The Hongkong and Shanghai Banking Corporation Limited

New Zealand Banking Group

Disclosure Statement

30 June 2026

HSBC

Contents

General disclosures

Registered Bank

The Hongkong and Shanghai Banking Corporation Limited ("HBAP")
1 Queen's Road Central
Hong Kong SAR
HBAP was incorporated in Hong Kong in 1866 under the Laws of Hong Kong.

New Zealand Branch

The Hongkong and Shanghai Banking Corporation Limited, New Zealand Branch ("Branch") is defined as the New Zealand business of HBAP (overseas incorporated bank).

New Zealand Head Office:
188 Quay Street
Auckland
New Zealand

New Zealand Banking Group

The New Zealand Banking Group ("Banking Group") is the New Zealand operations of HBAP and all New Zealand incorporated subsidiaries of HBAP. The entities that have been considered for aggregation to form the Banking Group are detailed in the Notes to and forming part of the Financial Statements, Note 1: Basis of preparation and material accounting policies.

Overseas Banking Group

The Overseas Banking Group ("HBAP Group") includes all entities consolidated for the purposes of public reporting of Group financial statements in Hong Kong including HBAP and its subsidiaries.

Ultimate Non–Bank Holding Company

The ultimate non-bank holding company of HBAP is:

HSBC Holdings plc
8 Canada Square
London E14 5HQ
United Kingdom

Access to parental disclosures

The most recent publicly available financial statements of HBAP Group and HSBC Holdings plc ("Group" or "HSBC Group") can be found at HSBC Holdings plc's website, www.hsbc.com.

Ranking of Local Creditors in a Winding-up

Under Section 265 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance of the Hong Kong SAR, which HBAP is subject to, in the event of a winding up of HBAP, there shall be paid in priority to all other unsecured debts preferential payments, namely and firstly certain employee wages and compensation related payments, then statutory debts to the Hong Kong SAR Government, and afterwards the aggregate amount held on deposit (up to the statutory limit prescribed in the Hong Kong Deposit Protection Scheme Ordinance regardless of the number or amount of deposits) for certain deposits in Hong Kong. There are no other material legislative or regulatory restrictions in Hong Kong SAR which would materially subordinate the claims of any class of New Zealand Branch unsecured creditors on the assets of HBAP to those of any other class of unsecured creditors of HBAP in a winding up of HBAP.

Guarantee Arrangements

No material obligations of HBAP that relate to the Branch are guaranteed as at the date of signing this Disclosure Statement.

Other Material Matters

There are no material matters that, if disclosed, would adversely affect the decision of a person to subscribe for debt securities of which HBAP and the Banking Group is the issuer.

Auditor

New Zealand Banking Group

PricewaterhouseCoopers New Zealand
PwC Tower
15 Customs Street West
Auckland, New Zealand

Overseas Banking Group

PricewaterhouseCoopers
22nd floor
Prince's Building
10 Chater Road
Hong Kong SAR

New Zealand Chief Executive Officer / Responsible Person

The New Zealand Chief Executive Officer, Stephen Hughes, has been authorised in writing by each Director named below, in accordance with section 82 of the Banking (Prudential Supervision) Act 1989 (formerly the Reserve Bank of New Zealand Act 1989), to sign this Disclosure Statement on the Directors' behalf. Accordingly, Stephen Hughes is a Responsible Person under the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the "Order").

He joined the HSBC Group in 2015 and resides in Australia. He is Chief Executive Officer and Executive Director of HSBC Bank Australia Limited and is a graduate of the Australian Institute of Company Directors.

Communications addressed to the responsible person may be sent to:

c/o The Hongkong and Shanghai Banking Corporation Limited,
New Zealand Branch
PO Box 5947
Victoria Street West
Auckland 1142
New Zealand

Board of Directors of HBAP

The Directors of HBAP at the time this Disclosure Statement was signed are:

Dr Peter Tung Shun WONG, GBS, JP

Non-executive Chairman

He is also an advisor to the Group Chairman and the Group Chief Executive of HSBC Holdings plc. He holds a Bachelor of Arts, a Master of Business Administration and a Master of Science from Indiana University, a Doctor of Laws, honoris causa, from the Hang Seng University of Hong Kong and a Doctor of Business Administration, honoris causa, from Lingnan University.

Before his retirement as an HSBC employee in June 2021, he was an executive Director, Chief Executive and Deputy Chairman of HBAP. He was also a non-executive Director of Hang Seng Bank Limited.

David Yi Chien LIAO, JP

Co-Chief Executive Officer

He is the Co-Chief Executive, Asia and Middle East, a member of the Group Operating Committee of HSBC Holdings plc, Chairman and a non-executive Director of HSBC Bank (China) Company Limited, and a non-executive Director of Hang Seng Bank Limited and Bank of Communications Co., Ltd. He holds a Bachelor of Arts (major in Japanese and Economics) from the University of London.

He has previously held a number of senior positions within the Group, including the Head of Global Banking Coverage for Asia-Pacific and a Director and Chief Executive Officer of HSBC Bank (China) Company Limited.

Surendranath Ravi ROSHA

Co-Chief Executive Officer

He is the Co-Chief Executive, Asia and Middle East, a member of the Group Operating Committee of HSBC Holdings plc and a non-executive Director of Saudi Awwal Bank. He holds a Bachelor of Commerce from Sydenham College of Commerce & Economics, Bombay University and a Master of Business Administration from the Indian Institute of Management, Ahmedabad.

He has previously held a number of senior positions within the Group, including the Chief Executive Officer of HSBC India and Regional Head of Financial Institutions Group, Asia-Pacific.

Paul Jeremy BROUGH

Independent non-executive Director

He is also an independent non-executive Director of Guoco Group Limited and Vitasoy International Holdings Limited. He holds a Bachelor of Arts (Hons) in Business Studies from Nottingham Trent University, and is an Associate of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

He was previously an independent non-executive Director of Habib Bank Zurich (Hong Kong) Limited from October 2013 to February 2023. He worked at KPMG Hong Kong for around 30 years and left the firm in 2012 as Senior Regional Partner.

Judy Lai Kun CHAU

Independent non-executive Director

She is also a Board member of Christian Action in Hong Kong. She holds a Diploma in Public Administration, a Master of Business Administration from The Hong Kong Polytechnic University, and a Bachelor of Laws from University of Wolverhampton.

She was Managing Director of the Group Compliance Regulatory and Governance Department, Asia Pacific for UBS AG Hong Kong before her retirement in September 2023. She previously held various regional senior positions in Ernst & Young and Goldman Sachs. She also served on various committees of the Securities and Futures Commission of Hong Kong during 2006 to 2023, including the Academic and Accreditation Advisory Committee, Takeovers and Mergers Panel and Takeover Appeal Committee.

Edward Wai Sun CHENG, GBS, JP

Independent non-executive Director

He is also Deputy Chairman and Chief Executive of Wing Tai Properties Limited, Chairman of Lanson Place Hospitality Management Limited and independent non-executive Chairman of Hang Seng Bank Limited. He holds a Bachelor of Arts (Economics and Politics) from Cornell University, Ithaca, New York, and a Bachelor of Arts in Jurisprudence and a Master of Arts from the University of Oxford. He is qualified as a solicitor in England and Wales as well as in Hong Kong.

He was previously a non-executive Director of the Securities and Futures Commission of Hong Kong, and an independent non-executive Director of Standard Chartered Bank (Hong Kong) Limited. He was also the former Chairman of the Urban Renewal Authority and the University Grants Committee of Hong Kong.

Sonia Chi Man CHENG

Independent non-executive Director

She is also the Chief Executive Officer of Rosewood Hotel Group. She is the Vice-chairman and executive Director of Chow Tai Fook Jewellery Group Limited, an executive Director of New World Development Company Limited and a Director of New World China Land Limited, a non-executive Director of Giordano International Limited and UMP Healthcare Holdings Limited. She holds a Bachelor of Arts with a field of concentration in Applied Mathematics from Harvard University.

She was previously an independent director of Primavera Capital Acquisition Corporation, a company listed on the New York Stock Exchange, until her resignation in December 2022.

Andrea Lisa DELLA MATTEA

Independent non-executive Director

She holds a Bachelor of Engineering and an Honorary Doctor of Engineering from James Cook University of North Queensland, Australia.

She was previously the Asia-Pacific President of Microsoft Operations Pte Ltd. from 2017 to 2025. She held senior leadership roles at Insight Enterprises, Inc from 2007 to 2017, including Asia-Pacific Managing Director, and at Software Spectrum Inc from 1996 to 2006.

Manveen KAUR (known as Pam KAUR)

Non-executive Director

She is also the Group Chief Financial Officer, a member of the Group Operating Committee and an executive Director of HSBC Holdings plc. She holds an MBA in Finance, and a BCom (Hons) from Panjab University in India, and is a Fellow member of The Institute of Chartered Accountants in England and Wales.

She has previously held a number of senior positions with HSBC, including Group Chief Risk and Compliance Officer, Head of Wholesale Market and Credit Risk, and Group Head of Internal Audit.

She was previously an independent non-executive Director of Centrica plc. a held senior leadership roles at Deutsche Bank, Royal Bank of Scotland Group plc, Lloyds TSB and Citigroup.

Rajnish KUMAR

Independent non-executive Director

He is also non-executive Chairman of Resilient Innovations Pvt. Ltd., non-executive Director and Chairman of Mastercard India Services Private Limited, an independent Director of Larsen and Toubro Limited and Brookprop Management Services Private Limited, an independent non-executive Director of Hero MotoCorp Limited and Ambuja Cements Limited and a Director of Lighthouse Communities Foundation. He is also a senior adviser to EQT AB. He holds a Master of Science in Physics from Meerut University and a Post Graduate Certificate in Business Management from XLRI Jamshedpur in India. He is an Associate of the Indian Institute of Bankers.

He was previously Chairman of the State Bank of India until he retired in October 2020.

Beau Khoon Chen KUOK

Independent non-executive Director

He is also Chairman and Managing Director of Kerry Group Limited. He holds a Bachelor of Economics from Monash University.

He was previously Chairman and Chief Executive Officer of Shangri-La Asia Limited, Chairman of Kerry Properties Limited, and a non-executive Director of Wilmar International Limited.

Fred Tin Fuk LAM, GBS JP

Independent non-executive Director

He is also Chairman of Airport Authority Hong Kong ('AAHK'), member of the HKSAR Government's Lantau Development Advisory Committee, The University of Hong Kong Council, and the Hong Kong - United States Business Council and an independent non-executive Director of Wing Tai Properties Limited. He holds a Bachelor of Science (Engineering) in Computer Science from Imperial College of Science and Technology, University of London.

He was previously Chief Executive officer of AAHK and an executive director of the Hong Kong Trade Development Council.

Annabelle Yu LONG

Independent non-executive Director

She is also the Founding and Managing Partner of BAI Capital Fund I, L.P. and BAI Capital Fund II, L.P.. She is an independent Director of Tapestry Inc., LexinFintech Holdings Ltd., Nio Inc. and The Estee Lauder Companies Inc.. She holds a Master in Business Administration from Stanford Graduate School of Business, United States and a Bachelor of Science in Electrical Engineering from University of Electronic Science and Technology, China.

Change in Board of Directors for HBAP

During the year, David Godon Eldon and Yiu Kwan Choi both retired as independent non-executive Directors with effect from 5 June 2026, being the date of passing the written resolutions of HBAP's shareholder in lieu of holding the 2026 Annual General Meeting ('AGM'). Save for the above, all the Directors served throughout the year.

Directors' Policy on Conflicts of Interests

The Board has a conflicts of interest policy. It sets out HBAP's policy on the notification, review or approval process of Directors' conflicts or potential conflicts of interest and the Board's approach to dealing with any non-compliance with the policy. Directors are required to notify all directorships and appointments, and any other conflict or potential conflicts of interest. The notified matter will be referred to the Board for its noting or consideration in accordance with the conflicts of interest policy. In addition, under Division 5 of Part 11 of the Companies Ordinance (Cap. 622) of the Laws of Hong Kong, Directors who are interested either directly or indirectly in a transaction, arrangement or contract, or a proposed transaction, arrangement or contract that is significant to HBAP's business shall, if such Director's interest is material, declare the nature and extent of their interest as soon as reasonably practicable.

Article 100(h) of HBAP's Articles of Association states:

"The office of a Director shall automatically be vacated if the Director acts in contravention of the Company's conflicts of interest policy adopted by the Board from time to time and the Board has resolved that his or her office be vacated."

Credit Rating

HBAP has the following long term debt ratings for non-HK$ long-term senior unsecured obligations which are payable in New Zealand in New Zealand dollars:

	Current Rating	Previous Rating[1]	Date of Change
Moody's Investor Service Inc.	Aa3 (stable outlook)	Aa3 (negative outlook)	29 May 2025
Standard & Poor's Corporation	AA- (stable outlook)	Not changed	-
Fitch IBCA Inc	AA (stable outlook)	AA- (stable outlook)	12 May 2026

1 *Included if there has been a change in the previous two years.*

Rating scales are:

Credit Ratings	Moody's[1]	S&P[2]	Fitch[2]
Highest quality/Extremely strong capacity to pay interest and principal	Aaa	AAA	AAA
High quality/Very strong	Aa	AA	AA
Upper medium grade/Strong	A	A	A
Medium grade (lowest investment grade)/Adequate	Baa	BBB	BBB
Predominantly speculative/Less near term vulnerability to default	Ba	BB	BB
Speculative, low grade/Great vulnerability	B	B	B
Poor to default/identifiable vulnerability	Caa	CCC	CCC
Highest speculations	Ca	CC	CC
Lowest quality, no interest	C	C	C
Defaulted on obligations	-	D	D

1 *Moody's - A numeric modifier is applied to each generic rating category from Aa to B, indicating that the counterparty is (1) in the higher end of its letter-rating category, (2) in mid-range, (3) in lower end.*

2 *Standard & Poor's and Fitch - Ratings are modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.*

Conditions of registration

Conditions of registration for The Hongkong and Shanghai Banking Corporation Limited in New Zealand

These conditions of registration apply on and after 1 December 2025.

The registration of The Hongkong and Shanghai Banking Corporation Limited ("the registered bank") in New Zealand is subject to the following conditions:

1. That the Banking Group does not conduct any non-financial activities that in aggregate are material relative to its total activities.

In this condition of registration, the meaning of "material" is based on generally accepted accounting practice.

2. That the Banking Group's insurance business is not greater than 1% of its total consolidated assets.

For the purposes of this condition of registration, the Banking Group's insurance business is the sum of the following amounts for entities in the Banking Group:

(a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the Banking Group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total consolidated assets of the group headed by the entity; and

(b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the Banking Group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

In determining the total amount of the Banking Group's insurance business—

(a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and

(b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

For the purposes of this condition of registration,—

"insurance business" means the undertaking or assumption of liability as an insurer under a contract of insurance:

"insurer" and "contract of insurance" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

3. That the business of the registered bank in New Zealand does not constitute a predominant proportion of the total business of the registered bank.

4. That no appointment to the position of the New Zealand chief executive officer of the registered bank shall be made unless:

(a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

(b) the Reserve Bank has advised that it has no objection to that appointment.

5. That The Hongkong and Shanghai Banking Corporation Limited complies with the requirements imposed on it by the Hong Kong Monetary Authority.

6. That, with reference to the following table, each capital adequacy ratio of The Hongkong and Shanghai Banking Corporation Limited must be equal to or greater than the applicable minimum requirement.

Capital adequacy ratio	Minimum requirement (on and after 1 January 2015) (%)
Common Equity Tier 1 capital	4.5
Tier 1 capital	6.0
Total capital	8.0

For the purposes of this condition of registration, the capital adequacy ratios—

(a) must be calculated as a percentage of the registered bank's risk weighted assets; and

(b) are otherwise as administered by the Hong Kong Monetary Authority.

7. That liabilities of the registered bank in New Zealand, net of amounts due to related parties (including amounts due to a subsidiary or affiliate of the registered bank), do not exceed NZ$15 billion.

8. That, for a loan-to-valuation measurement period ending on or after 31May 2026, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a loan-to-valuation ratio of more than 70%, must not exceed 10% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the loan-to-valuation measurement period.

9. That, for a loan-to-valuation measurement period ending on or after 31 May 2026, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a loan-to-valuation ratio of more than 80%, must not exceed 25% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the loan-to-valuation measurement period.

10. That, for a debt-to-income measurement period, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a debt-to-income ratio of more than 7, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the debt-to-income measurement period.

11. That, for a debt-to-income measurement period, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a debt-to-income ratio of more than 6, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the debt-to-income measurement period.

12. That the business of the registered bank in New Zealand must not make a residential mortgage loan unless the terms and conditions of the loan contract or the terms and conditions for an associated mortgage require that a borrower obtain the registered bank's agreement before the borrower can grant to another person a charge over the residential property used as security for the loan.

In these conditions of registration,—

"banking group" means the New Zealand business of the registered bank and its subsidiaries as required to be reported in group financial statements for the group's New Zealand business under section 461B(2) of the Financial Markets Conduct Act 2013.

"business of the registered bank in New Zealand" means the New Zealand business of the registered bank as defined in the requirement for financial statements for New Zealand business in section 461B(1) of the Financial Markets Conduct Act 2013.

"generally accepted accounting practice" has the same meaning as in section 8 of the Financial Reporting Act 2013.

"liabilities of the registered bank in New Zealand" means the liabilities that the registered bank would be required to report in financial statements for its New Zealand business if section 461B(1) of the Financial Markets Conduct Act 2013 applied.

In conditions of registration 8 and 9, —

"loan-to-valuation ratio", "non property-investment residential mortgage loan", "property-investment residential mortgage loan", "qualifying new mortgage lending amount in respect of property-investment residential mortgage loans", and "qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for

Restrictions on High-LVR Residential Mortgage Lending" (BS19) dated October 2021, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS19 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BRP001: Glossary	1 October 2023

"loan-to-valuation measurement period" means a rolling period of six calendar months ending on the last day of the sixth calendar month.

In conditions of registration 10 and 11, —

"debt-to-income ratio", "debt-to-income measurement period", "non property-investment residential mortgage loan", "property-investment residential mortgage loan", "qualifying new mortgage lending amount in respect of property-investment residential mortgage loans", and "qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High Debt-To-Income Residential Mortgage lending" (BS20) dated 3 April 2023, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS20 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BRP001: Glossary	1 October 2023

"debt-to-income measurement period" means—

(a) the initial period of six calendar months from 1 July 2024 ending on 31 December 2024; and

(b) thereafter, a rolling period of six calendar months ending on the last day of the sixth calendar month, the first of which ends on 31 January 2025 and covers the months of August, September, October, November and December 2024 and January 2025.

In condition of registration 12, —

"residential mortgage loan" has the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High Debt-To-Income Residential Mortgage lending" (BS20) dated 3 April 2023, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS20 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BRP001: Glossary	1 October 2023

"loan-to-valuation measurement period" means a period of six calendar months ending on the last day of the sixth calendar month.

Changes to Conditions of Registration since the 31 December 2025 Disclosure Statement

There have been no changes to the Branch's conditions of registration since the last annual Disclosure Statement dated 31 December 2025,

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Interim financial statements

Statement of comprehensive income

For the six months ended 30 June 2026

	Notes*	Half-year to 30 Jun 2026 $000	30 Jun 2025 $000
Interest income		**108,383**	141,577
Interest expense		**(60,739)**	(91,575)
Net interest income		**47,644**	50,002
Net trading income	3	**8,791**	6,661
Other net operating income	4	**24,579**	20,779
Net operating income before credit impairment charges		**81,014**	77,442
Change in expected credit losses and other credit impairment charges	7	**6,101**	(30)
Net operating income		**87,115**	77,412
Operating expenses		**(29,057)**	(30,029)
Operating profit before tax		**58,058**	47,383
Income tax expense		**(16,261)**	(13,271)
Profit after tax attributable to the owners of the Banking Group		**41,797**	34,112
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Financial assets at fair value through other comprehensive income:			
Net change in the fair value through other comprehensive income reserve before tax		**(5,287)**	665
Income taxes		**1,472**	(193)
Other comprehensive income for the year		**(3,815)**	472
Total comprehensive income for the year attributable to the owners of the Banking Group		**37,982**	34,584

* *For Notes on the financial statements, see page 10.*

Statement of changes in equity

For the six months ended 30 June 2026

	Half-year to 30 Jun 2026 $000	30 Jun 2025 $000
Head Office Account[1]		
At 1 Jan	**40,478**	26,991
Profit after tax	**41,797**	34,112
At 30 Jun	**82,275**	61,103
Financial assets at Fair Value through Other Comprehensive Income Reserve		
At 1 Jan	**5,906**	5,612
Fair value changes taken to equity	**22**	665
Transferred to the profit or loss	**(5,309)**	—
Tax on movements and transfers	**1,472**	(193)
At 30 Jun	**2,091**	6,084
Share-based Payment Reserve		
At 1 Jan	**1,897**	2,065
Transferred to the profit or loss	**276**	(77)
At 30 Jun	**2,173**	1,988
Total equity at 30 Jun	**86,539**	69,175

1 *The Head Office account is interest free, repayable at the discretion of the Branch and subordinated to all other debts.*

Balance sheet

As at 30 June 2026

		At		
		30 Jun 2026	30 Jun 2025	31 Dec 2025
	*Notes**	**$000**	$000	$000
Assets				
Cash and demand balances with central banks		**1,897,195**	1,682,954	1,939,908
Advances to banks		**1,819**	9,001	1,218
Financial investments	*11*	**591,841**	915,808	764,333
Derivative financial instruments		**908**	2,421	88
Advances to customers	*6*	**2,825,902**	2,278,271	3,008,109
Amounts due from related parties	*14*	**1,338,525**	1,233,711	605,835
Other assets		**19,259**	18,712	20,266
Current tax asset		**5,964**	1,897	—
Property, plant and equipment		**13,447**	16,161	14,761
Deferred tax asset		**2,067**	2,000	5,760
Goodwill and intangible assets		**860**	997	860
Total assets		**6,697,787**	6,161,933	6,361,138
Liabilities				
Deposits by banks		**224,975**	210,830	203,670
Derivative financial instruments		**695**	231	29
Customer deposits	*12*	**4,296,402**	3,430,642	3,983,102
Amounts due to related parties	*14*	**2,062,266**	2,419,406	2,087,659
Current tax liability		**—**	—	3,941
Other liabilities		**26,910**	31,649	34,456
Total liabilities		**6,611,248**	6,092,758	6,312,857
Net assets		**86,539**	69,175	48,281
Equity				
Head Office account		**82,275**	61,103	40,478
Financial assets at fair value through other comprehensive income reserve		**2,091**	6,084	5,906
Share-based payment reserve		**2,173**	1,988	1,897
Total equity		**86,539**	69,175	48,281

* *For Notes on the financial statements, see page 10.*

Stephen Hughes

26 August 2026

For and on behalf of the Directors of The Hongkong and Shanghai Banking Corporation Limited by their attorney.

Letters from each of the Directors appointing the Chief Executive Officer as their agent to sign this Disclosure Statement are still in force and have not been revoked.

Statement of cash flows

For the six months ended 30 June 2026

	Half-year to	
	30 Jun 2026 $000	30 Jun 2025[3] $000
Cash flows from/(to) operating activities		
Interest received	**106,466**	141,564
Interest paid	**(61,538)**	(94,752)
Other income received	**28,652**	26,368
Other expenses paid[2]	**(29,797)**	(29,607)
Income tax paid	**(21,000)**	(23,695)
Changes in operating assets and liabilities		
Change in loans and bills advanced[1]	**187,479**	674,547
Change in deposits and other borrowings	**310,190**	(334,279)
Change in trading assets	**(154)**	(2,172)
Change in other assets/liabilities	**(3,958)**	(22,014)
Net cash flows from operating activities	**516,340**	335,960
Cash flows from/(to) investing activities		
Purchases of investment securities[1]	**(214,315)**	(216,907)
Purchases of property, plant and equipment[2]	**(52)**	(2,008)
Proceeds from sale of property, plant and equipment	**69**	4,161
Proceeds from sale and maturity of investments	**364,637**	589,019
Net cash flows from investing activities	**150,339**	374,265
Cash flows from/(to) financing activities		
Principal payments on lease liabilities	**(631)**	(6,127)
Net cash flows (to) financing activities	**(631)**	(6,127)
Net increase in cash and cash equivalents	**666,048**	704,098
Cash and cash equivalents at the beginning of the year	**2,571,338**	2,253,146
Cash and cash equivalents at the end of the year	**3,237,386**	2,957,244

Analysis of cash and cash equivalents

	30 Jun 2026 $000	30 Jun 2025 $000
Cash and demand balances with central banks	**1,897,195**	1,682,954
Gross advances to banks - demand[1]	**1,340,191**	1,241,477
Treasury Bills with initial maturity less than 3 mth[1]	**—**	32,813
Cash and cash equivalents at the end of the year	**3,237,386**	2,957,244

1 *Following a review of the presentation of the statement of cash flows against Group's policy, the Banking Group has now included previously omitted balances below in cash and cash equivalents:*

- *intercompany advances to banks of $1,232.5m with an original maturity of one month or less under "Gross advances to banks - demand". Consequently, "Change in loans and bills advanced" has been restated by $574.0m.*
- *"Treasury bills with initial maturity less than 3 mth" of $32.8m. Consequently "Purchases of investment securities" has been restated by $32.8m.*

2 *Comparatives have been restated to correct the treatment of a $4.2m depreciation adjustment in the cash flow statement, which resulted in "Other expenses paid" and "Purchases of property, plant and equipment" being restated by $4.2m.*

3 *Comparatives have been amended to conform with the current half-year presentation. Certain categories of cash flows have been reclassified. There were no changes between operating, investing and financing categories.*

Notes on the financial statements

1 Basis of preparation and material accounting policies

(a) Reporting entity

These financial statements are for The Hongkong and Shanghai Banking Corporation Limited, New Zealand Banking Group ("Banking Group").

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

Intra-group balances are eliminated in preparing the Banking Group's financial statements (if any). The following entities have been aggregated to form the Banking Group:

- ***The Hongkong and Shanghai Banking Corporation Limited, New Zealand Branch***
- The Branch manages relationships with corporate and institutional customers providing loans, deposits and other transactions including trade finance and payment solutions through its Corporate and Institutional Banking business.
- ***HSBC Nominees (New Zealand) Limited***
  This New Zealand incorporated entity is the Branch's nominee company which provides custodian services. HSBC Nominees (New Zealand) Limited is wholly owned by HBAP. Income and expenses of the custodian services business are included in the Branch's financial statements.

(b) Basis of reporting

These financial statements are general purpose financial statements prepared in accordance with the requirements of the Financial Markets Conduct Act 2013, the Banking (Prudential Supervision) Act 1989, and the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the "Order").

These financial statements comply with Generally Accepted Accounting Practice in New Zealand and other authoritative pronouncements of the External Reporting Board ("XRB"), as appropriate for for-profit entities.

These financial statements are presented in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") and New Zealand equivalent to International Accounting Standard 34 *Interim Financial Reporting* ("NZ IAS 34"). These financial statements are condensed and do not include all disclosures required for full annual financial statements.

(c) Measurement base

These financial statements are based on the general principles of historical cost accounting, as modified by applying fair value accounting to financial assets at fair value through other comprehensive income, financial assets and financial liabilities at fair value through profit or loss and all financial derivative contracts. They are prepared on a going concern basis and the accrual basis of accounting has been adopted. The presentation currency and functional currency is New Zealand dollars. All amounts are rounded to thousands of New Zealand dollars and all references to "$" is to New Zealand dollars unless otherwise stated.

(d) Comparative figures

These financial statements include comparative information as required by New Zealand equivalent to International Accounting Standard 1 ("NZ IAS 1") and the Order.

(e) Regulatory changes

There have been no regulatory changes impacting these financial statements.

(f) Changes in accounting policies, accounting estimates and judgments

On 1 January 2026, the Banking Group adopted amendments to NZ IFRS 9 'Financial Instruments' and NZ IFRS 7 'Financial Instruments: Disclosures'. In addition to guidance as to when certain financial liabilities can be deemed settled when using an electronic payment system, the amendments also provide further clarification regarding the classification of financial assets that contain contractual terms that change the timing or amount of contractual cash flows, including those arising from ESG-related contingencies, and financial assets with certain non-recourse features. These amendments had no material effect on the Banking Group.

The accounting policies applied by the Banking Group for these financial statements are consistent with those described in Note 1 of the 31 December 2025 Disclosure Statement.

Critical accounting estimates and judgments applicable for these financial statements are consistent with those included in 31 December 2025 Disclosure Statement. The updated estimates and judgments relating to expected credit losses ("ECL") is set out in Note 7.

(g) Authorisation of financial statements

These financial statements were authorised for issue on 26 August 2026 by Stephen Hughes on behalf of the Directors of The Hongkong and Shanghai Banking Corporation Limited.

(h) Future accounting developments

NZ IFRS 18 'Presentation and Disclosure in Financial Statements'

In May 2024, the XRB issued NZ IFRS 18 'Presentation and Disclosure in Financial Statements', effective for annual reporting periods beginning on or after 1 January 2027. The new accounting standard aims to give users of financial statements more transparent and comparable information about an entity's financial performance. It will replace NZ IAS 1 'Presentation of Financial Statements' but carries over many requirements from that IFRS Accounting Standard unchanged. In addition, there are three sets of new requirements relating to the structure of the income statement, management-defined performance measures and the aggregation and disaggregation of financial information.

While IFRS 18 will not change recognition criteria or measurement bases, it may have a significant impact on the presentation of information in the financial statements, in particular the income statement. The Banking Group is currently assessing impacts and data readiness.

2 Risk management

There were no material changes to the Banking Group's policies for managing risks in relation to credit, currency, interest rates, equity, liquidity, operational or any other material business risks to which the Banking Group is exposed during the six months ended 30 June 2026.

3 Net trading income

	Half-year to	
	30 Jun 2026 $000	30 Jun 2025 $000
Foreign exchange gains	**10,749**	7,293
Losses on revaluation of derivatives	**(1,958)**	(632)
Total	**8,791**	6,661

4 Other net operating income

	Half-year to	
	30 Jun 2026 $000	30 Jun 2025 $000
Fee and commission income	**21,933**	22,179
Fee and commission expense	**(2,727)**	(3,134)
Gains less losses from financial instruments	**5,309**	—
Other income	**64**	1,734
Total	**24,579**	20,779

5 Auditor's remuneration

Fees paid/payable to the auditor of the Banking Group in relation to the review of the financial statements amount to $156 thousand for the half year ended 30 June 2026 (30 June 2025: $158 thousand). This fee includes the limited assurance engagement on compliance with the information required on credit and market risk exposures and capital adequacy included in the Disclosure Statement for the period ended 30 June 2026.

There were no other services provided by the auditor, including any network firms, for the Banking Group in the 2026 financial year (2025 financial year: nil). The amounts above exclude goods and services tax.

6 Advances to customers

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Overdrafts	**7,765**	20,887	15,691
Term lending	**2,563,364**	2,142,817	2,806,157
Corporate credit card advances	**9,714**	6,190	11,631
Trade finance receivables	**247,079**	118,038	181,913
Total gross advances to customers	**2,827,922**	2,287,932	3,015,392
Expected credit loss allowance	**(2,020)**	(9,661)	(7,283)
Total net advances to customers	**2,825,902**	2,278,271	3,008,109

7 Asset quality – gross exposure and expected credit loss

Gross exposure of past due but not individually impaired advances to customers

	At 30 Jun 2026 $000
Less than 30 days	9,722
At least 30 days but less than 60 days	—
At least 60 days but less than 90 days	—
At least 90 days	—
Total past due but not individually impaired	**9,722**

Reconciliation of changes in gross exposure/nominal amount and allowances for loans and advances to banks and customers

The disclosures below provide a reconciliation by stage of the Banking Group's gross exposure/nominal amount, allowances, and expected credit loss for loans and advances to banks and customers, including loan commitments and financial guarantees. Movements are calculated on a quarterly basis and therefore fully capture stage movements between quarters. If movements were calculated on a year-to-date basis they would only reflect the opening and closing position of the financial instrument.

The transfers of financial instruments represent the impact of stage transfers upon the gross exposure / nominal amount and associated allowance for ECL.

Changes in 'New financial assets originated or purchased', 'Assets derecognised (including final repayments)' and 'Net further lending / repayment' represent the impact from volume movements within the Banking Group's lending portfolio.

The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers, for example, moving from a 12-month (stage 1) to a lifetime (stage 2) ECL measurement basis. Net remeasurement excludes the underlying customer risk rating / probability of default movements of the financial instruments transferring stage. This is captured, along with other credit quality movements in the 'net new lending and changes to risk parameters (model inputs)' line item.

The movement in expected credit losses for other financial assets are excluded from the tables below as they are not material.

Reconciliation of changes in gross exposure/nominal amount and allowances for loans and advances to customers including loan commitments and financial guarantees for wholesale clients

	Half-year to 30 Jun 2026							
	Stage 1		Stage 2		Stage 3		Total	
	Gross Exposure $000	Allowance for ECL $000	Gross Exposure $000	Allowance for ECL $000	Gross Exposure $000	Allowance for ECL $000	Gross Exposure $000	Allowance for ECL $000
At 1 Jan 2026	**4,851,029**	**(2,470)**	**85,014**	**(301)**	**6,362**	**(6,330)**	**4,942,405**	**(9,101)**
Transfer of financial instruments:								
– transfers from Stage 1 to 2	(63,707)	52	63,707	(52)	—	—	—	—
– transfers from Stage 2 to 1	21,431	(8)	(21,431)	8	—	—	—	—
– transfers to Stage 3	—	—	—	—	—	—	—	—
– transfers from Stage 3	—	—	—	—	—	—	—	—
Net further lending / (repayment)	(402,565)	—	21,967	—	572	—	(380,026)	—
Net re-measurement of ECL arising from transfer of stage	—	1	—	(3)	—	—	—	(2)
Net new lending and changes to risk parameters (model inputs)	—	7	—	(101)	—	362	—	268
Asset derecognised (including final repayments)	(52,214)	4	(53,668)	83	(6,934)	5,968	(112,816)	6,055
New financial assets originated or purchased	787,846	(262)	—	—	—	—	787,846	(262)
At 30 Jun 2026	**5,141,820**	**(2,676)**	**95,589**	**(366)**	**—**	**—**	**5,237,409**	**(3,042)**
ECL on loans and advances to banks and customers including loan commitments and financial guarantees - profit or loss charge/(release) for the period	—	206	—	65	—	(6,330)	—	(6,059)
Total ECL profit or loss charge / (release) for the period	**—**	**206**	**—**	**65**	**—**	**(6,330)**	**—**	**(6,059)**

As at 30 June 2026, the sensitivity weightings that apply to the economic scenarios used in the calculation of provision for ECL have moved 5% from upside scenario and 10% from central scenario to downside scenario compared to 31 December 2025 to capture risks of the economic consequences of current geopolitical issues. This change is reflected in the ECL reported in the above table.

At 30 June 2026, there were no assets under administration (31 December 2025: nil). The aggregate amount as at 30 June 2026 of any undrawn balances on lending commitments to counterparties for whom drawn balances are classified as individually impaired, before deducting allowances for credit impairment loss where applicable, was nil (31 December 2025: $1.0m).

Change in expected credit loss

	Half-year to	
	30 Jun 2026 $000	30 Jun 2025 $000
Advances to customers		
– new allowances net of allowance releases	**(5,274)**	(1,500)
Loan commitments and guarantees	**(799)**	1,560
Other financial assets[1]	**(28)**	(30)
Total change in expected credit loss	**(6,101)**	30

1 Other financial assets include cash with central bank, amount due from related parties, financial investment and other assets.

8 Asset quality – financial instruments by stage allocation

	At 30 Jun 2026		
	Gross $000	**Allowance for ECL $000**	**Net $000**
Advances to customers at amortised cost	**2,827,922**	**(2,020)**	**2,825,902**
– stage 1	**2,769,775**	**(1,845)**	**2,767,930**
– stage 2	**58,147**	**(175)**	**57,972**
– stage 3	**—**	**—**	**—**
Advances to banks at amortised cost[1]	**1,819**	**—**	**1,819**
– stage 1	**1,819**	**—**	**1,819**
– stage 2	**—**	**—**	**—**
– stage 3	**—**	**—**	**—**
Loan and other credit-related commitments	**2,358,133**	**(792)**	**2,357,341**
– stage 1	**2,320,834**	**(730)**	**2,320,104**
– stage 2	**37,299**	**(62)**	**37,237**
– stage 3	**—**	**—**	**—**
Financial guarantees and similar contracts	**49,535**	**(230)**	**49,305**
– stage 1	**49,392**	**(101)**	**49,291**
– stage 2	**143**	**(129)**	**14**
– stage 3	**—**	**—**	**—**
Total at 30 Jun 2026	**5,237,409**	**(3,042)**	**5,234,367**

1 Advances to banks at Amortised Cost excludes 'Items in the course of collection from other banks'.

Balances related to cash with central banks, amounts due from related parties, financial investments and other assets are not included in the table above due to not having material ECL balances.

9 Concentrations of credit risk

Maximum exposure to credit risk

The maximum credit risk of on-balance sheet financial assets is best represented by the carrying amount of the assets, net of any provision for expected credit loss. The credit risk exposure does not take into account the fair value of any collateral, in the event of other parties failing to perform their obligations under financial instruments.

Credit exposures

	At 30 Jun 2026 $000
On-balance sheet credit exposures	
Cash and demand balances with central banks	**1,897,195**
Advances to banks	**1,819**
Financial investments	**591,841**
Derivative financial instruments	**908**
Advances to customers	**2,825,902**
Amounts due from related parties	**1,338,525**
Other assets	**18,902**
Total on-balance sheet credit exposures	**6,675,092**
Total off-balance sheet credit exposures	**4,190,375**
Total credit exposures	**10,865,467**

Concentrations of credit risk exist if a number of counterparties are engaged in similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Concentrations of credit risk by industry and geographical area

	At 30 Jun 2026 $000
Concentrations of credit risk by industry	
Banks and financial institutions	**4,728,171**
Commercial and industrial	**1,827,829**
Commercial real estate and construction	**701,661**
Electricity and other utilities	**1,417,857**
Wholesale and retail trade	**620,299**
Agriculture, forestry and mining	**198,229**
Transport	**340,012**
Government	**140,865**
Information media and telecommunications	**726,112**
Other	**164,432**
Total	**10,865,467**
Concentrations of credit risk by geographical area	
New Zealand	**8,515,844**
Hong Kong	**1,294,285**
China	**70,693**
Australia	**244,305**
United States	**121,758**
United Kingdom	**32,884**
Singapore	**75,309**
Netherlands	**68,996**
Sri Lanka	**61,862**
France	**120,754**
Other Overseas	**258,777**
Total	**10,865,467**

10 Concentrations of funding risk

Concentrations of funding risk by product, industry and geographical area

	At 30 Jun 2026 $000
Concentrations of funding by product	
Deposits by banks	**224,975**
Customer deposits	**4,296,402**
Amounts due to related parties	**2,062,266**
Total	**6,583,643**
Concentrations of funding by industry	
Banks and financial institutions	**4,234,652**
Commercial and industrial	**649,222**
Commercial real estate and construction	**115,423**
Wholesale trade	**398,432**
Agriculture, forestry and mining	**626,510**
Transport	**42,992**
Electricity and other utilities	**43,538**
Government	**39,535**
Information media and telecommunications	**247,144**
Other	**186,195**
Total	**6,583,643**
Concentrations of funding by geographical area	
New Zealand	**4,163,673**
Hong Kong	**1,901,119**
China	**2,090**
United Kingdom	**66,111**
United States	**83,937**
Australia	**153,092**
Singapore	**81,033**
Netherlands	**36,884**
Other Overseas	**95,704**
Total	**6,583,643**

11 Financial investments

Carrying amounts of financial investments

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Financial investments measured at fair value through other comprehensive income	**577,190**	876,353	724,779
– treasury and other eligible bills	**56,809**	62,574	65,297
– debt securities	**520,359**	813,757	659,460
– equity securities	**22**	22	22
Debt instruments measured at amortised cost	**14,651**	39,455	39,554
– debt securities	**14,651**	39,455	39,554
Total	**591,841**	915,808	764,333

12 Customer deposits

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Current accounts	**4,114,630**	2,874,496	3,522,234
Savings and deposit accounts	**181,772**	556,146	460,868
Total customer deposits at amortised cost	**4,296,402**	3,430,642	3,983,102

13 Additional financial disclosures on the balance sheet

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Total interest earning and discount bearing assets	**6,655,282**	6,119,745	6,319,403
Total interest and discount bearing liabilities	**6,375,641**	5,844,981	6,062,073
Total liabilities net of amounts due to related parties	**4,548,287**	3,673,121	4,225,191

14 Related party transactions

Related party transactions are unsecured and entered into in the normal course of business. During the year there have been dealings between the Banking Group, HBAP and its subsidiaries and associated companies and other members of the ultimate holding company. Dealings include activities such as funding, accepting deposits, derivative transactions together with management and technical fees.

There has been no significant change in the nature or volume of related party transactions during the period.

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Assets			
Amounts due from related parties	**1,338,525**	1,233,711	605,835
Derivative financial instruments - assets	**908**	2,416	86
Total related party assets	**1,339,433**	1,236,127	605,921
Liabilities			
Amounts due to related parties	**2,062,266**	2,419,406	2,087,659
Derivative financial instruments - liabilities	**695**	231	7
Total related party liabilities	**2,062,961**	2,419,637	2,087,666

15 Fair value of financial instruments

Determination of fair value of financial instruments carried at fair value

Fair values are determined according to the following hierarchy:

Level 1 – quoted market price
Financial instruments with quoted prices for identical instruments in active markets.

Level 2 – valuation technique using observable inputs
Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 – valuation technique with significant unobservable inputs
Financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The table below provides an analysis of the various bases described above which have been deployed for valuing financial assets and financial liabilities measured at fair value.

	Level 1 $000	**Level 2 $000**	**Level 3 $000**	**Total $000**
At 30 Jun 2026				
Assets				
Financial investments	**520,359**	**56,809**	**22**	**577,190**
Derivative financial instruments	**—**	**908**	**—**	**908**
Liabilities				
Derivative financial instruments	**—**	**695**	**—**	**695**

	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
At 30 Jun 2025				
Unaudited				
Assets				
Financial investments	876,331	—	22	876,353
Derivative financial instruments	—	2,421	—	2,421
Liabilities				
Derivative financial instruments	—	231	—	231
At 31 Dec 2025				
Audited				
Assets				
Financial investments	724,757	—	22	724,779
Derivative financial instruments	—	88	—	88
Liabilities				
Derivative financial instruments	—	29	—	29

There have been no transfers between levels 1, 2 or 3 for the six months ended 30 June 2026 (31 December 2025: Nil). Any transfers between levels of the fair value hierarchy would be deemed to occur at the end of the reporting period.

Fair Value of financial instruments not carried at fair value

The table below summarises the carrying values and fair values of financial assets and financial liabilities not measured at fair value in the Banking Group at the end of the current and comparative periods.

	At					
	30 Jun 2026		30 Jun 2025		31 Dec 2025	
	Carrying value $000	**Fair Value $000**	Carrying value $000	Fair Value $000	Carrying value $000	Fair Value $000
Assets						
Advances to customers	**2,827,922**	**2,827,922**	2,287,932	2,287,932	3,015,392	3,015,392
Financial investments – debt securities at amortised cost	**14,651**	**14,829**	39,455	40,138	39,554	40,139
Liabilities						
Customer deposits	**4,296,402**	**4,295,892**	3,430,642	3,430,623	3,983,102	3,983,079
Amounts due to related parties	**2,062,266**	**2,062,576**	2,419,406	2,419,524	2,087,659	2,088,272

Other financial instruments not carried at fair value are typically short-term in nature and reprice to the current market rates frequently. Accordingly, their carrying amount is a reasonable approximation of fair value. This includes cash and demand balances with central banks, advances to banks and deposits by banks, other assets and other liabilities, and amounts due from related parties.

16 Interest rate risk – repricing schedule

The table below analyses the Banking Group's financial assets and financial liabilities into relevant maturity groupings based on the earlier of residual contractual maturity or next interest repricing date.

	At 30 Jun 2026							
	Up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 2 years	Over 2 years	Total interest bearing	Non interest bearing	Total
	$m	$m	$m	$m	$m	$m	$m	$m
At 30 Jun 2026								
Financial assets								
Cash and demand balances with central banks	**1,897**	**—**	**—**	**—**	**—**	**1,897**	**—**	**1,897**
Advances to banks	**2**	**—**	**—**	**—**	**—**	**2**	**—**	**2**
Financial investments	**56**	**—**	**45**	**25**	**466**	**592**	**—**	**592**
Derivative financial instruments	**—**	**—**	**—**	**—**	**—**	**—**	**1**	**1**
Advances to customers	**2,738**	**36**	**52**	**—**	**—**	**2,826**	**—**	**2,826**
Amounts due from related parties	**1,339**	**—**	**—**	**—**	**—**	**1,339**	**—**	**1,339**
Other assets	**—**	**—**	**—**	**—**	**—**	**—**	**19**	**19**
Total financial assets	**6,032**	**36**	**97**	**25**	**466**	**6,656**	**20**	**6,676**
Financial liabilities								
Deposits by banks	**222**	**—**	**—**	**—**	**—**	**222**	**3**	**225**
Derivative financial instruments	**—**	**—**	**—**	**—**	**—**	**—**	**1**	**1**
Customer deposits	**4,282**	**3**	**1**	**—**	**—**	**4,286**	**10**	**4,296**
Amounts due to related parties	**1,861**	**—**	**—**	**—**	**—**	**1,861**	**201**	**2,062**
Other liabilities	**—**	**—**	**1**	**1**	**4**	**6**	**15**	**21**
Total financial liabilities	**6,365**	**3**	**2**	**1**	**4**	**6,375**	**230**	**6,605**

17 Liquidity risk management

Liquidity risk is the risk that the Banking Group does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows.

Liquid assets are assets which are readily convertible to cash to meet the Banking Group's liquidity requirements. Liquid assets consist of demand balances with the central bank, government and local government bonds, and registered certificates of deposits issued by other banks. The Banking Group holds the following liquid assets in order to manage its liquidity risk:

	At
	30 Jun 2026
	$m
Cash and demand balances with central banks	**1,897**
Financial Investments	**592**
Total	**2,489**

Maturity Analysis – undiscounted cash flows basis

The table below analyses the Banking Group's financial liabilities into relevant maturity groupings based on their remaining contractual maturities. The amounts in the table below represent all cash flows relating to principal and future interest payments on an undiscounted basis. Therefore, they may differ to the carrying amounts on the Balance Sheet.

The Banking Group does not manage its liquidity risk on the basis of information below.

	On Demand	0-1 month	1-3 months	3-12 months	1-5 years	Over 5 years	No specific maturity	Total
	$m	$m	$m	$m	$m	$m	$m	$m
At 30 Jun 2026								
Financial liabilities								
Deposits by banks	**225**	**—**	**—**	**—**	**—**	**—**	**—**	**225**
Customer deposits	**4,114**	**151**	**26**	**5**	**—**	**—**	**—**	**4,296**
Amounts due to related parties	**427**	**233**	**6**	**27**	**1,416**	**—**	**—**	**2,109**
Other liabilities	**21**	**—**	**—**	**1**	**5**	**—**	**—**	**27**
Total non-derivative financial liabilities	**4,787**	**384**	**32**	**33**	**1,421**	**—**	**—**	**6,657**
Derivative financial instruments – held for trading purposes	**—**	**1**	**—**	**—**	**—**	**—**	**—**	**1**
Total undiscounted derivatives	**—**	**1**	**—**	**—**	**—**	**—**	**—**	**1**
Undrawn loan commitments	**1,014**	**—**	**1,738**	**—**	**—**	**—**	**—**	**2,752**

18 Market risk exposures

Aggregate market risk exposures are derived in accordance with the Reserve Bank of New Zealand document, BPR140: Market Risk and is calculated on a six monthly basis.

The period end exposure is the exposure as at the end of the period reported. The peak exposure is the peak end-of-day market risk exposure over the half year accounting period at the close of each business day. The peak is calculated separately for each category of exposure and may not have occurred at the same time. For the six months ending 30 June 2026, the peak exposure was 5 January 2026.

	Implied risk weighted exposure $m	Notional capital charge $m
Exposure period at 30 Jun 2026 (unaudited)		
Interest rate risk	**144.88**	**11.59**
Foreign currency risk	**0.38**	**0.03**
Equity risk	**—**	**—**
Peak exposure period 1 Jan 2026 to 30 Jun 2026 (unaudited)		
Interest rate risk	**187.00**	**14.96**
Foreign currency risk	**1.00**	**0.08**
Equity risk	**—**	**—**

19 Contingent liabilities and other commitments

Contingent liabilities and commitments are credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The amounts below represent the amount at risk should contracts be fully drawn upon and client's default.

	At		
	30 Jun 2026 $000	30 Jun 2025 $000	31 Dec 2025 $000
Direct credit substitutes	**57,269**	120,590	89,188
Transaction related contingent items	**1,121,249**	899,023	980,130
Trade related contingent items	**259,606**	337,582	437,892
Commitments, maturity one year or more	**1,335,671**	1,463,067	1,028,597
Commitments, maturity up to one year	**1,416,580**	940,250	1,049,881
Total	**4,190,375**	3,760,512	3,585,688
Capital commitments			
Contracted expenditure	**—**	—	—

20 Insurance, securitisation, funds management and other fiduciary activities

The Banking Group:

- does not conduct any insurance business or non-financial activities in New Zealand. HBAP does not carry on any insurance business or non-financial activities in New Zealand that is outside its Banking Group;
- does not market or distribute insurance products;
- is not involved in the origination, marketing or servicing of securitisation schemes; and
- is not involved in the establishment, marketing, or sponsorship of trust, funds management, or other fiduciary activities.

21 Events subsequent to the reporting date

There were no other material events after balance date that require disclosure in the financial statements.

22 Capital adequacy ratios of HBAP Group

The approaches used in calculating the HBAP Group's regulatory capital and risk weighted assets ("RWA") are in accordance with the Hong Kong Monetary Authority ("HKMA") Banking (Capital) Rules.

The HBAP Group uses the advanced internal ratings-based ('IRB') approach and the foundation IRB approach to calculate its credit risk for the majority of its non-securitisation exposures. For collective investment scheme exposures, the HBAP Group uses the look-through approach to calculate the RWAs. For securitization exposures, the HBAP Group uses the securitisation IRB approach, securitisation external ratings-based approach or securitisation standardised approach to determine credit risk for its banking book securitisation exposures. For counterparty credit risk, the HBAP Group uses both the standardised (counterparty credit risk) approach and the internal models (counterparty credit risk) approach to calculate its default risk exposures for derivatives, and the comprehensive approach for securities financing transactions. For credit valuation adjustment ('CVA'), the group uses the standardised CVA approach and the full basic CVA approach to calculate CVA risk capital charge.

The HBAP Group uses the standardised (market risk) approach to calculate its market risk capital charge and the standardised operational risk approach to calculate its operational risk capital charge.

The capital adequacy disclosure made by the HBAP Group can be found in the HBAP Group Banking Disclosure Statement available at www.hsbc.com.hk/legal/regulatory-disclosures/.

HBAP Group exceeded the minimum capital adequacy requirements as specified by the HKMA as at 30 June 2026, and reported the following capital adequacy ratios under the Basel III final reform package, which were the most recent publicly available information:

HBAP Group Basel III Capital Ratios (Unaudited)

	At		
	30 Jun 2026	30 Jun 2025	31 Dec 2025
	%	%	%
Common Equity Tier 1 (CET1) capital	**17.0**	17.9	19.1
Tier 1 capital	**20.2**	20.5	21.8
Total capital	**22.0**	22.7	23.6

23 Profitability, size and asset quality of HBAP Group

HBAP Group selected financial information

	Half-year to		Year ended
	30 Jun 2026	30 Jun 2025	31 Dec 2025
Profitability			
Net profit after tax (HKD$m)	**81,989**	57,427	124,117
Net profit after tax over the previous 12 month period as a percentage of average total assets (%)[1]	**1.2**	1.1	1.1
Size			
Total assets (HKD$m)	**12,787,696**	11,491,146	11,683,231
Percentage increase/(decrease) in total assets over the previous 12 months period (%)	**11.3**	7.9	6.7
Asset quality			
HKFRS 9 Stage 3 and POCI gross carrying value (HKD$m)[2]	**105,622**	100,861	110,244
HKFRS 9 Stage 3 and POCI ECL (HKD$m)[3, 4]	**(33,365)**	(25,116)	(30,634)
HKFRS 9 Stage 1 and 2 ECL (HKD$m)[3]	**(11,555)**	(13,842)	(10,865)
HKFRS 9 Stage 3 gross carrying value / Total assets (%)[2]	**0.8**	0.9	0.9
HKFRS 9 Stage 3 and POCI ECL / Stage 3 and POCI gross carrying value (%)[2, 3, 4]	**31.6**	24.9	27.8

1 *This calculation uses a two-point average of total assets as at the end of the reported period and the comparative period ended 12 months earlier.*
2 *Gross carrying value of advances to banks and customers, including nominal value of loan commitments and financial guarantees and other financial assets. The Banking Group considers this balance to be the best representation of 'total individually impaired assets'.*
3 *ECL on advances to banks and customers including loan commitments and financial guarantees, and other financial assets. The Banking Group considers this balance to be the best representation of 'total collective credit impairment allowance'.*
4 *The Banking Group considers this balance to be the best representation of 'total individual credit impairment allowance'.*

Directors’ and New Zealand Chief Executive Officer’s Statements

Each Director and the New Zealand Chief Executive Officer believe, after due enquiry by them, that:

- the Disclosure Statement contains all the information that is required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended);
- the Disclosure Statement is not false or misleading;

as at the date on which the Disclosure Statement is signed; and

each Director and the New Zealand Chief Executive Officer believe, after due enquiry by them, that:

- the Branch had systems in place to monitor and control adequately the material risks of the Banking Group including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, and other business risks, and that those systems were being properly applied; and
- the Registered Bank has complied in all material respects with each condition of registration that applied;

over the six months ended 30 June 2026.

This Disclosure Statement has been signed for and on behalf of the Directors of The Hongkong and Shanghai Banking Corporation Limited (as listed on pages 3 and 4) by their attorney, Stephen Hughes, and in his capacity as Chief Executive Officer:

Stephen Hughes
Chief Executive Officer
New Zealand Branch

26 August 2026

Letters from each of the Directors appointing the Chief Executive Officer as their agent to sign this Disclosure Statement are still in force and have not been revoked.

Independent auditor's review report

To the Directors of The Hongkong and Shanghai Banking Corporation Limited

Report on the review of the Interim Financial Statements and the Supplementary Information (excluding the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with Schedule 9)

Our conclusion

We have reviewed the condensed interim financial statements (the Interim Financial Statements) for the six month period ended 30 June 2026 of The Hongkong and Shanghai Banking Corporation Limited (the Overseas Bank) in respect of the New Zealand operations (the Banking Group) as required by clause 26 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the Order) and the supplementary information disclosed in accordance with Schedules 5, 7, 12 and 14 of the Order (the Supplementary Information), excluding the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with Schedule 9 of the Order, contained in the half year disclosure statement (the Disclosure Statement).

The Interim Financial Statements comprise the balance sheet as at 30 June 2026 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the six month period then ended and selected explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying:

- Interim Financial Statements of the Banking Group have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standard 34 *Interim Financial Reporting* (IAS 34); and
- Supplementary Information that is required to be disclosed in accordance with Schedules 5, 7, 12 and 14 of the Order:
    - does not present fairly, in all material respects, the matters to which it relates; or
    - is not disclosed, in all material respects, in accordance with those schedules.

PricewaterhouseCoopers, PwC Tower, 15 Customs Street West,
Private Bag 92162, Auckland 1142, New Zealand
T: +64 9 355 8000

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the Interim Financial Statements and the Supplementary Information* section of our report.

We are independent of the Banking Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board (PES 1), as applicable to audits and reviews of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1.

In our capacity as auditor and assurance practitioner, our firm also provides audit and other assurance services for the Banking Group. In addition, certain partners and employees of our firm may deal with the Banking Group on normal terms within the ordinary course of trading activities of the Banking Group. The firm has no other relationship with, or interests in, the Banking Group.

Responsibilities of the Directors for the Disclosure Statement

The Directors of the Overseas Bank (the Directors) are responsible, on behalf of the Overseas Bank, for the preparation and fair presentation of the Interim Financial Statements in accordance with NZ IAS 34, IAS 34 and clause 26 of the Order, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the Interim Financial Statements and the Supplementary Information that are free from material misstatement, whether due to fraud or error.

In addition, the Directors are responsible, on behalf of the Overseas Bank, for the preparation and fair presentation of the Disclosure Statement, which includes:

- all of the information prescribed in Schedule 3 of the Order; and
- the information prescribed in Schedules 5, 7, 9, 12 and 14 of the Order.

Auditor's responsibilities for the review of the Interim Financial Statements and the Supplementary Information

Our responsibility is to express a conclusion on the Interim Financial Statements and the Supplementary Information based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the:

- Interim Financial Statements, taken as a whole, have not been prepared, in all material respects, in accordance with NZ IAS 34 and IAS 34; and
- Supplementary Information that is required to be disclosed in accordance with Schedules 5, 7, 12 and 14 of the Order:
    - does not present fairly, in all material respects, the matters to which it relates; or
    - is not disclosed, in all material respects, in accordance with those schedules; or
    - if applicable, has not been prepared, in all material respects, in accordance with any conditions of registration relating to disclosure requirements, imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989.

A review in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing and consequently do not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on the Interim Financial Statements and the Supplementary Information.

Who we report to

This report is made solely to the Directors, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors, as a body, for our review procedures, for this report, or for the conclusions we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Vatsana (Vasana) Vanpraseuth.

For and on behalf of:

PricewaterhouseCoopers Auckland
26 August 2026

Independent assurance report

To the Directors of The Hongkong and Shanghai Banking Corporation Limited

Limited assurance report on compliance with the information required on credit and market risk exposures and capital adequacy

Our conclusion

We have undertaken a limited assurance engagement on the New Zealand operations of The Hongkong and Shanghai Banking Corporation Limited (the Banking Group)'s compliance, in all material respects, with clause 23 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the Order) which requires information prescribed in Schedule 9 of the Order relating to credit and market risk exposures and capital adequacy to be disclosed in its half year disclosure statement for the six month period ended 30 June 2026 (the Disclosure Statement). The Disclosure Statement containing the information prescribed in Schedule 9 of the Order relating to credit and market risk exposures and capital adequacy will accompany our report, for the purpose of reporting to the Directors of The Hongkong and Shanghai Banking Corporation Limited.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Banking Group's information relating to credit and market risk exposures and capital adequacy, included in the Disclosure Statement in compliance with clause 23 of the Order and disclosed in notes 18 and 22 of the Disclosure Statement, is not, in all material respects, disclosed in accordance with Schedule 9 of the Order.

Basis for conclusion

We conducted our engagement in accordance with Standard on Assurance Engagements 3100 (Revised) *Compliance Engagements* (SAE 3100 (Revised)) issued by the New Zealand Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Directors' responsibilities

The Directors are responsible on behalf of The Hongkong and Shanghai Banking Corporation Limited for:

- compliance with the Order, including clause 23 of the Order which requires information prescribed in Schedule 9 of the Order relating to credit and market risk exposures and capital adequacy to be included in the Banking Group's Disclosure Statement;

- the identification of risks that may threaten compliance with that clause;
- implementing and operating controls which would mitigate those risks; and
- monitoring ongoing compliance.

Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In our capacity as auditor and assurance practitioner, our firm also provides audit and review services for the Banking Group. In addition, certain partners and employees of our firm may deal with the Banking Group on normal terms within the ordinary course of trading activities of the Banking Group. The firm has no other relationship with, or interests in, the Banking Group.

Assurance practitioner's responsibilities

Our responsibility is to express a limited assurance conclusion on whether the Banking Group's information relating to credit and market risk exposures and capital adequacy, included in the Disclosure Statement in compliance with clause 23 of the Order is not, in all material respects, disclosed in accordance with Schedule 9 of the Order. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Banking Group's information relating to credit and market risk exposures and capital adequacy, included in the Disclosure Statement in compliance with clause 23 of the Order, is not, in all material respects, disclosed in accordance with Schedule 9 of the Order.

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the Banking Group, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material non-compliance with clause 23 of the Order in respect of the information relating to credit and market risk exposures and capital adequacy is likely to arise.

Given the circumstances of the engagement we:

- obtained an understanding of the process, models, data and internal controls implemented over the preparation of the information relating to credit and market risk exposures and capital adequacy;
- obtained an understanding of the Banking Group's compliance framework and internal control environment to ensure the information relating to credit and market risk exposures and capital adequacy is in compliance with the Reserve Bank of New Zealand's (the RBNZ) prudential requirements for banks;
- obtained an understanding and assessed the impact of any matters of non-compliance with the RBNZ's prudential requirements for banks that relate to credit and market risk exposures and capital adequacy and inspected relevant correspondence with the RBNZ;
- performed analytical and other procedures on the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with Schedule 9 of the Order, and considered its consistency with the interim financial statements; and

- agreed the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with Schedule 9 of the Order to information extracted from the Banking Group's models, accounting records or other supporting documentation, which included publicly available information as prescribed by clauses 5 and 6 of Schedule 9 of the Order.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on the Banking Group's compliance with the compliance requirements.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with the compliance requirements may occur and not be detected.

A limited assurance engagement on the Banking Group's information relating to credit and market risk exposures and capital adequacy prescribed in Schedule 9 of the Order to be included in the Disclosure Statement in compliance with clause 23 of the Order does not provide assurance on whether compliance will continue in the future.

Use of report

This report has been prepared for use by the Directors, as a body, for the purpose of establishing that these compliance requirements have been met.

Our report should not be used for any other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for any reliance on this report to anyone other than the Directors, as a body, or for any purpose other than that for which it was prepared.

The engagement partner on the engagement resulting in this independent assurance report is Vatsana (Vasana) Vanpraseuth.

For and on behalf of:

PricewaterhouseCoopers

PricewaterhouseCoopers
26 August 2026

Auckland

HSBC