

JPMORGAN CHASE BANK, N.A.

HONG KONG BRANCH

JPMorgan Chase Bank, N.A., organized under the laws of U.S.A. with limited liability

**Key Financial Disclosure Statements
for the six months ended June 30, 2026**

SECTION A: BRANCH INFORMATION

I. Unaudited Income Statement

(in millions of Hong Kong Dollars)

	Period ended		Period ended	
	Jun 30, 2026		Jun 30, 2025	
Interest income		2,035		2,501
Interest expense		(1,202)		(1,661)
Other operating income				
Gains less losses arising from trading in foreign currencies		857		(332)
Gains less losses on securities held for trading purposes		(10)		46
Gains less losses from other trading activities		(605)		109
Net fees and commission income				
Gross fees and commission income		7,552		6,058
Gross fees and commission expenses		(314)		(265)
Others		3		4
Operating income		8,316		6,460
Operating expenses				
Staff costs		(2,484)		(2,356)
Premises expenses		(240)		(265)
Equipment expenses		(121)		(98)
Travel & entertainment expenses		(77)		(67)
Others		(2,280)		(1,923)
Impairment losses and provisions for impaired loans and receivables		(42)		(132)
Gains less losses from disposal of fixed assets		(1)		—
Profit before taxation		3,071		1,619
Tax expense		(638)		(289)
Profit after taxation		2,433		1,330

II. Unaudited Balance Sheet Information

(in millions of Hong Kong Dollars)

Assets	As at Jun 30, 2026	As at Dec 31, 2025
Due from Exchange Fund	622	293
Cash and balances with banks	10,303	6,934
Placements with banks which have a residual contractual maturity of		
Less than or equal to one month	585	493
More than one month but not more than twelve months	—	136
Amount due from overseas offices of the institution	82,629	91,108
Trade bills, net of impairment allowance	491	703
Securities held for trading purposes	25	35
Loans and receivables, net of impairment allowance	75,592	65,922
Investment securities	3,115	2,894
Other investments	72	79
Property, plant and equipment and investment properties	2,885	2,959
Total assets	<u>176,319</u>	<u>171,556</u>

Liabilities

Deposits and balances from banks	4,484	4,399
Deposits from customers		
Demand deposits and current accounts	103,643	99,996
Time, call and notice deposits	19,011	18,262
Amount due to overseas offices of the institution	1,894	3,042
Other liabilities	47,207	45,836
Provisions	80	21
Total liabilities	<u>176,319</u>	<u>171,556</u>

III. Additional Balance Sheet Information

(in millions of Hong Kong Dollars)

(i) Loans and receivables

	As at Jun 30, 2026	As at Dec 31, 2025
Loans and advances to customers	26,125	20,504
Loans and advances to banks	787	343
Accrued interest and other accounts	6,524	5,180
Derivatives receivables	42,280	40,034
Provision for impaired loans, receivables and other accounts		
- Collective provisions	(124)	(139)
	75,592	65,922

Impairment Allowance Policy

JPMorgan Chase & Co.'s allowance for credit losses covers the Firm's retained loan portfolio and represents management's estimate of expected credit losses inherent in the JPMorgan Chase & Co.'s loan portfolio as of disclosure date. Management also computes an allowance for lending-related commitments using a methodology similar to that used for the loan portfolio.

(ii) Gross amount of loans and advances to customers by major country or geographical segments

	As at Jun 30, 2026
The following countries or areas have constituted 10% or more of the aggregate gross amount of loans and advances to customers:	
Hong Kong	15,470
China	4,701
	As at Dec 31, 2025
The following countries or areas have constituted 10% or more of the aggregate gross amount of loans and advances to customers:	
Hong Kong	11,220
China	5,426

Loans and advances to customers are on-balance sheet exposures of counterparties based on the location of the counterparties.

III. Additional Balance Sheet Information (Continued)

(in millions of Hong Kong Dollars, except ratios)

(iii) Impaired loans and advances to customers

Impaired Loans are identified in accordance with the definitions set out in the Return of Loans and Advances and Provision (Form MA(BS)2A) issued by HKMA, where loans and advances have been classified as “substandard”, “doubtful” and “loss” are reported.

There were no impaired loans and advances to customers as at June 30, 2026 (December 31, 2025: Nil).

There were no specific provisions made for impaired loans and advances to customers.

There were no collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate.

(iv) Impaired loans and advances to banks

Impaired Loans are identified in accordance with the definitions set out in the Return of Loans and Advances and Provision (Form MA(BS)2A) issued by HKMA, where loans and advances have been classified as “substandard”, “doubtful” and “loss” are reported.

There were no impaired loans and advances to banks as at June 30, 2026 (December 31, 2025: Nil).

There were no specific provisions made for impaired loans and advances to banks.

There were no collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate.

III. Additional Balance Sheet Information (Continued)

(in millions of Hong Kong Dollars)

(v) The breakdown of gross amount of loans and advances to customers by industry sectors

	As at Jun 30, 2026	As at Dec 31, 2025
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
Stockbrokers	13,582	7,665
Wholesale and retail trade	217	381
Manufacturing	549	1,332
Transport and transport equipment	50	1
Information technology	4,627	4,592
Others	410	1,042
Trade finance	2,522	2,700
Loans and advances for use outside Hong Kong	4,168	2,791
	<u>26,125</u>	<u>20,504</u>

Balance of loans and advances covered by collateral or other security as of June 30, 2026 was HK\$209 million (December 31, 2025 was HK\$802 million).

(vi) Overdue loans and advances to customers and banks

There were no overdue loans and advances to customers as at June 30, 2026 (December 31, 2025: Nil).

There were no overdue loans and advances to banks as at June 30, 2026 (December 31, 2025: Nil).

There were no collateral held against overdue loans as at June 30, 2026 (December 31, 2025: Nil).

There were no specific provisions made on such overdue loans and advances as at June 30, 2026 (December 31, 2025: Nil).

(vii) There were no rescheduled loans and advances to customers and banks as at June 30, 2026 (December 31, 2025: Nil).

(viii) There were no overdue other assets (including trade bills and debt securities) as at June 30, 2026 (December 31, 2025: Nil).

(ix) There were no repossessed assets held as at June 30, 2026 (December 31, 2025: Nil).

(x) Other liabilities

	As at Jun 30, 2026	As at Dec 31, 2025
Accrued expenses and other accounts	8,200	8,842
Derivatives payables	39,007	36,994
	<u>47,207</u>	<u>45,836</u>

IV. International claims

(in millions of Hong Kong Dollars)

International claims are on-balance sheet exposures of counterparties based on the location of the counterparties after taking into account any risk transfer. The risk transfers have been made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country. Claims on individual countries and territories or areas, after risk transfer, amounting to 10% or more of the international claims are as follows:

	Banks	Official sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
As at Jun 30, 2026						
United States	85,303	—	29	1,731	—	87,063
Hong Kong	9,482	5	13,954	1,489	2,024	26,954
As at Dec 31, 2025						
United States	92,136	—	17	1,569	—	93,722
Hong Kong	6,343	5	8,556	3,148	1,613	19,665

V. Non-Bank Mainland Exposures

(in millions of Hong Kong Dollars, excepts ratios)

The analysis of Non-Bank Mainland Exposures are identified in accordance with the definitions set out in MA(BS)20 Return of Mainland Activities issued by the HKMA.

As at Jun 30, 2026

Types of counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	126	4,907	5,033
Local governments, local government-owned entities and their subsidiaries and JVs	—	—	—
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,278	6,844	8,122
Other entities of central governments	7	65	72
Other entities of local governments	—	—	—
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	98	78	176
Other counterparties where the exposures are considered to be non-bank Mainland China exposures	4,868	640	5,508
Total	6,377	12,534	18,911
Total assets after provisions	176,239		
On-balance sheet exposures as percentage of total assets	3.62 %		

As at Dec 31, 2025

Types of counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	812	6,368	7,180
Local governments, local government-owned entities and their subsidiaries and JVs	—	—	—
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,940	5,208	8,148
Other entities of central governments	9	65	74
Other entities of local governments	—	—	—
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	251	105	356
Other counterparties where the exposures are considered to be non-bank Mainland China exposures	5,352	395	5,747
Total	9,364	12,141	21,505
Total assets after provisions	171,535		
On-balance sheet exposures as percentage of total assets	5.46 %		

The exposures to companies outside Mainland where the funds are for use in Mainland were mainly trade finance facilities and commercial loans.

VI. Currency Risk

(in millions of Hong Kong Dollars)

The following is the summary of the major foreign currency exposures in accordance with the definitions set out in MA(BS)6 Return of Foreign Currency Position issued by the HKMA.

As at Jun 30, 2026	USD	CNY	JPY	TWD	EUR
Currency positions					
Spot assets	118,468	38,613	241	59	484
Spot liabilities	(117,825)	(28,082)	(894)	(53)	(3,248)
Forward purchases	2,112,374	966,229	196,092	251,583	146,600
Forward sales	(2,106,548)	(974,511)	(196,087)	(254,069)	(147,191)
Net options position	876	(23)	—	—	—
Net long/(short) position including options	<u>7,345</u>	<u>2,226</u>	<u>(648)</u>	<u>(2,480)</u>	<u>(3,355)</u>

As at Dec 31, 2025	USD	CNY	AUD	KRW	EUR	JPY	TWD
Currency positions							
Spot assets	127,165	28,751	676	720	2,642	214	308
Spot liabilities	(122,049)	(23,976)	(1,041)	(389)	(3,467)	(1,026)	(271)
Forward purchases	1,941,308	830,115	18,459	13,578	73,732	102,035	308,776
Forward sales	(1,942,149)	(832,395)	(17,508)	(13,603)	(73,509)	(102,056)	(313,410)
Net options position	363	(350)	—	—	(13)	—	—
Net long/(short) position including options	<u>4,638</u>	<u>2,145</u>	<u>586</u>	<u>306</u>	<u>(615)</u>	<u>(833)</u>	<u>(4,597)</u>

As at June 30, 2026, USD, CNY, JPY, TWD and EUR (December 31, 2025: USD, CNY, AUD, KRW, EUR, JPY and TWD) constitute 10% or more of the total net position in all foreign currencies.

There were no foreign currency net structural positions as at June 30, 2026 (December 31, 2025: Nil).

Net options position is calculated on the basis of delta-weighted positions of all foreign exchange options contracts.

VII. Derivative Transactions

(in millions of Hong Kong Dollars)

	As at Jun 30, 2026	As at Dec 31, 2025
Notional amounts of derivative transactions		
Exchange rate-related derivative contracts	4,612,931	4,245,194
Interest rate derivative contracts	3,516,464	2,173,051
Others	3,176	156
	<u>8,132,571</u>	<u>6,418,401</u>

For derivatives, the contract amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

	As at Jun 30, 2026		As at Dec 31, 2025	
	Fair value assets	Fair value liabilities	Fair value assets	Fair value liabilities
Fair value of derivative transactions				
Exchange rate-related derivative contracts	30,190	29,145	28,731	29,018
Interest rate derivative contracts	11,899	9,508	11,193	7,690
Others (<i>Note 1</i>)	191	354	110	286
	<u>42,280</u>	<u>39,007</u>	<u>40,034</u>	<u>36,994</u>

The contract amounts and fair values of the above derivatives do not take into account the effect of bilateral netting agreements.

Note 1: Includes mark-to-market values arising from embedded derivatives within structured deposits. The notional amounts of structured deposits are reportable on-balance sheet.

VIII. Off-Balance Sheet Exposures

(in millions of Hong Kong Dollars)

	As at Jun 30, 2026	As at Dec 31, 2025
Contingent Liabilities and Commitments		
Direct credit substitutes	387	1,543
Trade-related contingencies	1,636	2,485
Other commitments	17,538	14,646

For contingent liabilities and commitments, the contract amounts represent the amount at risk should the contract be fully drawn upon and the client default.

SECTION B: BANK INFORMATION (Consolidated Basis)

(in millions of US Dollars, except ratios)

The information set out below was based on the consolidated accounts of JPMorgan Chase & Co.

I. Capital and Capital Adequacy

	As at Jun 30, 2026	As at Dec 31, 2025
Capital adequacy ratio (<i>Note 2</i>)	16.9%	17.4%
Shareholders' funds	374,598	362,438

Note 2: The capital adequacy ratio of JPMorgan Chase & Co. is calculated based on the US Federal Reserve Board Risk-Based Capital guidelines, which comply with the Capital Accord of the Basel Committee on Banking Supervision ("Basel").

II. Other financial information

	As at Jun 30, 2026	As at Dec 31, 2025
Total assets	5,015,069	4,424,900
Total liabilities	4,640,471	4,062,462
Total loans and advances (net of allowance for loan losses)	1,516,310	1,467,664
Total customer deposits	2,713,700	2,559,320

	Six months ended Jun 30, 2026	Six months ended Jun 30, 2025
Pre-tax profit	47,995	36,692

Remarks: The quarterly earnings report of JPMorgan Chase & Co. published on July 14, 2026 has been used for disclosure purpose in this Section. (December 31, 2025: The annual report of JPMorgan Chase & Co. published on April 6, 2026 has been used)

SECTION C: LIQUIDITY RISK MANAGEMENT

Liquidity Risk

Liquidity risk is the risk that JPMorgan Chase & Co. (“JPMC”), the Branch, will be unable to meet its contractual and contingent obligations or that it does not have the appropriate amount, composition and tenor of funding and liquidity to support its assets and liabilities.

Liquidity Risk Management

The Firm has a Liquidity Risk Management (“LRM”) function whose primary objective is to provide independent oversight of liquidity risk across the Firm. LRM is responsible for the independent assessment, measuring, monitoring, and control of liquidity risk across the firm. LRM’s responsibilities include, but are not limited to:

- Defining, monitoring and reporting liquidity risk metrics;
- Independently establishing and monitoring limits and indicators, including liquidity risk appetite;
- Developing a process to classify, monitor and report limit breaches;
- Performing independent review of liquidity risk management processes to evaluate their adequacy and effectiveness;
- Monitoring and reporting internal firmwide and legal entity stress tests and regulatory defined metrics, as well as liquidity positions, balance sheet variances and funding activities; and
- Approving or escalating for review new or updated liquidity stress assumptions.

Risk Governance and Measurement

APAC Asset Liability Management (“ALM”) Risk team which reports into Head of International ALM Risk is responsible for the Liquidity Risk Management for APAC legal entities. Regional liquidity risk oversight in Asia Pacific is governed by the APAC Risk Committee chaired by the APAC Chief Risk Officer.

The Hong Kong Risk Committee (“RC”), chaired by the Chief Risk Officer (CRO), is responsible for providing oversight of liquidity risk at legal entity level and ensuring appropriate governance, controls and limits are in place.

As governed by the Hong Kong RC Term of Reference, where required, matters will be escalated from Hong Kong RC to Hong Kong Branch Committee (“HKBC”) or Asia Pacific Risk Committee.

The Hong Kong Asset and Liability Committee (“ALCO”) provides assets and liabilities oversight including funding, capital, liquidity management, financial statements and interest rate risk in the banking book, and relevant assets and liabilities oversight related regulatory/compliance matters. The ALCO is co-chaired by the Senior Financial Officer (“SFO”) and HK Treasurer. It reports locally to the HKBC and regionally to the APAC Capital and Liquidity Committee.

SECTION C: LIQUIDITY RISK MANAGEMENT (Continued)

Internal Stress Testing

Liquidity stress tests are intended to ensure sufficient liquidity for the Branch under a variety of adverse scenarios. Results of stress tests are therefore considered in the formulation of the Branch's funding plan assessment of its liquidity position. Liquidity outflow assumptions are modeled across a range of time horizons and contemplate both market and idiosyncratic stress. Standard stress tests are performed on a regular basis and ad hoc stress tests are performed in response to specific market events or concerns.

Liquidity stress tests assume all of the Branch's contractual obligations are met and take into consideration:

- Varying levels of access to unsecured and secured funding markets;
- Estimated non-contractual and contingent outflows; and
- Potential impediments to the availability and transferability of liquidity between jurisdictions and legal entities such as regulatory, legal, or other restrictions.

Contingency Funding Plan

The Firm's Contingency Funding Plan ("CFP") sets out the strategies for addressing and managing liquidity resource needs during a liquidity stress event and incorporates liquidity risk limits, indicators and risk appetite tolerances that make up Liquidity Escalation Points. The CFP also identifies the alternative contingent funding and liquidity resources available to the Firm and its legal entities (including the Branch) in a period of stress. The Branch is an integral part of the firmwide CFP framework.

Treasury and Chief Investment Office ("CIO") maintains a country addendum to the firmwide CFP, which is reviewed and approved by the Hong Kong ALCO at least annually.

Liquidity Management

The primary objectives of the Firm's liquidity management are to:

- Ensure that the Firm's core businesses and material legal entities are able to operate in support of client needs and meet contractual and contingent financial obligations through normal economic cycles as well as during stress events, and
- Manage an optimal funding mix and availability of liquidity sources.

In the context of the Firm's liquidity management, Treasury and CIO is responsible for:

- Analyzing and understanding the liquidity characteristics of the assets and liabilities of the Firm, lines of business and legal entities, taking into account legal, regulatory, and operational restrictions;
- Developing internal liquidity stress testing assumptions;
- Defining and monitoring Firmwide and legal entity-specific liquidity strategies, policies, reporting and contingency funding plans;
- Managing liquidity within the Firm's approved limits and indicators, including liquidity risk appetite tolerances;

SECTION C: LIQUIDITY RISK MANAGEMENT (Continued)

(in millions of Hong Kong Dollars, except ratios)

Liquidity Management (Continued)

- Managing compliance with regulatory requirements related to funding and liquidity risk; and
- Setting fund transfer pricing in accordance with underlying liquidity characteristics of balance sheet assets and liabilities as well as certain off-balance sheet items.

As part of the Firm's overall liquidity management strategy, the Firm manages liquidity and funding using a centralized, global approach in order to:

- Optimize liquidity sources and uses;
- Monitor exposures;
- Identify constraints on the transfer of liquidity between the Firm's legal entities; and
- Maintain the appropriate amount of surplus liquidity at a firmwide and legal entity level, where relevant.

I. Liquidity Ratios

	3 month's average of Q2 2026	3 month's average of Q2 2025
Average liquidity maintenance ratio	59.41 %	62.26 %
Average core funding ratio	272.16 %	411.79 %

The Branch was designated as the category 2A institution by the Hong Kong Monetary Authority and thus required to comply with all the calculation and disclosure requirements related to Core Funding Ratio in accordance with the Banking (Liquidity) Rules effective from January 1, 2018.

The Liquidity Maintenance Ratio ("LMR") and Core Funding Ratio ("CFR") are computed in accordance with Section 97H of the Banking Ordinance. The average LMR and average CFR are the arithmetic mean of the average value for each calendar month of the reporting period in accordance with the Banking (Liquidity) Rules.