HSBC Private Bank (Suisse) SA

Statutory Interim Financial Statements

at 30 June 2025

HSBC

Global Private Banking

BALANCE SHEET

CHF'000	30 June 2025	31 December 2024
Assets		
Liquid assets	232,087	536,211
Amounts due from banks	621,322	653,913
Amounts due from securities financing transactions	3,313,228	2,803,698
Amounts due from customers	8,073,776	8,310,548
Mortgage loans	2,267,885	2,238,272
Trading portfolio assets	195,067	170,617
Positive replacement values of derivatives financial instruments	313,587	254,873
Financial investments	4,088,850	4,060,285
Accrued income and prepaid expenses	79,274	90,814
Participations	76	78
Tangible fixed assets	39,402	42,379
Other assets	16,400	7,066
Total assets	**19,240,955**	**19,168,754**
Total subordinated claims	-	-
- *of which subject to mandatory conversion and /or debt waiver*	-	-
Liabilities		
Amounts due to banks	771,562	1,194,594
Liabilities from securities financing transactions	169,493	428,783
Amounts due in respect of customer deposits	16,796,131	16,092,196
Negative replacement values of derivatives financial instruments	309,215	238,488
Accrued expenses and deferred income	113,057	148,720
Other liabilities	62,607	62,946
Provisions	19,418	20,845
Bank's capital	650,000	650,000
Statutory capital reserve	214,396	214,396
Statutory retained earnings reserve	64,416	64,417
Profit carried forward	53,369	-
Profit/(Loss) for the year	17,292	53,369
Total liabilities	**19,240,955**	**19,168,754**
Total subordinated debt	398,803	226,076
- *of which subject to mandatory conversion and /or debt waiver*	398,803	*226,076*

OFF-BALANCE SHEET

CHF'000	30 June 2025	31 December 2024
Contingent liabilities	138,665	166,679
Irrevocable commitments	550,271	709,359
Total	**688,936**	**876,037**

STATEMENT OF INCOME

For the periods ended 30 June 2025 and 30 June 2024

CHF'000	Jun 2025	Jun 2024
Result from interest operations		
Interest and discount income	332,692	369,587
Interest and dividend income from financial investments	76,436	90,185
Interest expense	(321,739)	(356,654)
Gross result from interest operations	**87,389**	**103,118**
Changes in value adjustments for default risks and losses from interest operations	(15,889)	2,084
Subtotal net result from interest operations	**71,500**	**105,202**
Result from commission business and services		
Commission income from securities trading and investment activities	91,019	89,109
Commission income from lending business	1,014	786
Commission income from other services	10,822	10,432
Commission expense	(22,995)	(17,233)
Subtotal net income from commissions business and services	**79,860**	**83,094**
Result from trading operations	**33,915**	**14,416**
Other result from ordinary activities		
Result from the disposal of financial investments	1,676	-
Income from participations	1,258	1,442
Result from real estate	149	145
Other ordinary income	6,639	8,844
Subtotal other result from ordinary activities	**9,722**	**10,431**
Operating expenses		
Personnel expenses	(83,282)	(78,975)
General and administrative expenses	(80,903)	(81,658)
Subtotal operating expenses	**(164,185)**	**(160,633)**
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	(7,429)	(10,385)
Changes to provisions and other value adjustments, and losses	492	148
Operating result	**23,875**	**42,273**
Taxes	(6,583)	(4,847)
Profit for the year	**17,292**	**37,426**

NOTE TO THE INTERIM FINANCIAL STATEMENTS

For the period ended 30 June 2025

1. Changes in accounting and valuation principles

The accounting and valuation principles are prepared according to the requirements of the Banking Ordinance, FINMA Accounting Ordinance and FINMA circular 20/1 'Accounting – Banks (ARB)' which entered into force on 1st January 2020. The accompanying reliable assessment statutory single-entity financial statements present the economic situation of the Bank such that a third party can form a reliable opinion. The financial statements are allowed to include hidden reserves.

There are no changes related to the accounting and valuation principles as at 30 June 2025 compared to those used for the financial statements at 31 December 2024.

The interim financial statements are prepared on the assumption of an ongoing concern. The accounting is therefore based on going-concern values.

The Bank has not recorded correction of errors which could affect the interim financial statements as at 30 June 2025.

2. Comments on factors influencing the financial position of the Bank over the period ended 30 June 2025

The global economic landscape has altered significantly since the beginning of 2025 particularly marked by growing geopolitical tensions and the announcement of US trade tariffs early in April, led to changing trade dynamics and increasing market volatility. The higher US trade tariffs presents a material risk to global growth and inflation, clouding the interest rate outlook. Switzerland's highly export-oriented economy, has led to downward revisions in growth forecasts.

The Swiss National Bank cut rates by 25bps, the sixth consecutive move, in line with expectations and taking the deposit rate to 0%.

In the first half-year of 2025, the Bank reports an unaudited profit after tax of CHF17.3m, a decrease of CHF20.1m compared to similar period in 2024. The main reason for this decrease is explained by a credit risk provision of CHF18m and by a decrease on result from interest operations due to lower interest rates environment observed in recent months.

3. Explanations regarding extraordinary income and expenses

No extraordinary income nor extraordinary expenses have been recorded in the Interim Financial statements as at 30 June 2025 and 30 June 2024.

4. Material events after the balance sheet date

There are no material events to report.

Key regulatory figures

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(in CHF thousands)

	30 June 2025	31 December 2024
Available capital		
Common equity (CET1)	976,584	977,956
Tier 1 capital (T1)	1,175,985	977,956
Total shareholders, equity	1,375,386	1,204,032
Risk-weighted assets (RWA)		
RWA	4,550,544	5,562,619
Minimum capital requirement	364,044	445,010
Risk based capital ratios(as a % of RWA)		
CET1 ratio	21.5%	17.6%
Tier 1 ratio	25.8%	17.6%
Total capital ratio	30.2%	21.6%
Additional CET1 buffer requirements (as a % of RWA)		
Capital conservation buffer requirements as per Basel minimal standards	2.5%	2.5%
Total of Bank CET1 specific buffer requirements as per the Basel minimal standards	2.6%	2.5%
CET1 available after meeting bank's minimun capital requirements as per Basel minimal standards	17.0%	11.6%
Capital ratio target as per Annex 8 of the CAO (as a % of RWA)		
Capital buffer as per Annex 8 of the CAO	4.0%	4.0%
Countercyclical buffers (Art. 44 & 44a of the CAO)	0.1%	0.1%
CET1 target ratio as per Annex 8 of the CAO. plus countercyclical buffer as per Art. 44 & 44a of the CAO	7.9%	7.9%
T1 target ratio as per Annex 8 of the CAO plus countercyclical buffer as per Art. 44 & 44a of the CAO	9.7%	9.7%
Total capital target as per Annex 8 of the CAO plus countercyclical buffer as per Art. 44 & 44a of the CAO	12.1%	12.1%

Key regulatory figures (continued)

(in CHF thousands)

	30 June 2025	31 December 2024
BASEL III leverage ratio		
Total leverage ratio exposure	19,800,993	19,933,938
Leverage ratio	**5.9%**	**4.9%**
Net stable funding ratio (NSFR)		
Available stable funding	11,627,383	10,933,279
Required stable funding	7,781,685	7,897,540
Net stable funding ratio (NSFR) (%)	**149.4%**	**138.4%**

Liquidity coverage ratio (LCR)	Q2 2025 3 month average	Q1 2025 3 month average	Q4 2024 3 month average	Q3 2024 3 month average
Total high-quality liquid assets	5,398,420	4,766,284	4,109,384	4,727,509
Net sum of cash outflows	2,582,096	2,444,836	2,352,713	2,390,883
Liquidity coverage ratio (LCR) (%)	**209.1%**	**195.0%**	**174.7%**	**197.7%**

Liquidity coverage ratio (LCR)	Q2 2024 3 month average	Q1 2024 3 month average	Q4 2023 3 month average	Q3 2023 3 month average
Total high-quality liquid assets	4,685,487	4,156,138	5,716,053	3,808,079
Net sum of cash outflows	2,827,087	2,228,726	2,958,996	1,853,607
Liquidity coverage ratio (LCR) (%)	**165.7%**	**186.5%**	**193.2%**	**205.4%**

The information related to disclosure requirements according to the Circular 2016/01 Disclosure Banks are available in the HSBC Holdings Plc Interim report 2025.

By virtue of HSBC Holdings plc's ownership interest in HSBC Private Bank (Suisse) SA, certain supervisory responsibilities of the Prudential Regulation Authority (PRA) in the United Kingdom extend indirectly to HSBC Private Bank (Suisse) SA. The PRA exercises consolidated prudential supervision over the HSBC Group. Local bank regulators oversee the subsidiaries' compliance with local laws, regulations and banking practices. As HSBC Private Bank (Suisse) SA is a management centre for HSBC private banking activities, the Swiss Financial Market Supervisory Authority has elected to exercise consolidated supervision over HSBC Private Bank (Suisse) SA.

According to article 964a (2) of the Swiss Code of Obligations, HSBC Private Bank (Suisse) SA relies on the HSBC Holdings Plc Annual Report and Accounts in relation to its non-financial reporting obligations and to the dispositions of the ordinance on mandatory climate disclosures.