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BOC Hong Kong (Holdings) announces its 2025 interim results
Steady growth achieved in operating performance
Shareholder returns continue to increase

BOC Hong Kong (Holdings) Limited (“the Company”, stock code “2388” (HKD counter) and “82388” (RMB counter); ADR OTC Symbol: “BHKLY”) today announced its 2025 interim results. The Company and its subsidiaries (“the Group”) remained committed to pursuing progress while ensuring stability and promoting high-quality development, which resulted in steady growth in operating performance.

Steady growth in operating performance and continued increase in shareholder returns

In the first half of 2025, the Group proactively managed its assets and liabilities, continued to expand fee income by capturing opportunities from the recovery in capital markets, and prudently controlled operating expenses. Net operating income before impairment allowances amounted to HK\$40,022 million and profit for the period was HK\$22,796 million, up 13.3% and 11.4% year-on-year respectively. Profit attributable to equity holders was HK\$22,152 million, an increase of 10.5% year-on-year. Return on average shareholders’ equity stood at 12.92%, up 0.53 percentage points year-on-year. As at the end of June, the Group’s total assets grew by 4.9% from the end of 2024 to HK\$4,399,822 million. Total deposits from customers amounted to HK\$2,875,521 million, up 5.6% from the end of last year, and total advances to customers amounted to HK\$1,710,380 million, up 2.0% from the end of last year. The Board has declared a second interim dividend per share of HK\$0.29, bringing the total dividend per share for the first half to HK\$0.58, representing steady year-on-year growth.

Faced with volatile market interest rates, the Group strengthened asset-liability management by dynamically managing its banking book investments, securing low-cost funding sources and enhancing the management of time deposit pricing and tenors. After adjusting for foreign exchange swap-related impact, net interest margin for the first half was 1.54%. Net interest income amounted to HK\$28,929 million, remaining broadly stable year-on-year. The Group deepened the development of its wealth management business, with net fee and commission income rising by 25.8% year-on-year to HK\$6,292 million. It optimised resource allocation and enhanced operational efficiency, achieving a cost to income ratio of 20.76%. Through comprehensive risk management, the Group maintained solid asset quality with an impaired loan ratio of 1.02%. Both ratios outperformed the market average. The Group also maintained solid capital ratios, with its total capital ratio standing at 25.69% and its Tier 1 capital ratio and Common Equity Tier 1 capital

ratio both standing at 23.69%. The average value of the Group's liquidity coverage ratio and the quarter-end value of its net stable funding ratio met regulatory requirements in both the first and second quarter of 2025.

Deepening local market focus and enhancing service quality and efficiency

The Group continued to enhance service quality and efficiency, further consolidating its business advantages in the local market. It secured market leadership in the number of new residential mortgage loans in Hong Kong, remained the top mandated arranger in the Hong Kong and Macao syndicated loan market, maintained its leading market position in the cash pooling business, and led the market in IPO main receiving bank business. The Group also enhanced its service capabilities in trust and custody business. As at the end of June, assets under custody grew by 19% from the end of last year. BOCHK was appointed by the Shanghai Gold Exchange to operate its first International Board certified vault in Hong Kong, contributing to the consolidation and enhancement of Hong Kong's position in the international gold market. The Group proactively expanded its exclusive products and services for different customer groups. As at the end of June, the number of customers of its "Private Wealth" premium brand increased by over 10% year-on-year, and the number of new accounts opened by young customers more than doubled year-on-year. The Group capitalised on synergies across its integrated businesses. BOC Group Life Assurance Company Limited ("BOC Life") ranked second in the market in terms of standard new premiums for the first quarter. BOCI-Prudential Trustee Limited ranked among the top tier in the MPF market, with MPF assets under trusteeship increasing by 13% from the end of last year. BOCHK Asset Management Limited assisted in the issuance of Asia's first investment-grade government sukuk ETF, which was successfully listed on the Stock Exchange of Hong Kong, providing investors with convenient access to Saudi Arabia's capital markets.

Capturing mutual market access opportunities to cement GBA business advantages

The Group seized opportunities arising from the enhancement and expansion of mutual market access schemes, and maintained its market leadership in businesses related to Stock Connect, Bond Connect, Cross-boundary Wealth Management Connect and Swap Connect. This included continued growth in the aggregate number of accounts opened and the volume of funds remitted or transferred under the Southbound Scheme and Northbound Scheme of the Cross-boundary Wealth Management Connect. BOCHK acts as a participating bank to support payment services for all business scenarios in the first phase of Payment Connect, as well as serving as the sole settlement bank for the scheme, enabling more convenient cross-boundary remittance services. The Group proactively expanded its cross-boundary financial services, launching the dual-currency "BOC Go Card". In the first half, the number of customer transactions using BoC Pay+ for spending in the Chinese mainland rose by 38.8% year-on-year.

Strengthening financial infrastructure and optimising regional collaboration

By fostering regional collaboration, BOCHK supported Belt and Road initiatives, major “Going Global” projects and large corporate customers in the region. The Group also enhanced its transaction, settlement and market-making capabilities of its Southeast Asian entities. BOCHK was approved by Bank Negara Malaysia as an Appointed Overseas Office to handle transactions and settlements in Malaysian Ringgit, while the Jakarta Branch now serves as an Appointed Cross-Currency Dealer for the Indonesia-Malaysia and Indonesia-Thailand Local Currency Transaction Framework. BOCHK proactively advanced the development of green finance in Southeast Asia by arranging a green loan for a large corporation in Indonesia. As at the end of June, customer deposits and customer loans of the Group’s Southeast Asian-related businesses rose by 10.5% and 8.4% respectively from the end of last year, while operating income in the first half increased by 9.3% year-on-year, all excluding the impact of foreign exchange rates.

Engaging in offshore RMB market development and enhancing RMB business advantages

The Group proactively contributed to offshore RMB market development. Leveraging its advantages in RMB business, the Group enriched the application scenarios of RMB in trade and capital markets to meet its corporate customers’ diverse needs in offshore RMB financing. As at the end of June, the balance of the Group’s RMB loans to customers increased by 16% from the end of last year. BOCHK was among the first banks to participate in the RMB Trade Financing Liquidity Facility introduced by the Hong Kong Monetary Authority (“HKMA”), arranging RMB trade financing for several enterprises. It introduced repo transactions collateralised by offshore RMB-denominated debt securities under Northbound Bond Connect in the Hong Kong market, promoting RMB internationalisation in a prudent and steady manner. The Group further enhanced its clearing capabilities, witnessing steady growth in RMB clearing volumes at BOC Malaysia, the Manila Branch and the Phnom Penh Branch. The Group also continued to enrich its RMB products and introduced RMB premium financing services with fixed RMB interest rate offers, expanding its range of products and currency options. In the first half, the Group achieved a year-on-year increase of approximately 50% in the sales volume of its RMB funds distribution business, and ranked first in the market for the 13th consecutive year in terms of RMB insurance standard new premiums for the first quarter.

Supporting local financial infrastructure development and advancing digitalisation

The Group actively supported the development of Hong Kong’s financial infrastructure. Through the HKMA’s Interbank Account Data Sharing programme, the Group took the lead in launching a streamlined loan application process for corporate and personal customers. It also advanced the research and application of digital currencies, participating in the Phase 2 sandbox testing of the HKMA’s e-HKD Pilot Programme, and actively advancing the development of e-CNY. The Group

accelerated its digital transformation, and achieved a continuous increase in the number of mobile banking customers. It launched BoC Pay+, with the total number of BoC Pay+ users as at the end of June increasing by 6.5% compared to the end of 2024. The Group continued to expand its merchant acquiring business, with the transaction volume of BoC Bill increasing by 13.3% year-on-year in the first half.

Realising ESG concepts and fulfilling corporate social responsibilities

The Group consistently pursued its ESG ambitions and enriched its green and low-carbon financial products and services. As at the end of June, the Group grew its green and sustainability-related corporate loans by 25% compared to the end of 2024. It also assisted in the issuance of multi-currency infrastructure bonds and green bonds by the HKSAR Government, and acted as a joint lead manager for social bonds issued by an affiliate of a supranational institution. BOC Life was among the first insurance companies to sign the “Insurance Industry Climate Charter”, supporting industry action on carbon neutrality. The Group proactively supported the HKMA and the banking sector in implementing various measures to help more SMEs obtain bank financing and pursue upgrade and transformation.

Outlook

In the second half, BOCHK will continue to play a pivotal role in the Bank of China Group’s globalisation strategy and firmly implement its key initiatives. It will deepen the development of its private banking, asset management and custody businesses, strengthen its role as the regional headquarters for the Group’s Southeast Asian operations, and enhance its expertise and performance in mutual market access schemes and RMB business. The Group will actively embrace innovative technologies and strengthen talent development. It will continue to balance quality, efficiency and scale, diversify income sources, ensure a consistent approach to risk management and pursue high-quality development, with the aim of delivering value for its shareholders, customers, employees and all sectors of society.

Highlights of 2025 Interim Results

Key income statement figures

- Profit for the period was HK\$22,796 million, up 11.4% year-on-year.
- Profit attributable to equity holders was HK\$22,152 million, up 10.5% year-on-year.
- Return on average shareholders’ equity and return on average total assets stood at 12.92% and 1.05% respectively, up 0.53 and 0.05 percentage points year-on-year respectively.
- Net operating income before impairment allowances was HK\$40,022 million, up 13.3% year-on-year.

- Operating profit before impairment allowances was HK\$31,712 million, up 16.5% year-on-year.
- After adjusting for foreign exchange swap-related impact, net interest income increased by 0.4% year-on-year to HK\$28,929 million, and net interest margin was 1.54%, down 7 basis points year-on-year.
- Net fee and commission income was HK\$6,292 million, up 25.8% year-on-year.
- Operating expenses were HK\$8,310 million, up 2.3% year-on-year. The cost to income ratio was 20.76%, an improvement of 2.22 percentage points year-on-year, remaining at a satisfactory level compared to local industry peers.

Key balance sheet figures

- Total assets stood at HK\$4,399,822 million, up 4.9% from the end of last year.
- Total deposits from customers stood at HK\$2,875,521 million, up 5.6% from the end of last year, and total advances to customers increased by 2.0% from the end of last year to HK\$1,710,380 million.
- Asset quality remained solid. The impaired loan ratio was 1.02%, remaining below the market average.
- The total capital ratio was 25.69%, and the Tier 1 capital ratio and the Common Equity Tier 1 capital ratio both stood at 23.69%.
- The average value of the Group's liquidity coverage ratio and the quarter-end value of its net stable funding ratio met regulatory requirements for the first two quarters of 2025.

For details of the 2025 interim results, please refer to the Company's announcement.

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