,419	124,758,397
Total customer deposits	177,644,877	160,939,694

	For the half- year ended 30-06-2025 AED'000	For the half-year ended 30-06-2024 AED'000
Pre-tax profit	4,076,461	4,499,184