



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

Interim Financial Disclosure Statements
As at 30 June 2026

Mashreqbank psc Hong Kong Branch
Interim Financial disclosure statements as at 30 June 2026

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 2026

Mashreqbank psc Hong Kong Branch

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STATEMENT OF PROFIT AND LOSS

	For the half- year ended 30-06-2026 HK\$'000	For the half- year ended 30-06-2025 HK\$'000
Interest income	515,703	501,020
Interest expense	(410,414)	(435,153)
Net interest income	105,289	65,867
Fee and commission income	24,241	32,299
Fee and commission expense	(67)	(11,538)
Net fee and commission income	24,174	20,761
Gains less losses arising from other trading activities	(2,678)	7,413
Other income	1,121	337
Operating income	127,906	94,378
Staff and rental expenses	(29,715)	(21,820)
Other expenses	(33,050)	(18,924)
Operating profit before impairment	65,141	53,634
Reversal/(Provision) of impairment allowances	5,801	(25,904)
Profit before taxation	70,942	27,730
Income tax expense	(13,061)	(8,248)
Profit after taxation	57,881	19,482

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STATEMENT OF FINANCIAL POSITION

	Notes	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Assets			
Cash and balances with banks	1	5,164	11,039
Due from exchange fund		228,093	537,573
Due from overseas offices		1,765,465	753,630
Trade bills		10,008,748	10,823,225
Loans and receivables	2	7,702,744	11,416,004
Securities measured at amortised cost		1,356,677	1,549,810
Property, plant and equipment		37,482	784
Other assets		115,575	169,664
Less: General provisions for other claims		(1,003)	(558)
Total Assets		21,218,945	25,261,171
Liabilities			
Deposits and balances from banks		11,326,764	14,280,336
Due to overseas offices		1,013,148	1,921,523
Customer deposits	8	3,224,671	2,855,375
Certificates of deposit issued		5,239,434	5,662,344
Other liabilities		414,928	541,593
Total Liabilities		21,218,945	25,261,171

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Additional Information

1. CASH AND CASH EQUIVALENTS

	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Cash and balances with banks	5,173	11,055
Placements with banks	-	-
Accrued interest	-	-
Less:		
General Provisions	(9)	(16)
Specific Provisions	-	-
Total cash and cash equivalents	5,164	11,039

2. LOANS AND RECEIVABLES

	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Loans and advances to customers	7,694,466	11,398,323
Accrued interest	15,423	25,304
Less:		
General Provisions	(7,145)	(7,623)
Specific Provisions	-	-
Total loans and receivables	7,702,744	11,416,004

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 2026 and 31 December 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 30 June 2026 and 31 December 2025.

5. REPOSSESSED ASSETS

There were no repossessed assets as at 30 June 2026 and 31 December 2025.

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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 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
China	3,556,331	3,742,692
Hong Kong	2,295,009	1,681,254
Other	1,843,126	5,974,377
Total	7,694,466	11,398,323

7. LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS

	As at 30-06-2026 HK\$'000	% covered by collateral or other security	As at 31-12-2025 HK\$'000	% covered by collateral or other security
Industrial, commercial and financial:				
Manufacturing	1,762,950	-	1,282,677	-
Electricity and gas	725,598	-	728,426	-
Information technology	-	-	1,452,299	-
Wholesale and retail trade	664,000	-	2,915,939	-
Transport and transport equipment	3,606,002	43.72%	2,741,505	45.00%
Others	206,479	-	-	-
Total Loans and advances for use in Hong Kong	6,965,029	22.64%	9,120,846	13.53%
Loans and advances for use outside Hong Kong	729,437	-	2,277,477	-
Total	7,694,466	20.49%	11,398,323	10.82%

8. CUSTOMER DEPOSITS

	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Demand deposits and current accounts	926	4,193
Saving deposits	-	-
Time, call and notice deposits	3,223,745	2,851,182
Total customer deposits	3,224,671	2,855,375

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 30-06-2026				
Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	1	789,343	681,060	1,470,403
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	5,369,227	1,809,944	7,179,171
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	-	-	-
Total	8	6,158,570	2,491,004	8,649,574
Total assets after provision	9	21,218,945		
On-balance sheet exposures as percentage of total assets	10	29.02%		

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9. NON-BANK MAINLAND CHINA EXPOSURES (CONTINUED)

As at 31-12-2025	Items in the HKMA return	On-balance sheet exposures HK\$'000	Off-balance sheet exposures HK\$'000	Total exposure HK\$'000
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
Total	8	10,106,157	808,340	10,914,497
Total assets after provision	9	25,261,171		
On-balance sheet exposures as percentage of total assets	10	40.01%		

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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 30-06-2026	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Developing Asia and Pacific	8,747	-	-	3,559	-	12,306
- Vietnam	6,350	-	-	-	-	6,350
- China	1	-	-	3,559	-	3,560
- Bangladesh	2,113	-	-	-	-	2,113
Developed Countries	185	1,357	-	1,317	-	2,859

	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

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11. CURRENCY RISK

The net positions of the foreign currencies, which individually constitutes not less than 10% for both Jun 2026 and Dec 2025 position of the branch's total net position in all foreign currencies, are disclosed as follow:

in HKD Million			
As at 30-06-2026	US Dollars	Euro	Total
Spot assets	14,551	4,233	18,784
Spot liabilities	(14,471)	(2,568)	(17,039)
Forward purchases	2,576	27	2,603
Forward sales	(2,601)	(1,680)	(4,281)
Net long/ (short) position	55	12	67

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)

There is neither structured position nor option position held as at 30 June 2026 and 31 December 2025.

Additional Information

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

	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Transaction-related contingent items	-	-
Trade-related contingent items	1,279,953	929,863
Other commitments	7,136,878	2,456,807
Total	8,416,831	3,386,670

13. DERIVATIVES

Notional amount:	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Exchange rate contracts	5,170,883	4,789,438

Fair value assets:	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Exchange rate contracts	-	-

Fair value liabilities:	As at 30-06-2026 HK\$'000	As at 31-12-2025 HK\$'000
Exchange rate contracts	21,658	10,389

No bilateral netting agreement for derivative transaction has been made as at 30 June 2026 and 31 December 2025.

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 2026	Q2 2025
Average Liquidity Maintenance Ratio for the period	91.17%	60.91%

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 30-06-2026	As at 31-12-2025
Total capital ratio	16.93%	14.51%
Tier 1 capital ratio	15.64%	13.39%
Common equity tier 1 capital ratio	13.80%	12.25%

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 30-06-2026 AED'000	As at 31-12-2025 AED'000
Aggregate Amount	44,044,672	40,576,555

2. OTHER FINANCIAL INFORMATION

	As at 30-06-2026 AED'000	As at 31-12-2025 AED'000
Total assets	365,747,852	334,633,871
Total liabilities	321,703,180	294,057,316
Total loans and advances	169,087,997	164,348,679
Total customer deposits	227,189,895	204,895,434

	For the half-year ended 30-06-2026 AED'000	For the half-year ended 30-06-2025 AED'000
Pre-tax profit	4,804,642	4,076,461