

## PRESS RELEASE

### FOR IMMEDIATE RELEASE

### **Fubon Bank (Hong Kong) Recorded Strong Earnings Growth of 52%**

(Hong Kong: 9 March 2026) Fubon Bank (Hong Kong) Limited (“the Bank”) and its subsidiaries (“the Group”) achieved a record net profit of HK\$1,376 million for the year ended 31 December 2025, reflecting a year-on-year increase of 52%. This impressive performance was primarily driven by higher operating income and a notable reduction in impairment losses. Return on average equity and return on average assets improved significantly to 8.00% and 0.78%, respectively, compared with 5.58% and 0.60% in the previous year.

Net interest income grew by 12% to HK\$2,894 million, mainly due to a 17% rise in average interest-earning assets. During the year, the Group successfully diversified its asset portfolio by expanding investments in debt securities and loan assets. Average debt securities investments and the loan portfolio increased by 18% and 11%, respectively, while average customer deposits rose by 22% year-on-year. Despite a decline in interest rates during the year, which led to yield compression upon the repricing of assets, the net interest margin remained resilient, narrowing only slightly by 7 basis points from 1.84% to 1.77%.

Non-interest income increased by 13% to HK\$425 million. Insurance services income, net gains from treasury marketing activities and credit-related fee income recorded robust growth of 33%, 31% and 25%, respectively. However, this growth was partially offset by mark-to-market losses on hedging instruments. Non-interest income accounted for 12.8% of total operating income.

Operating expenses amounted to HK\$1,397 million, representing a year-on-year increase of 9%. Nevertheless, the cost-to-income ratio improved modestly from 43.5% in 2024 to 42.1% in 2025. The increase in operating expenses was primarily due to higher staff costs and increased IT-related expenditure. The Group remained committed to prudent cost management to enhance operational efficiency, while continuing to acquire new talents, upskill existing employees and invest in AI-driven initiatives to support sustainable long-term business growth.

Total impairment losses decreased by 44% to HK\$321 million. Stage 3 impairment losses for loans (net of bad debt recovery) was HK\$315 million. The Group recorded a write-back of HK\$27 million in Stage 1 and 2 loan impairment losses, alongside a provision of HK\$33 million for other financial instruments. The significant reduction in impairment losses underscores the improvement in asset quality, supported by the Group’s strategic focus on maintaining risk exposures with higher credit quality. As at 31 December 2025,

the impaired loan ratio (including trade bills and advances to bank) stood at 0.74%, with a strong coverage ratio of 81.0%.

Total assets reached HK\$190.7 billion, reflecting an increase of HK\$30.5 billion, or 19%, compared with the prior year. The debt securities investment portfolio expanded by 22% to HK\$74.5 billion, driven by increased investments in high-quality bonds issued by public sector entities, government and central banks, as well as banks. Customer deposits grew by 22% to HK\$162.9 billion. Including trade bills and advances to banks, the loan-to-deposit ratio increased slightly from 53.1% as at 31 December 2024 to 53.5% as at 31 December 2025.

The Group maintained a strong capital and liquidity position throughout the year. As at 31 December 2025, the Common Equity Tier 1 Capital Ratio and Tier 1 Capital Ratio both stood at 17.65%, while the Total Capital Ratio was 19.10%, comfortably exceeding statutory requirements. The Average Liquidity Maintenance Ratio remained at a sound level of 108.28%.

Fubon Bank (Hong Kong) has proactively embraced digitalization to optimize core business processes. In 2025, the Bank established an AI agent infrastructure to accelerate digital transformation and also made solid business achievements that are expected to propel future growth. In addition to enhancing the functionalities of Fubon+ Mobile Banking and streamlining the credit approval process for small and medium-enterprise (“SME”) loans, the Bank launched its first virtual credit card “iN Visa Platinum Card” to expand its digital payment offerings. Concurrently, the Bank introduced its original “The Otters Family” blind box series to strengthen customer engagement and enrich its brand identity. In November 2025, S&P Global Ratings upgraded Fubon Bank (Hong Kong)’s long-term issuer credit rating to “A-”, a strong recognition of the Bank’s solid capital position and the steady growth of its retail deposit business.

The Hong Kong economy is expected to remain positive in the near term. Leveraging its strengthened credit profile, the Bank aims to attract high-net-worth clients to capture growth opportunities in the wealth management sector, while continuing to focus on large corporate and syndicated loans. The Bank will also proactively pursue financing opportunities in key international markets, such as Australia, the Middle East and ASEAN. At the same time, the Bank remains committed to supporting SMEs with comprehensive financial services and by enhancing service accessibility through the launch of a corporate mobile banking app this year. Fubon Bank (Hong Kong) has received approval to establish a branch in Shenzhen, marking a significant step in its strategy to deepen its presence in the Greater Bay Area. As ever, the Bank remains dedicated to adopt innovative technologies to elevate customer experience, enhance its local operation, and deliver premium financial services to maintain its position as customers’ preferred banking service provider.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 December 2025**

	2025 HK\$'000	2024 HK\$'000
Interest income calculated using effective interest method	7,543,189	7,732,185
Other interest income	3,171	2,207
Interest income	<u>7,546,360</u>	<u>7,734,392</u>
Interest expense	<u>(4,652,771)</u>	<u>(5,152,846)</u>
<b>Net interest income</b>	<u>2,893,589</u>	<u>2,581,546</u>
Fee and commission income	584,017	484,139
Fee and commission expense	<u>(105,159)</u>	<u>(100,139)</u>
<b>Net fee and commission income</b>	<u>478,858</u>	<u>384,000</u>
Other operating loss	<u>(53,957)</u>	<u>(9,514)</u>
Operating income	3,318,490	2,956,032
Operating expenses	<u>(1,397,452)</u>	<u>(1,285,824)</u>
<b>Operating profit before other gains and impairment losses</b>	<u>1,921,038</u>	<u>1,670,208</u>
Impairment losses on advances to customers	<u>(278,780)</u>	<u>(568,745)</u>
impairment losses on other financial instruments	<u>(41,751)</u>	<u>(5,067)</u>
Impairment losses on other assets	<u>(476)</u>	<u>(1,236)</u>
Impairment losses on assets acquired under lending agreements	<u>(300)</u>	<u>(1,000)</u>
<b>Impairment losses</b>	<u>(321,307)</u>	<u>(576,048)</u>
Loss on revaluation of investment properties	<u>(1,000)</u>	<u>(22,800)</u>
Net gains on disposal of financial assets measured at amortized cost	9,310	2,636
Net (losses) / gains on disposal of fixed assets	<u>(318)</u>	<u>43</u>
<b>Profit before taxation</b>	<u>1,607,723</u>	<u>1,074,039</u>
Taxation	<u>(231,266)</u>	<u>(167,461)</u>
<b>Profit for the year</b>	<u>1,376,457</u>	<u>906,578</u>
<b>Other comprehensive income for the year, net of tax:</b>		
Items that will not be reclassified to profit or loss:		
Premises: net movement in premises revaluation reserve	3,098	(269,359)
Equity securities designated at fair value through other comprehensive income: net movement in investment revaluation reserve (non-recycling)	200	120,759
Defined benefit liability: net movement in the defined benefit liability	<u>3,400</u>	<u>(5,116)</u>
	<u>6,698</u>	<u>(153,716)</u>
Items that will be reclassified to profit or loss:		
Debt securities measured at fair value through other comprehensive income: net movement in investment revaluation reserve (recycling)	94,643	(12,204)
	<u>101,341</u>	<u>(165,920)</u>
<b>Total comprehensive income for the year</b>	<u>1,477,798</u>	<u>740,658</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2025**

	<b>31 December 2025 HK\$'000</b>	31 December 2024 HK\$'000
<b>ASSETS</b>		
Cash and short-term funds	5,002,214	8,516,072
Balances with banks and other financial institutions	14,425,351	10,685,622
Trading assets	2,460,418	1,436,973
Derivative financial instruments	1,301,021	1,916,183
Advances to customers	71,084,844	62,701,653
Advances to banks	15,137,000	7,168,457
Trade bills	664,776	756,654
Accrued interest and other assets	3,020,433	2,843,016
Debt securities measured at amortized cost	38,842,869	42,022,873
Debt securities measured at fair value through other comprehensive income	35,669,375	19,072,835
Investment funds measured at fair value through profit or loss	21,201	24,681
Equity securities designated at fair value through other comprehensive income	72,495	72,221
Fixed assets	2,957,785	2,972,010
Investment properties	61,500	62,500
<b>Total assets</b>	<b>190,721,282</b>	<b>160,251,750</b>
<b>LIABILITIES</b>		
Deposits and balances of banks and other financial institutions	4,013,695	3,856,010
Deposits from customers	162,892,400	133,895,361
Trading liabilities	2,460,418	941,735
Derivative financial instruments	304,600	101,708
Other liabilities	2,783,639	4,518,782
Current tax liabilities	89,577	72,296
Deferred tax liabilities	330,983	317,146
<b>Total liabilities</b>	<b>172,875,312</b>	<b>143,703,038</b>
<b>EQUITY</b>		
Share capital	4,830,448	4,830,448
Reserves	13,015,522	11,718,264
<b>Total equity</b>	<b>17,845,970</b>	<b>16,548,712</b>
<b>Total equity and liabilities</b>	<b>190,721,282</b>	<b>160,251,750</b>

Note: The financial information relating to the financial years ended 31 December 2025 and 2024 that is included in this press release does not constitute the Bank's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

The Bank has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Bank's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

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### **Fubon Bank (Hong Kong) Limited**

Fubon Bank (Hong Kong) Limited ("Fubon Bank") is a wholly owned subsidiary of Fubon Financial Holding Co., Ltd. ("Fubon Financial Holdings"), one of the largest financial holding companies in Taiwan. Committed to becoming one of Asia's first-class financial institutions, Fubon Financial Holdings has built a strong lineup of financial service companies. Fubon Bank operates 15 branches, 3 SME Banking Services Centres, 1 Offshore Banking Centre and 1 Securities Services Centre in Hong Kong, providing a wide range of financial services encompassing consumer and wholesale banking, wealth management, financial markets, securities brokerage and investment services. Fubon Bank holds an A-2 short-term, A- long-term rating from Standard & Poor's. The rating reflects Fubon Bank's strong capitalization, good liquidity and sound asset quality.

For more information about Fubon Bank, please visit Fubon Bank's website [www.fubonbank.com.hk](http://www.fubonbank.com.hk).