



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

Financial Disclosure Statements  
As at 31 December 2025

**Mashreqbank psc Hong Kong Branch**  
Financial disclosure statements as at 31 December 2025

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**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.



**Mobin Puthenparambil Cherian**  
ALTERNATE CHIEF EXECUTIVE  
(MASHREQBANK PSC - HONG KONG BRANCH)  
April 2026

# Mashreqbank psc Hong Kong Branch

31 December 2025

## Financial Information

### STATEMENT OF PROFIT AND LOSS

	For the year ended 31-12-2025 HK\$'000	For the year ended 31-12-2024 HK\$'000
Interest income	1,086,612	1,030,793
Interest expense	(904,496)	(872,335)
<b>Net interest income</b>	<b>182,116</b>	<b>158,458</b>
Fee and commission income	81,501	78,836
Fee and commission expense	(36,397)	(50,245)
<b>Net fee and commission income</b>	<b>45,104</b>	<b>28,591</b>
Gains less losses arising from other trading activities	(1,895)	(1,426)
Other income	1,009	864
<b>Operating income</b>	<b>226,334</b>	<b>186,487</b>
Staff and rental expenses	(39,795)	(38,455)
Other expenses	(52,896)	(63,020)
<b>Operating profit before impairment</b>	<b>133,643</b>	<b>85,012</b>
Reversal of impairment allowances	6,766	6,411
<b>Profit before taxation</b>	<b>140,409</b>	<b>91,423</b>
Income tax expense	(24,742)	(19,411)
<b>Profit after taxation</b>	<b>115,667</b>	<b>72,012</b>

# Mashreqbank psc Hong Kong Branch

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## Financial Information

### STATEMENT OF FINANCIAL POSITION

	Notes	As at 31-12-2025 HK\$'000	As at 30-06-2025 HK\$'000
<b>Assets</b>			
Cash and balances with banks	1	11,039	8,882
Due from exchange fund		537,573	33,937
Due from overseas offices		753,630	187,760
Trade bills		10,823,225	14,775,204
Loans and receivables	2	11,416,004	6,883,196
Securities measured at amortised cost		1,549,810	780,263
Property, plant and equipment		784	209
Other assets		169,664	187,017
Less: General provisions for other claims		(558)	(1,721)
<b>Total Assets</b>		<b>25,261,171</b>	<b>22,854,747</b>
<b>Liabilities</b>			
Deposits and balances from banks		14,280,336	14,784,994
Due to overseas offices		1,921,523	32,498
Customer deposits	8	2,855,375	1,227
Certificates of deposit issued		5,662,344	7,454,922
Other liabilities		541,593	581,106
<b>Total Liabilities</b>		<b>25,261,171</b>	<b>22,854,747</b>

# Mashreqbank psc Hong Kong Branch

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## Additional Information

### 1. CASH AND CASH EQUIVALENTS

	As at 31-12-2025 HK\$'000	As at 30-06-2025 HK\$'000
Cash and balances with banks	11,055	8,888
Accrued interest	-	-
Less:		
General Provisions	(16)	(6)
Specific Provisions	-	-
<b>Total cash and cash equivalents</b>	<b>11,039</b>	<b>8,882</b>

### 2. LOANS AND RECEIVABLES

	As at 31-12-2025 HK\$'000	As at 30-06-2025 HK\$'000
Loans and advances to customers	11,398,323	6,874,825
Accrued interest	25,304	17,290
Less:		
General Provisions	(7,623)	(8,919)
Specific Provisions	-	-
<b>Total loans and receivables</b>	<b>11,416,004</b>	<b>6,883,196</b>

### 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 31 December 2025 and 30 June 2025.

### 4. OVERDUE AND RESCHEDULED ASSETS

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

### 5. REPOSSESSED ASSETS

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

# Mashreqbank psc Hong Kong Branch

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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 31-12-2025 HK\$'000	As at 30-06-2025 HK\$'000
British Virgin Islands	1,170,453	1,170,453
China	3,742,692	2,051,000
Hong Kong	1,681,254	2,286,944
Ireland	1,570,533	159,695
United Kingdom	1,361,762	172,846
Other	1,871,629	1,033,887
<b>Total</b>	<b>11,398,323</b>	<b>6,874,825</b>

### 7. LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS

	As at 31-12-2025 HK\$'000	% covered by collateral or other security	As at 30-06-2025 HK\$'000	% covered by collateral or other security
<b>Industrial, commercial and financial:</b>				
Manufacturing	1,282,677	-	1,081,971	-
Electricity and gas	728,426	-	341,056	-
Information technology	1,452,299	-	799,214	-
Wholesale and retail trade	2,915,939	-	1,769,586	-
Transport and transport equipment	2,741,505	45.00%	1,100,684	100%
<b>Total Loans and advances for use in Hong Kong</b>	<b>9,120,846</b>	<b>13.53%</b>	<b>5,092,511</b>	<b>21.61%</b>
Loans and advances for use outside Hong Kong	2,277,477	-	1,782,314	-
<b>Total</b>	<b>11,398,323</b>	<b>10.82%</b>	<b>6,874,825</b>	<b>16.01%</b>

### 8. CUSTOMER DEPOSITS

	As at 31-12-2025 HK\$'000	As at 30-06-2025 HK\$'000
Demand deposits and current accounts	4,193	1,227
Saving deposits	-	-
Time, call and notice deposits	2,851,182	-
<b>Total customer deposits</b>	<b>2,855,375</b>	<b>1,227</b>

# Mashreqbank psc Hong Kong Branch

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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
<b>As at 31-12-2025</b>				
Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	1	2,248,702	803,058	3,051,760
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	6,026,783	5,282	6,032,065
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	1,830,672	-	1,830,672
<b>Total</b>	<b>8</b>	<b>10,106,157</b>	<b>808,340</b>	<b>10,914,497</b>
<b>Total assets after provision</b>	<b>9</b>	<b>25,261,171</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>10</b>	<b>40.01%</b>		

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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
<u>As at 30-06-2025</u>				
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	<u>251,463</u>	<u>-</u>	<u>251,463</u>
Total	8	<u>6,180,912</u>	<u>778,199</u>	<u>6,959,111</u>
Total assets after provision	9	<u>22,854,747</u>		
On-balance sheet exposures as percentage of total assets	10	<u>27.04%</u>		

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## Additional Information

### 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 31-12-2025		Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore Centres		115	-	-	2,310	-	2,425
Developing Asia and Pacific		8,857	-	-	3,753	-	12,610
-	Vietnam	6,417	-	-	-	-	6,417
-	China	2	-	-	3,753	-	3,755
Developed Countries		10	1,550	-	4,468	-	6,028

		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 Africa and Middle East		2,447	-	-	-	-	2,447
-	Egypt	1,690	-	-	-	-	1,690
Developing Asia and Pacific		12,208	-	-	2,060	-	14,268
-	Vietnam	7,716	-	-	-	-	7,716
-	Bangladesh	3,470	-	-	-	-	3,470

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## Additional Information

### 11. CURRENCY RISK

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

in HKD Million			
As at 31-12-2025	US Dollars	Euro	Total
Spot assets	18,206	3,996	22,202
Spot liabilities	(17,696)	(3,539)	(21,235)
Forward purchases	2,138	969	3,107
Forward sales	(2,654)	(1,430)	(4,084)
Net long/ (short) position	(6)	(4)	(10)

in HKD Million			
As at 30-06-2025	US Dollars	Euro	Total
Spot assets	18,189	2,374	20,563
Spot liabilities	(19,775)	(1,390)	(21,165)
Forward purchases	2,652	109	2,761
Forward sales	(1,086)	(1,088)	(2,174)
Net long/ (short) position	(20)	5	(15)

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

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## Additional Information

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

	<b>As at 31-12-2025 HK\$'000</b>	As at 30-06-2025 HK\$'000
Transaction-related contingent items	-	11,461
Trade-related contingent items	<b>929,863</b>	1,828,539
Other commitments	<b>2,456,807</b>	3,154,180
<b>Total</b>	<b>3,386,670</b>	4,994,180

### 13. DERIVATIVES

Notional amount:	<b>As at 31-12-2025 HK\$'000</b>	As at 30-06-2025 HK\$'000
Exchange rate contracts	<b>4,789,438</b>	3,742,078

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

Fair value liabilities:	<b>As at 31-12-2025 HK\$'000</b>	As at 30-06-2025 HK\$'000
Exchange rate contracts	<b>10,389</b>	24,750

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

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## Additional Information

### 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.

	Q4 2025	Q4 2024
Average Liquidity Maintenance Ratio for the period	67.46%	81.50%

#### 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.

# **Mashreqbank psc Hong Kong Branch**

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## **Additional Information**

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### **15. DISCLOSURE ON REMUNERATION**

Pursuant to section 3.1.2 of Supervisory Policy Manual CG-5 “Guideline on a Sound Remuneration System” issued by HKMA, Mashreqbank psc Hong Kong Branch, as an overseas-incorporated Authorized Institution, is not required to make separate disclosures in relation to its own remuneration system. The relevant disclosures are made by Mashreqbank Group in its Annual Report.

# Mashreqbank psc Hong Kong Branch

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## Group Information (Consolidated basis)

### 1. CAPITAL AND CAPITAL ADEQUACY

#### 1. Capital Ratio

	As at 31-12-2025	As at 30-06-2025
Total capital ratio	14.51%	17.55%
Tier 1 capital ratio	13.39%	16.16%
Common equity tier 1 capital ratio	12.25%	14.76%

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 31-12-2025 AED'000	As at 30-06-2025 AED'000
Aggregate Amount	40,576,555	36,995,807

### 2. OTHER FINANCIAL INFORMATION

	As at 31-12-2025 AED'000	As at 30-06-2025 AED'000
Total assets	334,633,871	293,634,808
Total liabilities	294,057,316	256,639,001
Total loans and advances	164,348,679	134,120,419
Total customer deposits	204,895,434	177,644,877

  

	For the year ended 31-12-2025 AED'000	For the year ended 31-12-2024 AED'000
Pre-tax profit	8,260,984	9,885,904