



大新金融集團
DAH SING FINANCIAL GROUP

Dah Sing Financial Group 2025 Interim Results

20 August 2025

Performance Highlights

- Despite challenging market conditions in 1H 2025, profit attributable to shareholders grew 13% for DSBG and 26% for DSFH, driven mainly by strong operating income
- Double-digit growth in revenue supported by robust fee and commission income, trading income, and higher net interest margin
- Higher operating profit partly offset by increase in operating expenses and impairment charges
- Increase in net profit shared from investment in BOCQ with no impairment charge recognised
- DSBG 2025 interim dividend of HK\$0.31 per share (1H24: HK\$0.27); DSFH 2025 interim dividend of HK\$1.16 per share (1H24: HK\$0.92)

Dah Sing Banking Group (2356)

HK\$' million	1H 2025	1H 2024	Change
Net interest income	2,776	2,539	+9%
Net fee and commission income	727	603	+20%
Net trading income and other income	293	145	+102%
Total operating income	3,796	3,287	+15%
Operating expenses	(1,707)	(1,595)	+7%
Credit impairment losses	(728)	(544)	+34%
Operating profit after credit impairment losses	1,360	1,148	+19%
Profit shared from BOCQ	443	430	+3%
Impairment loss on investment in BOCQ	-	(16)	-100%
Profit attributable to shareholders	1,579	1,396	+13%
Basic earnings per share (\$)	1.12	0.99	
Dividend per share (\$)	0.31	0.27	

Dah Sing Financial Holdings (0440)

HK\$' million	1H 2025	1H 2024	Change
Net interest income	2,815	2,595	+8%
Net fee and commission income	720	595	+21%
Net trading income, insurance service result after net insurance finance expense and other operating income	577	203	+184%
Total operating income	4,112	3,393	+21%
Operating expenses	(1,782)	(1,623)	+10%
Credit impairment losses	(729)	(544)	+34%
Operating profit after credit impairment losses	1,602	1,226	+31%
Profit shared from BOCQ	443	430	+3%
Impairment loss on investment in BOCQ	-	(16)	-100%
Profit attributable to shareholders	1,406	1,112	+26%
Basic earnings per share (\$)	4.41	3.49	
Dividend per share (\$)	1.16	0.92	

Dah Sing Banking Group

Personal Banking

- Net interest income reported single-digit growth mainly due to asset volume growth and disciplined funding cost control
- Increase in non-interest income with strong wealth management related income and customer FX related income
- Revenue growth outpaced increase in operating costs and provisions with manageable credit quality
- Strategic business focus on sales force expansion and product enhancements for growing wealth management business
- Double-digit growth in net profit largely driven by strong operating income despite moderate rise in operating expenses and impairment charges

Corporate Banking

- Lower net interest income due mainly to subdued loan demand and lower market interest rates
- Higher non-interest income driven by stronger fee and commission and trading income
- Reduction in operating income primarily due to higher non-interest income offset by lower net interest income
- Increase in provisions mainly attributable to weakening conditions in Hong Kong commercial real estate market
- Net profit contraction resulting from reduced income and increased impairment charges amid challenging operating environment and ongoing economic uncertainties

Treasury and Global Markets

- Growth in total operating income and net profit driven by increase in both net interest margin and trading revenues
- Customer business remained robust, driven by strong collaboration with personal banking and corporate banking businesses
- Conservative liquidity management with average Liquidity Maintenance Ratio in excess of 60%, well above statutory requirement
- Prudently managed treasury portfolio with high average credit ratings and relatively short duration to manage credit and interest rate risks

Mainland China and Macau

Mainland China:

- DSB (China): Higher non-interest income driven by increased cross-border services, partially offset by decline in net interest income despite mild loan growth
- BOCQ: Stable profit contribution with no impairment charge recognised

Macau:

- Higher non-interest income offset by lower interest income amid narrower net interest margin
- Lower operating income and higher impairment charge leading to operating loss

Dah Sing Financial Holdings

Insurance and Investment Operations

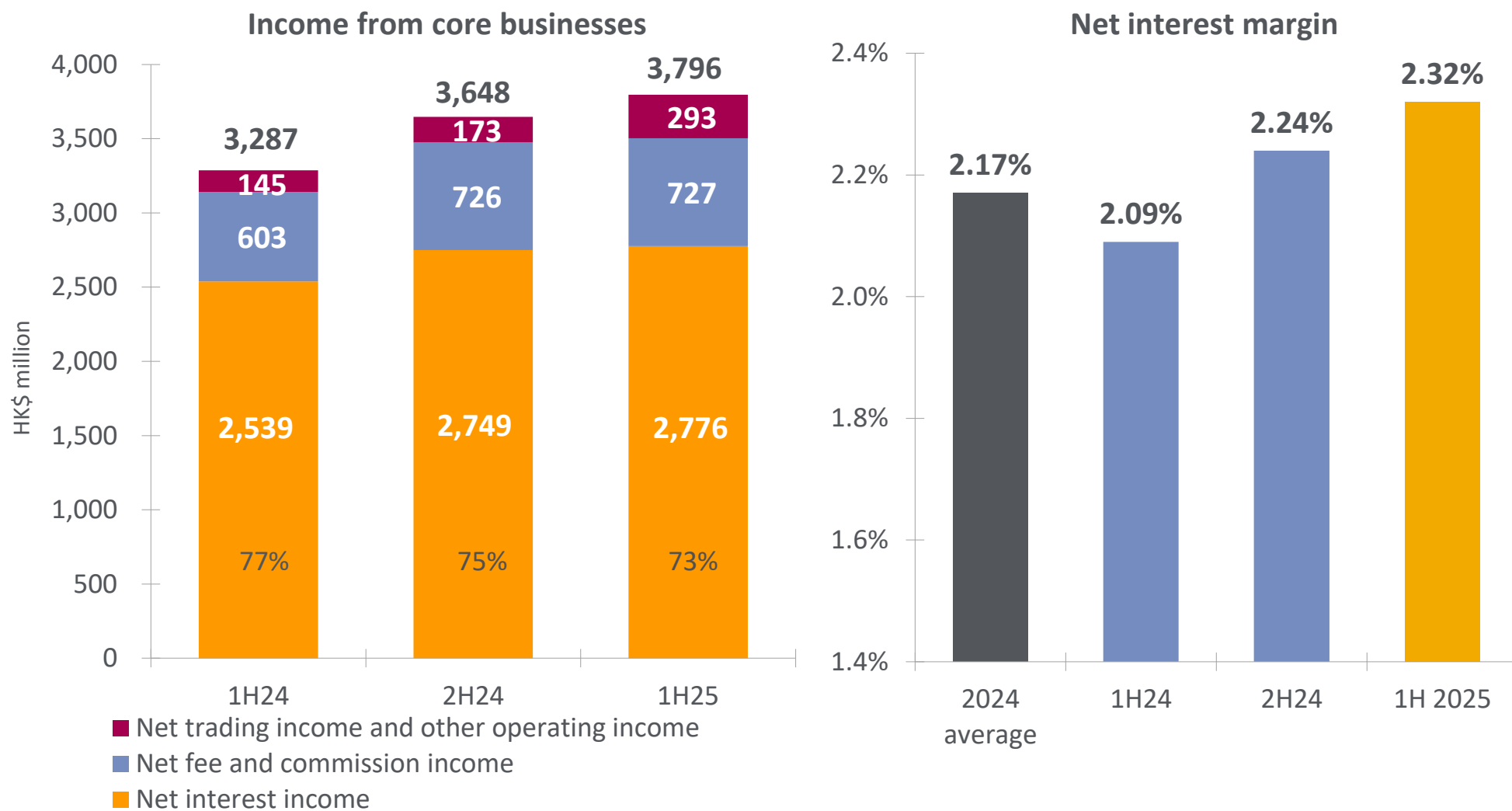
- Insurance and investment operations in Hong Kong and Macau recorded 74% year on year growth in operating profit underpinned by disciplined underwriting and solid investment performance
- Double-digit growth in general insurance revenue, driven by strong performance in core business lines
- Decline in market discount rate impacting net insurance finance expenses arising from claim liabilities
- Combined ratio maintained at 94.4% through prudent risk selection and cost discipline

Insurance and Investment Operations

- Solvency and capital strength remained robust with strong capacity for business growth and resilience against market volatility
- Growth in total assets under management from insurance and investment operations
- Investment operations manage the insurance investment portfolio and the group investment portfolio to generate investment returns over time
- Investment portfolio consisting mainly of liquid securities with returns generated principally by performance from investment in equities
- Total investment return reported through operating profit and other comprehensive income

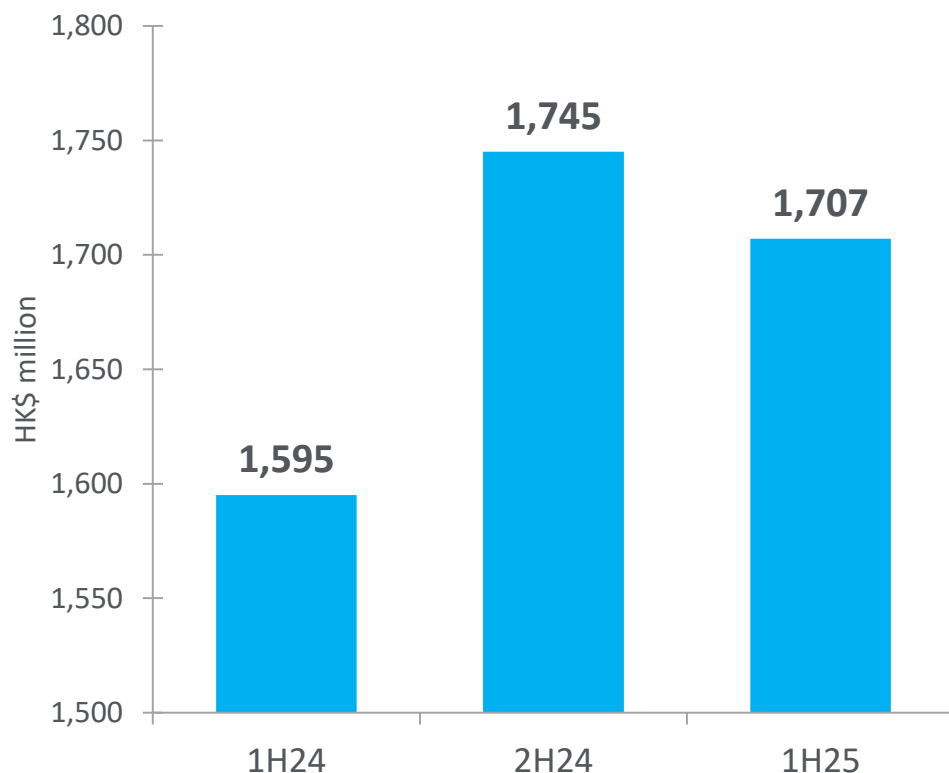
Financial Overview

DSBG's Operating Income and Net Interest Margin

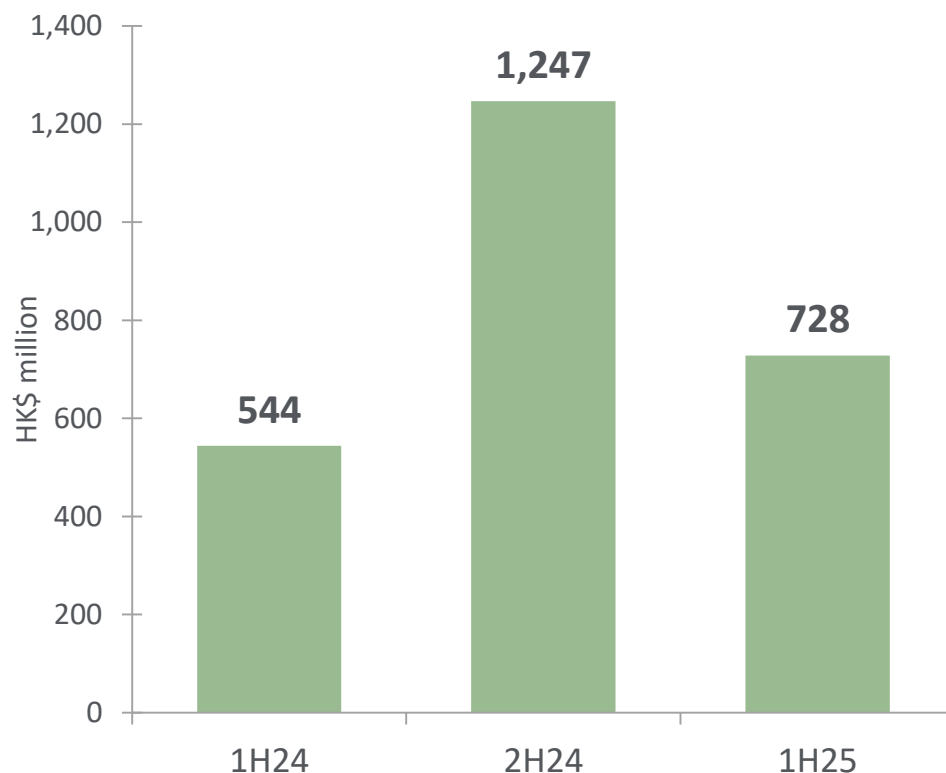


DSBG's Operating Expenses and Credit Impairment Losses

Operating expenses



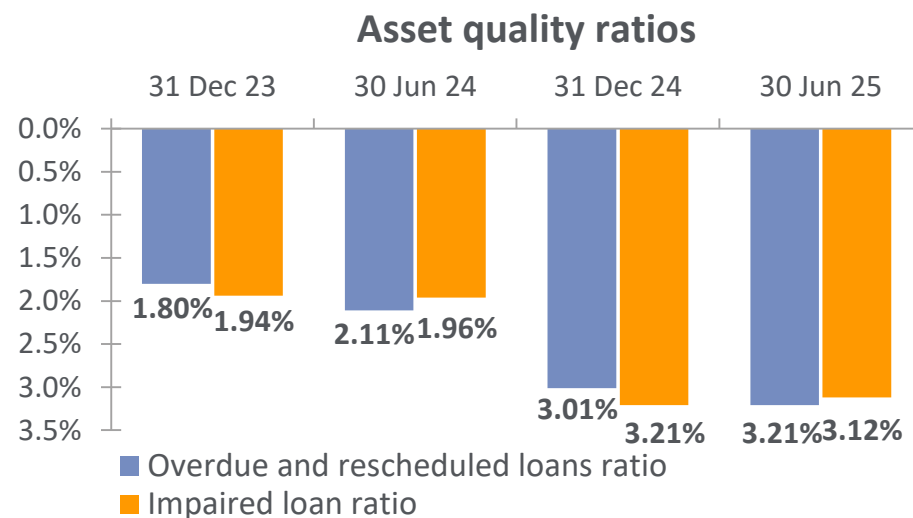
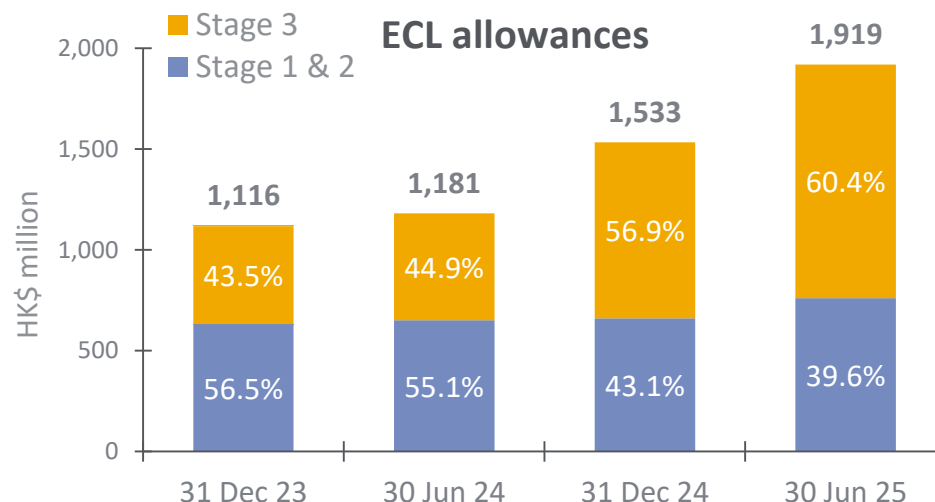
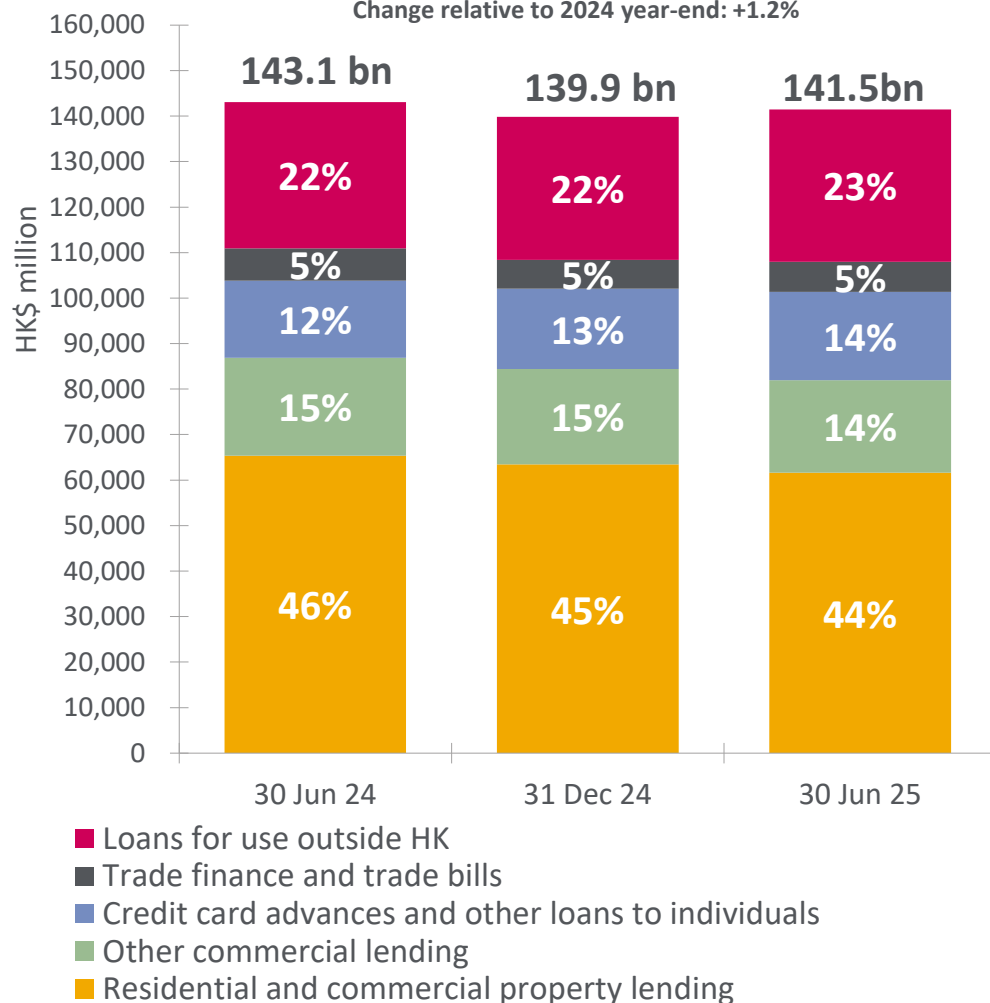
Credit impairment losses



Gross Advances to Customers and Trade Bills, and Asset Quality

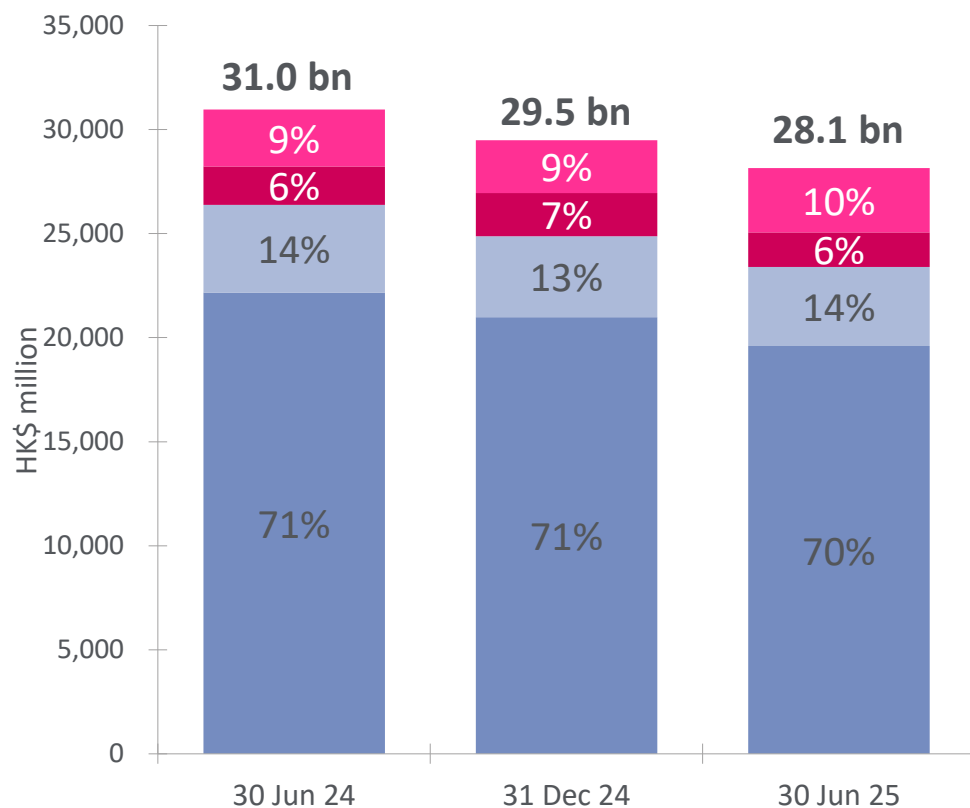
Gross advances to customers and trade bills

Change relative to 2024 year-end: +1.2%



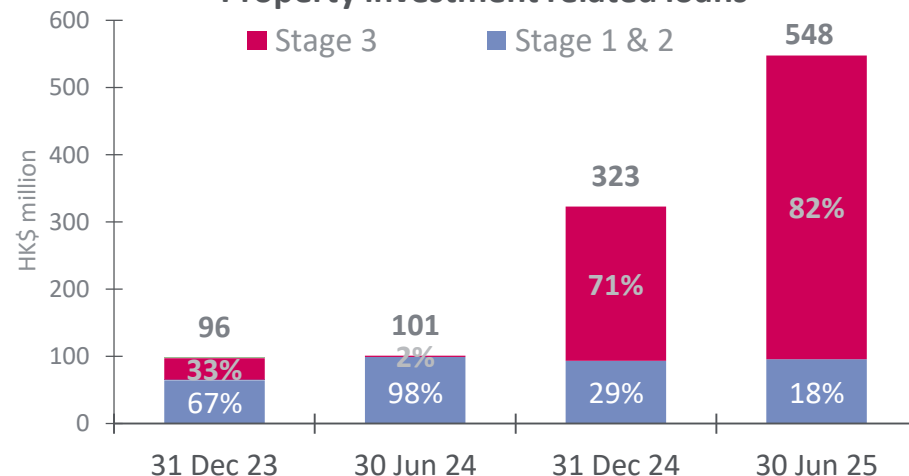
Hong Kong Commercial Real Estate

HKCRE secured and unsecured loans

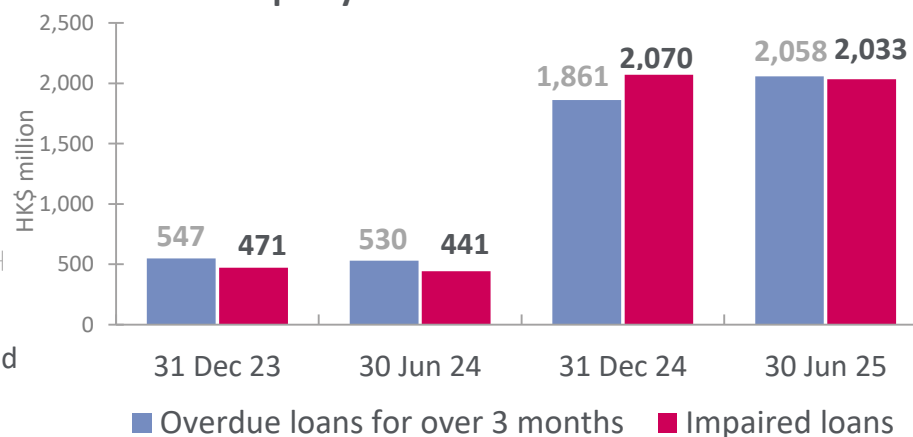


■ Property Development - unsecured ■ Property Investment - unsecured
■ Property Development - secured ■ Property Investment - secured

ECL allowances Property investment related loans

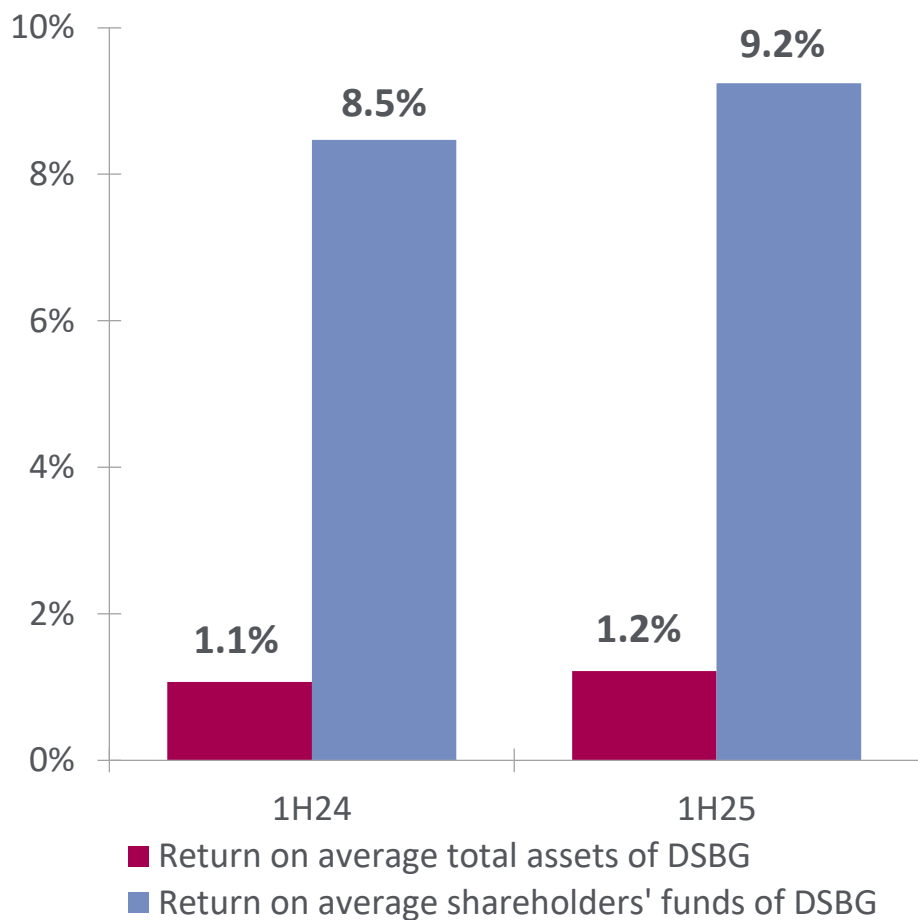


Asset quality Property investment related loans

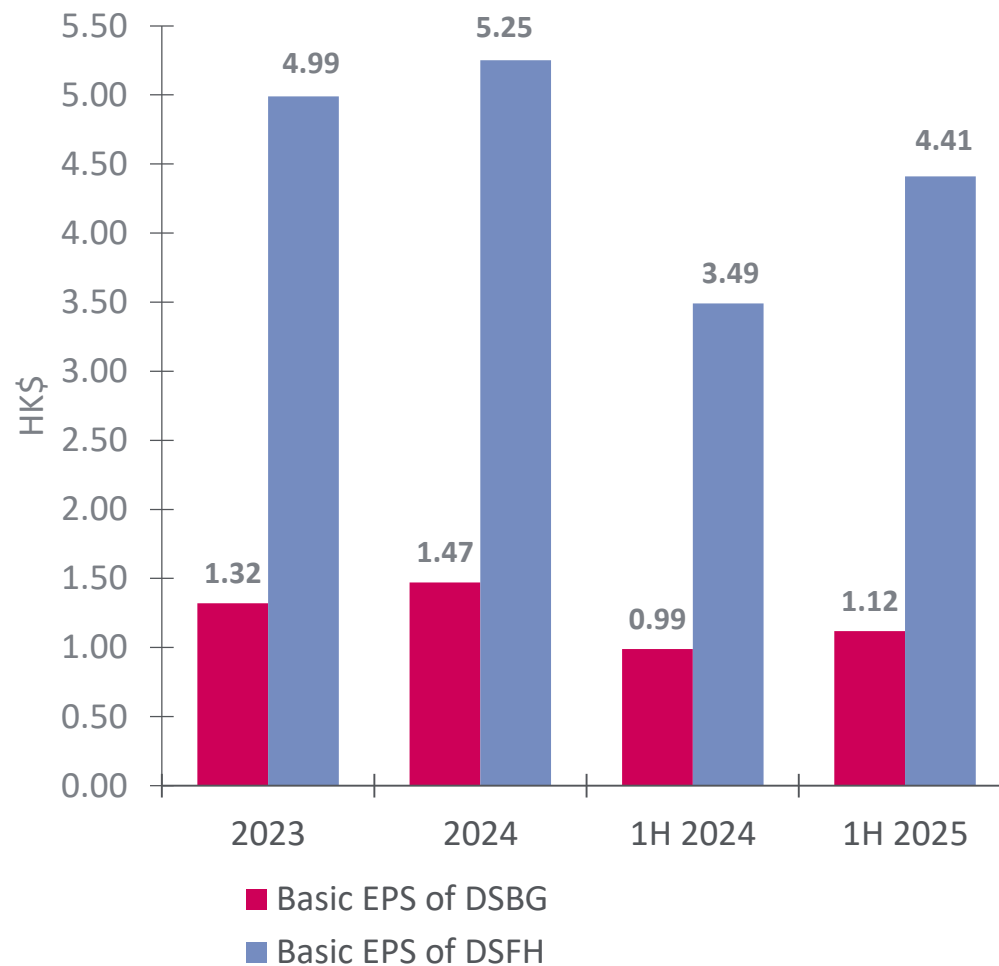


Key Return Indicators

Return on average total assets and shareholders' funds of DSBG

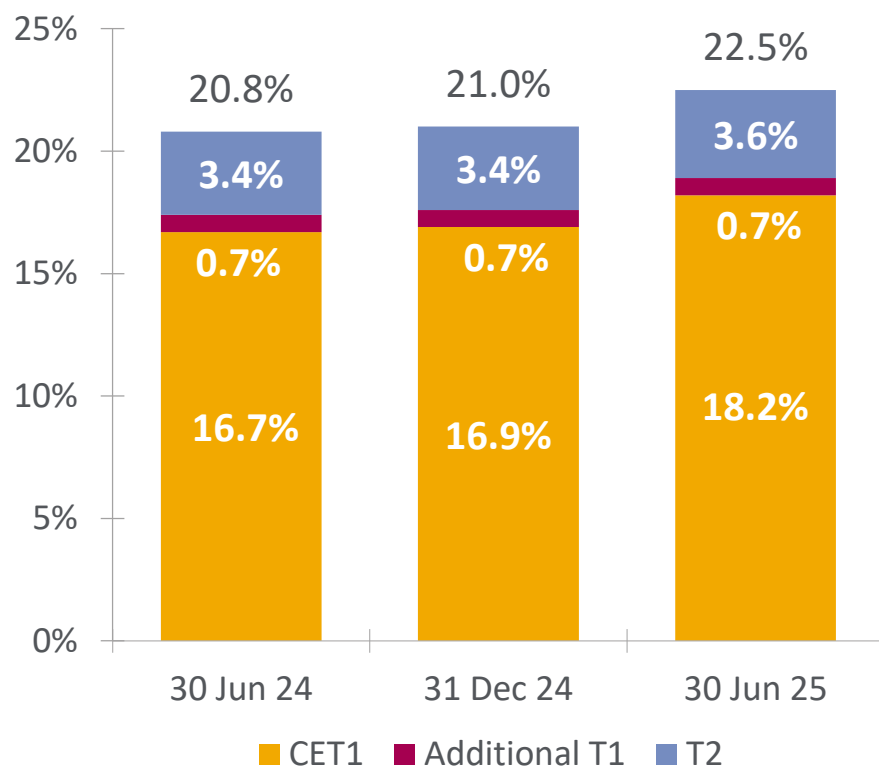


Basic EPS of DSBG and DSFH

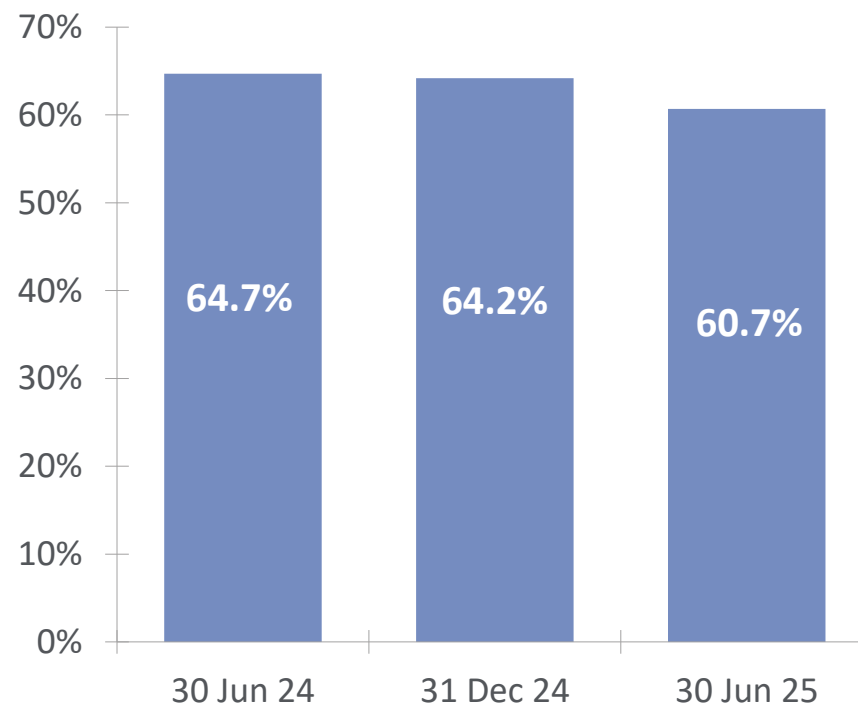


Capital Adequacy and Liquidity

Capital adequacy ratio



Liquidity maintenance ratio



Conclusions

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- Good performance in non-interest income due mainly to customer demand for wealth management services including bancassurance, with contribution also from FX-related and other trading activities
- Increase in net interest margin driven by disciplined funding cost management with respectable growth in CASA deposits
- Higher profitability and steady growth in premiums and AUM in Insurance and Investment Operations, driven by positive contribution from underwriting and investments
- Close monitoring of asset quality and prudent credit risk management amid weakness in commercial real estate sector
- Capital and liquidity positions remained robust with stable dividend payout ratio