

TAI SANG BANK LIMITED

**INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025
(UNAUDITED)**

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

I. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Interest Income	9,085,991	10,425,500
Interest Expenses	(2,088,886)	(2,432,867)
Net Interest Income	<u>6,997,105</u>	<u>7,992,633</u>
Other Operating Income	15,404,406	14,592,187
Operating Income	<u>22,401,511</u>	<u>22,584,820</u>
Operating Expenses	(23,480,582)	(19,345,302)
Operating (Loss) / Profit Before Impairment	<u>(1,079,071)</u>	<u>3,239,518</u>
Expected Credit Loss Allowances for Impaired Assets	-	-
Operating (Loss) / Profit	<u>(1,079,071)</u>	<u>3,239,518</u>
Revaluation Loss of Investment Properties	(2,000,000)	(5,100,000)
Loss on Disposal of Property, Plant & Equipment	(23,150)	(493)
Loss Before Income Tax	<u>(3,102,221)</u>	<u>(1,860,975)</u>
Income Tax Expense	352,788	(99,676)
Loss Attributable to Equity Holders	<u>(2,749,433)</u>	<u>(1,960,651)</u>
Other Comprehensive Income :		
Items that will not be reclassified to Profit or Loss		
Equity Investments at Fair Value through		
Other Comprehensive Income (FVOCI):		
Increase in Fair Value during the Half Year	4,029,303	824,261
Deferred Tax	-	-
Items that will be reclassified to Profit or Loss		
Debt Securities at Fair Value through		
Other Comprehensive Income (FVOCI):		
Increase / (Decrease) in Fair Value during the Half Year	21,260	(135,298)
Deferred Tax	-	-
Total Comprehensive Income / (Loss) Attributable to Equity Holders for the Half Year Ended 30th June	<u><u>1,301,130</u></u>	<u><u>(1,271,688)</u></u>

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

I. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(CONTINUED)

Explanatory Statement

Operating result as compared to the same period last year

The Group reported an operating loss of HK\$ 1.1 million in the first half of 2025, down from an operating profit of HK\$ 3.2 million for the first half of 2024. This decline was largely due to costs incurred for establishing a new safe deposit center at the end of 2024. These costs totalled HK\$ 4.0 million which included interest expenses on lease liabilities, payroll and other operating costs.

Additionally, net interest income for the current half year decreased by 12.5% compared to the first half of 2024. This decline was primarily driven by lower interest rates in the HKD interbank markets, which reduced the interest income earned for the Group. Although there was a decrease in interest expenses, it was less pronounced than the drop in interest income. This was mainly due to a shift in customer deposits from savings deposits to higher-yield fixed deposits.

As at the end of June 2025, the Group's loan portfolio has decreased by 1.8% from the end of 2024. The released funds were either invested in exchange fund bills or placed in the interbank market. Interest income for this period also declined due to lower interest rates. However, the loan book is expected to increase during the second half of 2025.

During the first half of 2025, the Group has maintained its level of investment in blue-chip listed equity shares. The higher level of dividend income received for the current period when compared to the first half of 2024 was due to the difference in the timing of dividend payment and increase in dividend declared by some investee companies for the current period.

Fair Value of Investment properties recorded a 0.66% decrease from December 2024

The Group held investment properties in the Bank building in Central and certain office units in a Mongkok commercial building. As a whole, the Group's investment properties decreased in value by 0.66% from those as at the end of 2024. Such values were confirmed and reported by the Group's professional external property valuer as at 30 June 2025. For comparison, the value of the Group's investment properties decreased by 1.67% as at 30 June 2024 when compared to the end of 2023.

Marked-to-market gain of listed equity investments

The Group's equity investments measured at fair value through other comprehensive income, comprising mainly listed equity investments in Hong Kong, recorded about HK\$ 4.0 million cumulative unrealized gain during the half year ended 30 June 2025 as compared to the unrealized gain of around HK\$ 0.8 million for the same period in 2024.

Outlook in the near future

The Group remains healthy and the quality of the loan portfolio is stable. The Group's capital ratios continued to remain at high levels. Liquidity is maintained at an appropriate and desirable level. The Group would continue to expand its safe deposit box business and to also look for other safe investment opportunities to diversify its income sources and generate stable operating income for the shareholders.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
ASSETS		
Cash and Balances with Banks	372,986,334	93,041,899
Placements with Banks Maturing within One and Twelve Months	40,885,257	79,080,190
Loans and Advances to Customers & Other Accounts	207,075,142	210,485,855
Investment securities at Fair Value through Other Comprehensive Income (FVOCI)	21,266,720	202,907,792
Property, Plant & Equipment	135,329,759	137,181,013
Investment Properties	301,300,000	303,300,000
Right-of-use Assets	34,960,679	37,418,070
Tax Recoverable	8,245	13,523
TOTAL ASSETS	<u>1,113,812,136</u>	<u>1,063,428,342</u>
LIABILITIES		
Deposits from Customers	296,015,160	237,894,953
Lease Liabilities	39,766,450	41,594,834
Other Liabilities & Provisions	51,954,164	58,805,257
Deferred Tax Liabilities	8,176,624	8,544,561
Tax Payable	19,394	9,523
TOTAL LIABILITIES	<u>395,931,792</u>	<u>346,849,128</u>
EQUITY		
Share Capital	310,000,000	310,000,000
Reserves	407,880,344	406,579,214
TOTAL EQUITY	<u>717,880,344</u>	<u>716,579,214</u>
TOTAL EQUITY AND LIABILITIES	<u>1,113,812,136</u>	<u>1,063,428,342</u>

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

III. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Bank			
	Share capital HK\$	Other reserves HK\$	Retained earnings HK\$	Total HK\$
Balance at 1 January 2025 (Audited)	310,000,000	6,161,140	400,418,074	716,579,214
Comprehensive income/ (loss)				
Loss for the half year	-	-	(2,749,433)	(2,749,433)
Other comprehensive income				
Change in fair value of investment securities measured at FVOCI	-	4,050,563	-	4,050,563
Total comprehensive income / (loss)	-	4,050,563	(2,749,433)	1,301,130
Transfer of investment revaluation reserve to retained earnings upon the disposal of equity investments measured at FVOCI	-	(1,995,933)	1,995,933	-
Total transfer and appropriation	-	(1,995,933)	1,995,933	-
Balance at 30 June 2025 (Unaudited)	310,000,000	8,215,770	399,664,574	717,880,344
Balance at 1 January 2024 (Audited)	310,000,000	4,566,963	400,984,300	715,551,263
Comprehensive income / (loss)				
Loss for the half year	-	-	(1,960,651)	(1,960,651)
Other comprehensive income				
Change in fair value of investment securities measured at FVOCI	-	688,963	-	688,963
Total comprehensive income / (loss)	-	688,963	(1,960,651)	(1,271,688)
Total transfer and appropriation	-	-	-	-
Balance at 30 June 2024 (Unaudited)	310,000,000	5,255,926	399,023,649	714,279,575

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

IV. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Cash flows from operating activities		
Operating (loss) / profit	(1,079,071)	3,239,518
Depreciation - property, plant and equipment	2,698,429	1,472,509
Depreciation - right-of-use assets	2,457,391	1,425,781
Dividend income from equity investments at FVOCI	(432,531)	(283,087)
Cash flows from operating activities before changes in operating assets and liabilities	3,644,218	5,854,721
Changes in operating assets and liabilities		
- Net increase in interest receivable	(234,552)	(1,420,484)
- Net increase in other receivable accounts	(89,170)	(1,963,756)
- Net (decrease) / increase in interest payable	(83,078)	359,114
- Net increase / (decrease) in other payable accounts	3,783,654	(1,737,919)
- Net decrease in advances to customers	3,734,435	67,995,905
- Net increase / (decrease) in customers' deposits	58,120,207	(17,134,723)
- Net decrease / (increase) in placements with banks repayable more than 3 months	30,021,260	(98,302,758)
Net cash inflow / (outflow) from operating activities	98,896,974	(46,349,900)
Cash flows from investing activities		
Dividends received on equity investments at FVOCI	432,531	283,087
Purchase of plant and equipment	(11,421,993)	(86,860)
Proceeds from disposal of equity investments	5,955,354	-
Net cash (outflow) / inflow from investing activities	(5,034,108)	196,227
Cash flows from financing activities		
Principal elements of lease payments	(1,828,384)	(1,238,782)
Net cash outflow from financing activities	(1,828,384)	(1,238,782)
Increase / (decrease) in cash and cash equivalents	92,034,482	(47,392,455)
Cash and cash equivalents at 1 January	321,837,109	148,443,132
Cash and cash equivalents at 30 June (Note a)	413,871,591	101,050,677
Cash flows from operating activities included:		
Interest received	8,851,439	9,005,016
Interest paid	2,171,964	2,073,753
Note a :		
Cash and cash equivalents comprise the following balances:		
Cash in hand	4,480,177	2,809,269
Balances with banks and central bank	131,311,657	11,604,804
Placements with banks with original maturity within 3 months	278,079,757	86,636,604
	413,871,591	101,050,677

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

V. SCOPE OF CONSOLIDATION

This interim financial disclosure statement has been prepared based on the consolidated results and financial data of the Bank and its five subsidiaries made up to 30 June 2025. The five wholly owned subsidiaries of the Bank are TSB Property Management Limited, Success Land Enterprises Limited, Golden Wisdom Development Limited, Team Gold Investment Limited and Gold Harmony Enterprises Limited, the first two of which are engaged in property management and investment holding respectively, while the latter three are investment property holding companies. There were no subsidiaries which were not included in the consolidated Group.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The basis of consolidation for accounting purposes differs from the basis of consolidation for regulatory purposes, under which only Success Land Enterprises Limited, Golden Wisdom Development Limited, Team Gold Investment Limited and Gold Harmony Enterprises Limited are included as subsidiaries in the consolidated Group for regulatory purposes. The Bank is required to calculate and report its capital ratios on the consolidated position based on the regulatory scope of consolidated figures in addition to the Bank's solo position based on its unconsolidated level figures.

There are no shareholdings in any of the above subsidiaries that are deducted from the Bank's CET1 capital.

The total assets and total equity reported on the financial statement of each of the above mentioned subsidiaries as at 30 June 2025 are as follows:

	Total Assets At 30 Jun 2025 (Unaudited) HK\$	Total Equity At 30 Jun 2025 (Unaudited) HK\$
TSB Property Management Limited	825,979	738,360
Success Land Enterprises Limited	2	2
Golden Wisdom Development Limited	33,898,356	33,618,756
Team Gold Investment Limited	29,523,144	29,236,816
Gold Harmony Enterprises Limited	17,619,884	(3,561,629)

There are no restrictions on the transfer of funds or regulatory capital between the Group companies under any relevant regulatory, legal or taxation constraints.

VI. NOTES AND SUPPLEMENTARY INFORMATION

(1) General Information

The principal activities of Tai Sang Bank Limited (the "Bank") and its subsidiaries (collectively the "Group") are the provision of banking and related financial services, and property investment and management.

The Bank is an authorized institution incorporated in Hong Kong. The address of its registered office is 130 - 132 Des Voeux Road Central, Hong Kong.

This interim financial disclosure statement is presented in units of Hong Kong dollars (HK\$), unless otherwise stated.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(2) Accounting Policies

The accounting policies applied in the preparation of this interim financial disclosure statement for the half year ended 30 June 2025 are consistent with those used and described in the Group's audited annual financial statements for the year ended 31 December 2024.

(3) Net Interest Income

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Interest income		
Cash and balances and placements with banks	3,057,620	4,323,493
Loans and advances	4,117,728	2,479,391
Debt securities at FVOCI	1,899,417	3,517,121
Others	11,226	105,495
Impaired assets	-	-
	<u>9,085,991</u>	<u>10,425,500</u>
Interest expense		
Deposits from customers	1,285,045	1,794,736
Lease liabilities	781,616	446,218
Others	22,225	191,913
	<u>2,088,886</u>	<u>2,432,867</u>

(4) Other Operating Income

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Fees and commission income	70,307	69,410
Less : fees and commission expense	(43,877)	(23,319)
Net fees and commission income	<u>26,430</u>	<u>46,091</u>
Gross rental income - investment properties	3,632,191	4,816,328
Less : rental outgoings	(1,790,876)	(1,593,784)
	<u>1,841,315</u>	<u>3,222,544</u>
Air-conditioning and management fees	982,083	1,103,987
Dividend income from:		
Listed equity investments at FVOCI	432,531	283,087
Safe deposit box rental income	12,086,843	9,229,906
Miscellaneous income	35,204	706,572
	<u>15,404,406</u>	<u>14,592,187</u>

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(5) Operating Expenses

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Staff costs	10,460,223	9,962,177
Premises and equipment expenses	1,840,090	1,281,863
Depreciation - property, plant and equipment	2,698,429	1,472,509
Depreciation - rights-of-use assets	2,457,391	1,425,781
Miscellaneous expenses	6,024,449	5,202,972
	23,480,582	19,345,302

(6) Income Tax Expense

Hong Kong income tax has been provided at the rate of 16.5% (2024:16.5%) on the estimated assessable profits for the period.

	Half Year Ended 30 Jun 2025 (Unaudited) HK\$	Half Year Ended 30 Jun 2024 (Unaudited) HK\$
Current income – Hong Kong profits tax expense	15,149	19,527
Deferred income tax (credit) / expense	(367,937)	80,149
Income tax expense	(352,788)	99,676

(7) Cash and Balances with Banks

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Cash in hand	4,480,177	2,419,393
Balances with banks and central bank	131,311,657	8,655,055
Placement with banks, maturing within 1 month	237,194,500	81,967,451
	372,986,334	93,041,899
Expected credit loss allowances for impaired assets		
- cash and balances with banks	-	-

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(8) Placements with Banks

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Placements with banks		
- maturing between 1 and 12 months	<u>40,885,257</u>	<u>79,080,190</u>
Expected credit loss allowances for impaired assets		
- (placements with banks)	<u>-</u>	<u>-</u>

(9) Loans and Advances to Customers & Other Accounts

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Loans and advances to customers	<u>199,577,810</u>	<u>203,312,245</u>
Accrued interest and other accounts	<u>7,497,332</u>	<u>7,173,610</u>
Expected credit loss allowances for impaired assets		
- expected credit loss allowances (loans and advances to customers)	<u>-</u>	<u>-</u>
- expected credit loss allowances (accrued interest & other accounts)	<u>-</u>	<u>-</u>

- (10) All advances disclosed in note (9) above as at 31 December 2024 and 30 June 2025 were made to customers located in Hong Kong and were fully secured.
- (11) As at 31 December 2024 and 30 June 2025, there were no advances to customers or banks and other financial institutions which were impaired and for which individual impairment allowances were made.
- (12) There were no advances to customers, advances to banks and other financial institutions and other assets which had been overdue for more than three months as at 31 December 2024 and 30 June 2025.
- (13) There were no rescheduled advances to customers or rescheduled advances to banks and other financial institutions as at 31 December 2024 and 30 June 2025.
- (14) The Group had no repossessed assets as at 31 December 2024 and 30 June 2025. In situations where assets are acquired by repossession of collateral for realization, they would continue to be reported as advances.
- (15) There were no exposures to non-bank counterparties in Mainland China as at 31 December 2024 and 30 June 2025.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(16) Gross Advances to Customers by Industry Sectors

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Unaudited) HK\$
Loans for use in Hong Kong		
Industrial, commercial and financial		
- property investment	81,355,063	84,952,380
- investment companies	102,509,838	104,449,207
Wholesale and retail trade	7,892,255	6,992,265
Individuals		
- others	7,820,654	6,918,393
	<u>199,577,810</u>	<u>203,312,245</u>

(17) Investment Securities Measured at Fair Value through Other Comprehensive Income

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Debt Securities		
Treasury bills (including Hong Kong Exchange Fund Bills)	-	179,715,020
Total Debt Securities	<u>-</u>	<u>179,715,020</u>
Equity Securities		
Listed in Hong Kong, at market value	20,894,375	22,833,218
Listed outside Hong Kong, at market value	53,940	41,149
Unlisted, at estimated fair value	318,405	318,405
Total Equity Securities	<u>21,266,720</u>	<u>23,192,772</u>
Total Investment Securities Measured at Fair Value through Other Comprehensive Income	<u>21,266,720</u>	<u>202,907,792</u>
Type of issuer:		
Sovereign	-	179,715,020
Banks and other financial institutions	8,308,574	11,829,768
Corporates	11,732,146	10,350,004
Others	1,226,000	1,013,000
	<u>21,266,720</u>	<u>202,907,792</u>
Expected credit loss allowances for impaired assets (investment debt securities at fair value through other comprehensive income)	<u>-</u>	<u>-</u>

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(18) Property, Plant and Equipment

	Bank Premises HK\$	Furniture, Fixtures and Equipment HK\$	Total HK\$
Cost or Deemed cost at valuation			
At 1 Jan 2025 (Audited)	150,285,740	58,659,028	208,944,768
Additions	-	870,325	870,325
Write off / disposal	-	(1,156,687)	(1,156,687)
At 30 Jun 2025 (Unaudited)	<u>150,285,740</u>	<u>58,372,666</u>	<u>208,658,406</u>
Accumulated depreciation and impairment			
At 1 Jan 2025 (Audited)	52,062,312	19,701,443	71,763,755
Charge for the period	179,361	2,519,068	2,698,429
Write off / disposal	-	(1,133,537)	(1,133,537)
At 30 Jun 2025 (Unaudited)	<u>52,241,673</u>	<u>21,086,974</u>	<u>73,328,647</u>
Net book value			
At 30 Jun 2025 (Unaudited)	<u>98,044,067</u>	<u>37,285,692</u>	<u>135,329,759</u>
At 31 Dec 2024 (Audited)	<u>98,223,428</u>	<u>38,957,585</u>	<u>137,181,013</u>

(19) Investment Properties

	Total HK\$
At 1 Jan 2024 (Audited)	305,600,000
Fair value loss for the year	(2,300,000)
At 31 Dec 2024 (Audited)	<u>303,300,000</u>
Fair value loss for the 6 months period	(2,000,000)
At 30 Jun 2025 (Unaudited)	<u>301,300,000</u>

(20) Deposits from Customers

Deposits from customers comprise of the following categories :

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Demand deposits and current accounts	91,062,009	54,109,959
Savings deposits	110,216,790	92,001,756
Time, call and notice deposits	94,736,361	91,783,238
	<u>296,015,160</u>	<u>237,894,953</u>

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(21) Reserves

	Other properties revaluation reserve HK\$	Investments at FVOCI revaluation reserve HK\$	General reserve HK\$	Regulatory reserve HK\$	Retained earnings HK\$	Total HK\$
At 1 Jan 2025 (Audited)	1,790,710	1,960,173	610,257	1,800,000	400,418,074	406,579,214
Surplus on revaluation of equity investments at FVOCI	-	4,050,563	-	-	-	4,050,563
Transfer of investment revaluation reserve to retained earnings upon the disposal of equity investments measured at FVOCI	-	(1,995,933)	-	-	1,995,933	-
Loss for the half year	-	-	-	-	(2,749,433)	(2,749,433)
At 30 Jun 2025 (Unaudited)	<u>1,790,710</u>	<u>4,014,803</u>	<u>610,257</u>	<u>1,800,000</u>	<u>399,664,574</u>	<u>407,880,344</u>
Representing :						
Bank and subsidiaries	<u>1,790,710</u>	<u>4,014,803</u>	<u>610,257</u>	<u>1,800,000</u>	<u>399,664,574</u>	<u>407,880,344</u>

(22) International Claims

The break-down of the international claims by types of counterparties on geographical segment which constitutes 10% or more of the aggregate international claims are reported as follows:

	Banks and other Financial Institutions HK\$'000	Official Sector HK\$'000	Total HK\$'000
As at 30 June 2025 (Unaudited)			
Asia Pacific excluding Hong Kong	<u>186,565</u>	<u>-</u>	<u>186,565</u>
As at 31 December 2024 (Unaudited)			
Asia Pacific excluding Hong Kong	<u>160,801</u>	<u>-</u>	<u>160,801</u>

The above international claims classification has taken into account the transfer of risk in the case of claims on overseas branches of a bank whose head office is located in another country.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(23) Currency Concentrations

The US dollar net position, the RMB net position and the EUR net position, which arise from non-trading positions and each constitutes more than 10% of the total net position in all foreign currencies, are reported as follows:

US Dollar Position:

	As at 30 Jun 2025 (Unaudited) HK\$'000	As at 31 Dec 2024 (Unaudited) HK\$'000
Equivalent in Hong Kong dollars		
Spot assets	48,345	16,300
Spot liabilities	(16,097)	(15,663)
Net long position	<u>32,248</u>	<u>637</u>

RMB Position:

	As at 30 Jun 2025 (Unaudited) HK\$'000	As at 31 Dec 2024 (Unaudited) HK\$'000
Equivalent in Hong Kong dollars		
Spot assets	324	325
Spot liabilities	(114)	(122)
Net long position	<u>210</u>	<u>203</u>

EUR Position:

	As at 30 Jun 2025 (Unaudited) HK\$'000	As at 31 Dec 2024 (Unaudited) HK\$'000
Equivalent in Hong Kong dollars		
Spot assets	34	29
Spot liabilities	-	-
Net long position	<u>34</u>	<u>29</u>

(24) Off-Balance Sheet Exposures

(a) Contingent Liabilities and Commitments

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Contract amount		
Direct credit substitutes	-	-
Trade-related contingencies	-	-
Other commitments with an original maturity of under 1 year or which are unconditionally cancellable	19,581,975	15,903,763
	<u>19,581,975</u>	<u>15,903,763</u>
Credit Risk Weighted Amount	<u>-</u>	<u>-</u>

(b) Derivatives

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Exchange Rate Contracts		
Notional Contract Amount	-	-
Credit Risk Weighted Amount	-	-
Replacement Cost	-	-

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(24) Off-Balance Sheet Exposures (Continued)

(b) Derivatives (Continued)

	As at 30 Jun 2025 (Unaudited) HK\$	As at 31 Dec 2024 (Audited) HK\$
Interest Rate Contracts		
Notional Contract Amount	-	-
Credit Risk Weighted Amount	-	-
Replacement Cost	-	-
Other Contracts		
Notional Contract Amount	-	-
Credit Risk Weighted Amount	-	-
Replacement Cost	-	-

The Group did not enter into any bilateral netting agreements during the period and accordingly the above amounts are shown on a gross basis.

(25) Capital Structure and Adequacy

The Bank is required by the HKMA to compute and report on capital ratios on both consolidated and solo basis. The Bank and the Group complied with all of the externally imposed capital requirements by the HKMA throughout the reporting period. The capital base after deductions used in the calculation of the above capital ratios and reported to the Hong Kong Monetary Authority is analysed as follows :

	Consolidated Basis As at 30 Jun 2025 (Unaudited) HK\$'000	Consolidated Basis As at 31 Dec 2024 (Audited) HK\$'000
Common equity tier 1 (CET1) capital :		
CET1 capital instruments	264,987	264,987
Retained earnings	398,936	399,601
Disclosed reserves	8,216	6,161
	<u>672,139</u>	<u>670,749</u>
Less: Cumulative fair value gains arising from revaluation of land and buildings	(267,655)	(269,655)
Regulatory reserve for general banking risk	(1,800)	(1,800)
Total CET1 capital after deductions	<u>402,684</u>	<u>399,294</u>
Additional Tier 1 capital	-	-
Total Tier 1 capital after deductions	<u>402,684</u>	<u>399,294</u>
Tier 2 capital		
Reserve attributable to fair value gains on revaluation of land and buildings	140,701	141,601
Regulatory reserve for general banking risk	1,800	1,800
	<u>142,501</u>	<u>143,401</u>
Less : Tier 2 capital deductions	-	-
Total Tier 2 capital after deductions	<u>142,501</u>	<u>143,401</u>
Total capital base	<u>545,185</u>	<u>542,695</u>

The total capital base for the current reporting period has slightly increased from that as at 31 December 2024, mainly as a result of the net increase from operating profit booked for the current period and the unrealised gain from marking the FVOCI securities to market which are then partially offset by the property revaluation loss booked in the same period.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(25) Capital Structure and Adequacy (Continued)

The capital ratios shown in Template KM1 represent the consolidated ratios of the Bank as computed in accordance with the Banking (Capital) Rules. In accordance with the Banking (Capital) Rules, the Bank has adopted the “basic approach” for the calculation of the risk weighted assets for credit risk and the “basic indicator approach” for the calculation of operational risk. The Bank has been exempted from the calculation of risk weighted assets for market risk.

(26) Regulatory Disclosure Templates

The following regulatory disclosure templates as at 30 June 2025 (unaudited) are attached to the annex of this interim financial disclosure statement:

- Key Prudential Ratios (Template KM1)
- Composition of Regulatory Capital (Template CC1)
- Reconciliation of Regulatory Capital to Statement of Financial Position (Template CC2)
- Main Features of Regulatory Capital Instruments (Table CCA)
- Summary Comparison of Accounting Assets Against Leverage Ratio (Template LR1)
- Leverage Ratio (Template LR2)
- Geographical Distribution of Credit Exposures used in Countercyclical Capital Buffer (Template CCyB1)
- Overview of Risk Weighted Assets (Template OV1)
- Credit Quality of Exposures Template (Template CR1)
- Changes in Defaulted Loans and Debt Securities Template (Template CR2)
- Overview of Recognized Credit Risk Mitigation Template (Template CR3)
- Credit Risk Exposures and Effects of Recognized Credit Risk Mitigation Template (Template CR4)
- Credit Risk Exposures by Exposure Classes and by Risk Weights Template (Template CR5)
as at 30 June 2025
- Credit Risk Exposures by Asset Classes and by Risk Weights Template (Template CR5)
as at 31 December 2024

The Bank does not engage in any derivative transactions, securities financing transactions or securitization transactions as at 31 December 2024 and 30 June 2025 nor has plan to engage in such transactions in the coming year, and has therefore not included any disclosure templates on counterparty credit risk in respect of derivative contracts and securities financing transactions, credit valuation adjustment risk, securitization exposures and asset encumbrance, which are considered not to be relevant and would carry nil balances on such templates if published.

The Bank has been exempted from the calculation of risk weighted assets for market risk and accordingly has been exempted from disclosing templates on market risk.

Full capital deductions under the Banking (Capital) Rules have already been applied in the Capital Disclosures Template.

Full terms and conditions of the Bank’s CET1 capital instruments are disclosed in the website of the Bank.

TAI SANG BANK LIMITED
INTERIM FINANCIAL DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2025 (UNAUDITED)

VI. NOTES AND SUPPLEMENTARY INFORMATION (CONTINUED)

(27) Statement in Accordance with Section 436 of Hong Kong Companies Ordinance (Cap. 622)

The financial information relating to the year ended 31 December 2024 as included in this Interim Financial Disclosure Statement for the half year ended 30 June 2025 as comparative information, does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

As the Company is a private company, the Company is not required to deliver its financial statements to the Registrar of Companies, and has not done so.

The Company's auditor has reported on those financial statements. The auditor's reports were 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 sections 406(2), 407(2) or (3) of the Companies Ordinance.

(28) Statement of Compliance

This interim financial disclosure statement for the half year ended 30 June 2025 is prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" and fully complies with the requirements set out in the Banking (Disclosure) Rules.

TAI SANG BANK LIMITED
REGULATORY DISCLOSURE TEMPLATES
AS AT 30 JUNE 2025
(UNAUDITED)

Tai Sang Bank Limited
Template KM1: Key Prudential Ratios (on Regulatory Consolidated Basis)

		(a)	(b)	(c)	(d)	(e)
		30-Jun-25	31-Mar-25	31-Dec-24	30-Sep-24	30-Jun-24
	Regulatory capital (amount) (HK\$'000)					
1	Common Equity Tier 1 (CET1)	402,684	401,694	399,294	401,658	399,609
2	Tier 1	402,684	401,694	399,294	401,658	399,609
3	Total capital	545,185	545,095	542,695	543,828	541,779
	RWA (amount) (HK\$'000)					
4	Total RWA	722,390	752,896	670,421	622,665	608,794
4a	Total RWA (pre-floor)	722,390	752,896	670,421	622,665	608,794
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5 & 5a	CET1 ratio (%)	55.74%	53.35%	59.56%	64.51%	65.64%
5b	CET1 ratio (%) (pre-floor ratio)	55.74%	53.35%	59.56%	64.51%	65.64%
6 & 6a	Tier 1 ratio (%)	55.74%	53.35%	59.56%	64.51%	65.64%
6b	Tier 1 ratio (%) (pre-floor ratio)	55.74%	53.35%	59.56%	64.51%	65.64%
7 & 7a	Total capital ratio (%)	75.47%	72.40%	80.95%	87.34%	88.99%
7b	Total capital ratio (%) (pre-floor ratio)	75.47%	72.40%	80.95%	87.34%	88.99%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%)	0.500%	0.500%	0.500%	1.000%	1.000%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.00%	3.00%	3.00%	3.50%	3.50%
12	CET1 available after meeting the AI's minimum capital requirements (%)	51.24%	45.35%	51.56%	56.51%	57.64%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure (HK\$'000)	811,166	754,027	758,460	761,733	724,996
13a	LR exposure measure based on mean values of gross assets of SFTs	N/A	N/A	N/A	N/A	N/A
14, 14a & 14b	LR (%)	49.64%	53.27%	52.65%	52.73%	55.12%
14c & 14d	LR (%) based on mean values of gross assets of SFTs	N/A	N/A	N/A	N/A	N/A
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2 institution only:					
17a	LMR (%)	113.63%	110.87%	119.45%	136.01%	119.96%
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

Tai Sang Bank Limited

Template KM1: Key Prudential Ratios (on Regulatory Consolidated Basis) (Continued)

Note:

- (1) The table above summarises the capital ratios calculated as computed in accordance with the Banking (Capital) Rules under regulatory consolidated basis of the Bank as at the dates shown. The Bank uses the Basic Approach for calculating credit risk. The Bank was granted by the HKMA an exemption from the calculation of market risk under the exemption criteria under section 22(1) of the Banking (Capital) Rules on 22 March 2016 and has excluded market risk in the calculation of capital ratio since then and as at 30 June 2025.
- (2) The capital conservation buffer ratio for the Bank for 2025 is 2.5% (2024: 2.5%) as stipulated by the Banking (Capital) Rules. While the Bank only operates and has private sector credit exposures in Hong Kong for the purpose of the calculation of its countercyclical capital buffer ratio, the applicable countercyclical capital buffer ratio for the Bank equals to that of Hong Kong as at 30 June 2025, which amounts to 0.5% (as at 31 December 2024: 0.5%).
- (3) **Basel III leverage ratio**
The leverage ratio shown above represents the regulatory consolidated leverage ratio calculated in accordance with the Banking (Capital) Rules.
- (4) **Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)**
The Bank, as a category 2 institution for the purpose of the Liquidity Rules, is only required to maintain and report LMR on a solo basis. As such, the Bank is not required to report LCR. The above LMRs are the quarterly average LMRs calculated as the simple average of each calendar month's average LMR of the Bank's solo position within the reporting quarters.

Liquidity risk arises from the mismatch in the cash flows emanating from on-balance sheet assets and liabilities, plus the settlement characteristic of off-balance sheet activities. The Group's funding activities are closely managed by the directors in accordance with policies and guidelines established by the Board. The usual conservative strategy and the availability of up-to-date reporting on liquidity position ensure that all obligations of the Group are met in a timely and cost efficient manner.
- (5) **Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)**
The Bank is not required to report NSFR and CFR.
- (6) **Higher Loss Absorbency (HLA)**
The Bank is not designated as a domestic systematically important authorised institution and as such is not subject to the HLA requirements under the Banking (Capital) Rules.

Tai Sang Bank Limited

Template CC1: Composition of Regulatory Capital as at 30 June 2025
(Unaudited - on Regulatory Consolidated Basis)

		(a)	(b)
		Amount	Source based on reference numbers of the balance sheet under the regulatory scope of consolidation
(Presented in HK\$' 000)			
	CET1 capital: instruments and reserves		
1	Directly issued qualifying CET1 capital instruments plus any related share premium	264,987	(1)
2	Retained earnings	398,936	(7)
3	Disclosed reserves	8,216	(3)+(4)+(5)+(6)
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	CET1 capital before regulatory deductions	672,139	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liabilities)	-	
9	Other intangible assets (net of associated deferred tax liabilities)	-	
10	Deferred tax assets (net of associated deferred tax liabilities)	-	
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	-	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	269,455	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	267,655	(3)+(8)
26b	Regulatory reserve for general banking risks	1,800	(6)
26c	Securitization exposures specified in a notice given by the MA	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	

Tai Sang Bank Limited

Template CC1: Composition of Regulatory Capital as at 30 June 2025

(Unaudited - on Regulatory Consolidated Basis) (Continued)

		(a)	(b)
		Amount	Source based on reference numbers of the balance sheet under the regulatory scope of consolidation
(Presented in HK\$' 000)			
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	269,455	
29	CET1 capital	402,684	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
36	AT1 capital before regulatory deductions	-	
AT1 capital: regulatory deductions			
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	-	
45	Tier 1 capital (T1 = CET1 + AT1)	402,684	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	1,800	(6)
51	Tier 2 capital before regulatory deductions	1,800	
Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	-	

Tai Sang Bank Limited

Template CC1: Composition of Regulatory Capital as at 30 June 2025

(Unaudited - on Regulatory Consolidated Basis) (Continued)

		(a)	(b)
		Amount	Source based on reference numbers of the balance sheet under the regulatory scope of consolidation
(Presented in HK\$' 000)			
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	(140,701)	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(140,701)	[(2)+(3)+(8)] *45%
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within BCR s48(1)(g)		
57	Total regulatory adjustments to Tier 2 capital	(140,701)	
58	Tier 2 capital (T2)	142,501	
59	Total regulatory capital (TC = T1 + T2)	545,185	
60	Total RWA	722,390	
Capital ratios (as a percentage of RWA)			
61	CET1 capital ratio	55.74%	
62	Tier 1 capital ratio	55.74%	
63	Total capital ratio	75.47%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical capital buffer requirement	0.50%	
67	of which: higher loss absorbency requirement	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	51.24%	
National minima (if different from Basel 3 minimum)			
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	1,800	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	10,502	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	

Tai Sang Bank Limited

Template CC1: Composition of Regulatory Capital as at 30 June 2025

(Unaudited - on Regulatory Consolidated Basis) (Continued)

Notes to the Template

Row No.	Description	Hong Kong basis	Basel III basis
9	Other intangible assets (net of associated deferred tax liabilities)	-	-
	Explanation As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights ("MSRs") may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
10	Deferred tax assets (net of associated deferred tax liabilities)	-	-
	Explanation As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	Explanation For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	Explanation For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

Tai Sang Bank Limited

Template CC1: Composition of Regulatory Capital as at 30 June 2025

(Unaudited - on Regulatory Consolidated Basis) (Continued)

Notes to the Template

Row No.	Description	Hong Kong basis	Basel III basis
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold) <u>Explanation</u> The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.	-	-
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold) <u>Explanation</u> The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and non-capital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.	-	-
Remarks: The amount of the 10% threshold and 5% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.			

Tai Sang Bank Limited

**Template CC2: Reconciliation of Regulatory Capital to Statement of Financial Position
as at 30 June 2025 (Unaudited - on Regulatory Consolidated Basis)**

	Consolidated Statement of Financial Position as in published interim financial disclosure statement	Under regulatory scope of consolidation - Group's Statement of Financial Position	Cross- referenced to Template CC1
	As at 30 June 2025	As at 30 June 2025	
	HK\$'000	HK\$'000	
Assets			
Cash and balances with banks	372,986	372,792	
Placements with banks maturing between one and twelve months	40,885	40,885	
Loans and advances to customers and other accounts	207,075	207,049	
Investment securities at fair value through other comprehensive income	21,267	21,267	
Investment in subsidiary not consolidated for regulatory purposes	-	10	
Property, plant and equipment	135,330	135,330	
Investment properties	301,300	301,300	
Right-of-use assets	34,961	34,961	
Tax recoverable	8	8	
Total assets	1,113,812	1,113,602	
Liabilities			
Deposits from customers	296,015	296,621	
Other liabilities and provisions	51,954	51,867	
Lease liabilities	39,766	39,766	
Tax payable	19	19	
Deferred tax liabilities	8,177	8,177	
Total liabilities	395,931	396,450	
Shareholders' Equity			
Paid-in share capital	310,000	310,000	
<i>of which: share capital paid up in cash and capitalized from realized revaluation gains of properties</i>		264,987	(1)
<i>share capital capitalized from unrealized revaluation gains of properties</i>		45,013	(2)
Other properties revaluation reserve	1,791	1,791	(3)
Investments at FVOCI revaluation reserve	4,015	4,015	(4)
General reserve	610	610	(5)
Regulatory reserve	1,800	1,800	(6)
Retained earnings	399,665	398,936	(7)
<i>of which: unrealized revaluation gains of investment properties</i>		265,864	(8)
<i>other retained earnings and profits</i>		133,072	
Total shareholders' equity	717,881	717,152	
Total liabilities and shareholders' equity	1,113,812	1,113,602	

Note:

There are no material changes in the reconciling items between the composition of the regulatory capital and the consolidated statement of financial position as at 30 June 2025 when compared to that of 31 December 2024.

Tai Sang Bank Limited

Table CCA: Main Features of Regulatory Capital Instruments as at 30 June 2025

1	Issuer	Tai Sang Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	Not applicable
3	Governing law(s) of the instrument	Laws of Hong Kong
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Not applicable
5	Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/group & solo	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (Currency in millions, as of most recent reporting date)	HKD 265 (Mn)
9	Par value of instrument	HKD 1
10	Accounting classification	Shareholders' equity
11	Original date of issuance	1954, 1969, 1990, 2001, 2010
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Floating dividend
18	Coupon rate and any related index	Not applicable
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Not applicable
36	Non-compliant transitioned features	Not applicable
37	If yes, specify non-compliant features	Not applicable

Tai Sang Bank Limited

**Template LR1 : Summary Comparison of Accounting Assets Against Leverage Ratio ("LR")
as at 30 June 2025 (Unaudited - on Regulatory Consolidated Basis)**

		(a)
	Item	Value under the LR framework HK\$'000 equivalent
1	Total consolidated assets as per published financial statements	1,113,812
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	10
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves	Not applicable
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative contracts	-
9	Adjustment for SFTs (i.e. repos and similar secured lending)	-
10	Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures)	-
11	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from exposure measure	-
12	Other adjustments	9,854
13	Leverage ratio exposure measure	1,123,676

Note: There are no material changes in the summary comparison reconciling items of the Bank's balance sheet assets as stated in the statement of financial position with the exposure measure for the calculation of leverage ratio for the current semi-annual reporting period.

Tai Sang Bank Limited

Template LR2 : Leverage Ratio ("LR")

as at 30 June 2025 (Unaudited - on Regulatory Consolidated Basis)

		(a)	(b)
	Item	Leverage ratio framework HK\$'000	Leverage ratio framework HK\$'000
		30-Jun-25	31-Mar-25
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	1,123,676	1,069,997
2	Gross-up derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	-	-
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
4	Less: Adjustment for securities received under SFTs that are recognised as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	-	-
6	Less: Asset amounts deducted in determining Tier 1 capital	(314,468)	(316,468)
7	Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)	809,208	753,529
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and/or bilateral netting)	-	-
9	Add-on amounts for PFE associated with all derivatives contracts	-	-
10	Less: Exempted CCP leg of client-cleared trade exposures	-	-
11	Adjusted effective notional amount of written credit-related derivative contracts	-	-
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivatives contracts	-	-
13	Total exposures arising from derivative contracts (sum of rows 8 to 12)	-	-
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-	-
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total exposures arising from SFTs (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	19,582	4,984
20	Less: Adjustments for conversion to credit equivalent amounts	(17,624)	(4,486)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	1,958	498
Capital and total exposures			
23	Tier 1 capital	402,684	401,694
24	Total exposures (sum of rows 7, 13, 18 and 22)	811,166	754,027
Leverage ratio			
25 & 25a	Leverage ratio	49.64%	53.27%
26	Minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	N/A	N/A

Tai Sang Bank Limited

Template LR2 : Leverage Ratio ("LR")

as at 30 June 2025 (Unaudited - on Regulatory Consolidated Basis) (Continued)

Disclosure of mean values			
28	Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30 & 30A	Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	-	-
31 & 31A	Leverage ratio based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	-	-

Tai Sang Bank Limited

**Template CCyB1: Geographical Distribution of Credit Exposures Used in
Countercyclical Capital Buffer ("CCyB") as at 30 June 2025**

As at 30 June 2025		(a)	(c)	(d)	(e)
	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect %	RWA used in computation of CCyB ratio HK\$ '000	AI-specific CCyB ratio %	CCyB amount HK\$ '000
1	Hong Kong	0.500%	241,723		
	Total		241,723	0.500%	1,209

As at 31 December 2024		(a)	(c)	(d)	(e)
	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect %	RWA used in computation of CCyB ratio HK\$ '000	AI-specific CCyB ratio %	CCyB amount HK\$ '000
1	Hong Kong	0.500%	203,312		
	Total		203,312	0.500%	1,017

Note: The above templates show the CCyB ratios of the Bank computed on the consolidated basis as at 30 June 2025 and 31 Decemebr 2024. As the Bank only operates and has private sector credit exposures in Hong Kong, the overall countercyclical capital buffer ratio was the same as the jurisdiction countercyclical capital buffer ratio of Hong Kong, that is, 0.5%, as at 30 June 2025 (2024: 0.5%). The level of RWA, i.e. private sector credit exposures in Hong Kong, has increased during the first half year of 2025 as a result of a higher average risk weight around 121% on loan book compared to 100% for 31 December 2024. Apart from this, there have been no material changes in the geographical breakdown of the credit exposures of the Bank during the current semi-annual reporting period.

Tai Sang Bank Limited
Template OV1: Overview of RWA as at 30 June 2025 (Unaudited - on Regulatory Consolidated Basis)

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30-Jun-25	31-Mar-25	30-Jun-25
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	840,183	874,489	67,215
2	Of which STC approach	-	-	-
2a	Of which BSC approach	840,183	874,489	67,215
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
5a	Of which retail IRB approach	-	-	-
5b	Of which specific risk-weight approach	-	-	-
6	Counterparty default risk and default fund contributions	-	-	-
7	Of which SA-CCR approach	-	-	-
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	-	-	-
11	Equity positions in banking book under the simple risk-weighted method and internal models method	N/A	N/A	N/A
12	Collective investment scheme ("CIS") exposures - look-through approach / third-party approach	-	-	-
13	CIS exposures – mandate-based approach	-	-	-
14	CIS exposures – fall-back approach	-	-	-
14a	CIS exposures - combination of approaches	-	-	-
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	Market risk	-	-	-
21	Of which STM approach	-	-	-
22	Of which IMA	-	-	-
22a	Of which SSTM approach	-	-	-
23	Capital charge for moving exposures between trading book and banking book	N/A	N/A	N/A
24	Operational risk	54,175	51,475	4,334
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Output floor level applied	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
28a	Deduction to RWA	171,968	173,068	13,757
28b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
28c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	171,968	173,068	13,757
29	Total	722,390	752,896	57,792

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR1 : Credit Quality of Exposures

		(a)	(b)	(c)	(d)		(e)	(f)	(g)
		Gross carrying amounts of		Allowances / impairments	Or which ECL accounting provisions for credit losses on STC approach exposures		Or which ECL accounting provisions for credit losses on IRB approach exposures	Net values HK\$ '000	
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of specific provision	Allocated in regulatory category of collective provision			
As at 30 June 2025		HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
1	Loans	-	199,578	-	-	-	-	-	199,578
2	Debt securities	-	-	-	-	-	-	-	-
3	Off-balance sheet exposures	-	19,582	-	-	-	-	-	19,582
4	Total	-	219,160	-	-	-	-	-	219,160

		(a)	(b)	(c)	(d)		(e)	(f)	(g)
		Gross carrying amounts of		Allowances / impairments	Or which ECL accounting provisions for credit losses on STC approach exposures		Or which ECL accounting provisions for credit losses on IRB approach exposures	Net values HK\$ '000	
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of specific provision	Allocated in regulatory category of collective provision			
As at 31 December 2024		HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
1	Loans	-	203,312	-	-	-	-	-	203,312
2	Debt securities	-	179,715	-	-	-	-	-	179,715
3	Off-balance sheet exposures	-	15,904	-	-	-	-	-	15,904
4	Total	-	398,931	-	-	-	-	-	398,931

Note: There was a decrease in the level of loans of the Group between the positions as at 30 June 2025 and 31 December 2024. The debt securities held as at 30 June 2025 and 31 December 2024 were investments in Hong Kong Government exchange fund bills. All credit exposures of the Group as at both 30 June 2025 and 31 December 2024 were non-defaulted exposures.

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR2 : Changes in Defaulted Loans and Debt Securities

		(a)
		Amount
		HK\$ '000
As at 30 June 2025		
1	Defaulted loans and debt securities at end of the previous reporting period	-
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	Defaulted loans and debt securities at end of the current reporting period	-

		(a)
		Amount
		HK\$ '000
As at 31 December 2024		
1	Defaulted loans and debt securities at end of the previous reporting period	-
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	Defaulted loans and debt securities at end of the current reporting period	-

Note: Our Bank does not have any defaulted loans and debt securities as at 30 June 2025 and 31 December 2024.

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR3 : Overview of Recognized Credit Risk Mitigation (CRM)

		(a)	(b)	(c)	(d)	(e)
		Exposures unsecured: carrying amount HK\$ '000	Exposures to be secured HK\$ '000	Exposures secured by recognized collateral HK\$ '000	Exposures secured by recognized guarantees HK\$ '000	Exposures secured by recognized credit derivative contracts HK\$ '000
As at 30 June 2025						
1	Loans	199,578	-	-	-	-
2	Debt securities	-	-	-	-	-
3	Total	199,578	-	-	-	-
4	Of which defaulted	-	-	-	-	-

		(a)	(b)	(c)	(d)	(e)
		Exposures unsecured: carrying amount HK\$ '000	Exposures to be secured HK\$ '000	Exposures secured by recognized collateral HK\$ '000	Exposures secured by recognized guarantees HK\$ '000	Exposures secured by recognized credit derivative contracts HK\$ '000
As at 31 December 2024						
1	Loans	203,312	-	-	-	-
2	Debt securities	179,715	-	-	-	-
3	Total	383,027	-	-	-	-
4	Of which defaulted	-	-	-	-	-

Note: All loan amounts reported in Column (a) in Template CR3 above as at 30 June 2025 and 31 December 2024 are fully secured by collaterals other than recognized Credit Risk Mitigation.

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR4 : Credit Risk Exposures and Effects of Recognized Credit Risk Mitigation - for BSC Approach

		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
As at 30 June 2025		HK\$ '000					
Exposure classes							
1	Sovereign exposures	119,244	-	119,244	-	-	0.00%
2	Public sector entity exposures	-	-	-	-	-	0.00%
3	Multilateral development bank exposures	-	-	-	-	-	0.00%
4	Unspecified multilateral body exposures	-	-	-	-	-	0.00%
5	Bank exposures	290,721	-	290,721	-	58,144	20.00%
6	Eligible covered bond exposures	-	-	-	-	-	0.00%
7	Exposures arising from IPO financing	-	-	-	-	-	0.00%
8	Real estate exposures	183,865	19,495	183,865	-	226,010	122.92%
8a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	45,261	684	45,261	-	18,104	40.00%
8b	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0.00%
8c	Of which: other real estate exposures	138,604	18,811	138,604	-	207,906	150.00%
9	Equity exposures	11,732	-	11,732	-	29,330	250.00%
10	Significant capital investments in commercial entities	-	-	-	-	-	0.00%
11	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	8,712	-	8,712	-	21,780	250.00%
12	Subordinated debts issued by banks and corporates	-	-	-	-	-	0.00%
13	Cash and gold	4,480	-	4,480	-	-	0.00%
14	Items in the process of clearing or settlement	-	-	-	-	-	0.00%
15	Other exposures	504,922	87	504,922	-	504,919	100.00%
16	Total	1,123,676	19,582	1,123,676	-	840,183	74.77%

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 31 December 2024

Template CR4 : Credit Risk Exposures and Effects of Recognized Credit Risk Mitigation - for BSC Approach (Continued)

		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
As at 31 Dec 2024		HK\$ '000					
Exposure classes							
1	Sovereign exposures	182,325	-	182,325	-	17,972	9.86%
2	PSE exposures	-	-	-	-	-	0.00%
3	Multilateral development bank exposures	-	-	-	-	-	0.00%
4	Bank exposures	167,093	-	167,093	-	33,419	20.00%
5	Cash items	2,419	-	2,419	-	-	0.00%
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a deliver-versus -payment basis	-	-	-	-	-	0.00%
7	Residential mortgage loans	45,598	932	45,598	-	45,598	100.00%
8	Other exposures	675,903	14,972	675,903	-	675,900	100.00%
9	Significant exposures to commercial entities	-	-	-	-	-	0.00%
16	Total	1,073,338	15,904	1,073,338	-	772,889	72.01%

Note: The overall level of on-balance sheet and off-balance sheet exposures were higher for the end of current half year period when compared to the end of December 2024. Residential mortgage loans in the above templates include loans and overdrafts secured by residential property mortgages, as defined by the completion instruction of the Capital Adequacy Return. Decrease in sovereign exposures was taken up by the increase in bank exposures, representing bank placements. The remaining decrease in other exposures was mostly due to the lower level of other exposures as at 30 June 2025, which represented non-residential mortgage loans, fixed assets, investment properties and right-of-use assets.

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR5 : Credit Risk Exposures by Exposure Classes and by Risk Weights - for BSC Approach

As at 30 June 2025 (HK\$'000)

		0%	10%	20%	100%	Other	Total credit risk exposures amount (post CCF and post CRM)
1	Sovereign exposures	119,244	-	-	-	-	119,244
2	Public sector entity exposures	20%	-	100%	-	-	-
3	Multilateral development bank exposures	0%	-	-	-	-	-
4	Unspecified multilateral body exposures	50%	-	-	-	-	-
5	Bank exposures	20%	290,721	100%	-	-	290,721
6	Eligible covered bond exposures	10%	-	50%	-	-	-
7	Exposures arising from IPO financing	0%	-	-	-	-	-

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR5 : Credit Risk Exposures by Exposure Classes and by Risk Weights - for BSC Approach (Continued)

As at 30 June 2025 (HK\$'000)

		40%	50%	70%	100%	120%	150%	Other	Total credit risk exposures amount (post CCF and post CRM)
8	Real estate exposures	45,261	-	-	-	-	138,604	-	183,865
8a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	45,261	-	-	-	-	-	-	45,261
8b	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	-	-	-
8c	Of which: other real estate exposures	-	-	-	-	-	138,604	-	138,604
		250%		400%		1250%		Other	Total credit risk exposures amount (post CCF and post CRM)
9	Equity exposures	11,732		-		-		-	11,732
		250%		400%		1250%		Other	Total credit risk exposures amount (post CCF and post CRM)
10	Significant capital investments in commercial entities	-		-		-		-	-
		150%		250%		400%		Other	Total credit risk exposures amount (post CCF and post CRM)
11	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	-		8,712		-		-	8,712
		150%		250%		400%		Other	Total credit risk exposures amount (post CCF and post CRM)
12	Subordinated debts issued by banks and corporates	-		-		-		-	-

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR5 : Credit Risk Exposures by Exposure Classes and by Risk Weights - for BSC Approach (Continued)

As at 30 June 2025 (HK\$'000)

		0%	100%	Other	Total credit risk exposures amount (post CCF and post CRM)
13	Cash and gold	4,480	-	-	4,480
14	Items in the process of clearing or settlement	-	-	-	-
15	Other exposures	504,922	-	-	504,922

As at 30 June 2025 (HK\$'000)

	Risk Weight#	(a) On-balance sheet exposure	(b) Off-balance sheet exposure (pre-CCF)	(c) Weighted average CCF*	(d) Exposure (post-CCF and post-CRM)
1	Less than 40%	414,445	684	-	414,445
2	40-70%	45,261	-	-	45,261
3	100%-120%	504,922	87	-	504,922
4	150%	138,604	18,811	-	138,604
5	250%	20,444	-	-	20,444
6	400%	-	-	-	-
7	1250%	-	-	-	-
8	Total exposures	1,123,676	19,582	-	1,123,676

Points to note:

An AI should add additional rows for the applicable risk weights that are not listed in the table, if any.

* Weighting is based on off-balance sheet exposure (pre-CCF).

Tai Sang Bank Limited
Credit Risk Templates (Unaudited) as at 30 June 2025

Template CR5 : Credit Risk Exposures by Asset classes and by Risk Weights - for BSC Approach

As at 31 December 2024 (HK\$'000)		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Risk Weight		0%	10%	20%	35%	50%	100%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
Exposure class										
1	Sovereign exposures	2,610	179,715	-	-	-	-	-	-	182,325
2	PSE exposures	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	167,093	-	-	-	-	-	167,093
5	Cash items	2,419	-	-	-	-	-	-	-	2,419
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-
7	Residential mortgage loans	-	-	-	-	-	45,598	-	-	45,598
8	Other exposures	-	-	-	-	-	675,903	-	-	675,903
9	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-
10	Total	5,029	179,715	167,093	-	-	721,501	-	-	1,073,338

Note: The decrease in sovereign exposures for 30 June 2025 was mainly resulted from the decreased balance in exchange fund bills held. Residential mortgage loans remained rather stable during the current half year period. The decrease in other exposures during the current half year period was mainly due to the lower level of non-residential mortgage loans, fixed assets, investment properties and right-of-use assets as at 30 June 2025. The increase in the level of Bank exposures as at the end of June 2025 was resulted from the increased level of interbank placements as at 30 June 2025, the increase of which came from funds released from exchange fund bills held.