2025 ANNUAL REPORT

HAITONG BANK, S.A.

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Registered Share Capital: 871 277 660 euros
Corporate Registration
and Tax Number: 501 385 932

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MANAGEMENT REPORT 4
Chairman and CEO Review 5
Senior Management 6
Organisational Structure 7
Macroeconomic Background 8
Key Indicators 11
Financial Overview 12
STRATEGY 14
Business Strategy 15
Business Model and Internal Organisation 16
Main Products 17
ACTIVITY REVIEW 18
Head Office 19
Portugal 21
Spain 26
Poland 29
United Kingdom 33
Macau 36
Brazil 39
Fixed Income 42
Haitong Global Asset Management 45
France 49
PEOPLE 50
Human Resources 51
RISK 55
Risk Management 56
Governance 56
Risk Appetite 57
Credit Risk 58
ESG Risk 63
Market Risk 64
Pension Fund risk 65
Operational Risk 66
ICT and Security Risk 67
Liquidity Risk 68
Capital Management 69
FINANCIAL REPORT 71
Consolidated Financial Statements and Notes to the Consolidated Financial Statements 72
Individual Financial Statements and Notes to the Consolidated Financial Statements 209
CORPORATE GOVERNANCE REPORT 338
ANNEXES 383
Non-Financial and Diversity Information 384
Earnings Distribution Proposal 391
Declaration of Conformity 392
Summary of the Self-Assessment Report of the Audit Committee 393
Audit Report and Opinion of the Audit Committee (Consolidated and Individual Financial Statements) 397
Statutory Auditor's Report and Audit Report (Consolidated Financial Statements) 405
Statutory Auditor's Report and Audit Report (Individual Financial Statements) 411

MANAGEMENT REPORT

Chairman and CEO Review



Pan Guangtao
Chairman



Lu Xiaoli
CEO

2025 was a year of transition for Haitong Bank across multiple dimensions. The merger at Shareholder level was successfully completed and the regulatory process at the level of Haitong Bank was ultimately finalised in December 2025.

Haitong Bank is now part of Guotai Haitong Securities, the largest investment banking group in China. This development creates compelling strategic opportunities for the Bank to leverage on its unique position as a gateway to both inward and outward cross-border business.

In recent months, the Bank received clear indications of the new Shareholder's strong commitment to its future development, including support in terms of funding and the pursuit of joint business initiatives.

Last year also marked the conclusion of the current Board mandate. The Bank is already operating under the leadership of the new Chief Executive Officer, Mr. Lu Xiaoli, and a new Board is expected to initiate its mandate in the forthcoming months. The end of this mandate provides an appropriate moment to reflect on the initial phase of the Bank's development while preparing to accelerate into the next phase of activity growth.

Over the past ten years, since the acquisition of Haitong Bank by Haitong Securities, the Bank has undergone a successful and far-reaching transformation. It addressed a heavy legacy from the previous Shareholder while laying the foundations for a healthy and sustainable future. This transformation encompassed the establishment of a new business model, governance framework and robust systems and controls. Throughout this process, the Bank benefitted from strong and unwavering Shareholder support in terms of capital, funding and joint business initiatives. We are proud of what Haitong Bank has become: a best-in-class European financial services institution with a footprint spanning Europe, Asia and Latin America.

The next decade of Haitong Bank's development will build on these solid foundations, but with a more ambitious and transformative objective to become a relevant and integral part of a Chinese global financial services group. As the Bank settles into its new reality within Guotai Haitong Group, decisive actions will be taken to clearly position Haitong Bank in the Group-wide strategy, leveraging its core competencies. From the current base, the Bank aims to build a stronger, more profitable and more prominent franchise.

The Bank's financial performance in 2025 was negative as it recorded its first loss in six years. This outcome was driven by a series of one-off adverse events, some of which were anticipated in the context of a prolonged and complex transition year. This performance has not raised any material concerns for either the Board or the Shareholder. Rather, 2025 was a year in which it was necessary to take a step back in order to prepare for more significant strides forward.

Senior Management

Board of Directors



Pan Guangtao

Chairman of the Board of Directors



Lu Xiaoli (Nick Lu)

Chief Executive Officer[1] and Executive Board Member

Subsidiary and Branch Management | CEO Office | Human Resources | Finance | Cross-border Business Macau Branch | Headquarter Business Coordination



Alan Fernandes

Executive Board Member

Haitong Banco de Investimento do Brasil, S.A.



Miguel Guiomar

Executive Board Member

Portugal Branch[2] | Fixed Income | Treasury



Nuno Carvalho

Executive Board Member

Compliance & AML-FT | CISO | Special Portfolio Management | IT Development and Application Support and IT Infrastructure | Online Banking | Legal



Vasco Câmara Martins

Executive Board Member

Risk Management | Rating | Operations



António Domingues

Non-Executive Board Member



Maria do Rosário Ventura

Non-Executive Board Member



Martina García

Non-Executive Board Member



Zhang Xinjun (Jeff Zhang)

Non-Executive Board Member



Chen Xuemei (Michelle Chen)

Non-Executive Board Member

Senior Managers with a Seat on the Executive Committee



Pedro Costa

Head of CEO Office | London Branch Manager | Company Secretary | Representative for Investor Relations

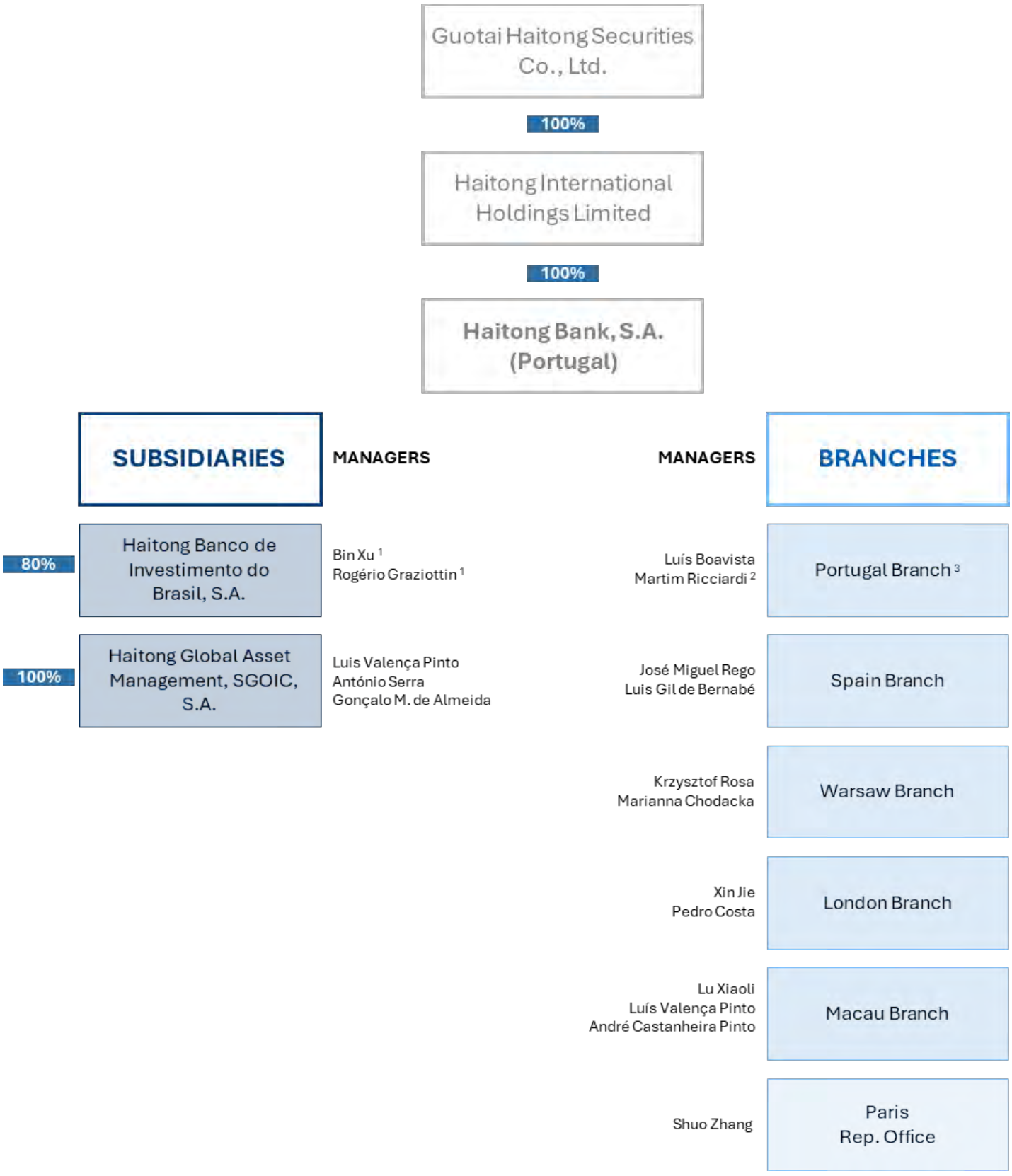


António Pacheco

Head of the Finance Department | Company Secretary Alternate

[1] *On January 22, 2026, the Bank's BoD accepted Mr. Wu Min's resignation and appointed Mr. Lu Xiaoli (Nick Lu) as the new Bank's CEO*
[2] *Does not correspond formally to a legal entity, having been established for internal organisational purposes only*

Organisational Structure



[1] *Approved by BACEN as of October 24, 2025, as Co-CEOs*
[2] *Deputy Branch*
[3] *Does not correspond formally to a legal entity and was established for internal organisation purposes only*

Macroeconomic Background

2025 Overview

Surpassing initial projections, the global economy successfully avoided recession in 2025, despite supply chain disruptions linked to challenging US external policies. Consensus forecasts and IMF estimates indicate that world GDP likely grew by 3% in 2025, consistent with the growth rate recorded in 2024.

In 2025, China, the European Union, the United Kingdom, Japan, and most major emerging economies pursued non-US trade negotiations to mitigate exposure to potential uncertainties arising from the US tariffs. As a result, GDP growth in these regions outperformed the initial projections in 2025, although most official statistics were unavailable at the time of this report's completion. Based on market estimates, the Euro Area's economy accelerated GDP growth from 0.9% in 2024 to 1.5% in 2025, with fiscal and monetary policies providing crucial support to reduce the impact of the US trade tariffs. The EU deployed the so-called "Draghi Plan", encompassing public investment initiatives and reforms aiming at enhancing economic competitiveness by 2030. Concurrently, the European Central Bank reduced the benchmark deposit rate by 100 basis points to 2%, marking its lowest level since December 2022.

China's strategy to diversify exports to other emerging economies, particularly within Asia, was complemented by ongoing trade negotiations with the EU, Canada, and the UK. A truce achieved in 2H2025 limited reciprocal tariffs between China and the US to 10%. According to official data released in mid-January 2026, China's GDP grew 5.0% in 2025, the same pace of 5% printed in 2024, while exports increased by 5.5% in 2025, compared with a growth of 10.7% in 2024.

The US economy also outperformed the initial estimates for sluggish GDP growth and expanded 2.2% in 2025, according to Bloomberg consensus from January 2026, below the 2.8% growth in 2024. The FED reduced the benchmark interest rate by 75 basis points to 3.75% in 2025, and the federal budget deficit remained elevated at 5.4% of GDP in 2025, compared with 6.9% in 2024. Fiscal and monetary policy measures, together with the continued strength of US household consumption—which grown 2.7% in 2025 compared to 2.9% in 2024—and robust capital investment in AI technologies, were key drivers of economic growth in 2025.

The tariff war resulted in an increase in the effective average import tariffs from 9.3% to 16.8% in 2025. Inflation remained persistently high due to the widespread impact of these tariffs, with core-PCE inflation at 2.8% for 2025, compared to 2.9% in 2024. Moreover, business organisations are currently suing the US administration over refunds from import tariffs, following the ruling of unconstitutionality of the tariffs by the Supreme Court in February 2026.

Global inflation eased to 4.1% in 2025 according to the IMF estimates from January 2026, compared to 5.8% in 2024. In the Euro Zone, the CPI inflation moved closer to the ECB target of 2%, reaching 2.1% in 2025, compared with 2.4% in 2024. Meanwhile, China narrowly averted deflation, posting 0.1% CPI inflation in 2025, compared with 0.2% in 2024.

Volatility and risk aversion to the USD marked 2025 with the dollar index sliding 9.4%, marking the lowest level since 2022. The euro appreciated by 13.4% in 2025 against the US dollar, while the Chinese yuan strengthened by 4.25%, reaching 6.99, and the Swiss franc rose by 12.6% to 0.79. Additionally, the British pound reached its highest level since 2022 at 1.347 (+7.7%) in 2025. With the prevalence of high interest rates, the BRL advanced 11% in 2025. The PLN also outperformed the USD by gaining 13.1% in 2025, on the back of a conservative central bank policy to slowly ease monetary conditions.

Credit markets in the Euro Zone demonstrated robust growth, with new bond issuance increasing by 39.6%, and exceeding the EUR 4 trillion mark for the first time. Market participants' sustained risk appetite contributed to risk premiums remaining at their lowest levels since 2019. The high-yield credit spread, iTraxx Xover, closed 2025 at 204.5 basis points, down 69.8 basis points YoY, and the investment-grade Itraxx Main closed at 50.3 basis points by December 2025, a decrease of 7 basis points YoY.

During 2025, sovereign bond markets in the United States and Europe witnessed another year of high volatility. In the absence of a comprehensive fiscal policy to reduce the deficit and debt-to-GDP ratios, Moody's downgraded the US sovereign credit rating from AAA to AA+ in May 2025, with all three major rating agencies currently assigning the US an equivalent AA+ rating. The yield of the 10-year US Treasury note ranged from a low of 3.95% to a high of 4.79% in 2025, closing at 4.17%, representing a 40 basis points decrease YoY. An indicator of future risks, the steepness of the US Treasury yield curve, measured by the spread between 2Y and 10Y yield, increased by 36.7 basis points to 69.4 basis points in 2025. This shift reflects ongoing inflationary pressures, continued uncertainty on the FED's independence, and the recurrent substantial fiscal deficits. Euro Area sovereign bond markets experienced an impact following the recent downgrades of the French Republic's sovereign credit rating: S&P lowered its rating by one notch to A+ with a stable outlook, Fitch also downgraded to A+ with a stable outlook, and Moody's assigned a negative outlook to its existing Aa3 rating. The conclusion of the ECB's monetary easing cycle resulted in a pronounced steepening of EUR yield curves, with the spread between 2-year and 10-year German Bund yields widening by 45 basis points in 2025—marking the highest level since the first half of 2021. The 10-year German Bund yield ended 2025 at 2.86%, representing a year-on-year increase of 49 basis points.

A combination of lower US interest rates, weaker USD, growth in China, and the global race for AI technologies favoured commodities, equities, and emerging markets in 2025. Metal prices increased by 17.5% in 2025, according to the CRB spot metals index. In 2025, the Euro Stoxx 50 increased by 19.5%, the S&P 500 rose by 16.7%, and the Shanghai CSI 300 appreciated by 17.7%. Meanwhile, the resolution of conflicts in the Middle East resulted in a 14.4% decrease in Brent crude oil prices in 2025, which contributed to global GDP growth, especially among emerging markets, and supported reduced inflation levels. In 2025, gold reached a new all-time high, closing at USD 4,319 per ounce, representing a 64.6% YoY increase. This performance was influenced by heightened global geopolitical fragmentation, primarily driven by US foreign policy developments.

2026 Outlook

In the absence of geopolitical uncertainty, macroeconomic conditions would favour another year of global growth close to the potential of 3% in 2026, according to Bloomberg consensus estimates. Inflation is expected to remain subdued at 3.3%, according to IMF estimates from January 2026, near the lowest levels observed since 2020. Central banks are expected to remain cautious as monetary conditions should be the most supportive of GDP growth since 2022. Among developed markets, Japan is the only country anticipated to experience a modest rise in benchmark interest rates. Fiscal policies are also expected to stimulate investments in infrastructure and defence. Finally, the ongoing competition within the technology sector for advancements in AI—including software, hardware, and infrastructure—is anticipated to sustain significant levels of capital investment in the global economy.

On the other hand, the race for rare earth minerals and critical metals is expected to drive continued US efforts to secure more affordable sources and supplies, potentially leading to tension with major producers, notably China and the EU (including Greenland).

Domestic uncertainties in the US, including the decision of the Supreme Court against the trade tariffs, the nomination of Chairman Jerome Powell's successor at the FED, and the outcome of the mid-term Congress election in November, should sustain the volatility in US financial markets with a high risk of contagion into the rest of the world in 2026. The weakness of the USD is likely to prevail against the major liquid currencies like the EUR, CNY, GBP, CHF, and JPY. Following the Supreme Court's adverse ruling in February 2026, the US administration signed an executive order valid for 150 days to impose 15% import tariffs against all trading partners, potentially triggering another cycle of trade negotiations with key economic partners.

The FED is expected to cut the benchmark rate by up to 50 basis points with a terminal interest rate of 3.25% in 2026. The ECB is expected to maintain the deposit rate at 2% in 2026. However, should GDP growth surpass the forecasted 1.2% and inflation deviate from the 2% target in 2026, there may be scope for a rate increase in 2027. Moreover, the People's Bank of China is likely to remain vigilant and will continue supporting liquidity conditions to counter the risk associated with weaker-than-anticipated domestic economic activity amid ongoing geopolitical uncertainty.

Further steepening of the EUR yield curve is anticipated, with the German 10Y bund yield potentially reaching 3% in 1H2026 and 3.25% in 2H2026 in the benign scenario. In the case of negative developments leading to economic underperformance, the yield should fall below 2.5% in 2026. However, the primary driver of global yields is still the 10Y US Treasury note's yield. In the Bank's view, there is a risk of further steepening of the USD yield curves due to uncertainties surrounding the FED's independence, ongoing fiscal imbalances, and ambiguity in domestic economic policies. Such policies include government intervention in sectors such as energy, finance and trade. The 10Y US Treasury yield trading is expected to range between 4% and 4.75% in 2026. This perspective is expected to constrain the likelihood of a significant depreciation of the USD relative to the EUR. According to the Bank's main scenario, the EURUSD is expected to range between 1.20 and 1.25 in 2026.

A potential correction in US equity and credit markets, particularly driven by leveraged investments in AI-related sectors, could dampen risk appetite across financial markets and pose downside risks to global growth in 2026. Increased risk aversion may curb demand for USD-denominated asset classes, while enhancing flows toward more liquid instruments such as precious metals, non-USD investment-grade sovereign bonds, and developed market currencies. While 2025 presented considerable challenges, 2026 is poised to offer a similarly complex environment for market participants.

It should also be noted that at the start of 2026, the US administration promoted a military intervention in Venezuela, initiated a military action in Iran, together with Israel, and revisited discussions regarding the possible control of Greenland, either by acquisition or military measures involving the territory of a NATO ally. These events may cause further distress between the US and the EU and seriously impact the above outlook.

Key Indicators

(EUR million)

	December		
	2025	**2024**	**2023**
Balance Sheet			
Total Assets	3 429	3 303	3 499
Total Liabilities	2 817	2 665	2 846
Total Equity	612	638	652
Results			
Banking Income	48	66	76
Operating Costs	-52	-58	-60
Operating Profit	-4	8	16
Impairment and Provisions	-16	2	11
Net Profit / Loss	-30	5	17
Profitability			
Return on average shareholders' equity (ROE)	-4.6%	0.8%	2.7%
Income before tax and non-controlling interests / Average equity [1]	-3.2%	1.5%	4.2%
Return on average net assets (ROA)	-0.9%	0.2%	0.5%
Income before tax and non-controlling interests / Average net asset [1]	-0.6%	0.3%	0.8%
Banking Income / Average net assets [1]	1.4%	2.0%	2.2%
Efficiency			
Operating costs / Banking income (Cost to Income ratio) [1]	109.4%	88.0%	79.2%
Staff Costs / Banking Income [1]	70.4%	57.9%	52.5%
Credit Quality			
Loan Portfolio (gross)	745	724	696
Loan Loss Charge	12.6	0.0	-3.4
Non-Performing Loans Ratio	3.7%	1.0%	1.2%
Non-Performing Loans Coverage	57.5%	26.9%	48.4%
Solvency			
CET1 ratio	19.6%	19.3%	19.0%
Total capital ratio	24.7%	24.2%	23.8%
Leverage			
Leverage Ratio	11.4%	12.3%	11.5%
Liquidity Position			
Net Stable Funding Ratio (NSFR)	144%	134%	151%
Liquidity Coverage Ratio (LCR)	237%	211%	275%
Loans to deposits ratio ((Gross loans - provisions) / customer deposits) [1]	62%	69%	84%
Total Headcount	309	331	356

[1] *Banco de Portugal Reference Indicators (Notice 23/2011)*

Financial Overview

2025 proved to be an atypical year for Haitong Bank. The merger at Shareholder level was successfully completed in March but the regulatory process at the level of Haitong Bank was only finalised in December 2025. The Bank faced a combination of unique negative factors that affected the 2025 financial performance, resulting in net losses attributable to the shareholder of EUR 29.7 million by year-end. Some of those factors were explained by the extended transition process at the Shareholder level. Other events were one-off accounting adjustments.

From a capital perspective, Haitong Bank continues to show a strong capitalisation with a 19.6% CET1 and 24.7% Total Capital ratios.

Banking Income reached EUR 47.6 million in 2025, a 28% decrease from the previous year. Despite the very positive performance of the European franchises, that was not sufficient to overcome several negative factors that impacted Banking Income.

The prolonged delays in the regulatory change-of-control process (only completed in December 2025 at Haitong Bank level), following the merger at the Shareholder level, hindered Haitong Bank's integration in the new Shareholder structure and operating model. The most visible consequences of these delays were the underperformance of the China-related business, conducted through the Macau Branch, as well as delays in the implementation of the Bank's long-term funding plan.

In Macau, Banking Income fell sharply year-on-year, decreasing by 79% from EUR 12.4 million, in 2024, to EUR 2.6 million, in 2025. This underperformance was driven by a decrease in China-related DCM business that had traditionally been originated together with the Shareholder in China, as well as insufficient support to the lending business in Macau. The underperformance of the Macau Branch was the main reason for the 43% decrease in the Bank's consolidated Net Fees and Commissions.

The delay in renewing the long-term syndicated loan guaranteed by the Shareholder, only concluded by year-end, also adversely affected asset origination, as the Bank had to rely on alternative funding sources with higher costs. Nevertheless, Net Interest Margin increased by 7% in 2025 compared to the previous year, reaching EUR 41 million and accounting for 87% of the Bank's total consolidated Banking Income. This performance was supported by positive contributions from both the Corporate and Project Financing and the Fixed Income European businesses. Had the long-term funding strategy been implemented at an earlier stage, this good performance could have been more robust.

Another negative one-off factor impacting Banking Income was at the level of Capital Markets Results. Although the European bond portfolio generated substantial capital gains, Capital Market Results fell sharply year-over-year, from EUR 14.6 million in 2024 to EUR 0.5 million in 2025. This decrease was primarily driven by the fair value revaluation of the Brazilian sovereign debt securities portfolio classified as trading assets, following a periodic review of valuation methodologies that was implemented in line with preliminary guidance from Banco de Portugal. This one-off adjustment resulted in losses amounting to EUR 8.8 million, offsetting the capital gains in the European fixed income portfolio, which outperformed the budget. Notwithstanding, this one-off adjustment is of accounting nature, and the negative valuation effect over this portfolio in Brazil is expected to be gradually reversed as the portfolio approaches maturity.

Overall, these negative one-off impacts on Banking Income resulted in negative operating results, despite a 10% year-on-year reduction in operating expenses to EUR 52.1 million, mainly driven by restructuring measures implemented within the Brazilian operations.

Additional impairments placed further pressure on results. Impairment charges and net provisions amounted to EUR 16.3 million in 2025, mainly driven by a single non-performing loan in Poland, as well as other asset impairments and provisions recorded in Brazil. Even considering the increase in non-performing loans and exposures, the Bank's asset quality indicators remained at adequate levels. At the end of 2025, the NPL ratio stood at 3.7% while the NPE ratio amounted to 2.2%.

Further adjustments in tax assets completed the sequence of one-off events impacting 2025's performance. On the tax side, two adjustments to the value of Deferred Tax Assets (DTAs) resulted in a total negative impact of EUR 14.8 million in Net Income. These adjustments are of accounting nature and had no impact on the Bank's Regulatory Capital, as DTA's are not taken into account for the calculation of prudential ratios. The first impact was due to Law No. 64/2025 of 7 November, which introduced a reduction in the nominal corporate income tax rate to 19% for the 2026 tax period, 18% for the 2027 tax period, and 17% from the tax period beginning in 2028. This legislative change resulted in a negative valuation impact of EUR 4.8 million on deferred tax assets. Additionally, applying a prudent and conservative approach to its tax position, the Bank has derecognised EUR 10 million of Deferred Tax Assets (DTAs) related to tax losses and branch tax credits. This accounting treatment does not affect its legal entitlement to utilise these tax credits in the future, and the Bank retains full rights to recover them when supported by future taxable results.

Collectively, the impact of the combination of events described above resulted in net losses of EUR 29.7 million in 2025.

Regarding the Balance Sheet, at the end of 2025, Total Assets reached EUR 3.4 billion, representing an increase of EUR 126 million, or a 3.8% year-on-year growth. Market volatility supported the Bank's fixed income investments, while credit activity remained one of the most dynamic business lines, particularly in Europe.

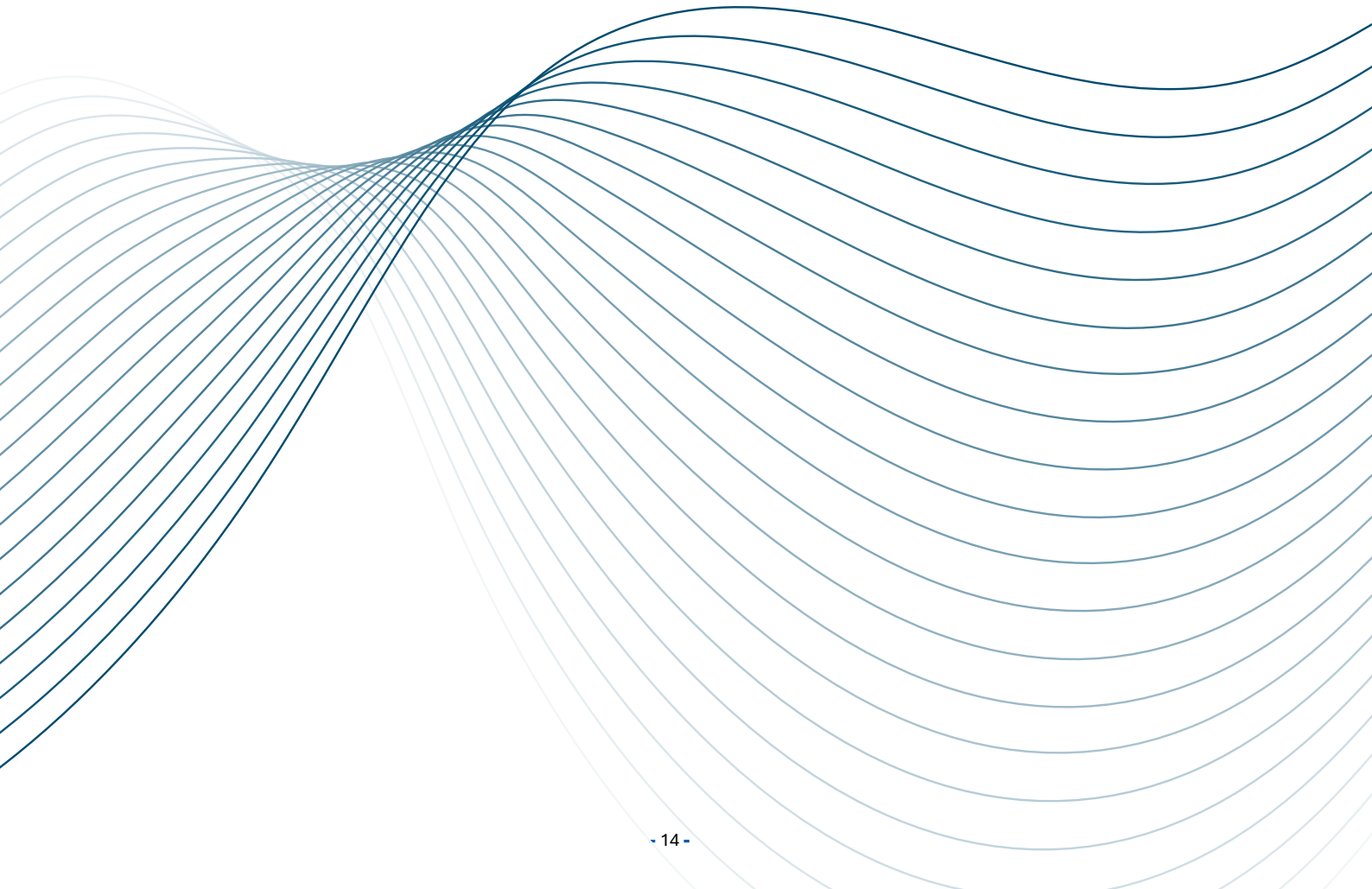
The loan portfolio totalled EUR 727 million, slightly above the previous year but negatively impacted by numerous early credit repayments. New credit assets amounted to approximately EUR 350 million over the year. Loans and Advances to Banks increased by 27% year-on-year, reaching EUR 652 million, primarily consisting of liquidity deposited with Banco de Portugal. The securities portfolios, in particular the trading assets, also showed an increasing trend.

On the funding side, the Bank cautiously managed the available funding sources, in accordance with regulatory requirements and funding cost optimisation. The Bank continued to leverage on online retail deposit platforms, which saw a substantial rise in volumes throughout the year, and, later in the year, concluded a long-term syndicated loan with Shareholder guarantee, contributing positively to both the NSFR and LCR ratios.

During 2025, Standard & Poor's ("S&P") took the following rating actions:

- on February 19, 2025, S&P placed the "BB" long-term issuer credit rating on Haitong Bank on "CreditWatch" with positive implications and affirmed the "B" short-term issuer credit rating;
- on March 17, 2025, S&P upgraded the Bank's long-term credit rating to "BB+" from "BB" with a "Stable" outlook. The Bank's short-term credit was affirmed at "B". The rating upgrade followed the materialisation of the merger between Haitong Securities Co., Ltd. ("HTS") and Guotai Junan Securities Co., Ltd. ("GTJA"), with GTJA assuming all assets and liabilities of HTS. On this date, S&P considered that Haitong Bank would remain strategically important to the new group;
- on July 31, 2025, S&P revised the Bank's outlook to "Negative" from "Stable". At the same time, S&P affirmed the Bank's "BB+/B" long- and short-term issuer credit ratings. According to S&P, there was not full clarity on whether Haitong Bank would remain consistent with Guotai Haitong Securities Co., Ltd.'s international strategy.

STRATEGY



Business Strategy

Haitong Bank is a corporate and investment bank dedicated to supporting clients across the domestic markets in which it operates, as well as in cross-border transactions.

The Bank's strategy focuses on connecting clients with business opportunities through its extensive network, blending long-standing expertise in Europe and Latin America with a strong Chinese background.

The Bank capitalises on its multinational experience and unique footprint to create strategic value for the Group.

FOOTPRINT

EUROPE	GREATER CHINA	LATIN AMERICA

Haitong Bank's strategy is underpinned by three main drivers:

- Historical franchises in Europe and Latin America;
- A China angle, through the Macau Branch and Group connectivity; and
- A cross-border focus, leveraging on the extensive footprint.

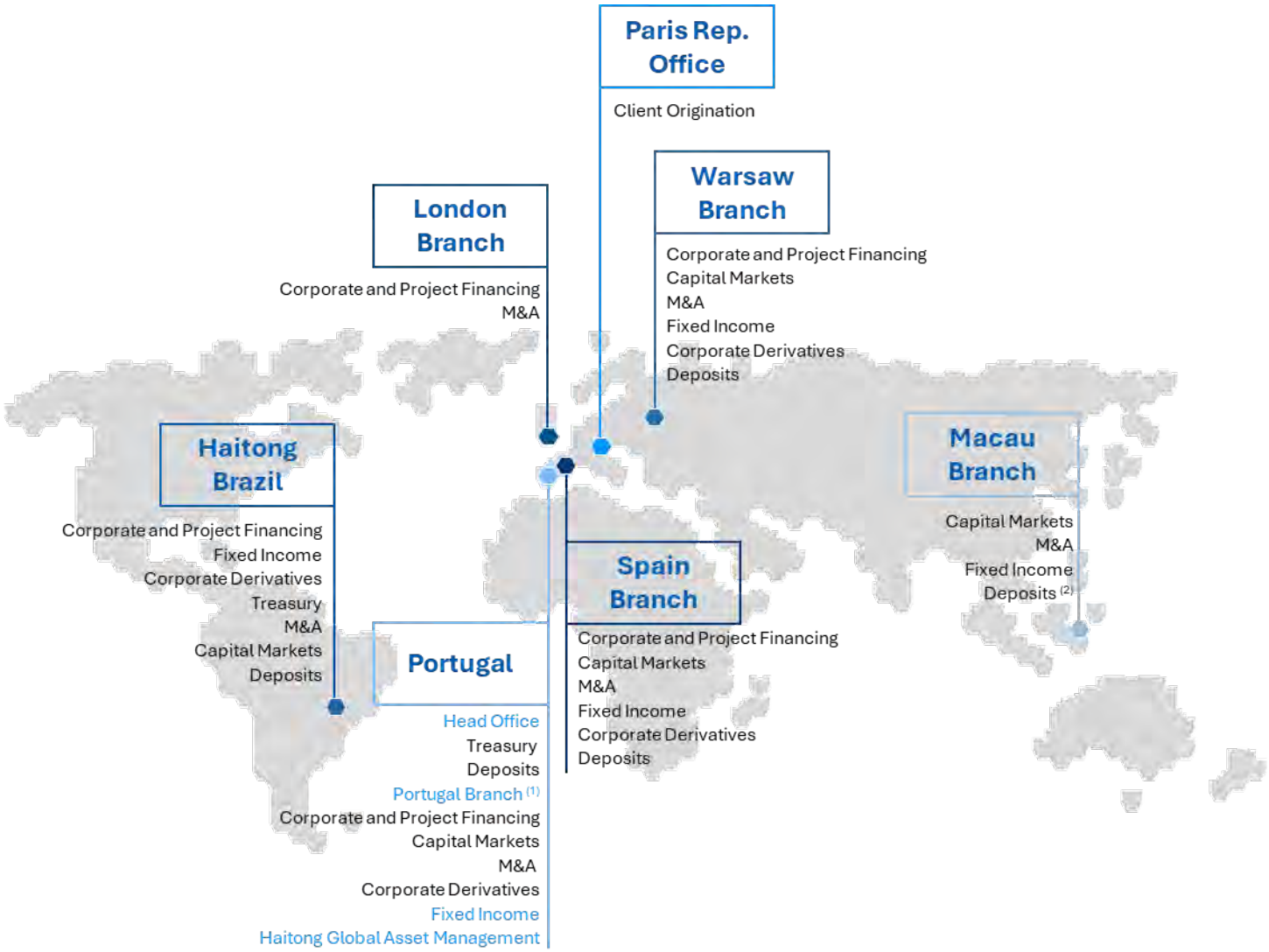
Over recent years, the Bank has followed a consistent strategy as a corporate and investment bank well anchored on its franchises in Europe, Latin America, and China. This positioning has allowed the Bank to improve its resilience and differentiation versus other Western and Chinese competitors.

The Bank's mission is to provide first-class services to clients, to further develop the Group's global franchise and create Shareholder value. This encompasses a strong sense of capital preservation driven by a conscious risk-taking approach and an effective cost base, in full compliance with rules and regulations.

Haitong Bank conducts its activities guided by a corporate culture shaped by its core values of **Transparency**, **Meritocracy**, **Perseverance**, and **Integrity**. The cornerstone of the Bank's collective goal for success is to build trust with clients and other stakeholders, including Regulators. This is supported by a consistent rules-based organisation, operating under a clear code of conduct, a comprehensive strategy, and solid governance.

The Bank is committed to sustainably supporting its clients' activities, ensuring equal treatment and guaranteeing that its clients' legal interests and confidentiality are protected, and that high-quality and efficient services are always provided. To this end, the Bank strategically engages clients to understand their financial needs and offer bespoke solutions, aiming to ensure a seamless and professional experience.

Business Model and Internal Organisation



[1] *Does not correspond formally to a legal entity and was stablished for internal organisation purposes only*
[2] *Under implementation*

Main Products

CORPORATE AND PROJECT FINANCING

Corporate lending
Collateralised asset finance
Project finance
Acquisition finance
Guarantees

FIXED INCOME

Banking book management
Fixed income market making and trading
Distribution to institutional clients
Bond syndication

CAPITAL MARKETS

Eurobonds (EUR/USD)
Domestic bonds (multicurrency)
Short-term debt instruments
Advisory on ECM transactions

M&A ADVISORY

Sell-side and buy-side advisory
Company valuations
Restructuring advisory
Feasibility studies

CORPORATE DERIVATIVES

Hedging solutions
Commodities
Interest rates
Foreign exchange
CO2

INVESTMENT SERVICES

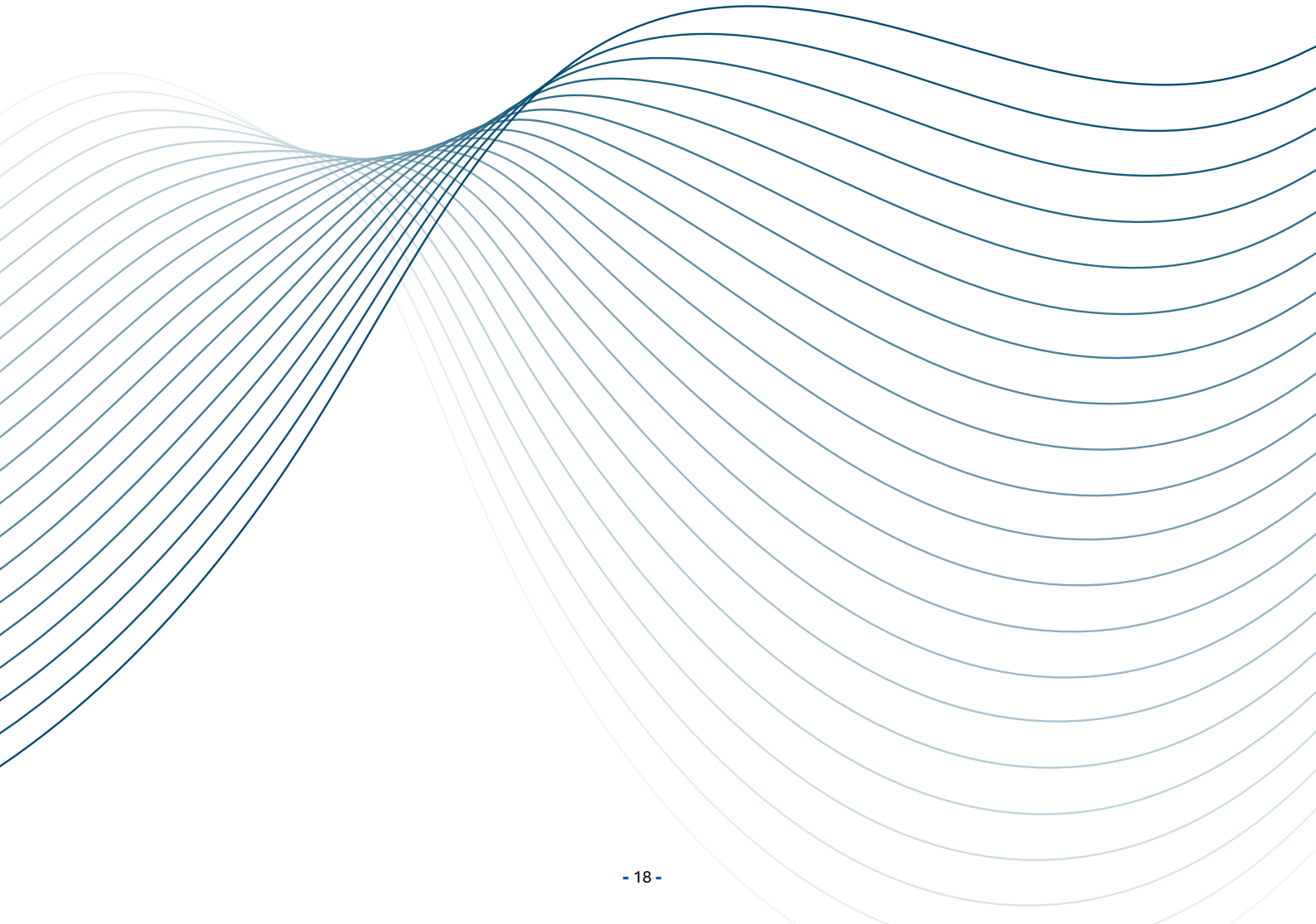
Global Asset Management

Cross-asset experience: equities, fixed income, private equity and Quant
Local expertise: Europe and China
Discretionary mandates and fund management

Deposits

Retail, corporate and institutional

ACTIVITY REVIEW



Head Office

Overview and Strategy

The Head Office Unit was created within the scope of the organisational change implemented in March 2024, aiming to split the Haitong Bank Group activities into several units, most of them corresponding to geographical units - Spain, Poland, the UK, Brazil, Macau, and Paris - in order to improve accountability and increase cost transparency.

The Head Office Unit is one of the four units located in Portugal (in addition to the Portugal Branch, Fixed Income, and HGAM) and mainly includes:

- Treasury activities are performed on a group-wide basis, except for Haitong Brazil, which manages its own treasury;
- Deposits from the Online Banking activity, particularly the ones sourced through the Bank's own retail deposit platforms; and
- Part of the China-related business originated together with Guotai Haitong Group and executed by Haitong Bank.

The Head Office Unit also comprises the operating costs of the Control and Support Functions, with certain costs being allocated to other geographies, according to the internally established transfer pricing rules.

Business Lines

Treasury

Deposits

China-related business

Banking Income[1]

€ 9.4mn

Activity Highlights

On the **Treasury** side, throughout 2025, the Bank maintained a sound liquidity position, supported by a balanced funding mix. Retail deposit volumes increased over the period, and the Bank made continued use of eligible collateral to secure funding on competitive terms. The main credit facility was refinanced, contributing to an extension of the average maturity of liabilities and lower funding costs. Treasury also manages a portfolio of High-Quality Liquid Assets (HQLA) that contributes to enhancing the liquidity's remuneration.

Retail Deposits

The Bank continued to increase its retail deposit offering through online retail deposit platforms, achieving a considerable increase in outstanding volumes. Initiatives were implemented to strengthen the retail deposit base, accompanied by efforts to increase the geographical diversification of funding sources. This channel has proven to be a stable funding source, positively impacting the Bank's NSFR and LCR ratios. Launched in April 2024, the Bank's unique online banking platform has attracted **online deposits** from both corporate and retail customers, supporting the efforts to diversify funding sources.

Credit Facilities

By the end of 2025, the Bank successfully refinanced its main credit facility, an important pillar of its financing strategy, contributing significantly to its stability and cost optimisation. The terms of the new credit facility resulted in a substantial decrease in funding costs and enhanced the Bank's competitive position.

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

Eurosystem Refinancing

Throughout the year, the Bank closely monitored ECB monetary policy developments and actively managed its pool of eligible assets. On June 16th, the Bank migrated to the Eurosystem Collateral Management System (ECMS), which replaced the Collateral and Operations Management System (COLMS).

China-related business

China-related business was subdued during this transition year, with the merger at the Shareholder level and the delays in the change in control process at the level of Haitong Bank.

2026 Outlook

In 2026, the Treasury Department will focus on maintaining an adequate level of liquidity in alignment with the Bank's Business Plan. Key priorities for the next year include the continued management of funding costs and the preservation of a stable and diversified funding profile.

Accordingly, future funding efforts will be centred on the following sources:

- **Retail Funding:** Adjusting the balance between external online platforms and proprietary online banking to increase the weight of the latter in the funding mix.
- **Long-term Funding:** Access to longer-term funding through instruments such as syndicated loans and bond issuances, with the objective of supporting balance sheet resilience and strategic objectives.
- **Money Markets and Collateral Management:** Ongoing use of eligible collateral to access money market funding on competitive terms and maintain effective access to liquidity.

These measures are intended to support the Bank's liquidity position, contribute to financial stability, and ensure alignment with the Bank's strategic objectives.

Portugal

Overview and Strategy

The Portugal Unit incorporates the corporate and investment banking business in Portugal and carries a long-standing market franchise of over three decades.

Its vast expertise in Corporate and Project Financing, Capital Markets, M&A Advisory and Corporate Derivatives, supported by strong client coverage, allows the Unit to consistently deliver tailored financial solutions that align with clients' objectives and market developments. The Client Coverage team plays a central role in building and maintaining strong relationships across Haitong Bank's existing and potential client base.

Haitong Bank's unique domestic proven track record, combined with skilled and experienced teams across the four business lines, has been a key differentiator in a very competitive market.

Throughout 2025, the Bank committed to fostering investment banking solutions to a wide corporate client spectrum across all sectors, continuously introducing new approaches and products that enhance value for its clients.

Business Lines

Corporate and Project Financing

Capital Markets

M&A Advisory

Corporate Derivatives

Banking Income[1]

€ 8.6mn

Activity Highlights

2025 was a strong year for the Portugal Unit, being marked by solid revenue generation, greatly supported by its Corporate and Project Financing lending activities, successful execution of landmark Capital Markets transactions and continued advisory activity despite a softer M&A environment.

In 2025, the **Corporate and Project Financing** activity showed an improvement compared to the previous year, reinforcing its presence in the lending space, with a growing volume of new deals approved and completed. The Banking Income increased 12% year-on-year, significantly outperforming the targets for the year, pointing to the consistent positive performance and the successful execution of the Corporate and Project Financing business in Portugal.

Despite operating in a challenging and highly competitive landscape, Haitong Bank's Corporate and Project Financing division has sustained its position in the Portuguese lending market, leveraging on its extensive experience, recognised structuring capabilities and longstanding track record.

Building on the aforementioned expertise and capabilities, Haitong Bank has placed particular emphasis on several value-added primary market transactions, serving in multiple mandated leading roles and overseeing the full transaction lifecycle - from origination and structuring, to underwriting and closing. From a sector perspective, the infrastructure, defence and retail sectors should be highlighted. Notably, six new deals were successfully closed, while several other transactions were originated across the energy, industrial and real estate sectors.

While continuing to work in close alignment with the local origination team in covering the corporate lending market in Portugal, the Corporate and Project Financing team has also maintained strong collaboration and

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

support to other Haitong Bank geographies in addressing the international lending space, focusing on high-value opportunities across both the primary and secondary markets.

The prudent management of the Bank's loan and agency portfolios continued to be a priority for the Corporate and Project Financing activity, from both a risk and return perspective. Throughout 2025, the Bank remained focused on proactive portfolio monitoring with the aim of ensuring the stability and sustained profitability of its credit operations.

Within the scope of Corporate and Project Financing, the Bank continued to position itself as a solutions-oriented partner, adopting a flexible and constructive approach tailored to delivering value-added transactions. This strategy focus has enabled Haitong Bank to effectively address complex client needs and solidify its reputation as a trusted financial partner.

The year 2025 marked the strongest year on record for global **Debt Capital Markets'** activity since records began in 1980. The Capital Markets business area in Portugal was no exception and had a very positive year, closing relevant deals both on debt and equity markets.

On the DCM side, the Bank led several deals, among which:

- The Bank acted as Sole Global Coordinator of Futebol Clube do Porto – Futebol, SAD's EUR 50 million bond issue, with a tenor of 3 years and 8 months and a 5.5% coupon. This bond was placed through a Public Subscription Offer and a Public Exchange Offer, with final demand of EUR 58.5 million, or 1.2x the issued amount;
- The Bank acted as Sole Global Coordinator of Sport Lisboa e Benfica - Futebol, SAD's EUR 55 million bond issue, which was the 13th bond issued by this issuer and led by Haitong Bank. This 4.5% coupon bond was placed through a Public Subscription Offer and a Public Exchange Offer, with final demand of EUR 76.5 million, or 1.4x the issued amount;
- The Bank acted as Joint Global Coordinator of Mota-Engil, SGPS, S.A.'s EUR 95 million Sustainability-linked bond, with a 5-year tenor and a 4.5% coupon, achieved through one Public Exchange Offer and one Public Subscription Offer. This fifth sustainability-linked bond issued by Mota-Engil was the public bond offer that attracted the most retail interest in Portugal year-to-date, reaching a total demand of EUR 106.6 million, i.e. 1.1x the issued amount.

On the ECM side, the Bank acted as Listing Agent in the admission to trading of the share capital of 3 real estate entities on the Multilateral Trading Facility Euronext Access, a non-regulated market operated by Euronext Lisbon:

- Arrábidashopping - SIC Imobiliária Fechada, S.A.: 1,569,710 shares admitted to trading, representing the total share capital of the company. The listing reference price per share was EUR 52.8543;
- Gaiashopping – SIC Imobiliária Fechada, S.A.: 10,000 shares admitted to trading, representing the total share capital of the company. The listing reference price per share was EUR 9,156.7193;
- CIAGEST – SIGI, S.A.: 25,997,510 shares admitted to trading, representing the total share capital of the company. The listing reference price per share was EUR 2.210.

The **M&A** market in Portugal saw a 56% year-on-year decrease in deal value in 2025, with the total value of completed transactions amounting to EUR 3.9 billion. Despite this decline, deal volumes remained broadly stable, with 249 transactions completed. Haitong Bank remained active in this market and the team successfully executed two remarkable transactions, and several related deals are currently in progress and expected to be finalised in 2026.

In 2025, the Bank acted as financial advisor in the following transactions:

- Advisory to the France-based asset manager Mirova on the sale of four small hydro plants (run-of-river) located in the north of Portugal with an aggregate installed capacity of 33.0 MW: Pereira, Canedo, Teixo and Vilar do Monte. Mirova is an affiliate of Natixis Investment Managers dedicated to sustainable investing. The buyers were White Summit Capital-managed funds and mandates;
- Advisory to the shareholders of A Padaria Portuguesa on the sale of the company to Grupo Rodilla. A Padaria Portuguesa, Lda, known under the “A Padaria Portuguesa” brand, is Portugal’s leading network of neighbourhood bakery & coffee shops, with over 80 stores, two manufacturing facilities, and one logistics centre. Grupo Rodilla is a Spanish holding company with operations in casual dining and quick service, namely under the “Rodilla” and “Hamburguesa Nostra” brands. It is part of the DISA Group, which has an established presence in Portugal across various sectors, including soft drinks and beer, as well as fuel distribution.

Throughout 2025, the Iberian **Corporate Derivatives** desk remained active across FX and interest rates, with activity levels varying significantly between the first and second halves of the year.

In the first semester, client activity was largely defensive in nature. FX activity was primarily driven by operational hedging needs, with a strong focus on spot, forwards, FX swaps and options, often executed through the Bank’s electronic platforms. Demand for interest rate and commodities hedging remained limited, as corporates delayed investment and financing decisions amid heightened uncertainty.

In the second semester, activity improved notably in interest rate and FX derivatives, supported by new financing transactions and greater clarity on Central Bank policy direction. Collaboration with the Corporate and Project Financing and Corporate Banking teams remained a key origination channel for interest rate hedging, particularly in the context of amortising loans and project-related financings.

Despite this improvement, demand for complex or long-dated structures remained constrained, as clients continued to exhibit caution regarding macroeconomic visibility and geopolitical risks.

Across all products, the desks maintained a strong emphasis on client engagement and advisory, supporting corporates in navigating volatile markets and adjusting hedging strategies dynamically as market conditions evolved. The desks’ experience and technical expertise continued to position them as trusted counterparts in the Iberian market, particularly in periods of market stress.

ENERGY — PORTUGAL

mirova
Investing in sustainability

Sale of four small hydroplants in Portugal (33 MW)

Sell-side Advisor
2025
HAITONG

CONSUMER & RETAIL — PORTUGAL

A PADARIA PORTUGUESA

Sale of A Padaria Portuguesa to Grupo Rodilla

Sell-side Advisor
2025
HAITONG

CONSTRUCTION & REAL ESTATE — PORTUGAL

MOTA-ENGIL

4.5% Sustainability-linked bonds due 2030

€ 95,000,000
Joint Global Coordinator
2025
HAITONG

SPORTS & ENTERTAINMENT — PORTUGAL

BENFICASAD

Public Bond Subscription and Exchange Offers

€ 55,000,000
Sole Global Coordinator
2025
HAITONG

SPORTS & ENTERTAINMENT — PORTUGAL

Public Bond Subscription and Exchange Offers

€ 50,000,000
Sole Global Coordinator
2025
HAITONG

CONSTRUCTION & REAL ESTATE — PORTUGAL

GAIASHOPPING

Technical Listing

€ 91,567,193
Listing Sponsor
2025
HAITONG

HEALTHCARE — PORTUGAL

MOTA-ENGIL
serena

Loan to Hygeia – Edifícios Hospitalares, S.A.

€ 17,800,000
Lender, Arranger
2025
HAITONG

HOLDING — PORTUGAL

JOSÉ DE MELLO

Senior Debt Facilities to José de Mello, S.A.

€ 290,000,000
Lender
2025
HAITONG

CONSTRUCTION & REAL ESTATE — PORTUGAL

MOTA-ENGIL

Corporate Loan to SCP Financial Investments (Mota-Engil Group)

€ 6,000,000
Lender, Arranger
2025
HAITONG

2026 Outlook

Economic growth is projected to persist throughout 2026 across most major countries and regions. Primary contributing factors include declining inflation rates—supported by reduced oil prices—and the implementation of more accommodative monetary policies.

Good prospects are envisioned in the infrastructure, energy and real estate sectors, with several acquisition finance opportunities identified among longstanding client relationships, targeting assets in Portugal and other regions.

The positive outlook for Haitong Bank's Corporate and Project Financing activity is further reinforced by the Bank's distinctive strengths, including its established international presence and integration within a solid Chinese financial group. Benefiting from its consistently strong performance, Corporate and Project Financing remains a core product within the Bank's comprehensive range of financial services, supporting its ability to meet diverse client needs.

Positive momentum for credit markets is likely to continue throughout 2026. Companies are finding easy access to capital despite concerns over geopolitical events and the potential for economic slowdowns. Going into 2026, the main risk for debt issuance and spreads is the continued uncertainty around US tariffs compressing margins for more levered borrowers.

Regarding equities, although the current rally is unlikely to persist indefinitely, equities have largely resisted the impacts of tariffs, relatively high interest rates and high inflation. As a result, the factors that could potentially lead to a near-term decline remain uncertain. Continued weakness in the labour market may temper positive sentiment in equities and stifle a prospective recovery in issuances; however, this effect could be mitigated by lower interest rates and sustained consumer resilience.

The M&A market in Portugal is expected to see a gradual increase in activity in 2026. This is anticipated to be driven by the closing of several large transactions already announced, alongside a growing number of mid-market deals, particularly in sectors such as infrastructure, energy transition, healthcare, financial services and technology. The pipeline of business opportunities remains solid, and Haitong Bank is well-positioned to advise clients on both strategic consolidation and inbound investment, leveraging its established sector expertise and strong local presence.

The outlook for the Corporate Derivatives business in Iberia remains cautiously constructive, albeit dependent on improvements in macroeconomic visibility and geopolitical stability.

Should inflation continue to moderate and central bank policy paths become clearer, a gradual recovery is expected in financing activity and, consequently, increased demand for interest rate and FX hedging. A reduction in market volatility would likely encourage corporates to re-engage in medium- and long-term risk management strategies.

Strategically, Corporate Derivatives will remain committed to deepening client relationships, strengthening collaboration with internal origination teams and developing pragmatic, client-centric solutions tailored to evolving market conditions.

Spain

Overview and Strategy

Spain is a business unit fully aligned with the Haitong Bank Group's strategy and has consistently posted positive financial results throughout the years.

This business unit benefits from the expertise of a dedicated local team with state-of-the-art execution capabilities and strong ties with the Spanish business community, as well as with leading global financial institutions.

The Spain unit offers complete investment banking services in Corporate and Project Financing, Mergers and Acquisitions (M&A), Debt Capital Markets (DCM), and Corporate Derivatives to large and medium-sized companies and investors active in Spain and/or scanning the Spanish market for investment opportunities.

The Spain unit has successfully seized the China-driven business, holding a leading position in the China cross-border M&A segment after completing numerous landmark transactions throughout the years.

This business unit also offers deposits to corporate clients, institutional investors and retail clients (the latter through online platforms), being an important source of funding for the Bank as a whole.

Business Lines

Corporate and Project Financing

Capital Markets

M&A Advisory

Corporate Derivatives

Deposits

Banking Income[1]

€ 5.6mn

Activity Highlights

The Spain unit had a remarkable performance in 2025, achieving noticeable growth both in terms of Net Interest Margin and Net Income.

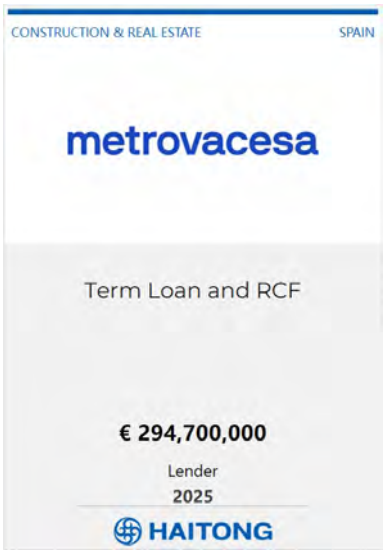
This performance was mainly driven by the growth of the **Corporate and Project Financing** activity, which benefited from the significant increase in credit deployment, with a higher number of lending operations in which the Spain unit participated. The Corporate and Project Financing activity was developed under a rigorous credit risk management, focusing on established industries with prudent leverage levels and maintaining stringent oversight of the Bank's credit risk exposure within its lending portfolio.

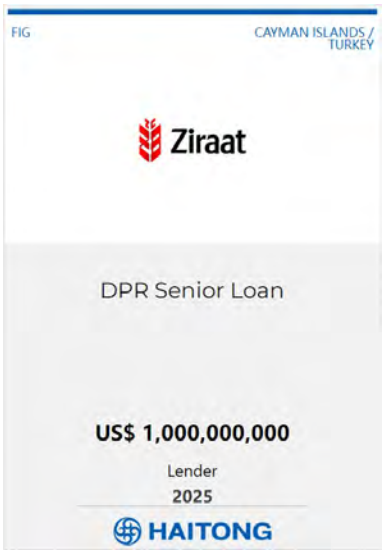
This business unit's positive financial performance has also been reinforced by a strong year in the **DCM** area, with the completion of an important set of new operations with Técnicas Reunidas and Pikolin, including the issuance of long-term bonds and commercial paper programs.

The **Deposits** activity also grew substantially during 2025, especially in the retail segment, through online platforms, with the Spain unit reaching a total volume of deposits exceeding EUR 770 million.

The activity growth propelled the unit's revenues, while the operating costs benefited from a noticeable reduction, fuelled by an IT infrastructure upgrade that further optimised local processes. The combined effect of business growth, controlled credit risks and contained operating costs fuelled a strong Net Income growth.

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

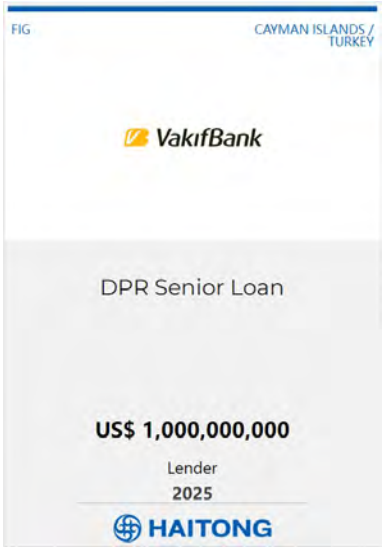

CONSTRUCTION & REAL ESTATE
SPAIN
metrovacesa
Term Loan and RCF
€ 294,700,000
Lender
2025
HAITONG


FIG
CAYMAN ISLANDS / TURKEY
Ziraat
DPR Senior Loan
US$ 1,000,000,000
Lender
2025
HAITONG


TMT
SPAIN
TLB repricing
€ 2,000,000
Lender
2025
HAITONG

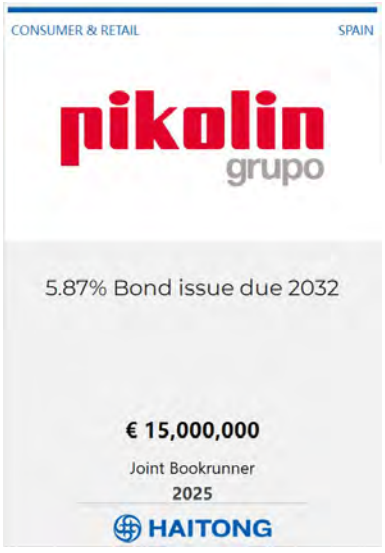

TMT
UNITED KINGDOM / SPAIN
ZEGONA
TLA/RCF Repricing
€ 100,000,000,000
Lead Arranger
2025
HAITONG


CONSUMER GOODS/AGRIBUSINESS
SPAIN
PALACIOS
El secreto de una familia
Senior Secured Loan
€ 285,000,000
Co-Arranger
2025
HAITONG


FIG
CAYMAN ISLANDS / TURKEY
VakıfBank
DPR Senior Loan
US$ 1,000,000,000
Lender
2025
HAITONG


CONSTRUCTION & REAL ESTATE
SPAIN
TECNICAS REUNIDAS
5.15% Bond Issue due 2030
€ 93,700,000
Joint Bookrunner
2025
HAITONG


CONSTRUCTION & REAL ESTATE
SPAIN
TECNICAS REUNIDAS
Bond Tap Issue of € 87,600,000 on their € 63,300,000 April-2028 5.40% senior unsecured bond
€ 150,900,000
Joint Bookrunner
2025
HAITONG


CONSUMER & RETAIL
SPAIN
pikolin
grupo
5.87% Bond issue due 2032
€ 15,000,000
Joint Bookrunner
2025
HAITONG

2026 Outlook

The Spanish economy is projected to lead the Eurozone in growth for 2026 and 2027, with GPD increases of 2.2% and 1.9%, respectively. This expansion is driven by robust private consumption, enhanced consumer credit conditions, and a rebound in external demand, particularly from non-tourism service exports such as financial services and technological solutions.

Corporate and Project Financing activity is expected to accelerate, supported by a robust economic outlook and a more favourable external environment. The Eurozone credit cycle is anticipated to turn upward, with bank lending projected to increase by 4.2% in 2026, including business lending, marking a notable improvement after several subdued years. Additionally, private credit from non-bank lenders is expected to experience robust growth. This will indirectly support Spanish business financing conditions, thus favouring investment and continuous expansion to high-value-added sectors such as technological solutions, pharmaceuticals and professional services.

Cross-border M&A between China and the EU is expected to register a gradual recovery in 2026. Despite ongoing geopolitical and regulatory frictions, several indicators suggest renewed Chinese interest in Europe and a more active European M&A environment. Within the EU, Spain will continue to be one of the most strategic markets for Chinese investment due to its relevant size, privileged position in Europe, amicable regulatory environment, and the fact that it acts as a key gateway to Latin American countries.

Global financial markets should remain volatile in 2026 due to ongoing geopolitical tensions, uncertainty in global trade due to the US tariff policy and shifting monetary policies, thus requiring a carefully balanced approach in terms of risk-taking. Notwithstanding the above, a global macro landscape of modest economic growth, technological shifting powered by AI, inflation reduction and easing financing policies will continue to generate business opportunities while volatility will significantly increase opportunities for hedging products.

Poland

Overview and Strategy

In alignment with the Haitong Bank Group strategy, the Poland Unit has continued to deliver a stable and strong performance for several consecutive years.

The Poland unit's strategy is to connect clients and business opportunities across Poland, Central Europe, and China, leveraging on the established regional relationships and the Group's international capabilities. As a fully licensed branch, with a dedicated team of around 40 professionals based in Warsaw, the unit is known for delivering high-quality and efficient services, aligned with high standards and best market practices.

The team in Poland is an integral part of Haitong Bank's global operations, leveraging on the Group's extensive global experience, broad investor base, and significant international reach. The unit's business model is based on a balanced revenue mix - in particular, over the years, the Poland unit has showcased its expertise in Mergers and Acquisitions (M&A), facilitating cross-border transactions between China and markets across Central Europe.

The Poland unit offers a comprehensive range of investment banking services, including Corporate and Project Financing, M&A Advisory, Fixed Income, Debt Capital Markets (DCM), and Corporate Derivatives. These services are tailored to the needs of large and mid-sized enterprises and investors operating in Poland, supporting clients in achieving their strategic, financing, and risk-management objectives.

The Poland business unit also plays a key role in Haitong Bank's funding strategy by supporting the Treasury activities that raises deposits from local corporate and financial institutional clients. This activity strengthens the Bank's position in the local market and contributes to its funding strategy.

Overall, the Poland unit remains a key contributor to Haitong Bank's international operations, consistently leveraging its local market expertise, alongside its global capabilities, to advance the Bank's strategic priorities.

Business Lines

Corporate and Project Financing

Fixed Income

M&A Advisory

Debt Capital Markets

Corporate Derivatives

Deposits

Banking Income[1]

€ 8.2mn

Activity Highlights

2025 was marked by a challenging and unpredictable environment, particularly due to the ongoing war in neighbouring Ukraine, which affected the economy and investors' preferences. On the other hand, the emerging tariff wars, whose outcome remains uncertain, add to the complexity of the market outlook. The economic growth within the EU is slowly recovering and the perspective for Poland appears more positive than at the beginning of the year. On a brighter note, inflation in Poland has been brought under control again.

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

The National Bank of Poland started cutting interest rates, with a total reduction of 175 basis points, during a six-step cycle throughout 2025.

The **Corporate and Project Financing** business in Poland maintained a robust momentum throughout 2025, providing financing and guarantees to corporate clients operating in Poland. The portfolio of outstanding assets remained diversified among industries such as TMT, Industrial Chemicals, Real Estate, Construction, Transportation, and Financial Institutions. With the aim of ensuring stability and profitability, an efficient loan portfolio management, in close cooperation with Senior Bankers and the local Risk Department, remained a priority, in particular under the current turbulent environment, affecting some sectors such as the chemical industry. In 2025, the team added new credit assets to the Bank's portfolio, particularly from the financial services.

During 2025, the **Debt Capital Markets (DCM)** business in Poland was focused on the origination and execution of domestic bond issues. The bond market in Poland enjoyed a growing phase with 1) positive market inflows to pension, investment funds, as well as private investors' debt portfolios; 2) a significant increase in new corporate bonds placed among domestic investors. On the other hand, from an Arranger perspective, the DCM market environment remained under material competitive pressure from over-liquid commercial banks, leading to very competitive terms of financing offered to companies in Poland. Despite the recent interest rate cuts, the cost of financing in Poland remained at a high level. In 2025, the Warsaw DCM team arranged several bond issues, acting as Sole Arranger or Co-Arranger along with other big domestic banks, for companies in the real estate and construction industries. Haitong Bank's underwriting capacity enabled issuers to maximise the size of their issues and to optimise the cost of capital raised from the market.

In 2025, the European **M&A** market operated in a challenging macroeconomic and geopolitical environment, reflecting the slowdown of major EU economies, including Germany's economy, which suffered a second consecutive year of contraction. The Polish M&A market largely mirrored these conditions, with activity constrained by persistent valuation gaps between sellers and buyers, a highly competitive advisory landscape, as well as a reduction in acquisition activity by Chinese investors in Europe.

Uncertainties stemming from prior years of economic volatility continued to affect decision-making, leading to longer and more complex transaction processes, while more risk-averse buyers remained selective, occasionally withdrawing from negotiations or postponing investment decisions. However, market sentiment in Poland gradually improved over the year, with increasing interest from potential buyers signalling a slow but steady growth in M&A activities.

Despite the challenges, 2025 was a strong year for the Warsaw M&A team. During 2025, the team successfully completed two notable transactions:

- Haitong Bank acted as financial adviser to WP Holding on the acquisition of 100% of the shares in Invia Group, a leading European travel group with operations in Germany, Austria, Switzerland, the Czech Republic, Slovakia, Hungary and Poland, in a landmark transaction with a value of approximately EUR 244 million; and
- Haitong Bank acted as transaction adviser to Comarch, a Corporate Venture Capital company, in the sale of a majority stake in KS Cracovia football club to a US private investor, marking a change of ownership in one of Poland's oldest and most recognised football clubs.

FIG — POLAND

MOBILIZE FINANCIAL SERVICES
RCI Banque S.A.
Branch in Poland

Loan Facility

PLN 150,000,000

Lender
2025
HAITONG

TMT — CZECH REPUBLIC,CHINA / POLAND

WP invia Group

Financial Advisory to WP Holding in the acquisition of 100% shares in Invia Group

€ 240,000,000

Financial Adviser
2025
HAITONG

SPORTS & ENTERTAINMENT — POLAND

COMARCH

Transaction Advisory to Comarch in the sale of KS Cracovia football club

Sell-side Advisor
2025
HAITONG

CONSTRUCTION & REAL ESTATE — POLAND

ROBYG

Bond Issue

PLN 75,000,000

Arranger, Bookrunner, Dealer
2025
HAITONG

CONSTRUCTION & REAL ESTATE — POLAND

JHM DEVELOPMENT

Bond Issue

PLN 60,000,000

Sole Arranger
2025
HAITONG

CONSTRUCTION & REAL ESTATE — POLAND

ROBYG

Bond Issue

PLN 250,000,000

Co-Arranger, Joint Bookrunner, Dealer
2025
HAITONG

2026 Outlook

The 2025 results provided the Poland unit with the basis to look forward with optimism.

The domestic bond market will remain under the influence of high pressure from domestic commercial banks, declining reference interest rates and inflows of investment funds to debt portfolios. Moreover, the continuous positive inflow that has been observed for over a year will likely lower bond yield expectations and attract new bond issuers.

The Polish M&A market is expected to build momentum in 2026, supported by a successful decline in inflation (2.4% by the end of 2025) and a continued economic growth (3.5% GDP growth projected by the European Commission for Poland in 2026). Ongoing and upcoming projects in sectors such as industrial engineering, production, automotive, and FMCG are likely to drive transaction activity, while new opportunities may emerge in healthcare, renewable energy, and technology-enabled services.

In 2026, the team will work on expected debt refinancings of outstanding assets in DCM areas. The new projects under analysis will enable the team to pursue the expansion of the unit's balance sheet by providing short and medium-term lending, as well as investments in corporate bonds. Additionally, the M&A team is expected to close some of the mandates signed in the near past, which are expected to materialise in the 2026 revenues. The declining but still high-interest-rate environment will contribute to the good performance of the net interest income in 2026. The strong local deposit base from local customers should allow the unit to fund a substantial portion of the local balance sheet.

The perspectives for Corporate and Project Financing in 2026 remain positive. The ongoing mandates, referring to credit facilities in the TMT, Financial Institutions, Logistics & transportation sectors, are expected to benefit from this positive outlook.

United Kingdom

Overview and Strategy

Haitong Bank's UK unit draws on its extensive knowledge of both the UK and global markets to concentrate on two core areas: Corporate and Project Financing and Mergers & Acquisitions (M&A). Catering to clients across the UK and internationally, the unit provides bespoke guidance to navigate the complexities of financial transactions and cross-border deals. Its client-focused approach fosters strong relationships and delivers measurable value to businesses of all scales.

The Corporate and Project Financing Division offers a wide spectrum of funding solutions across multiple industries, including corporate lending, project and acquisition financing, and asset-backed lending. Supporting multinational corporations, private equity firms, and institutional investors. The team is adept at arranging, structuring, and executing sophisticated transactions across diverse sectors and jurisdictions. The team's goal is to equip clients with liquidity and strategic insights that fuel growth throughout the business lifecycle.

The M&A Division delivers comprehensive advisory services for both buy-side and sell-side transactions. This encompasses strategic guidance on mergers and acquisitions, company valuations, feasibility studies, and deal structuring. The team plays a pivotal role in helping Chinese and global corporates, as well as financial sponsors, pursue expansion opportunities in the UK and internationally.

By combining a robust UK presence with global market expertise, Haitong Bank's United Kingdom unit serves as a trusted partner for clients seeking tailored, flexible financial solutions. Its commitment to excellence and strategic value creation reinforces its reputation as a forward-thinking, reliable institution in the international financial market.

Business Lines

Corporate and Project Financing

M&A Advisory

Banking Income[1]

€ 1.9mn

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

Activity Highlights

Overall financing activity in 2025 remained constructive, supported by a macroeconomic environment of modest GDP growth, moderated inflation and gradually declining borrowing costs. These conditions underpinned sustained investor demand across securitisation, infrastructure and credit markets. Against this backdrop, **Corporate and Project Financing** activities continued to demonstrate resilient and positive momentum throughout the year. Although competition among lenders remained intense, improved visibility on interest rates supported more efficient deal execution and sustained borrower engagement, particularly across infrastructure, energy transition and core corporate sectors.

Competitive dynamics continued to shape the financing landscape, with repricing activity remaining a prominent feature as lower reference rates and tighter credit spreads flowed through the market. Lenders responded by refining pricing, tenors and structural flexibility, reinforcing the importance of differentiated structuring capabilities and sector expertise. Refinancing remained a key driver of activity throughout the year, as borrowers optimised capital structures and extended maturities in response to the improved funding conditions. In parallel, 2025 saw a clear increase in financing directed at renewables, core infrastructure and digital assets, driven by energy transition priorities and rising demand for data centres and digital infrastructure.

In response to these market conditions, the **Corporate and Project Financing** team continued to evolve its strategic focus in 2025, expanding coverage across the priority sectors and remaining actively engaged in delivering financing solutions across infrastructure, energy, real estate and corporate transactions. This approach supported both refinancing and new investment activity.

During the year, the UK unit participated in a refinancing for a leading carbon black company producing materials critical for tyre production and battery technologies, supporting electrification trends, industrial efficiency and broader sustainability objectives. The UK unit also participated in the construction and long-term operation financing of a natural gas pipeline, a strategically important asset supporting energy transition objectives and regional energy security. These transactions laid a strong foundation for the franchise and demonstrated the team’s commitment to engage in complex, long-tenor financings across industrial and energy transition-critical infrastructure sectors.

In 2025, UK **M&A** activity reflected a period of cautious dealmaking. While a strong pipeline of deals remained in place, many transactions were delayed amid ongoing volatility. However, underlying fundamentals such as easing interest rates, improving liquidity, and robust equity markets, provided a supportive backdrop, and deal activity gained momentum toward the year-end. Investors demonstrated an increased focus on value creation and strategic opportunities, driving a more selective and purposeful approach to transactions.

2026 Outlook

In early 2026, the UK economy is showing signs of moderate growth, supported by easing inflation and improving financial conditions. According to major economic forecasts, UK GDP is expected to expand at a modest pace throughout the year, reflecting a balance of positive and challenging factors in the macroeconomic environment.

Consumer and business sentiment remains mixed, reflecting the lingering effects of global uncertainties and cautious spending behaviour. Retail growth and household consumption are expected to recover gradually, supported by lower inflation and improved credit conditions. While business investment is likely to remain selective, public spending on infrastructure, energy transition, and strategic initiatives will provide additional support to economic activity. Collectively, these factors point to a cautiously optimistic environment for corporate activity, deal-making, and financing opportunities throughout 2026.

Building on this backdrop, the UK team will maintain high activity levels by delivering tailored, client-focused solutions. With a flexible approach and a commitment to high-quality service, the unit remains focused on supporting sustainable growth and strengthening the Bank's competitive position throughout 2026.

Against this macroeconomic environment, the UK unit is well positioned to capitalise on emerging opportunities across Corporate and Project Financing and M&A. The team will continue to support clients in executing strategic transactions, optimising capital structures, and pursuing expansion across domestic and international markets.

Macau

Overview and Strategy

The Macau unit is a strategic gateway for Haitong Bank's engagement with Chinese and broader Asia-Pacific markets, reinforcing its role within the Guotai Haitong Group as a specialised corporate and investment banking platform, anchored in cross-border connectivity.

The business unit currently employs a team of professionals who have been instrumental to the unit's growth. Over the years, the team has achieved significant milestones, including the establishment and consolidation of the Macau unit's core banking products: Debt Capital Markets (DCM) and Mergers & Acquisitions (M&A).

The Macau unit's proven capabilities, coupled with its ability to capture business flows in key Asian markets, position it as a pivotal contributor to the achievement of the strategic goals of Haitong Bank, driving balance sheet growth through the origination of productive assets, diversifying revenue streams, and strengthening recurring income.

The Macau unit continues to align its strategic focus with Haitong Bank's broader objectives, prioritising cross-border financial services with a China and Asian orientation.

Business Lines

Debt Capital Markets

Fixed Income

M&A Advisory

Banking Income[1]

€ 2.6mn

Activity Highlights

In 2025, **Debt Capital Markets** remained the core activity of the Macau unit, despite an unusually weak revenue performance during the year. The unit continued to support offshore bond issuances for Chinese issuers, primarily for State-Owned Enterprises or Local Government Financing Vehicles, across USD and CNY markets. The unit participated in senior syndication roles, including acting as Sole Global Coordinator; Joint Global Coordinator; Joint Lead Manager and Joint Bookrunner in several transactions.

Despite the decrease in the business flow, the team executed several transactions in 2025 under Green, Social, Sustainable and Blue bond frameworks, showing that sustainable finance has become structurally embedded in issuer funding strategies, rather than being driven by favourable market cycles. Complementing this trend, the Macau unit successfully acted as Social Structuring Adviser for ESG financing transactions in 2025. Notably, the unit remains the only financial institution in Macau to have repeatedly structured ESG bond framework solutions, underscoring its unique market position.

The Chongwa (Macau) Financial Asset Exchange (MOX) remained a central element of the Branch's listing and advisory approach, supporting issuer visibility and reinforcing Macau's role as a relevant offshore listing venue for Chinese issuers.

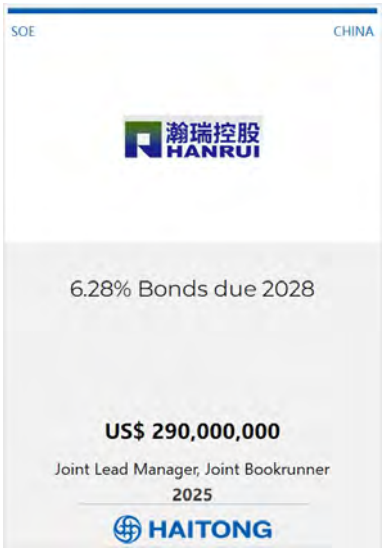
[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

Fixed Income activities focused on identifying investment opportunities for the banking book. In a volatile environment due to shifts in global trade and fiscal policies, the Fixed Income team targeted investments offering reasonable return and controlled risk, successfully increasing the unit's banking book size and making a significant contribution to the unit's carried interest assets. With close coordination with the Group's Treasury function, the Fixed Income team applied the money market depo and repo system, making it easier to secure funding for the business unit. The team also kept close and timely communication with the Group's Fixed Income function on opportunities such as event-driven, market intelligence and new issues, increasing the trading book capital gains and profit of the Group with active roles in the Asian market.

M&A advisory activity remained selective but strategically important during 2025. The unit supported cross-border mandates across different sectors, including chemicals, pharmaceuticals, and energy, and successfully closed two relevant transactions in the year. The advisory work undertaken strengthened client relationships and contributed to the increased visibility of the Macau unit's M&A team.

The **Corporate Solutions** team also made significant contributions to both the unit and the Group during the year, by providing comprehensive client coverage while originating new business opportunities for the different units across multiple geographies.

The Macau Unit reported its first net loss for the year, primarily attributable to external factors. Persistent global economic tensions, tighter regulatory oversight and scrutiny in China's offshore debt capital markets, as well as increased competition from Mainland China's capital markets, contributed to a notable decrease in business activity. This environment resulted in a significant reduction in transaction volumes and the number of deals executed, which adversely affected the Macau Unit's overall performance.













2026 Outlook

In 2026, the Macau unit will place greater emphasis on discipline and systematic review across all business activities, ensuring that resources are allocated to initiatives with clear strategic relevance and risk-adjusted return potential. Prospecting efforts will be intensified, with a more structured and proactive approach to client coverage, origination and follow-up, aimed at strengthening the quality and sustainability of the business pipeline.

At the same time, the unit will actively pursue opportunities for cooperation within the Group, leveraging more effectively on existing synergies and referral channels, while preserving operational independence. Relationships with key partners in Mainland China will be further deepened, with a focus on selective collaboration and the origination of new opportunities. These initiatives are intended to support franchise development, enhance client relevance and contribute to a more resilient and diversified revenue base over time.

Building on this foundation, the unit's DCM team successfully established investment collaboration mechanisms with the Group by the end of 2025. With the implementation of the new policies in 2026, such collaborations will be further extended to onshore affiliated entities, enabling more coordinated execution across jurisdictions. Going forward, the unit will continue to broaden its distribution and origination capabilities through multi-channel cooperation. This will include elective participation in transactions alongside peer institutions, joint underwriting and co-investment arrangements, as well as enhanced engagement with market intermediaries. These efforts are expected to expand deal access, improve execution efficiency and further diversify revenue sources.

Brazil

Overview and Strategy

Haitong Banco de Investimento do Brasil, S.A. (Haitong Brazil) is directly controlled by Haitong Bank, S.A. (80%), with Grupo Bradesco holding a 20% stake.

Haitong Brazil, based in the São Paulo financial hub, has been operating in the country since 2000. Consistent with Haitong Bank Group's strategic direction, the Brazilian subsidiary offers comprehensive financial solutions delivered by a team with extensive experience in the local financial market. The investment banking services include Corporate and Project Financing, M&A Advisory, Debt Capital Markets (DCM), Fixed Income, and Corporate Derivatives for large and medium-sized companies operating in Brazil.

Treasury activities are also relevant for the Brazilian unit and include government and corporate bond portfolio management and funding, raising deposits denominated in BRL with corporate clients, institutional investors and individuals.

The Unit provides services both within Brazil and on a cross-border scale, capitalising on opportunities throughout Latin America.

Business Lines

Corporate and Project Financing

Fixed Income

Corporate Derivatives

Treasury

M&A Advisory

Capital Markets

Deposits

Banking Income[1]

€ -2.8mn

Activity Highlights

In 2025, the Brazilian economy performed better than expected across several sectors, mainly due to a decreasing unemployment rate, workers' income and increased government spending, which supported Brazilian GDP growth in the last year. However, the macroeconomic environment faced mounting pressure driven by persistent inflation levels, leading to higher interest rates.

The persistence of a fragile fiscal environment raised concerns in the markets, particularly due to increased public spending and difficulties in consolidating structural reforms that could anchor long-term expectations. As a result of a less favourable inflation outlook and, mainly, the worsening of expectations for meeting the inflation targets for 2025 and 2026, the Central Bank of Brazil tightened its monetary policy by raising the base rate (Selic) from 12.25% p.a. in December 2024, to 15.0 % p.a. in June 2025, maintaining this level until the end of the year.

Under this scenario, the Brazilian financial market experienced a highly volatile period, reflecting both internal and external uncertainties. Nevertheless, despite the fiscal challenges, the BRL has appreciated 11.1% against the USD, similarly to the EUR, mainly driven by the global weakening of the USD and a consequent large inflow into the Brazilian market, ending the year at BRL 5.5024.

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

In response to the Brazilian economic environment and the competitive dynamics of the local financial system in 2025, Haitong Brazil adopted a more conservative operational approach, in accordance with the guidelines established by the Shareholder.

The **Corporate and Project Financing** activity evolved under a careful credit risk approach, focusing on well-established companies with sound credit metrics. Complementing this approach, Haitong Brazil enhanced the monitoring of the outstanding loan portfolio. As in previous years, the Corporate and Project Financing activity faced challenging conditions due to pricing pressure and heightened competition in the lending market. Banks continued to narrow their margins in the corporate segment, fuelled by a very liquid DCM market where investors have driven down interest rates. Nevertheless, Corporate and Project Financing activity was positive in 2025 and, in addition to exploring opportunities in Brazil, the area continued to look for transactions with a positive risk profile in other Latin American countries.

M&A activity continued to face a highly competitive advisory market in Brazil, amplified during the year by the lower number of transactions closed in the country. Nonetheless, the pipeline has improved with the securing of new M&A advisory mandates.

The **Corporate Derivatives** team focused its efforts on FX products and broadening the client base. A new automated system for quoting FX transactions has been developed and can potentially expand the area's reach in the near future.

In 2025, **Fixed Income** activities took place in a high-interest-rate environment. The unit has built and managed a portfolio of government treasuries and corporate bonds.

Additionally, throughout 2025 and through its **Treasury** division, the Bank managed its liquidity and provided funding to business areas through resources raised in BRL from local investors, fully financing the local balance sheet. The assignment and recent reaffirmation of ratings by S&P ("BB" on a global scale and "brAAA" on a local scale) have contributed to the strategy of accessing investors.







2026 Outlook

Looking ahead to 2026, a more stable macroeconomic environment and increased market confidence will require tangible progress in fiscal consolidation, continued efforts to manage inflation and the establishment of a predictable investment environment, which may be affected by geopolitical developments and the upcoming Brazilian presidential elections. Although challenging and highly competitive, the Brazilian financial system remains robust and well-positioned to support the country's development.

Under this scenario, the Corporate and Project Financing team expects to increase the completion of new transactions. Treasury and Fixed Income intend to further explore opportunities involving government securities and aim to lower the funding cost while properly managing liquidity. As for M&A, two transactions are underway with a favourable outlook for completion during 2026. On Corporate Derivatives, the expansion of the client base remains a key challenge. To that end, Haitong Brazil will continue to invest in developing innovative solutions, strengthening relationships with strategic partners, and identifying new opportunities across various sectors.

Fixed Income

Overview and Strategy

Haitong Bank's Fixed Income unit manages both the banking book and trading portfolios, while also acting as a tool for originating new transactions and as a distribution platform for fixed income products. By leveraging its local insight and international reach, the team facilitates cross-border deal flows and delivers tailored debt solutions to institutional clients worldwide, offering its services and capabilities to institutional clients across key international markets. The unit's areas are:

- Banking Book Management;
- Trading / Flow;
- Syndication; and
- Fixed Income Institutional Sales.

Strategically, the Fixed Income unit has been increasing its presence and activity in the global fixed income market, making the management of investment books increasingly relevant to the Bank's overall business. It has deepened its footprint within its client base, increasing business flows and the number of clients directly connected with our trading platforms and with the Bank. This approach has also contributed to further enhancing our presence in Asian markets and reinforcing the Bank's role as a gateway to Chinese capital markets. Supported by dynamic teams across multiple offices, the Bank is building a powerful cross-border execution hub, capturing new flows, expanding market share, and driving sustainable growth.

Business Lines

FI Banking Book Management

FI Trading and Market Making

Distribution to Institutional Clients

OTC Derivatives to Institutional Clients

Syndication

Banking Income[1]

€ 10.3mn

Activity Highlights

Contrary to widespread expectations, the global economy avoided recession and major supply-chain disruptions, even with the pressure created by challenging US external policies and ongoing geopolitical tensions.

Throughout the year, major shifts in monetary policy, heightened volatility in credit markets, and evolving global economic frameworks shaped the operating environment. Against this backdrop, the team successfully navigated these challenges by maintaining a strong focus on portfolio quality and delivering performance objectives across Fixed income areas.

Banking Book Management

In 2025, central bank policy actions were a defining force in market dynamics. The European Central Bank (ECB) reduced the Deposit Rate from 3% to 2% in June, while the US Federal Reserve (Fed) maintained a cautious stance during the first half of the year. The FED resumed monetary easing in September, lowering the FED Funds Target Rate (Lower Bound) from 4.25% to 3.50% by December. These adjustments contributed to shifting yield curves and materially influenced investment decisions throughout the year.

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures); Includes both Portugal and Spain's Fixed Income banking income)*

Credit markets faced pronounced volatility, particularly in April, following the US announcement of new tariff measures. This triggered a widening of credit spreads, which began to stabilise from June onward. During the fourth quarter, there was a significant tightening of spreads, returning them to levels last observed in 2022. On the other hand, high yield spreads moved within a range of +100 to –70 basis points relative to year-end 2024, while investment grade spreads traded between +25 and –7 basis points.

The Fixed Income team responded proactively to these market conditions by increasing investments during periods of wider spreads, especially in April. The investment strategy remained anchored in portfolio quality, liquidity, and diversification, ensuring low concentration risk. Within the Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) portfolio, turnover rose as the team captured attractive market opportunities. Nevertheless, by year-end, the FVTOCI book had declined approximately 20% versus 2024, mainly due to early calls by issuers and the sale of positions that were not subsequently replaced.

Despite the reduction in volumes, the Banking Book met its 2025 objectives and delivered performance above benchmark. The Benchmark Euro Aggregate achieved a total return of 1.25% in 2025, versus 2.63% in 2024, while the US equivalent posted a strong 7.30% gain, compared with 1.25% in 2024.

Trading and Market Making

In the United States, political developments significantly influenced market sentiment. The new administration prioritised import tariffs on all countries rather than the anticipated pro-business and pro-growth policies. This policy shift contributed to increased volatility in rates and equities, with market volatility more than tripling during March and April. The uncertainty surrounding the impact of these policies on economic growth and inflation led both investors and the FED to adopt a “wait and see” approach, particularly during the first semester, with a focus on the front end of yield curves and new issues.

Corporate fundamentals remained generally resilient, though certain sectors—most notably the automotive industry—faced specific challenges. Despite episodic equity market turbulence, particularly around concerns of elevated valuations in technology and AI-related sectors, credit markets saw strong inflows and spreads performed well, especially in the second half of the year.

Trading activity was notably strong on the credit side, with Asian issuers gaining increased relevance in global performance. While directional rate positions faced headwinds due to market volatility, curve and spread strategies generated better results. In light of persistent geopolitical risks, maintaining exposure at the front end of the credit curve proved advantageous.

Syndication and Sales

Throughout 2025, syndication and sales activity reflected broader market dynamics, supported by strong investor appetite for new issues and sustained demand for high-quality, liquid assets. The team’s disciplined approach and adaptability to evolving circumstances facilitated strong client engagement and successful transaction placement, thereby supporting overall performance and portfolio objectives. The year was characterised by pronounced volatility, largely driven by U.S. tariff policy. Credit spreads widened sharply before tightening back to previous levels mid-year, remaining at lower levels in the second half. Equity markets also experienced significant swings, falling sharply before fully recovering earlier losses.

Amidst this period of economic volatility, syndication activities focused primarily on reputable Iberian issuers. In 2025, the Syndication/Sales team completed a series of significant transactions, including:

- Acting as Joint Lead Manager in Técnicas Reunidas' 5.15% 2030 bond, totalling EUR 93.7 million;
- A EUR 27.7 million tap of Técnicas Reunidas' 5.4% 2028 bond;
- A EUR 95 million public bond offering for Mota Engil, maturing in 2030;
- A EUR 45 million tap of Técnicas Reunidas' 5.15% 2030 bond.

Over the course of the year, the Sales team consistently expanded its portfolio of active institutional clients and maintained a strong presence in the securities flow business. This was particularly evident in the placement of commercial paper, both Portuguese and Spanish formats, for issuers such as Greenvolt, Mota Engil, Técnicas Reunidas, Visabeira, and CUF.

In summary, 2025 was a year of significant market turbulence and strategic repositioning for Fixed Income. By maintaining a disciplined focus on quality, liquidity, and diversification, the team successfully navigated volatility, captured attractive opportunities, and outperformed relevant benchmarks. Complementing this performance, the Syndication and Sales teams played a key role in broadening investor reach, generating robust demand for new issuances, and enhancing the group's positioning across core Iberian names. These efforts have further strengthened the foundation for ongoing growth in client-related business.

2026 Outlook

Global macroeconomic conditions in 2026 are expected to support growth. Inflation should remain subdued at around 3.3%, near the lowest levels since 2020. Monetary policy is likely to remain cautious; however, overall financial conditions are projected to be the most supportive for GDP growth since 2022. Fiscal policy is likewise expected to encourage investment, particularly in the areas of infrastructure and defence. At the same time, the international competition in AI—spanning software, hardware, and underlying infrastructure—is expected to sustain elevated levels of capital investment on a global scale.

However, domestic uncertainty in the US, unpredictable policy decisions on international trade, geopolitical tensions, and weaker economic performance may lead to increased volatility and potential repricing within credit and equity markets.

Similarly to 2025, Fixed Income activity in 2026 will continue to be managed with a conservative approach, closely monitoring macroeconomic indicators, key market performance and geopolitical developments. This approach will maintain a disciplined focus on quality, liquidity, and diversification with the objective of meeting the targets and budgeted goals set for 2026.

Haitong Global Asset Management

Overview and Strategy

Haitong Global Asset Management, SGOIC, S.A. (HGAM), a wholly owned subsidiary of Haitong Bank, S.A., initiated a significant expansion in 2022 by merging and integrating the asset management activities of Haitong Bank into its established private equity platform. This strategic integration marked a major milestone, significantly enhancing the scope and diversity of the Company's product offerings. The expansion also enabled the introduction of innovative investment strategies and the launch of new funds, solidifying its position in the asset management and private equity sectors.

In 2025, HGAM achieved record growth, with Assets Under Management (AuMs) reaching EUR 303 million, representing a year-on-year increase of EUR 173 million – the highest annual AuMs growth in the firm's history, driven by strong third-party capital inflows and the successful launch of new business lines and products.

HGAM's strategy centres on delivering sustainable growth and long-term value through a combination of innovation, risk management, and client-centric solutions. Key pillars of this strategy include:

- **Client-Focused Solutions:** creating tailored investment strategies to meet each client's risk-return goals with transparency and accountability.
- **Innovative Products:** using advanced tools and market insights to develop forward-thinking investments that deliver reliable results.
- **Global Growth:** expanding into key markets, building partnerships, and strengthening international capabilities to serve our clients better.
- **Operational Strength:** ensuring secure and efficient investments through strong governance, risk management, and compliance.

Leveraging on the Group's robust expertise in Asian markets and established track record in Europe, HGAM combines global insights with specialised local knowledge. The Company oversees a diverse portfolio of mandates and public and private assets, focusing on delivering maximum absolute returns while adhering to each client's risk profile and the specific guidelines of each mandate.

HGAM is guided by the principles of Specialisation, Agility, and Transparency, which underpin its commitment to excellence. The management team boasts an average of over 25 years of investment experience, offering a competitive edge in growing AuMs. This depth of expertise positions HGAM as a trusted partner for clients seeking tailored and innovative investment solutions.

Business Lines

Asset Management

Private Equity

Banking Income[1]

€ 1.7mn

[1] *Source: Haitong Bank (Management Information December 2025; non-statutory figures)*

Activity Highlights

Throughout 2025, the global economy continued to evolve in an environment marked by adjustment rather than disruption. Inflation pressures eased across most regions, allowing monetary policy to become more supportive, even as geopolitical uncertainties remained part of the backdrop. In the United States of America, economic activity proved more resilient than many had expected. As inflation gradually normalised, the Federal Reserve was able to pivot towards a more accommodative stance, helping sustain consumer spending and employment. Equity markets responded positively, with U.S. indices advancing further, led once again by large technology companies and continued investment in artificial intelligence.

In Europe, 2025 was characterised by slow but steady improvement. Economic growth remained modest, reflecting structural challenges and the after-effects of previous energy and monetary shocks. However, easing financial conditions and declining energy costs helped stabilise activity across the region. The European Central Bank began a gradual cycle of interest rate cuts, supporting confidence and encouraging investment. While Europe's recovery is likely to remain measured, the outlook improved as the year progressed, providing a more constructive starting point for 2026.

Emerging markets delivered a mixed set of outcomes. Several commodity-exporting economies benefited from firmer demand, while others continued to face headwinds related to domestic imbalances and tighter global liquidity. China remained a key focus, navigating an extended adjustment in its property sector alongside subdued consumer demand. Even so, targeted policy support and continued strength in innovation-driven industries reinforced China's long-term relevance within the global economy and investment universe.

In response to this environment, HGAM adopted a balanced and disciplined investment approach, benefiting from improved yield conditions in fixed income markets while maintaining a selective and cautious stance towards equities. This positioning was guided by a long-term view, with emphasis on risk management, capital protection and the careful identification of opportunities as market conditions shifted.

2025 was a significant year for HGAM, marked by strong growth in AuMs, the expansion of the managed products and the continued strengthening of HGAM's platform. In a global environment shaped by easing inflation, changing monetary policies and cautious investor behaviour, the team's focus remained on disciplined growth, operational stability and the long-term interests of our clients.

Expansion of Assets under Management and New Business Lines

Assets under Management experienced a record year of growth in 2025, rising to EUR 303 million, a year-on-year increase of EUR 173 million. This growth was driven almost entirely by third-party capital, reflecting a high level of investor confidence in HGAM's investment capabilities and platform. Importantly, this expansion was achieved despite one-off redemptions linked to legacy external factors, underscoring the underlying strength of the franchise.

This achievement was supported by the successful development of a new business line and the continued expansion of the private equity activities. Throughout the year, HGAM also secured regulatory approvals for ten new investment vehicles, significantly broadening its product offering and reinforcing its ability to address a wider range of client needs across different market segments.

Portfolio Performance and Investment Activity

Investment performance in 2025 was solid across the company's public market strategies: the funds delivered positive and diversified returns, with annual performances ranging from mid-single to high-teens percentages, benefiting from a more supportive interest rate environment and selective opportunities across equity and fixed income markets.

Within its public market strategies, performance was positive across key funds. The White Fleet Haitong Flexible Fund delivered a return of 10.58%, reflecting its diversified and balanced approach. This fund, recognised by the APFIPP (the Portuguese Association of Funds and Pension Funds), won the award for "Best Flexible Fund," underscoring the robustness of HGAM's diversification strategy and prudent risk management. The White Fleet Haitong Aggressive Fund benefited from favourable equity market conditions, posting a return of 16.43%.

In fixed income, the Haitong China Bond Fund recorded a return of 5.78%, supported by its focus on investment-grade USD-denominated Chinese issuers.

In addition, the structured note Haitong Carbon Blend achieved a return of 9.93% during the year, contributing positively to overall client outcomes.

HGAM's private markets activity expanded significantly in 2025:

- Haitong Private Equity Fund: The underlying assets (Armilar II and Fomentinveste) are expected to show year-on-year appreciation, positioning the fund above its hurdle rate;
- Haitong United Partners Fund: Successfully acquired Decial S.A., which holds the land for a unique luxury residential real estate project. Construction is scheduled to commence mid-2026;
- Product Offering Expansion: HGAM was appointed as the management company for four real estate SICs, expanding its private market offering. These form part of a group of six SICs representing aggregate AUM close to EUR 180 million, with the remaining two slated for incorporation in early 2026.

This measured approach to private markets—prioritising existing investments while preparing for future deployment—aligns with HGAM's broader philosophy of careful capital allocation and risk control.

Client Relations and Engagement

Client engagement remained a key focus in 2025. HGAM's team continued to communicate regularly with its clients through market updates, conference calls and customised reporting, and enhanced its digital engagement by launching a dedicated LinkedIn platform. The team remains committed to maintaining an ongoing dialogue to strengthen trust, especially during periods of market uncertainty, and to support long-term relationships built on clear communication and aligned expectations.

Operational Excellence and Structural Transformation

2025 also represented a key year in the execution of HGAM's long-term transformation plan. Revenues expanded while disciplined cost control was maintained, resulting in positive operating leverage and profitability. The year closed with recurring positive EBITDA and net results, further strengthening the firm's financial position and supporting future investment in growth initiatives.

From an operational standpoint, significant progress was made in consolidating the company's structure. We expect to complete the migration of the White Fleet funds in February 2026, which is expected to generate operational savings that will directly benefit HGAM's investors, marking the successful culmination of the strategic company transformation launched in 2020.

Securing Future Momentum

As the final months of 2025 approached, visibility on future growth was strong. The team secured EUR 54.5 million in commitments, which are expected to be converted into AuMs in early 2026. Additionally, a robust pipeline of business opportunities worth EUR 210 million was established, providing a strong basis for ongoing growth. Diving into 2026, the launch of new investment vehicles, including defensive strategies, treasury solutions for corporate clients and additional private equity funds are being planned. These initiatives support HGAM's expectation of achieving substantial AuMs growth by the end of 2026.

2026 Outlook

Looking ahead to 2026, the team remains cautiously optimistic. The global landscape is evolving, with geopolitical shifts and new economic realities influencing how markets behave. While this creates uncertainty, it also highlights the importance of staying flexible, diversified and disciplined in the investment decisions.

Monetary policy will continue to play an important role in the markets. In Europe, further interest rate cuts should help support economic activity, even if growth remains uneven. In the US, the economy has shown resilience, supported by innovation and a solid labour market. At the same time, higher public debt and geopolitical tensions may lead to periods of volatility, making active and flexible management increasingly important.

For HGAM, this environment calls for a flexible and practical approach. The focus for the coming year is on adapting to change, rather than relying on a single economic scenario. The team will continue to adjust and expand its investment solutions in line with client needs, with particular focus on defensive strategies, treasury solutions and selective private market opportunities.

From an operational standpoint, the team will continue to build on the platform enhanced in recent years, completing key initiatives and improving how efficiently it operates across different market conditions. At the same time, the team remains focused on staying close to its clients, with clear and consistent communication as markets change.

HGAM is strategically positioned to navigate a more complex world, focused on flexibility, meticulous risk management, and a long-term perspective and supporting clients through uncertainty and capitalising on new opportunities.

France

Overview and Strategy

The Paris Representative Office ("Paris Office" or "Office"), established in August 2022, has served as a strategically central relay, fostering connections and supporting growth for both Haitong Bank and stakeholders across France, China, and Europe as a whole.

As a representative entity, the Paris Office continues to pursue its missions, including - but not limited to - enabling commercial opportunities for Chinese, European, and international financial institutions; facilitating collaborations that reflect Haitong Bank's constructive engagement across international markets; and spearheading business development initiatives in France, Benelux and other francophone countries to support the Bank in identifying and activating market opportunities.

The Paris Office's achievements materialise through its own connections with Chinese institutions in France, French institutions and professional communities, and a broad network of international institutions. The Office participates in European banking events, hosts delegations from China in Europe, as well as exclusive network-based roundtables, deepening bilateral exchanges.

The Paris Office also supports Haitong Bank's headquarters in Lisbon by conducting industry and company research, contributing to strategic decision-making. Through its diverse responsibilities, mainly in the M&A area, the Paris Representative Office is instrumental in cementing Haitong Bank's European presence, driving cross-border business, and achieving long-term growth objectives.

Activity Highlights

In 2025, the Paris Office played a key role in the identification of numerous secondary-market financing transactions, supporting the Bank's headquarters in Lisbon through client origination and active relationship management with local banks and counterparties. These contributions enabled the addition of new opportunities to the Bank's already diversified portfolio, spanning the energy, telecom, consumer goods, and automotive sectors across Europe.

Leveraging its own expertise and the Bank's international talent pool, the local team also engaged with numerous Chinese corporates as well as a keystone European industrial player, providing insights into available opportunities, conducting in-depth analyses of companies of strategic interest. In collaboration with the parent company, the team also organised a series of on-site investment research meetings with major listed companies and Euronext in France for leading Chinese asset managers. In addition, the team hosted several delegations, mainly from Chinese companies and clients holding high-quality assets.

The Paris Office also played a crucial role in fostering Haitong Bank's integration with other major financial institutions in Europe. The Paris Office actively engaged in the local financial community, strengthening relationships with French corporates, European regional banks, and regulatory authorities. The team participated in major industry events organised by leading institutions such as the Chinese Chamber of Commerce and Industry in France, hosted in Lyon and Marseille, and Paris Europlace, hosted in Paris. The team's coverage of finance events across the French national territory, gathering up to 600 financial ecosystem peers, further reinforced Haitong Bank's active presence and involvement in European markets.

Building on six decades of Sino-French diplomatic relations, Haitong Bank continues to leverage on the resilient economic ties between China and France. The local team developed communications with government-supported entities, introducing them to potential investment and business opportunities in France. Through these efforts, the team further strengthened the Bank's role as a bridge for cross-border financial services and partnership opportunities within the dynamic Sino-French economic landscape.

2026 Outlook

As 2026 unfolds, the global economic environment remains uncertain, driven by escalating political tensions, increasingly polarised policy actions, and sectoral challenges. The resurgence of protectionist measures among major economies continues to disrupt global supply chains and weigh on investor sentiment, blurring the outlook for cross-border investment and trade. With new tailwinds, the Paris Office continues to support Lisbon headquarters by focusing on sectors with relatively stable demand, low recovery risk, and undergoing significant strategic changes. The team sees continued opportunities in areas such as: telecom, where last-leg deployments are underway and the profitability of fibre businesses begins to materialise; transportation services, where underlying demand for large and reputable players remains resilient despite broader macroeconomic volatility; and authentication, where the need for fraud protection continues to be an important need in an environment of evolving counterfeiting and scam threats.

The Paris Office will continue to further pursue Haitong Bank's strategic vision and goals, leveraging on the Bank's international network, growing regional reach, and decades-long Sino-French partnership to further strengthen its growing position within the Sino-EU markets. With a unique perspective bridging China and the EU, the focus will continue to be on expanding and prioritising the cross-border pipeline origination, targeting both buy-side and sell-side opportunities.

Human Resources

Activity Highlights

At Haitong Bank, our people continue to be at the centre of our transformation and long-term success. Throughout 2025, the Human Resources function reinforced its commitment to fostering a culture grounded in our core values of Transparency, Meritocracy, Perseverance, and Integrity, while supporting the Bank through a year defined by significant strategic milestones.

A major focus for HR during this period was the Bank's ongoing integration into the new Group Guotai Haitong. The year concluded with a landmark achievement: the European Central Bank's approval, in December 2025, of the change of control process regarding the acquisition of qualified holdings in Haitong Bank. This approval formally completed the merger process and marked the beginning of a new phase for the Bank. HR is now actively working with our Shareholder to promote alignment, reinforce group-wide synergies, and strengthen our organisational capabilities for the next stage of growth.

In Portugal, the end of 2025 coincided with the conclusion of the 2023-2025 mandate of the Board of Directors. HR has been working closely with the Corporate Bodies and the Shareholder to support all processes required to prepare for the upcoming mandate, ensuring continuity, compliance, and organisational readiness.

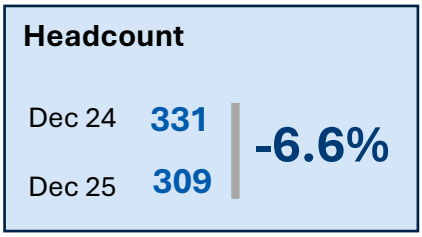
An important development in early 2026 was the resignation of the CEO, Mr. Wu Min, from the Board of Directors on 22 January 2026. He was succeeded by Mr. Lu Xiaoli, already an Executive Board Member of Haitong Bank. HR has been actively supporting this transition, ensuring stability and providing the necessary frameworks to facilitate the start of the new mandate and leadership cycle.

Workforce Overview

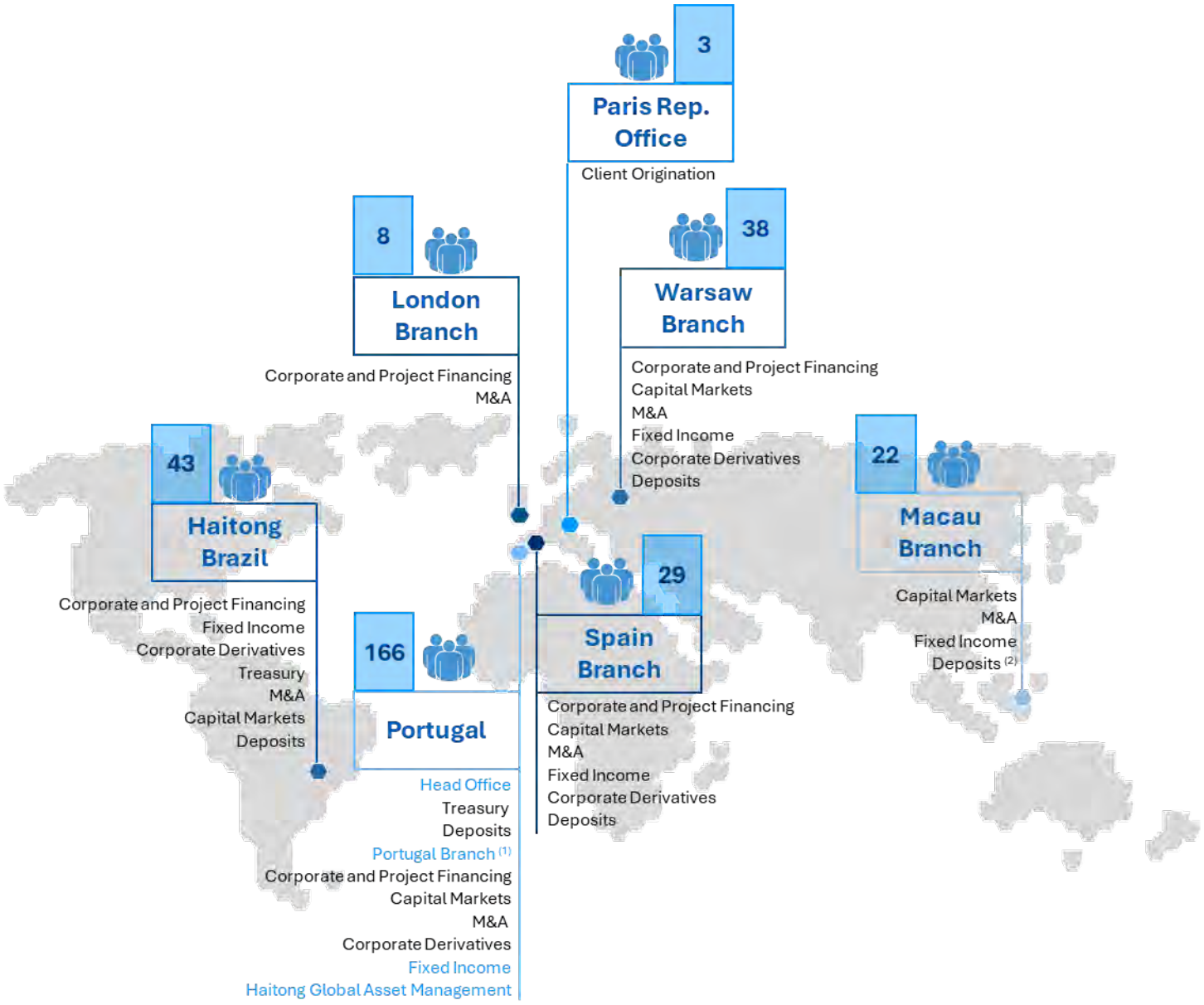
As of 31 December 2025, Haitong Bank's total headcount stood at 309 employees, representing a 6.6% decrease compared with 31 December 2024 (331 employees). This reduction is primarily attributable to the restructuring measures implemented in Brazil to better align the local workforce with the region's business model, operational priorities, and evolving strategic needs.

During 2025, the Bank continued to refine its organisational structure in the context of the now-completed Shareholder merger. With the integration phase concluded and the new Shareholder formally in place, efforts have been shifting toward aligning internal processes, reporting models, and managerial practices with group-wide standards. Particular attention was given to strengthening collaboration between the Portugal Branch, regional centres, and the head office, ensuring consistent governance, streamlined business flows, and enhanced cross-regional coordination.

Haitong Bank also maintained its commitment to attracting and developing young talent through its annual internship programme, which continues to operate across all geographies. In 2025, the programme further strengthened its role as a pipeline for future professionals, emphasising skills development, international exposure, and the integration of high-performing interns into long-term career opportunities within the Haitong Bank Group.



Headcount by Geography



[1] *Does not correspond formally to a legal entity and was stablished for internal organisation purposes only*
[2] *Under implementation*

Core Values Integration

At the heart of our HR practices lies the integration of Haitong Bank's core values. These values guide our actions, decisions, and interactions, shaping a cohesive and value-driven workplace culture. To highlight our commitment, each core value is embedded in specific HR initiatives:

Transparency

We prioritise open communication and ethical decision-making, ensuring that all employees understand their roles and contributions to the Bank's success. Through transparent performance assessments and feedback mechanisms, we foster trust and clarity across all levels of the organisation.

Meritocracy

Haitong Bank is dedicated to rewarding excellence and performance. Our merit-based appraisal system ensures that rewards are directly tied to individual and team achievements, promoting a culture of fairness and motivation.

Perseverance

We encourage determination and resilience in navigating challenges. By fostering an environment that supports initiative and collaborative problem-solving, we empower employees to contribute effectively to long-term success.

Integrity

Upholding the highest ethical standards is central to our HR approach. We are dedicated to cultivating a culture where employees act with honesty and accountability, supported by rigorous compliance practices that reinforce the Bank's unwavering commitment to integrity.

Inclusive Culture

In 2025, Haitong Bank continued to advance its commitment to building an inclusive and diverse workplace. Gender representation improved during the year, with women accounting for 41% of the total workforce, up from 39% in 2024 - a positive step that reflects the Bank's continued focus on fostering balanced participation across all organisational levels.

Women also remain well represented in leadership roles. The Board of Directors comprises twelve members, with an equal proportion of Executive and Non-Executive Directors, including three women. This composition underscores the Bank's dedication to promoting gender diversity within its management and oversight structures, in line with expectations set by Banco de Portugal and European regulatory guidelines.

Geography	Avg age (years)	Avg length of service (years)	No. of Men	No. of Women
Portugal	44.4	16.2	95	71
Spain	46.4	14.5	20	9
United Kingdom	38.9	3.5	4	4
Poland	45.3	8.8	20	18
Brazil	47.0	12.5	30	13
Macau	34.4	2.4	11	11
France	35.3	1.3	3	0
HB Average Indicators	**44.1**	**13.2**	**59%**	**41%**

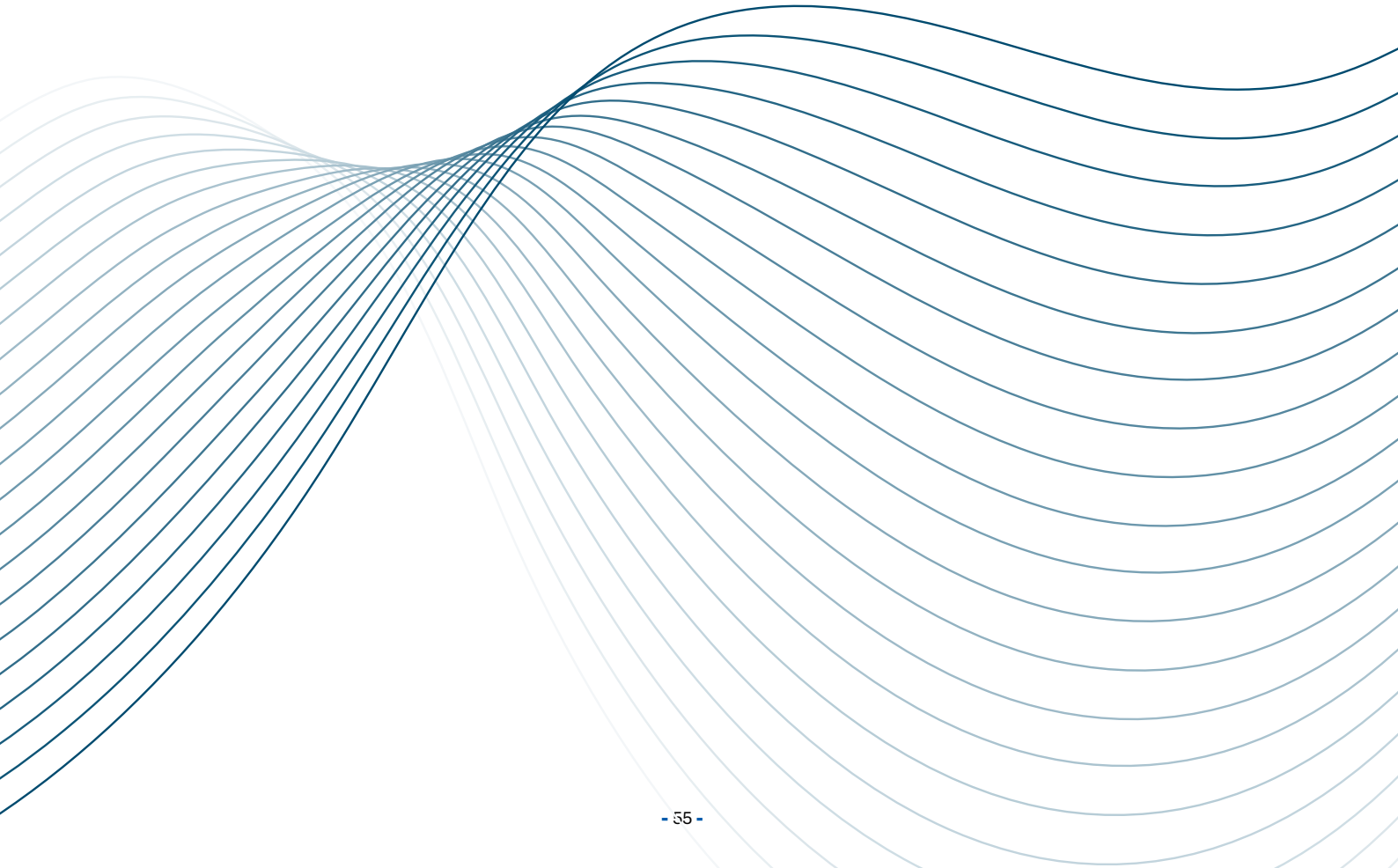
Looking Ahead

As Haitong Bank enters 2026, the Human Resources function will continue to play a central role in supporting the Bank's strategic direction and organisational evolution. With the change of control formally completed at the end of 2025, HR will deepen its collaboration with the new Shareholder, focusing on identifying and expanding group-wide synergies, promoting alignment of practices, and strengthening integration across geographies.

A key priority for 2026 will be to continue supporting senior management and ensuring that HR policies, processes, and initiatives remain closely connected to the Bank's long-term strategic and business objectives. This includes reinforcing governance, enhancing workforce planning, and ensuring that people-related programmes effectively sustain the Bank's operational ambitions and regulatory commitments.

Talent development will remain a cornerstone of HR's agenda in 2026. Alongside attracting experienced professionals, the Bank will place increased emphasis on young talent, particularly through the expansion of its internship programme and strengthened engagement with leading universities. In parallel, HR will advance the optimisation of the Bank's career management framework, with the aim of enhancing employee progression, improving retention, and positioning Haitong Bank as an employer of choice for high-potential professionals.

RISK

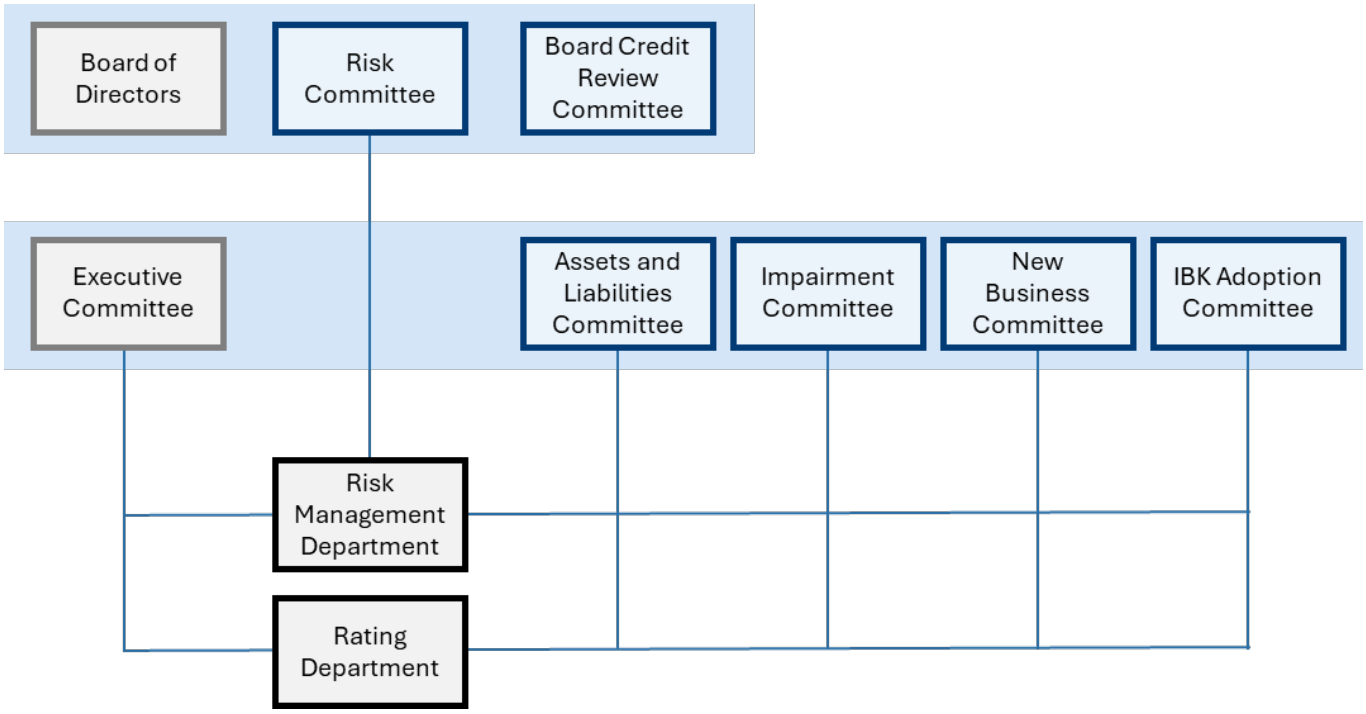


Risk Management

Governance

The Bank's Risk Management Framework is under the ultimate responsibility of the Board of Directors. The Board of Directors is fully aware of the types of risks to which the Bank is exposed, and the processes used to identify, evaluate, monitor and control those risks, as well as the legal obligations and the duties to which the institution is subject. It is responsible for the establishment and maintenance of an appropriate and effective risk management structure.

The current structure and relevant committees for the Bank's Risk Management are summarized below.



Risk Committee

The Risk Committee is responsible for continuously monitoring the development and implementation of the Bank's risk strategy and its risk appetite, and also for verify whether these are compatible with a sustainable strategy in the medium and long term.

Board Credit Review Committee

The Board Credit Review Committee is responsible for reviewing and approving the credit transactions that fall outside the RAF, which are only submitted to the Board Credit Review Committee after having been approved by the EXCO.

Assets and Liabilities Committee

The Assets and Liabilities Committee ("ALCO") mission is to advise the Executive Committee on the management of the Bank's assets and liabilities, including the oversight of capital, interest rate and liquidity/funding strategy's planning, performance management, liquidity/funding and asset and liability risk management, internal pricing and investment policy, in alignment with the Bank's business strategy and regulatory requirements.

Impairment Committee

The Impairment Committee is responsible for the analysis and for advising on impairment amounts to be assigned to credit clients subject to individual analysis.

New Business Committee

The New Business Committee primary mission is to advise the Executive Committee analyzing new business/products or support initiatives considering all the respective necessary means and support mechanisms. Since these initiatives involve significant management decisions and investment, this Committee shall gather inputs from all relevant departments to support an overall assessment (including the impact of on the risk profile of the bank, as well as, on regulatory and internal capital adequacy) to be submitted for approval and implementation by the Executive Committee.

Investment Banking Global Adoption Committee

The Investment Banking Global Adoption Committee is primary responsible for discussing the overall direction of the investment banking business, cross-border matters and prospective transactions. In alignment, the committee is also in charge of approving (i) all prospective Investment Banking mandates in relation to proposed transactions or new clients that don´t involve credit nor market risk, but can involve Settlement Risk, (ii) other advisory mandates and agency agreements such as part of Structured Finance, (iii) proposals where the Bank has reputational risk or Settlement Risk, (iv) Capital Markets (ECM and DCM) transactions in which the Bank may be liable in case of default by the other managers involved in the transaction. Moreover, the committee is in charge to identify restrictions to be implemented throughout the Bank and its subsidiaries.

Risk Management Department

The Risk Management Department is an independent control function that is actively involved in all material decisions and is aligned with the parent company's guidelines and practices. Thus, this Department aims to enable the Bank to make informed decisions and ensure that the risk policies approved by the Board of Directors are duly implemented and followed.

Rating Department

Together with the Risk Management Department, the Rating Department is part of the Risk Control Function of Haitong Bank. The Rating Department plays a key role in supporting the Bank's decision-making process at the Credit Committee and Executive Committee and assisting the Impairment Committee in its individual basis impairment assessment.

Risk Appetite

Haitong Bank's strategy is to connect clients and business opportunities across its broad network, combining long-standing expertise in Europe and Latin America with the Group's cross-border origination with a China Angle. Haitong Bank is committed to serving its European and Latin American corporate and institutional Clients alongside a growing Chinese client base.

As a Corporate and Institutional Bank, Haitong Bank's primary business fronts are the following: DCM, Corporate and Project Financing, M&A Advisory, Fixed Income, Corporate Derivatives and Global Asset Management.

Haitong Bank acknowledges that its risk management function is a key element in the accomplishment of its strategic objectives. The Bank's overall risk vision assessment rests on the following three guiding principles:

- *Capital*: Haitong Bank aims to maintain prudent capital buffers on top of both internal and regulatory capital requirements;
- *Liquidity and Funding*: Haitong Bank as a whole, and all its subsidiaries individually, aim to maintain a solid short-term position and a sustainable medium- to long-term funding profile; and
- *Earnings*: The Group has the goal of generating recurrent earnings to guarantee its sustainability and a reasonable level of profitability for shareholders.

Credit Risk

Credit risk is the potential financial loss arising from the failure of an obligor or counterparty to honour its contractual obligation. As the major risk category to which the Bank is exposed, credit risk management and control are supported by a complete system that permits its identification, assessment, measurement and reporting.

MANAGEMENT PRACTICES

Credit portfolio management is carried out as an ongoing process that requires full coordination between the various teams/functions responsible for the management of risk during the different stages of the credit process.

Internal Ratings

At Haitong Bank, the internal ratings, which measure the 1-year probability of default, are assigned using the internal rating tools sponsored by Standard & Poor's ('S&P'). The internal rating assignment is carried out by an experienced pool of analysts located in Lisbon, Madrid, Warsaw, Macau, London, and São Paulo.

Monitoring

The credit risk monitoring and control activities aim to quantify and control the evolution of credit risk to allow the early detection of situations where there is a deterioration of risk, as well as to outline global strategies for credit portfolio management.

In this context, and with the central goal of complying with the risk appetite framework established by the Board of Directors, the credit risk monitoring function is considered one of the key pillars of the Bank's risk management and control system.

Credit Recovery Process

Haitong Bank's Special Portfolio Management Division manages the Bank's non-performing exposures, proposing and implementing the restructuring and or credit recovery strategies to maximize credit recovery.

ASSET QUALITY

Loan Portfolio

Portfolio breakdown

In December 2025, the loan portfolio (including exposures at amortized cost and fair value through profit or loss) amounted to EUR 745 million, which represents an increase of approximately EUR 21 million compared to December 2024.

Loan Portfolio Asset Classes and Geographic Breakdown (EUR thou*sand)*

	December 2025			December 2024		
	Domestic	**International**	**Total**	**Domestic**	**International**	**Total**
Loan Portfolio[1]	**259 826**	**485 231**	**745 057**	**237 900**	**486 432**	**724 332**
Specialized Lending	83 832	106 564	**190 396**	123 550	90 329	**213 879**
Corporate	133 246	328 568	**461 814**	54 632	346 713	**401 345**
Others	42 748	50 099	**92 847**	59 718	49 390	**109 108**

[1] *Gross of provisions*
Source: Haitong Bank

Loan Portfolio Asset Classes by Industry

	December 2025				December 2024			
	Specialized Lending	**Corporate**	**Others**	**Total**	**Specialized Lending**	**Corporate**	**Others**	**Total**
TOTAL	**25.6%**	**62.0%**	**12.4%**	**100.0%**	**29.4%**	**55.5%**	**15.1%**	**100.0%**
Oil & Gas	3.4%	11.9%	0.0%	**15.3%**	1.7%	13.9%	0.0%	**15.6%**
Power	6.1%	5.5%	0.0%	**11.6%**	10.5%	6.0%	2.7%	**19.2%**
Telecoms	2.7%	8.6%	0.0%	**11.3%**	0.0%	7.9%	4.2%	**12.1%**
Non Bank Financial Institutions	0.0%	0.0%	11.1%	**11.1%**	0.0%	0.0%	5.1%	**5.1%**
Transportation Infrastructure	7.2%	2.9%	0.0%	**10.1%**	9.1%	2.9%	0.0%	**12.0%**
Real Estate	4.4%	2.3%	0.5%	**7.2%**	6.4%	0.0%	0.5%	**6.9%**
Chemicals	0.0%	5.5%	0.0%	**5.5%**	0.0%	2.2%	0.0%	**2.2%**
Metals & Mining	0.0%	4.4%	0.0%	**4.4%**	0.0%	5.2%	0.0%	**5.2%**
Food, Beverage & Tobacco	0.0%	4.2%	0.0%	**4.2%**	0.0%	2.3%	0.0%	**2.3%**
Building Materials	0.0%	3.7%	0.0%	**3.7%**	0.0%	1.7%	2.6%	**4.3%**
Capital Goods	0.0%	3.5%	0.0%	**3.5%**	0.0%	0.0%	0.0%	**0.0%**
Agribusiness & Commodity Foods	0.0%	2.8%	0.0%	**2.8%**	0.0%	0.7%	0.0%	**0.7%**
Consumer Durables & Apparel	0.0%	2.7%	0.0%	**2.7%**	0.0%	2.7%	0.0%	**2.7%**
Health Care	1.8%	0.0%	0.0%	**1.8%**	0.0%	0.0%	0.0%	**0.0%**
Rental & Leasing	0.0%	1.6%	0.0%	**1.6%**	1.7%	0.0%	0.0%	**1.7%**
Construction & Engineering	0.0%	0.0%	0.8%	**0.8%**	0.0%	0.0%	0.0%	**0.0%**
Retailing	0.0%	0.7%	0.0%	**0.7%**	0.0%	0.0%	0.0%	**0.0%**
Commercial & Professional Services	0.0%	0.4%	0.0%	**0.4%**	0.0%	5.3%	0.0%	**5.3%**
Paper & Forest Products	0.0%	0.2%	0.0%	**0.2%**	0.0%	0.0%	0.0%	**0.0%**
Automobiles & Components	0.0%	0.0%	0.0%	**0.0%**	0.0%	4.7%	0.0%	**4.7%**
Others	0.0%	1.1%	0.0%	**1.1%**	0.0%	0.0%	0.0%	**0.0%**

Source: Haitong Bank

Internal Rating Profile

Haitong Bank uses internal rating models to support credit decisions, credit risk monitoring and impairment measurement. The loan portfolio was distributed by internal ratings as shown in the table below.

Loan Portfolio Rating Profile

	December 2025	December 2024
[aaa+; a-]	8.9%	10.2%
[bbb+; bbb-]	25.3%	11.0%
[bb+; bb-]	46.4%	59.3%
[b+; b-]	19.4%	19.5%

As a percentage of non-default rated gross portfolio
Source: Haitong Bank

Risk Indicators

Credit Risk Indicators (in EUR thousand)

	December 2025	December 2024
Loan Portfolio	**745 057**	**724 333**
Non-Performing Loans (NPL)	**27 548**	**6 939**
NPL Ratio	3.7%	1.0%
Impairment for NPL	**15 842**	**1 868**
NPL coverage	57.5%	26.9%
Gross Exposure	**2 506 290**	**2 480 354**
Non-performing exposures (NPE) [1] [2]	**56 262**	**30 602**
NPE Ratio	2.2%	1.2%
NPE Impairment Coverage	45.1%	33.8%
Forborne Exposures [1]	**39 330**	**36 324**
Of which performing exposure (%)	18.9%	69.7%

[1] *The Bank follows the criteria set for non-performing and forborne exposures on EBA's Final Report on Guidelines on Management of Non-Performing and Forborne exposures (EBA/GL/2018/06), as of 21 October 2018, and classification defined on the Part 2 – Template Related Instruction of Annex V – Reporting on Financial Information included in the Commission Implementing Regulation (EU) 2018/1627, of 09 October 2018, amending Implementing Regulation (EU) No. 680/2014, as regards prudent valuation for supervisory reporting.*

[2] *The Group classifies as non-performing exposures (NPE) the amounts receivable relating to commissions for services rendered and which are overdue for more than 90 days, as well as other assets relating to credits or debt securities in default that were targeted of a recovery process, being directly dependent on legal actions against the original debtors.*

Source: Haitong Bank

The Non-Performing Loans (NPL) ratio amounted to 3.7% in December 2025, in comparison to 1.0% in December 2024.

Fixed Income Assets

Portfolio breakdown

The fixed income portfolio ended December 2025 with a net total of EUR 1,753 million, representing an increase of EUR 7 million when compared with December 2024.

Fixed Income Portfolio by Sector (EUR thousand)

	December 2025	December 2024
Total	**1 753 868**	**1 746 774**
Governments	1 228 445	1 121 788
Real Estate	67 113	87 397
Banks	38 467	78 147
Construction & Engineering	38 344	42 492
Oil & Gas	31 913	9 783
Health Care	31 170	21 517
Non Bank Financial Institutions	30 473	27 656
Metals & Mining	26 229	14 174
Power	25 993	44 231
Chemicals	24 747	27 256
Transportation	24 508	29 880
Automobiles & Components	24 159	57 539
Water Utilities	20 298	14 304
Telecoms	18 544	27 985
Food, Beverage & Tobacco	17 886	25 582
Retailing	16 708	34 845
Consumer Durables & Apparel	16 172	5 226
Transportation Infrastructure	14 994	19 284
Investment Holdings	13 430	603
Technology Hardware & Equipment	9 511	622
Hotels & Gaming	8 833	8 822
Capital Goods	7 623	13 872
Funds & Asset Managers	6 642	6 978
Commercial & Professional Services	5 009	8 388
Paper & Forest Products	2 622	2 656
Building Materials	2 049	1 914
Agribusiness & Commodity Foods	1 301	0
Insurance	508	0
Broker Dealers	175	175
Media & Entertainment	0	1 048
Rental & Leasing	0	5 464
Pharmaceuticals	0	7 146

Source: Haitong Bank

Internal Rating Profile

In December 2025, the rating profile of the Bank's fixed income portfolio was the following:

Fixed Income Portfolio Rating Profile

	December 2025	December 2024
[aaa; a-]	4.5%	5.8%
[bbb+; bbb-]	19.4%	24.1%
[bb+; bb-]	75.0%	67.6%
[b+; b-]	1.1%	2.5%

As a percentage of non-default rated portfolio
Source: Haitong Bank

Derivatives Portfolio

Portfolio Breakdown

The counterparty risk exposure in the Bank's portfolio of interest rate and exchange rate derivatives amounted to EUR 28 million in December 2025, which represents a decrease of EUR 21 million in comparison with December 2024.

In terms of the breakdown by counterparty risk sector, in December 2025, 65% of the global exposure relates to transactions in Transportation Infrastructure, followed by 28% in Banks' counterparties.

Derivatives Portfolio by sector (EUR thousand)

	December 2025	December 2024
Total	**28 181**	**49 575**
Transportation Infrastructure	18 221	24 269
Banks	7 834	13 954
Funds & Asset Managers	701	701
Non Bank Financial Institutions	667	3 125
Health Care	617	0
Others	139	443
Agribusiness & Commodity Foods	2	444
Paper & Forest Products	0	4 944
Construction & Engineering	0	0
Power	0	436
Broker Dealers	0	754
Oil & Gas	0	504

Prudential exposure (not accounting)
Source: Haitong Bank

Internal Rating Profile

The Bank mainly takes counterparty credit risk in derivatives while providing hedge solutions to corporate clients (also encompassing project finance entities). Thus, in December 2025, the Bank's total exposure to derivative instruments focused on interest rate swaps.

Derivatives Portfolio Rating Profile

	December 2025	December 2024
[aaa+;a-]	83.1%	73.2%
[bbb+;bbb-]	5.5%	1.6%
[bb+;bb-]	11.4%	24.3%
[b+;b-]	0.1%	0.9%

As a percentage of non-default rated portfolio
Source: Haitong Bank

ESG Risk

Haitong Bank treats ESG risk as a distinct component within its internal risk taxonomy and applies a structured approach to understanding how environmental, social and governance factors may influence its prudential risk profile. The Bank ESG risk framework begins with the identification of how transition and physical climate drivers may affect the Bank's core risk categories, mapped across business lines and time horizons. This is followed by quantitative and qualitative measurement using exposure-based, sector-based and scenario-based methodologies, supported by the Bank's internal Transition and Physical ESG scoring models, which incorporate sectoral characteristics, geographic dispersion, financial robustness, climate vulnerability and mitigation mechanisms. Climate stress tests further complement this framework, and the combined outputs inform the ESG materiality assessment: transition risk emerges as the most material ESG driver affecting Credit Risk in the medium to long term; acute physical risks may affect Credit and Market Risk in the short term; and chronic physical risks are deemed non-material due to the short tenors of the credit portfolio. Limited and context-specific impacts may also arise for Legal, Reputational, Liquidity and Operational risks. These insights shape the Bank's ESG Risk Vision, which prioritises transition risk management, recognises physical risk dynamics, and incorporates exclusion policies prohibiting transactions with entities involved in human rights violations or materially dependent on coal mining or coal power generation.

The implementation of the ESG Risk Management Framework relies on operational tools, processes and governance arrangements that ensure institution-wide consistency. The Transition and Physical ESG scoring models, together with enhanced due diligence for potential high ESG risk clients, constitute the core mechanisms for assessing ESG vulnerabilities; the resulting classifications are stored centrally in a database and reflected in risk-sensitive pricing adjustments. ESG considerations are embedded into governance and decision-making procedures, including risk advice for new transactions and deliberations by the Executive Committee, Risk Committee, New Business Committee and Adoption Committee. At Board level, the Chief Risk Officer and the Chair of the Audit Committee act as ESG focal points, ensuring oversight and structured engagement with the supervisor. ESG factors are integrated into the Risk Appetite Framework through quantitative limits on High ESG Risk exposures, monitored monthly via the Risk Monitoring Report. The Early Warning System includes ESG-specific triggers, and climate stress tests are applied to Credit and Market Risk.

The ESG Risk Management Framework is supported by comprehensive internal documentation, including the ESG Regulation, ESG Procedure, ESG Framework Presentation and the ESG Technical Manual, and ESG considerations are integrated into ICAAP and ILAAP. Portfolio-level ESG monitoring is carried out through the monthly Risk Monitoring Report, which evaluates High ESG Risk exposure. Enhancements implemented following Banco de Portugal's 2025 communication have strengthened the framework's alignment with supervisory expectations, improving consistency and prudential soundness.

Market Risk

Market risk corresponds to the possibility of occurrence of losses in on- and off-balance sheet positions resulting from adverse movements in market prices, such as equity, interest rates or foreign exchange rates and credit spreads. In the development of its activities, Haitong Bank is exposed to market risk in the trading and banking books.

Haitong Bank has in place policies, procedures and systems for market risk management, enabling the assessment and control of all the relevant market risk factors to which the Bank is exposed.

The identification, measurement, monitoring, control and reporting of the Bank's market risk are the responsibility of the Market Risk Control unit, which works in full independence of the Bank's business areas.

In organizational terms, Market Risk Control functions are spread geographically over the Group's different entities, which have the appropriate skills to evaluate the specific activities and risks incurred by each entity.

To provide the organisation with a clear understanding of the market risks incurred and its compliance with the approved risk appetite, the Bank uses a comprehensive set of risk metrics, and respective limits, complemented by stop loss and concentration limits. These risk metrics include Value at Risk (VaR) and sensitivity metrics for interest rates, credit spreads, foreign exchange rates, equity prices and volatility.

TRADING BOOK RISK

Management Practices

Haitong Bank estimates the potential change in the market value of the trading book positions and global FX position, by considering an historical simulation VaR, based on a 10-day time horizon and a 1-year historical observations and a 99% confidence level.

As of December 2025, Haitong Bank's VaR amounted to EUR 7.3 million, representing an increase of EUR 3.1 million when compared with December 2024. The variation is mainly due to the high volatility of the markets, and mainly on FX pair EUR/BRL.

Value at Risk by Risk Factor (EUR million)

	December 2025	December 2024
Foreign Exchange Risk	7.4	4.1
Interest Rate Risk	0.3	0.4
Shares	0.0	0.0
Credit spread	0.5	0.3
Covariance	-0.9	-0.5
Global VaR	**7.3**	**4.2**

Source: Haitong Bank

BANKING BOOK RISKS

Other risks in the banking book arise from adverse movements in interest rates, credit spreads and in the market value of equity securities and real estate in non-trading exposures on the balance sheet.

Interest Rate Risk

Interest rate risk in the banking book (IRRBB) refers to the current or prospective risk to the Bank's capital and earnings arising from adverse movements in interest rates that affect the Bank's banking book positions.

Haitong Bank aims to capture all material sources of IRRBB and assess the potential effect of market changes on the scope of its activities and manage IRRBB by measuring the sensitivity of the economic value of its banking book and the sensitivity of its net interest margin expected in a 1-year time horizon.

Changes in interest rates can affect the underlying economic value of the Bank's assets, liabilities and off-balance sheet instruments, because the present value of future cash flows changes when interest rates change. Changes in interest rates also affect a bank's earnings by increasing or decreasing its net interest income (NII).

As of December 2025, the impact on the banking book economic value, under a parallel shock on the yield curve, different by currency, was estimated at EUR 23.2 million. Adding the regulatory add-on for automatic options defined in the Commission Delegated Regulation (EU) 2024/857, the final impact on the banking book economic value is EUR 23.4 million.

Credit Spread Risk

The credit spread, which reflects the ability of an issuer to meet its obligations up to its maturity, is one of the factors considered in the assets' valuation. It represents the difference between the interest rate of a risky asset and the interest rate of a risk-free asset in the same currency and with the same maturity.

As of December 2025, the impact on the banking book economic value for this risk was estimated at EUR 14.5 million.

The Bank is also subject to other types of risk in the banking book, namely the risk of equity holdings and the risk of mutual funds. These risks may broadly be described as the probability of a loss resulting from an adverse change in the market value of these financial instruments.

Pension Fund risk

Haitong's Pension Fund Risk stems from the possibility that the pension plan assets are not sufficient to meet the fund's responsibilities. In this scenario Haitong Bank is required to make an extraordinary contribution to the pension fund. The Pension Fund Risk mainly materialize in defined benefit plan, where the Bank ensures an adequate financing of the employee retirement plan, regardless the fund performance.

The Pension Fund Risk is incorporated within the Bank's Risk Appetite Framework. The Bank has established policies and methodologies for risk assessment, monitoring, and reporting, ensuring alignment with the Group's Risk Appetite Framework.

Operational Risk

Operational risk corresponds to the probability of occurrence of events with a negative impact on earnings or capital resulting from inadequate internal procedures or their negligent application, inadequacy or failure of information systems, staff behaviour, or external events. Legal risk is included in this definition.

Management Practices

Operational risk is managed through a set of procedures that standardise, systematise, and measure the frequency of actions aimed at the identification, monitoring, control, and mitigation of this risk. The priority in operational risk management is to identify and mitigate or eliminate risk sources.

The management methodologies in place are supported by the principles issued by the Basel Committee for operational risk.

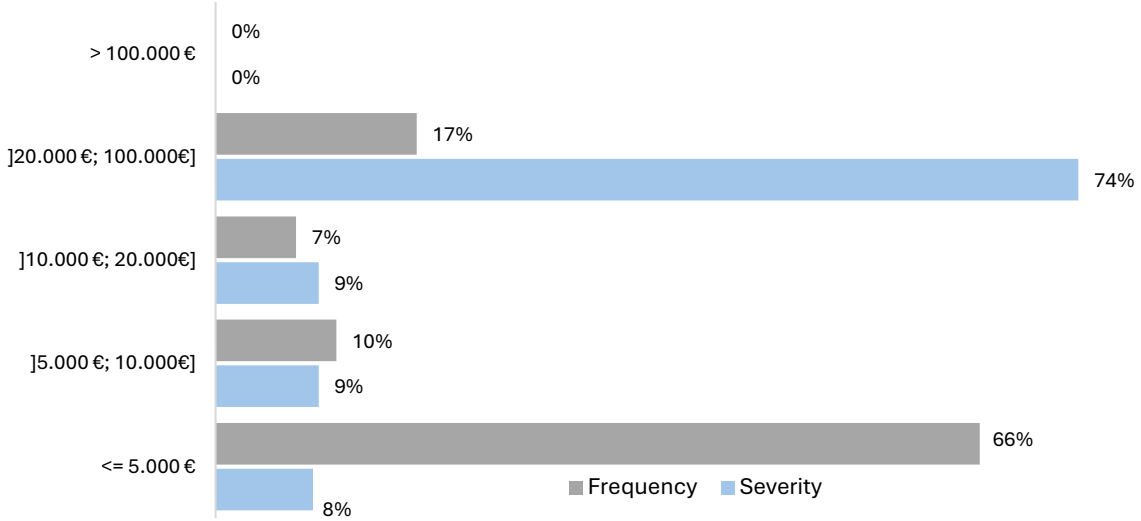
The operational risk management model is supported by an exclusively dedicated structure within the organisation which is responsible for the following processes:

- Identification and assessment of processes, risks and controls through risk and control self-assessment exercises;
- Identification and assessment of operational risks in new products, services and in the Bank's IT environment, including the need to implement new controls to mitigate identified risks;
- Identification, analysis and reporting of operational risk events;
- Monitoring risk through a selected set of risk indicators;
- Calculation of capital requirements in accordance with the Standardized Approach.

OPERATIONAL RISK ANALYSIS

The operational risk events identified are reported to permit their full and systematic categorization and the monitoring of follow-up mitigation actions. Every event is classified in accordance with the risk categories defined in Banco de Portugal, by business lines and by Basel event types.

Distribution of frequency and severity of events by loss amount

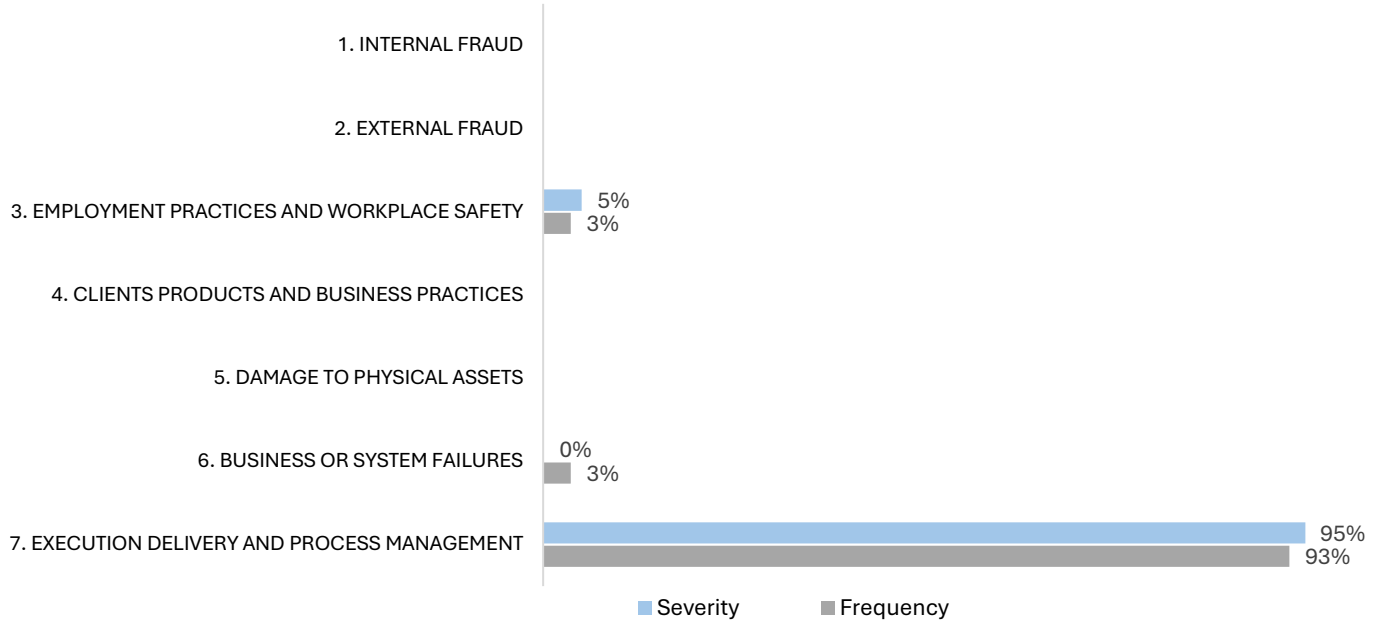


Source: Haitong Bank. Operational Risk Events, December 2025

By December 2025, 66% of the Bank's loss events were below EUR 5,000.

Following Basel's event classification, in 2025, 93% of total reported loss events were related with the Execution, Delivery & Process Management event type, which corresponded to 95% of reported losses associated with this risk.

Distribution of frequency and severity of events by event type



Source: Haitong Bank. Operational Risk Events, December 2025

ICT and Security Risk

Haitong Bank defines ICT and Security Risk as the risk of loss due to breach of confidentiality, failure of integrity of systems and data, inappropriateness or unavailability of systems and data or inability to change information and communication technology (ICT). This includes security risks resulting from inadequate or failed internal processes or external events including cyber-attacks or inadequate physical security.

The Bank's ICT and Security Risk Framework consists of five risk subcategories aligned with the EBA Guidelines. These subcategories are: ICT Availability and Business Continuity Risk, ICT Change Risk, ICT Data Integrity Risk, ICT Outsourcing and Third-Party Risk, and ICT Security Risk.

The ICT and Security Risk Framework is supported by comprehensive policies and methodologies for risk assessment, monitoring, and reporting, and it is incorporated into the Bank's Risk Appetite Framework.

Liquidity Risk

Liquidity risk arises from an institution's present or future inability to meet all payment obligations when they come due or secure such resources only at an excessive cost.

Management Practices

Liquidity and funding management is a key element in Haitong Bank's business strategy and a fundamental pillar, together with capital management, in supporting its strength and resilience.

Liquidity management and Haitong Bank's funding strategy are the responsibility of the Executive Committee which ensures the management of the Bank's liquidity in an integrated way, with the treasuries of all Haitong Bank's entities.

In order to provide protection against unexpected fluctuations and based on a solid organizational and governance model, Haitong Bank's liquidity risk management envisages delivering appropriate term and structure of funding consistent with the following principles:

- Ensure the ability to meet obligations as they come due in a timely manner and at a reasonable cost;
- Comply with regulatory requirements on liquidity in each geography the Bank operates in;
- Ensure full alignment with liquidity and funding risk appetite;
- Make available a sufficient immediate liquidity buffer to ensure the ability to react to any event of stress that could restrict the ability to access financial markets under both normal and stressed conditions;
- Develop a diversified investors' base and maintain access to a variety of alternative funding sources, while minimizing the cost of funding; and
- Continuously develop an appropriate internal framework for the identification, measurement, limitation, monitoring and mitigation of liquidity risk.

LIQUIDITY POSITION

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is established by the CRD (Directive 2013/36/EU) and it is designed to promote short-term resilience of a bank's liquidity risk profile by measuring how adequate the stock of high-quality liquid assets (that can be easily converted into cash) is to meet liquidity needs for a 30 calendar day liquidity stress scenario.

As of December 2025, Haitong Bank reached an LCR of 237%, which represents a resilient short-term liquidity position, comfortably complying with regulatory standards.

Liquidity Coverage Ratio (EUR thousand)

	December 2025	December 2024
High-Quality Liquid Assets	835 837	730 525
30 days Net Outflow	352 227	345 545
Liquidity Coverage Ratio	237%	211%

Source: Haitong Bank

Net Stable Funding Ratio

The Basel Committee on Banking Supervision established the Net Stable Funding Ratio (NSFR) in October 2014 within the scope of the Basel III regulatory reform. The NSFR was translated into European Union law with Regulation (EU) 2019/876, entering into force from June 2021.

The NSFR constitutes a structural measure that aims at fostering longer-term stability by incentivizing banks to adequately manage their maturity mismatches by funding long-term assets with long-term liabilities.

As of December 2025, Haitong Bank reached an NSFR of 144%, ensuring an adequate medium- to long-term funding profile.

Net Stable Funding Ratio

	December 2025	December 2024
Net Stable Funding Ratio	144%	134%

Source: Haitong Bank

Capital Management

Capital management seeks to guarantee Haitong Bank's sound solvency and profitability under the strategic objectives and the risk appetite set by the Board of Directors. Therefore, it is of critical importance to Haitong Bank's financial stability and sustainability.

Management Practices

The capital management practices and guidelines are shaped to accomplish the business' strategic goals and the risk appetite set by the Board of Directors. Accordingly, with the objective of maintaining capital that is suitable in quantity and quality, Haitong Bank has in place a capital management framework based on the following objectives:

- Promote the sustainable growth of activity by creating enough capital to withstand the increase of assets;
- Meet the minimum requirements established by the supervising entities in relation to capital adequacy; and
- Ensure the achievement of the strategic goals set by the Group in relation to capital adequacy and risk appetite.

Complementing the regulatory focus, Haitong Bank periodically executes an internal risk-based capital self-assessment (ICAAP) that consists of a forward-looking measurement of the material risks to which Haitong Bank is exposed (including the ones not covered by Pillar 1 regulatory capital).

Additionally, as part of its capital management policy, Haitong Bank performs a Recovery Plan, which provides the escalation path for crisis management governance and identifies the list of actions and strategies designed to respond to a capital stress event.

REGULATORY CAPITAL AND LEVERAGE RATIOS

Solvency

Regulatory capital requirements are determined by Banco de Portugal under the CRR (Regulation EU no. 575/2013) and CRD (Directive EU 2013/36/EU) regulations. Under these regulatory frameworks, capital requirements are set in consideration of the level of risk that the Bank is exposed to, which is measured through both risk-weighted assets (RWAs) and leverage.

Under this regulatory framework, the minimum CET1 ratio is 4.5%, the minimum Tier 1 ratio is 6% and the minimum Total Capital Ratio is 8%. In addition, these minimum ratios are supplemented by the capital conservation buffer, established at 2.5% from 1 January 2019.

Also related to the CRD capital buffers, in November 2016 Banco de Portugal decided to impose a capital surcharge on six Portuguese banking groups classified as O-SIIs (Other Systemically Important Institutions) in the scope of its annual revision of the identification of the imposition of capital buffers, pursuant to Article 138-R (2) of the Legal Framework of Credit Institutions and Financial Companies (RGICSF). Haitong Bank is excluded from the scope of application of this macro-prudential buffer.

The regulation also provides a counter-cyclical capital buffer of up to 2.5% to be imposed in the event that national supervisors deem it necessary in order to counteract excessive credit growth in the jurisdictions under their supervision. As of 31st of December 2024, Banco de Portugal decided not to impose any additional counter-cyclical capital buffer, by setting it at 0% of the total risk exposure amount to domestic counterparties. This decision is subject to revision on a quarterly basis, but Bank of Portugal already determined that from 1 January 2026 the counter-cyclical capital buffer should be set at 0.75% for exposures to counterparties located in Portugal.

In addition to the above-mentioned capital buffers, as of 1 July, 2018, Haitong Bank became subject to an additional requirement with a specific add-on, determined and revised under the Supervisory Review and Evaluation Process performed by Banco de Portugal.

As of December 2025, Haitong Bank's capital ratios were calculated under CRR (Regulation EU no. 575/2013) and CRD (Directive EU no 2013/36/EU). The capital ratios under the Standard Approach are shown in the following table.

Solvency Ratios

	December 2025	December 2024
CET1 ratio	19.6%	19.3%
Tier 1 ratio	24.6%	24.1%
Total capital ratio	24.7%	24.2%

Source: Haitong Bank

The prudent capital management implemented by Haitong Bank has allowed the maintenance of a solid capital position.

Leverage

As a supplementary measure, the CRR/CRD framework introduced a non-risk based leverage ratio. The leverage ratio compares Tier 1 capital to a measure of leverage exposure, aiming to constrain the build-up of excessive leverage in the banking sector and to backstop the existing risk-weighted capital requirements with a simple, non-risk-weighted measure.

As of December 2025, Haitong Bank's leverage ratios, calculated under the methodology set by the regulatory framework, are shown in the following table.

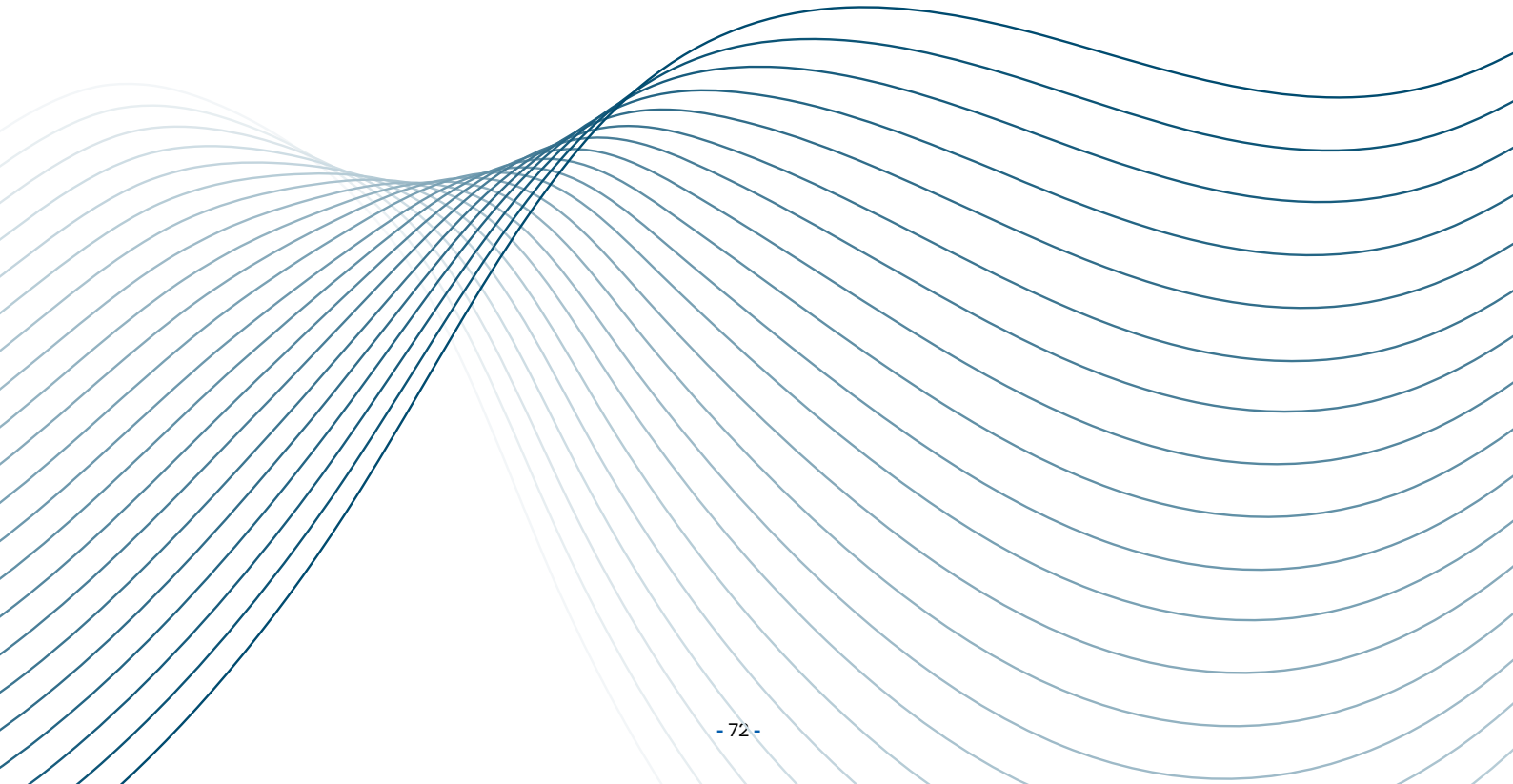
Leverage Ratios

	December 2025	December 2024
Leverage Ratio	11.4%	12.3%

Source: Haitong Bank

FINANCIAL REPORT

Consolidated Financial Statements and Notes to the Consolidated Financial Statements



1. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement for the year ended on December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Interest and similar income	5	245 913	226 572
Interest and similar expenses	5	204 504	188 034
Financial margin		**41 409**	**38 538**
Fees and commissions income	6	11 833	22 050
Fees and commissions expenses	6	(1 204)	(3 320)
Net trading income	7	(1 358)	(3 114)
Net income from other financial instruments at fair value through profit or loss	8	1 662	488
Net gain/(loss) from derecognition of financial assets measured at fair value through other comprehensive income	9	4 905	1 477
Net gains/(losses) from hedge accounting	10	4	347
Net gains / (losses) from foreign exchange differences	11	(15 890)	9 577
Net gain/(loss) from derecognition of financial assets measured at amortised cost	12	3 497	4 184
Other operating income and expense	13	2 759	(4 239)
Operating Income		**47 617**	**65 988**
Employee costs	14	33 542	38 204
Administrative costs	16	14 700	14 470
Depreciations and amortisations	25 and 26	3 846	5 409
Provisions	31	3 032	(2 186)
Net impairment loss on financial assets	31	13 225	421
Operating expenses		**68 345**	**56 318**
Profit / (Loss) before Income Tax		**(20 728)**	**9 670**
Income tax			
Current tax	32	2 719	7 202
Deferred tax	32	8 483	(2 178)
		11 202	**5 024**
Net Profit / (Loss) for the year		**(31 930)**	**4 646**
Attributable to shareholders of the parent company	17	**(29 668)**	**5 078**
Attributable to non-controlling interests	35	**(2 262)**	**(432)**
		(31 930)	**4 646**
Basic Income per Share (in euros)	17	-0.17	0.03
Diluted Income per Share (in euros)	17	-0.17	0.03

The following notes form an integral part of these consolidated financial statements

The Director of the Finance Department

The Board of Directors

Consolidated Statement of Comprehensive Income for the year ended on December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Net income of the year			
Attributable to shareholders of the parent company		(29 668)	5 078
Attributable to non-controlling interests		(2 262)	(432)
		(31 930)	**4 646**
Other comprehensive income for the year			
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit liabilities, net of taxes	35	4 301	(1 981)
		4 301	**(1 981)**
Items that may be reclassified to profit and loss			
Foreign currency translation differences for foreign operations	35	71	(18 822)
Fair value changes of debt instruments measured at fair value through other comprehensive income, net of taxes	35	1 566	2 597
		1 637	**(16 225)**
Total other comprehensive income for the year		**5 938**	**(18 206)**
Total comprehensive income/(loss) for year		**(25 992)**	**(13 560)**
Attributable to shareholders of the parent company		(23 986)	(8 960)
Attributable to non-controlling interests		(2 006)	(4 600)
		(25 992)	**(13 560)**

The Director of the Finance Department

The Board of Directors

Consolidated Statement of Financial Position as of December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Assets			
Cash and cash equivalents	18	24 507	38 159
Financial assets at fair value through profit or loss		903 411	811 783
Financial assets held for trading		887 352	794 723
Securities	19	869 988	770 902
Derivative financial assets	20	17 364	23 821
Non-trading financial assets mandatorily at fair value through profit or loss		16 059	17 060
Securities	22	16 034	17 037
Loans and advances to customers	24	25	23
Financial assets at fair value through other comprehensive income	22	314 927	357 444
Financial assets measured at amortised cost		1 946 341	1 848 526
Securities	22	568 068	617 566
Loans and advances to banks	23	651 713	512 202
Loans and advances to customers	24	726 560	718 758
Other tangible assets	25	8 555	11 662
Intangible assets	26	1 356	1 152
Tax assets		109 023	120 647
Current income tax assets	32	20 689	21 447
Deferred income tax assets	32	88 334	99 200
Other assets	27	121 379	113 911
Total Assets		**3 429 499**	**3 303 284**
Liabilities			
Financial liabilities held for trading		55 762	23 948
Securities	19	32 724	817
Derivative financial liabilities	20	23 038	23 131
Financial liabilities measured at amortised cost		2 690 790	2 558 131
Resources of credit institutions	28	1 195 890	946 670
Resources of customers	29	1 251 441	1 293 048
Debt securities issued	30	243 459	318 413
Provisions	31	5 625	3 916
Tax liabilities		13 179	17 122
Current income tax liabilities	32	7 606	11 549
Deferred income tax liabilities	32	5 573	5 573
Other liabilities	33	51 898	61 930
Total Liabilities		**2 817 254**	**2 665 047**
Equity			
Share capital	34	871 278	871 278
Share premium	34	8 796	8 796
Other equity instruments	34	105 042	105 042
Fair-value reserves	35	(550)	(1 875)
Other reserves and retained earnings	35	(358 196)	(367 631)
Net profit/(loss) attributable shareholders of the parent company		(29 668)	5 078
Total equity attributable to the shareholders of the parent company		**596 702**	**620 688**
Non-controlling interests	35	15 543	17 549
Total Equity		**612 245**	**638 237**
Total Equity and Liabilities		**3 429 499**	**3 303 284**

The following notes form an integral part of these consolidated financial statements

The Director of the Finance Department

The Board of Director

Consolidated Statement of Changes in Equity for the year ended on December 31, 2025

(thousand euros)

	Notes	Share capital	Share premium	Other equity instruments	Fair-value reserves	Other reserves and retained earnings	Net profit/(loss) attributable shareholders of the parent company	Total equity attributable to the shareholders of the parent company	Non-controlling interests	Total Equity
Balance as of 31 December 2023		**871 278**	**8 796**	**105 042**	**(4 876)**	**(367 854)**	**17 262**	**629 648**	**22 781**	**652 429**
Other movements recorded directly in equity:										
Changes in fair value, net of taxes	35	-	-	-	3 001	-	-	3 001	(404)	2 597
Exchange differences	35	-	-	-	-	(15 058)	-	(15 058)	(3 764)	(18 822)
Remeasurements of defined benefit liabilities, net of taxes	35	-	-	-	-	(1 981)	-	(1 981)	-	(1 981)
Net profit / (loss) for the year	35	-	-	-	-	-	5 078	5 078	(432)	4 646
Total comprehensive income for the year		**-**	**-**	**-**	**3 001**	**(17 039)**	**5 078**	**(8 960)**	**(4 600)**	**(13 560)**
Transfers for reserves and retained earnings		-	-	-	-	17 262	(17 262)	-	-	-
Dividends to non-controlling interests	35	-	-	-	-	-	-	-	(632)	(632)
Balance as of 31 December 2024		**871 278**	**8 796**	**105 042**	**(1 875)**	**(367 631)**	**5 078**	**620 688**	**17 549**	**638 237**
Other movements recorded directly in equity:										
Changes in fair value, net of taxes	35	-	-	-	1 325	-	-	1 325	241	1 566
Exchange differences	35	-	-	-	-	58	-	56	15	71
Remeasurements of defined benefit liabilities, net of taxes	35	-	-	-	-	4 301	-	4 301	-	4 301
Net profit / (loss) for the year	35	-	-	-	-	-	(29 668)	(29 668)	(2 262)	(31 930)
Total comprehensive income for the year		**-**	**-**	**-**	**1 325**	**4 357**	**(29 668)**	**(23 986)**	**(2 006)**	**(25 992)**
Transfers for reserves and retained earnings		-	-	-	-	5 078	(5 078)	-	-	-
Balance as of 31 December 2025		**871 278**	**8 796**	**105 042**	**(550)**	**(358 196)**	**(29 668)**	**596 702**	**15 543**	**612 245**

The following notes form an integral part of these consolidated financial statements

The Director of the Finance Department

The Board of Directors

Consolidated Cash Flow Statement for the year ended on December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Cash flows from operating activities			
Interests received		242 943	259 382
Interests paid		(201 538)	(204 670)
Fees and commissions received		10 161	21 924
Fees and commissions paid		(1 204)	(3 320)
Recoveries of operations written off from assets	13	1 554	564
Cash payments to employees and suppliers		(51 762)	(50 351)
		154	**23 529**
Changes in operating assets and liabilities:			
Trading financial assets and liabilities		(65 587)	80 430
Loans and advances to banks		806	(3 366)
Resources of other credit institutions	28	251 481	33 995
Loans and advances to customers		(40 654)	(31 154)
Resources of customers	29	(47 009)	110 458
Other operating assets and liabilities		(5 748)	(3 689)
Net cash flow from operating activities before income tax		**93 443**	**210 203**
Income taxes paid		(5 972)	(4 339)
		87 471	**205 864**
Purchase of securities		(513 211)	(458 017)
Sale and repayments of securities		605 059	502 675
Purchase of fixed assets	25 and 26	(2 364)	(4 871)
Sale of fixed assets		971	17
		90 455	**39 804**
Cash flows from financing activities			
Debt securities issued	30	73 146	21 770
Reimbursement of debt securities issued	30	(124 422)	(317 662)
Rents paid for leasing operations	33	(3 264)	(3 063)
Net cash flow from financing activities		**(54 540)**	**(298 955)**
Net changes in cash and equivalents		**123 386**	**(53 287)**
Cash and equivalents at the beginning of the year		517 527	570 814
Cash and equivalents at the end of the year		640 913	517 527
		123 386	**(53 287)**
Cash and equivalents includes:			
Cash	18	6	2
Demand deposit at central banks	18	13 651	28 213
Deposits at other credit institutions	18	10 878	12 322
Loans and advances to banks	23	616 378	476 990
		640 913	**517 527**

The following notes form an integral part of these consolidated financial statements

The Director of the Finance Department

The Board of Directors

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Haitong Bank, S.A.

NOTE 1 – ACTIVITY AND GROUP STRUCTURE

Haitong Bank, S.A. (Bank or Haitong Bank) is an investment bank headquartered in Portugal, at Rua Alexandre Herculano, no. 38, in Lisbon. To this end, it has the necessary authorizations from the Portuguese authorities, central banks and other regulatory agents to operate in Portugal and in the countries where it operates through international financial branches.

The institution was incorporated as an investment company in February 1983 through a foreign investment in Portugal under the name FINC - Sociedade Portuguesa Promotora de Investimentos, S.A.R.L.. In 1986, the company was integrated into the Espírito Santo Group under the name Espírito Santo - Sociedade de Investimentos, S.A..

In order to broaden the scope of its activity, the Institution obtained authorization from the competent official bodies for its transformation into an Investment Bank, through Ministerial Order no. 366/92 of November 23, published in the Diário da República - II Série - no. 279, of December 3. Banco de Investimento began operating under the name Banco ESSI, S.A. on April 1, 1993.

In 2000, Banco Espírito Santo, S.A. acquired the entire share capital of BES Investimento in order to reflect all the synergies between the two institutions in its consolidated accounts.

On August 3, 2014, following the application of a resolution measure by Banco de Portugal to Banco Espírito Santo, S.A., the Bank was taken over by Novo Banco, S.A..

In September 2015, Haitong International Holdings Limited acquired the entire share capital of BES Investimento, and the Bank's name was changed to Haitong Bank, S.A..

Haitong Bank currently operates through its head office in Lisbon and branches in London, Warsaw, Macau and Madrid, as well as through its subsidiary in Brazil. In June 2022, Haitong Bank, S.A. completed the process of opening a representative office in Paris.

Haitong Bank's financial statements are consolidated by Haitong International Holdings Limited, headquartered at Li Po Chun Chambers, No. 189, Des Voeux Road Central, Hong Kong, with Guotai Haitong Securities Co., Ltd. as the ultimate parent company.

In September 2024, an agreement was signed between Guotai Junan Securities Co., Ltd. and Haitong Securities Co., Ltd. regarding a proposed merger by integration, involving an exchange of securities. In March 2025, Guotai Junan Securities Co., Ltd. announced to the market the completion of the merger process between the two entities, after which its name was changed to Guotai Haitong Securities Co., Ltd..

Throughout 2025, the necessary authorizations were obtained from the competent regulators of the Haitong Bank Group, including the Bank of Portugal, the Portuguese Securities Market Commission (CMVM), the Central Bank of Brazil, and the Cayman Islands Monetary Authority.

The structure of the group of companies in which the Bank has a direct or indirect holding of 20% or more, or over which it exercises control or significant influence in their management, and which have been included in the consolidation perimeter, is as follows:

(thousand euros)

	Incorporation date	Acquisition date	Headquarters	Activity	% Economic interest(1)	Consolidation method	Equity	Assets	Net profit/(loss)
Haitong Bank S.A.	**1983**	**-**	**Portugal**	**Investment Bank**	100%	Full	**619 280**	**2 293 132**	**(29 023)**
Haitong Global Asset Management SGOIC S.A.	1988	2005	Portugal	Asset management	100%	Full	29 895	30 226	272
Haitong Banco de Investimento do Brasil S.A.	1973	2000	Brazil	Investment Bank	80%	Full	55 531	1 228 833	(12 712)
FI Multimercado Treasury	2005	2005	Brazil	Investment fund	80%	Full	3 691	3 692	(408)
Haitong Negócios, SA	1996	1999	Brazil	Holding company	80%	Full	33 673	35 634	2 324
Haitong do Brasil DTVM S.A.	2009	2009	Brazil	Asset management	80%	Full	7 541	8 105	362
Haitong Securities do Brasil S.A.	1973	2000	Brazil	Brokerage house	80%	Full	17 068	21 972	829

(1) There are currently no restrictions on the control of subsidiaries.

NOTE 2 – MAIN ACCOUNTING POLICIES

2.1. BASES OF PREPARATION

In accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, of the 19th of July, 2002, and Notice no. 1/2005 of Banco de Portugal (revoked by Banco of Portugal Notice no. 5/2015), the consolidated financial statements of Haitong Bank, S.A., (Bank, Haitong Bank or Group) are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

The IFRS comprise the accounting standards issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and by their predecessor bodies.

The consolidated financial statements of Haitong Bank presented herein refer to the year ended December 31, 2025, and were prepared in accordance with IFRS in force in the European Union on January 1, 2025.

The accounting policies in this note were consistently to all entities of the Group and are consistent with those used in the preparation of the financial statements of the previous year.

The consolidated financial statements are denominated in thousands of euros, rounded to the nearest thousand, and have been prepared in accordance with the historical cost principle, with the exception of the assets and liabilities accounted for at fair value, such as financial derivatives, financial assets and liabilities at fair value through profit and loss and financial assets and liabilities at fair value through other comprehensive income.

Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

The preparation of financial statements in accordance with the IFRS requires the Group to make judgements and estimates, as well as to use assumptions affecting the implementation of the accounting policies and the amounts corresponding to income, expenses, assets and liabilities. Any changes to such assumptions, or any difference thereof comparing to reality may have an impact on the current estimates and judgements. The areas involving a higher degree of judgement or complexity, or in which significant assumptions and estimates are used when preparing the consolidated financial statements, are analysed in Note 3.

These financial statements were approved at a meeting of the Board of Directors on 12 March 2026 and will be submitted to the sole shareholder for approval and are expected to be approved without changes.

2.2. BASIS OF CONSOLIDATION

The consolidated financial statements set forth herein reflect the assets, liabilities, income and expenses of Haitong Bank and its subsidiaries ("Group" or "Haitong Bank Group"), and the profit or loss attributable to the Group concerning the financial holdings in associates.

The accounting policies have been consistently implemented by all the Group companies in the periods covered by these consolidated financial statements.

Subsidiaries

Subsidiaries are entities (including investment funds) controlled by the Group. The Group controls an entity when it holds the power to direct the relevant activities of the entity, and when it is exposed or entitled to the variability in the returns resulting from its involvement with such entity and may get hold of such returns through its power over the relevant business of such entity (de facto control). The subsidiaries' financial statements are comprised in the consolidated financial statements from the date in which the Group acquires control, until the date when such control ceases to exist.

The accounting policies of subsidiaries are changed, whenever necessary, in order to ensure that they are consistently applied by all Group companies.

The accumulated losses of a subsidiary are attributed to non-controlling interests in the proportions held, which could imply the recognition of negative non-controlling interests.

In a step acquisition transaction resulting in the acquisition of control over a subsidiary that constitutes a business, any previous minority holding is reassessed at fair value against the income statement when calculating goodwill. Upon a partial sale resulting in the loss of control over a subsidiary, any remaining minority holding is reassessed at fair value on the date of the sale, and the profit or loss resulting from such reassessment is accounted for in the income statement.

When the Group ceases to have control, any remaining interests in the entity are remeasured to fair value on that date, with the change in book value recognized in profit or loss for the year. The fair value corresponds to the initial book value, for the purposes of subsequent measurement of the remaining interest as an associate, joint venture or financial asset. Additionally, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets and liabilities. This may imply that amounts previously recognized in other comprehensive income are reclassified to profit or loss for the year.

There are currently no restrictions on the control of subsidiaries.

Transactions with non-controlling interests

The acquisition of non-controlling interests which do not result in a change in control over a subsidiary is accounted for as a transaction with shareholders and, therefore, no additional goodwill resulting arising from such transaction shall be recognised. The difference between the acquisition cost and the statement of financial positions value of the acquired non-controlling interests is directly recognised in reserves. Similarly, gains or losses arising from disposals of non-controlling interests which do not result in the loss of control over a subsidiary are always recognised against reserves.

The gains or losses arising from the dilution or sale of part of a financial holding in a subsidiary, with the loss of control, are recognised by the Group in the income statement.

Translation of financial statements in foreign currency

The financial statements of each of the Group's subsidiaries and associates are prepared using their functional currency, which is defined as the currency of the economy in which such subsidiaries and associates operate. The Group's consolidated financial statements are prepared in euros, which is Haitong Bank's functional currency.

The Group's financial statements whose functional currency is other than the euro are translated into euros, in accordance with the following criteria:

- Assets and liabilities are converted at the exchange rate as at the date of the statement of financial positions;
- Income and expenses are converted based on the application of exchange rates approximated to the real rates as at the date of each transaction; and
- Exchange rate differences determined between the conversion amount in euros of the financial position at the beginning of the year and its amount converted at the exchange rate in force as at the date of statement of financial position to which the consolidated accounts relate are accounted for against reserves. Similarly, regarding the subsidiaries' and associated companies' results, the exchange differences arising from the translation of income and expenses at the rates ruling at the dates of the transactions and that determined at the statement of financial position date are recorded in reserves. As at the date of the company's divestiture, such differences are recognised in the income statement as an integral part of the gain or loss arising from the divestiture.

Balances and transactions eliminated on consolidation

The balances and transactions between companies of the Group, including any unrealized gains or losses arising from intra-group transactions, are eliminated on the consolidation process, except for the cases where the unrealized losses reveal an impairment which should be recognized in the consolidated accounts.

2.3. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are converted at the exchange rate in force as at the date of the transaction. The monetary assets and liabilities denominated in foreign currency are converted into Euros at the exchange rate in force at the date of the statement of financial position. The exchange rate differences arising from such conversion are recognised in the income statement.

Non-monetary assets and liabilities accounted for at historical cost, expressed in foreign currency, are converted at the exchange rate as at the transaction date. Non-monetary assets and liabilities denominated in foreign currency and recorded at amortised cost at fair value are converted at the exchange rate in force on the date the amortised cost of fair value was determined. The resulting exchange differences are recognised in the income statement under "Exchange revaluation results".

2.4. FINANCIAL INSTRUMENTS

2.4.1 Financial assets classification

At the initial recognition, financial assets are classified into one of the following categories:

a) Financial assets at amortised cost;
b) Financial assets at fair value through other comprehensive income; or
c) Financial assets at fair values through profit or loss, namely:

i. Financial assets held for trading; and
ii. Non-trading financial assets mandatorily at fair value through profit or loss.

Financial assets classification and measurement depends on the SPPI test results (assessment if the contractual cash flows characteristics, in order to conclude if it corresponds solely payments of principal and interests) and on the business model, under which they are managed.

a) Financial assets measured at amortised cost

A financial asset is classified under the category “Financial assets at amortised cost” if both the following conditions are met:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (hold to collect business model); and
ii. The contractual terms of the financial asset establish cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The “Financial assets at amortised cost” category mainly includes loans and advances to banks and loans and advances to customers.

b) Financial assets at fair value through other comprehensive income

A financial asset is classified under the category of “Financial assets at fair value through other comprehensive income” if both of the following conditions are met:

i. The financial asset is held within a business model whose objective is to both collect contractual cash flows and sell financial assets (hold to collect and sell business model); and
ii. The contractual cash flows occur on specified dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

In addition, in the initial recognition of a capital instrument that is not held for trading, nor a contingent consideration by an acquirer in a concentration of activities to which IFRS 3 applies, the Group may irrevocably choose to classify it in the category of “Financial assets at fair value through other comprehensive income". This option is exercised on a case-by-case basis, investment by investment and is only available for financial instruments that comply with the definition of equity instruments set forth in IAS 32 and cannot be used for financial instruments whose classification as a capital instrument in the issuer is made under the exceptions provided in paragraphs from 16A to 16D of IAS 32. Currently, the Bank does not hold instruments for which they applied this irrevocable option under IAS 32, and only debt securities were classified in this category.

c) Financial assets at fair value through profit or loss

A financial asset is classified in the category of “Financial assets at fair value through profit and loss” if the business model defined by the Bank for its management is to hold it for trading purposes or because of the characteristics of its contractual cash flows is not appropriate to be classified in the previous categories (residual category and/or the instrument does not meet the SPPI test requirements).

Additionally, the Bank may irrevocably designate a financial asset that meets the criteria to be classified as "Financial assets at amortised cost" or "Financial assets at fair value through other comprehensive income", at fair value through profit or loss, at the time of its initial recognition, if that eliminates or significantly reduces an accounting mismatch, which would otherwise result from the measurement of assets or liabilities or from the

recognition of gains and losses thereon on different bases. The Group did not adopt this irrevocable option, having classified in this category:

- financial assets in the sub-category "Financial assets at fair value through profit or loss - financial assets held for trading", when:

i. are originated or acquired for the purpose of trading in the short term;
ii. are part of a group of financial instruments identified and managed jointly for which there is evidence of recent actions with the aim of achieving gains in the short term; or
iii. are derivative instruments which do not comply with the definition of a financial guarantee and have not been designated as hedging instruments.

Gains and losses on financial assets and liabilities at fair value through profit or loss – Financial assets held for trading, that is, variations in fair value and interest on trading derivatives, as well as associated dividends received (if they effectively remunerate the invested capital) These portfolios are recognised under the heading “results from trading instruments” in the income statement.

- financial assets in the sub-category of "Financial assets at fair value through profit or loss - financial assets not held for trading necessarily at fair value through profit and loss" when:

i. debt instruments whose cash flows do not originate cash flows on specific dates, which are only payments of principal and interest on the amount of outstanding capital (SPPI); and/or
ii. equity instruments, which do not classify as held for trading.

Gains and losses on financial assets and liabilities at fair value through profit or loss, namely, changes in fair value, as well as the dividends received from these portfolios (if they get paid the invested capital), are recognized as "Net income from other financial instruments at fair value through profit or loss" in the income statement.

Business model evaluation for financial assets management

In relation to the evaluation of the business model, this does not depend on management intentions for an individual instrument, but on a portfolio of instruments, taking into account the way the portfolio of financial instruments is managed and its defined objectives, as well as the frequency, value, sales frequency in previous years, the reasons for such sales and expectations regarding future sales. Infrequent sales, close to the maturity of the asset due to increases in the credit risk of financial assets and/or to manage concentration risk, among others, may be compatible with the model of holding assets for the collection of contractual cash flows.

Evaluation if the contractual cash flows correspond to solely payments of principal and interest (SPPI)

If a financial asset contains a contractual clause which may modify the timing or value of contractual cash flows (such as early amortization clauses or extension of duration), the Group determines whether the cash flows that will be generated during the life of the instrument, due to the exercise of the contractual clause, are only payments of principal and interest on the value of the capital outstanding.

The contractual conditions of financial assets that, at the time of initial recognition, have an effect on cash flows or depend on the occurrence of exceptional or highly improbable events do not prevent their classification in the portfolios at cost amortised or at fair value through other comprehensive income.

Initial recognition

At initial recognition all financial instruments are recognised at their fair value. For financial instruments that are not recognised at fair value through profit or loss, the fair value is adjusted by the transaction costs directly attributable to their acquisition or issue. In the case of instruments at fair value through profit or loss, directly attributable transaction costs are recognised immediately in profit or loss.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset or to the issue or assumption of a financial liability that would not have been incurred if the Group had not realized the transaction. If the Group considers that the costs are directly attributable to the transaction, they are specialized in results according to the effective interest rate method.

Subsequent measurement

After initial recognition, the Group proceeds to the subsequent measurement of the financial assets at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss.

The fair value of quoted financial assets is their current bid price. This price is estimated by the Bank according to a hierarchy that meets the IFRS 13 requirements. In the absence of a market quotation, the Bank estimates the fair value using valuation methodologies such as (i) the use of prices of recent transactions, similar and carried out under market conditions, (ii) discounted cash flow techniques and customized option valuation models in order to reflect the particularities and circumstances of each instrument, and (iii) whenever possible, the Group uses valuation assumptions based on market information. These methodologies also incorporate credit risk and counterparty risk. These methodologies may require the use of assumptions or judgments in the estimate of fair value.

The income and expenses of financial instruments at amortised cost are recognised in accordance with the following criteria:

a) Interest and premium/discount are recognised in the income statement using the effective interest rate of the instrument on the gross book value of the instrument (except for assets with impairment, where the interest rate is applied on the net book value of impairment);
b) Exchange differences are recognised in the income statement; and
c) Impairment losses or recovery gains are recognised in the income statement under the heading "Impairment on financial assets"
d) Other changes in value will be recognised as income or expense when the instrument is derecognised from the balance sheet, when it is reclassified, and in the case of financial assets, when there are impairment losses or recovery gains.

Income and expenses of financial instruments at fair value through profit or loss are recognised according to the following criteria:

a) Changes in fair value are recognised directly in profit or loss, separating between the portion attributable to the income of the instrument, which is recognised as interest or as dividends according to their nature, and the remainder, which is recognised as results in the corresponding account;

b) Exchange differences are recognised in the income statement; and

c) Interests and premium/discount on debt instruments are measured using the effective interest rate method and are recognised in the financial margin.

Income and expenses from financial instruments at fair value through other comprehensive income are recognised according to the following criteria:

a) Interest and premium/discount have a procedure equal to that of assets at amortised cost;
b) Foreign exchange differences are recognised the income statement;
c) Impairment losses or gains on its recovery are recognised in the income statement results under the heading
"Impairment in financial assets";
d) Losses or gains associated to hedge accounting are cognised in the income statement "Results of derecognition of financial assets at fair value through other comprehensive income"; and
e) The remaining changes in value are recognised in other comprehensive income.

Thus, when a debt instrument is measured at fair value through other comprehensive income, the amounts recognised in profit or loss for the period are the same as those that would be recognised if measured at amortised cost.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or change does not result in the derecognition of the financial asset in accordance with the policy adopted by the Bank, the Bank recalculates the gross amount of the financial asset and recognises a gain or loss arising from the difference from the previous amortised cost against profit or loss. The gross amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the original effective interest rate of the asset.

Reclassifications between categories of financial instruments

Only if the Group decides to change its business model for the management of a portfolio of financial assets. In this case, all financial assets affected would be reclassified in accordance with the requirements of IFRS 9. This reclassification would be applied prospectively from the date of reclassification. According to the approach of IFRS 9, these reclassifications must be infrequent, decided by the senior management resulting from events beyond the Bank's control and demonstrable to external entities.

Derecognition criteria

The Bank derecognises a financial asset in the following situations:

a) when transferring that asset and, as a result of such transfer, all the risks and benefits of that asset are transferred to another entity;
b) when a significant change in the counterparty structure of that asset occurs; and/or
c) when a significant change on the asset terms and conditions occurs.

Loans and debt instruments written-off

The Group writes off a loan when it does not have reasonable expectations to recover a financial asset in its entirety or a portion thereof. This registration occurs after all the recovery actions developed by the Group proved to be fruitless. Loans written off are recognised in off-balance sheet accounts.

Eventual recoveries after the instrument received the write-off must be recognised as extraordinary gains, with an impact in the financial statement in other operational results.

Purchase or originated credit impaired assets

Purchase or originated credit impaired (POCI) assets are credit-impaired assets on initial recognition. An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

The two events that led to the origination of a POCI exposure are presented as follows:

- financial assets arising from a recovery process, where there have been changes to the terms and conditions of the original agreement, which presented objective evidence of impairment that resulted in its derecognition and recognition of a new contract that reflects the credit losses incurred; and/or
- financial assets acquired with a significant discount, that the existence of a significant discount reflects credit losses incurred at the time of its initial recognition.

On initial recognition, POCI assets do not carry an impairment loss. Instead, lifetime expected credit losses are incorporated into the calculation of the effective interest rate. Consequently, at initial recognition, the gross book value of POCI (initial balance) is equal to the net book value before being recognised as POCI (difference between the initial balance and total discounted cash flows).

- Uncertainty about the outcome of the trade negotiations and the impact of inevitably higher import tariffs in the US triggered a decline in global business confidence. According to the manufacturing PMI index, industrial activity expectations in China eased from 52.2 in December 2024 to 50.6 in June 2025. In the Eurozone, the equivalent PMI decelerated from 51.6 in December 2024 to 50.5 in June 2025. Even in the US, the industrial sector's PMI remained sub-par at 49 in June 2025 vs. 49.2 in December 2024, due to the high risk of disruption in global supply chains, especially with China.

Impairment of financial assets

The Group determines impairment losses on debt instruments measured at amortised cost and at fair value through other comprehensive income, as well as for other exposures that have associated credit risk such as bank guarantees and commitments.

The IFRS 9 requirements aim to recognise expected losses, assessed on an individual and collective basis, considering all reasonable, reliable and reasoned information available, without incurring undue costs or efforts, at each reporting date, including forward-looking information.

The impairment losses of debt instruments in the exercise are recognised as a cost under the heading Impairment of Financial Assets in the Income Statement. The Group registers the impairment losses on debt instruments measured at amortised cost against a cumulative balance sheet impairment account, which reduces the book value of the asset. The Group recognises the impairment losses on debt instruments measured at fair value through Other Comprehensive Income against the fair value reserve, whereby its recognition does not reduce the balance sheet value of the financial instruments.

Impairment losses on exposures that have associated credit risk, and which are not debt instruments (namely, guarantees and other irrevocable commitments), are registered by means of a provision under "Provisions" on the liability side. Increases and reversals are recorded in the heading Provisions net of annulments.

Impairment Model

Under IFRS 9, the Group determines the expected credit losses (ECL) using a forward-looking model. The expected credit losses over the lifetime of financial instruments are required to be measured through a loss allowance. Accordingly, the calculation of ECL incorporates macroeconomic factors, as well as other forward-looking information, whose changes impact expected losses.

The instruments subject to impairment are divided into three stages, taking into account their level of credit risk since its initial recognition, as follows:

- **Stage 1 – Performing**: financial assets for which there was no significant increase in credit risk from the moment of initial recognition. In this case, the impairment will reflect ECL resulting from default events that may occur in the next 12 months after the reporting date;

- **Stage 2 – Under Performing**: financial assets for which there was a significant increase in credit risk has occurred since the initial recognition but for which there is no objective evidence of impairment. In this stage, impairment will reflect the ECL resulting from default events that may occur over the expected residual life of the instrument;
- **Stage 3 – Non-Performing**: financial assets for which there is objective evidence of impairment as a result of events that resulted in losses. In this case, the impairment amount will reflect the ECL over the expected residual life of the instrument.

The collective model implemented by the Group is applicable to all instruments classified in Stage 1 that do not show any warning signals, as well to determine the minimum lifetime expected credit losses, in the case of exposures with a significant increase in credit risk (Stage 2) since initial recognition, but which are not considered to be impaired.

In addition, the top 20 largest performing debtors are annually subject to a staging individual analysis, in order to trace early warning signals that may indicate the need to transfer to Stage 2.

Stage 2 exposures are analysed individually, confirming that there are no indications of unlikeliness to pay of the debtor and the events considered by Capital Requirements Regulation (CRR) in its definition of default and by IFRS 9 in the definition of impaired financial instruments, which could determine a transfer to Stage 3. Stage 2 exposures are subject to the application of a lifetime impairment rate to determine the minimum impairment rate applicable to financial instruments, using a lifetime collective model. All Stage 3 clients are subject to an individual impairment analysis.

At initial recognition, any instrument is allocated to Stage 1, except for purchased or originated credit impaired (POCI) financial instruments, which are allocated to Stage 3. For each reporting date, an assessment of the change in the risk of a default occurring over the expected life of the financial instrument is performed.

An increase in the risk of default may result in a transfer from Stage 1 to Stage 2 or Stage 3. If the risk of default of a financial asset is low or has not increase significantly since initial recognition, it remains in Stage 1 with a 12-months ECL. Otherwise, if there is a significant increase in credit risk compared with the initial recognition, the result would be a transfer into Stage 2 and, consequently to the recognition of the lifetime ECL over the residual life of the financial asset. A transfer into Stage 3 is required when objective evidence for a credit loss appears.

When a financial asset is no longer assessed to be impaired (Stage 3), it is reclassified to Stage 2, after its due probation period. It is assumed that when a financial asset recovers from Stage 3, it will still have a demonstrated significant increase in credit risk since initial recognition and must therefore be included in Stage 2. From that date on, the impairment will continue to be recognised based on lifetime expected credit losses.

A probation period was established for when a financial asset ceases to be classified in Stage 3, which is defined as 3 months from the moment that the obligor is no longer past due more than 90 days on any material credit obligation, if applicable, and no indication of unlikeliness to pay applies. The probation period for non-performing forborne exposures is longer (12 months). Performing forborne exposures should accomplish a minimum 24-month period in order to be reclassified on Stage 1, whereas throughout that period the debt sustainability should be proved.

Note 39 – Risk Management discloses the inputs of the Group's collective impairment model, as well as the adjustments made to incorporate forward-looking information.

Expected Credit Losses

According to IFRS 9, the expected credit loss for financial assets is the present value of the difference between (1) the contractual cash flows that are due to an entity under the contract, and (2) the cash flows that the entity expects to receive.The recognition of an impairment allowance is required on financial assets measured on an Amortised Cost (AC) or Fair Value through Other Comprehensive Income (FVOCI) basis. Given that, the financial asset types that should have impairment assessment are the following:

- Loans and advances to customers;
- Loans and advances to banks;
- Debt securities;
- Other assets - debtors and other receivables;
- Cash and cash equivalents;
- Guarantees and other financial commitments to third parties.

The expected credit losses correspond to estimates of credit loss that will be determined as follows:

- Financial assets with no signs of impairment at the reporting date (Stage 1 – Performing): correspond to expected credit losses that result from a default event that may occur within 12 months after the reporting date (credit losses expected at 12 months);
- Financial assets with a significant increase in credit risk or with impairment at the reporting date (Stage 2 – Under Performing and Stage 3 – Non-Performing): correspond to the expected lifetime credit losses calculated by the difference between the gross accounting value and the net present value of the estimated cash flows weighted, for assets in Stage 2, by the prospect of default;
- Unused credit commitments: correspond to the present value considering the amount of the unused commitment as of the reference date multiplied by the credit conversion factor, the probability of default and the loss given default;
- Financial guarantees: the impairment is determined by the difference between the net present value of expected repayments less the amounts the Group expects to recover.

Significant increase in credit risk

Under IFRS 9, in order to determine whether there has been a significant increase in credit risk since the initial recognition of the financial instrument, the Group considers all relevant information available without incurring undue costs or efforts.

The Group identifies the occurrence of a significant increase in credit risk exposure through three approaches: (i) quantitative approach; (ii) identification of internally defined backstops (warning signals); and (iii) early warning signals (EWS) assessment in order to trace certain events and/or circumstances that could indicate a SICR.

Additionally, the Group assesses the significant increase in credit risk through a quantitative approach that was updated in 2023. To that end, the Group defined a transition matrix based on its internal pricing methodology. The approach involves the comparison between the rating of the financial instrument as at the reporting date vis-à-vis the rating as the date of initial recognition, and the credit risk deterioration required for a Stage 2 reclassification will vary depending on the rating initially assigned to the financial instrument.

The internal warning signals in use are the following: (i) delay of payments (including capital, interest, fees or other charges) of more than 30 days; (ii) registration of at least one customer's loan in arrears in the Central Credit Register (CCR) from Banco de Portugal, or in other central credit or insolvency registers; (iii) debt restructuring towards a debtor facing and/or about to face financial difficulties in meeting its financial commitments (with no indication of unlikeliness to pay); (iv) overdue debts to tax agency, social security and/or to employees; (v) deals with a credit spread increase superior to 30% since their origination; and (vi) other specific situations (ad-hoc) criteria). The Group identifies a SICR in the following circumstances: (a) debtors with one of the triggers (i), (iii), (v) and (vi) activated; and (b) debtors with triggers (ii) and (iv) simultaneously activated.

Early warning signals (EWS) assessment of the Top 20 performing largest exposures are subject to the annual review by the Impairment Committee and Executive Committee in order to confirm that the largest debtors do not display any warning signals that convene a transfer to Stage 2. The Impairment Committee and Executive Committee are also held to come up with a decision in the events of: (i) clients with at least 3 or more active triggers in the Early Warning Signals questionnaires; (ii) clients with a rating change of at least 4-notches downgrade but remaining within an investment grade during the period; and (iii) deals with a credit spread increase superior to 30% since their origination.

Additionally, the Group implemented an internal procedure to quarterly elaborate an EWS assessment, covering all clients classified in Stage 1, thus enabling the timely manner identification of indicators which suggest a significant increase in credit risk, and encompassing all clients classified in Stage 1 and 2, allowing for the timely manner identification of indicators that may suggest unlikeliness of payments by the debtors.

According to internal procedures defined by the Group, when there is a significant increase in the credit risk of a debtor, the financial instruments are subject to individual analysis, confirming that there are no indications of unlikeliness to pay of the debtor and the events considered by CRR in its definition of default and by IFRS 9 in the definition of impaired financial instruments, which could cause a transfer to Stage 3. The exposures properly classified in Stage 2 are subject to the use of a lifetime impairment rate determined using a lifetime collective model to determine the minimum impairment rate applicable to financial instruments.

Default definition

Under IFRS 9, the Group considers its financial assets to be in default by applying the same definition that is applied for prudential purposes. Thus, Haitong Bank Group defined default as incorporating the following criteria: 1) material exposures which are more than 90 days past due; 2) the debtor is assessed as unlikely to pay credit obligations, without collateral claim, regardless of the existence of any past due amount or of the number of days past due; and 3) if 20% of the exposures of one obligor are determined as non-performing, all other exposures should be considered non-performing ("pulling effect").

In what regards unlikeliness to pay criteria, the Group addresses the following situations: i) distressed restructurings; ii) clients with loans written-off of interest or capital; iii) the Group sells the credit obligation at a material (more than 5%) credit-related economic loss; iv) the obligor has been placed (or is likely to be placed) in bankruptcy or similar creditor's protection; v) interest related to credit obligations is no longer recognised (non-accrued status) in the income statement (part or under conditionality); and vi) other conditions (ad-hoc) that may suggest unlikeliness of payments by the debtor.

The definition of default adopted by the Group complies with article 178 of the CRR and follows the European Banking Association ("EBA") definition of non-performing exposures ("NPE") requirements according to its final report on the application the definition of default (EBA/GL/2016/07).

On June 30, 2024, the Group classified as non-performing exposures the amounts receivable relating to commissions for services rendered and which are overdue for more than 90 days, as well as other assets relating to credits or debt securities in default that were targeted of a recovery process, being directly dependent on legal actions against the original debtors.

Forbearance definition

The internal definition of forbearance, i.e., exposures which were subject to restructuring measures due to the debtor's financial difficulties, follows the regulatory definition. A forbearance measure is a concession by the Bank towards an obligor that is experiencing or is likely to experience difficulties in meeting its financial commitments. An exposure can only be forborne if the debtor is facing financial difficulties that have led the Group to make a concession.

A concession may entail a loss for the Group and shall refer to either of the following actions:

i. a modification of the previous terms and conditions of a contract that the debtor is considered unable to comply with due to financial difficulties, resulting in insufficient debt service ability and that would not have been granted had the debtor not been experiencing such difficulties;
ii. a total or partial refinancing of a troubled debt contract that would not have been granted had the debtor not been experiencing financial difficulties.

When granting forbearance measures to performing exposures with significant increase in credit risk, the Group assesses whether these measures lead to a reclassification of that exposure as non-performing, being this assessment subject to compliance with the following conditions:

a) If the difference between the net present values of cash flows before and after the restructuring arrangement exceeds a certain threshold (1%), the exposure is considered to be non-performing;
b) If there are other indicators that may suggest an unlikeliness to pay of the debtor.

The definition of forbearance adopted by the Group follows Article 47 B of the CRR, the principles of the European Central Bank and the reference criteria applicable to forborne exposures set by Banco de Portugal under the Carta Circular CC/2018/0000062, from November 2018.

2.4.2 Hedge accounting

The Group uses financial derivatives as a financial risk management tool, mainly on hedge interest rate risk. When these transactions meet certain IFRS requirements, they qualify for hedge accounting. All other derivatives are classified as trading derivatives.

The Group accordingly applies the provisions of IFRS 9 for hedge accounting.

The Group maintains the hedging relationship documentation, which includes the identification of the hedging instrument and of the hedged element, the nature of the risk to be hedged and the way in which the Group assesses whether the hedging relationship meets the requirements of hedging effectiveness. To ensure that the effectiveness requirement is met:

a) There must be an economic relationship between the hedged item and the hedging instrument;
b) the credit risk of the hedged item's counterparty or of the hedging instrument should not have a dominant effect on changes in value resulting from said economic relationship; and
c) the coverage ratio of the hedge accounting relationship, understood as the share of the item hedged by the hedging instrument, must be the same as the coverage ratio used for management purposes.

Fair value hedge

In a fair value hedging operation of an asset or liability, the balance sheet value of this asset or liability, determined based on the respective accounting policy, is adjusted in order to reflect the variation in its fair value attributable to the hedged risk.

Variations in the fair value of hedge derivatives are recognised in the income statement, together with the variations in fair value of the hedged assets or liabilities, attributable to the hedged risk. These variations are recognised as hedging accounting in the income statement.

If the hedge no longer meets the criteria of enforceability of the hedge accounting the derivative financial instrument is transferred to the trading portfolio and hedge accounting is discontinued prospectively. Regarding the hedging asset or liability, the adjustment to the book value of the hedged instrument is amortised in results for the remaining period of useful life of the hedged item. If the hedged instrument is sold, the adjustment to the book value of the hedged instrument is totally recognised in profit or loss for the period.

2.4.3 Financial liabilities

Classification, initial recognition and subsequent measurement

At initial recognition, financial liabilities are classified in one of the following categories:

- Financial liabilities at amortised cost; or
- Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss

Classification

Liabilities that have not been classified at fair value through profit or loss are measured at amortised cost.

The 'Financial liabilities at amortised cost' category includes deposits from credit institutions, deposits from customers

and liabilities represented by securities.

Financial liabilities classified under "Financial liabilities at fair value through profit or loss" include:

a) Financial liabilities held for trading

In this balance are classified the issued liabilities with the purpose of repurchasing it in the near term, the ones that form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or is a derivative.

b) Financial liabilities designated at fair value through profit or loss ("Fair Value Option")

The Group may irrevocably assign a financial liability at fair value through profit or loss at the time of its initial recognition if at least one of the following conditions is met:

- The financial liability is managed, evaluated and reported internally at its fair value;
- The designation eliminates or significantly reduces the accounting mismatch; and
- The liability includes an embedded derivative.

The fair value of quoted financial liabilities is their quoted value (ask-price). In the absence of a quotation, the Group calculates fair value by using valuation techniques considering assumptions based on market information, including in determining the issuer´s own credit risk.

If the Group repurchases an issued debt, it shall be derecognised from the consolidated statement of financial positions, and the difference between the liability's carry amount and the repurchased value is accounted directly in the income statement.

Initial recognition and subsequent measurement

Considering that the transactions carried out by the Group in the normal course of its business are made in market conditions, financial liabilities at fair value through profit or loss are initially recognised at fair value with the costs or income associated with the transactions recognised in profit or loss at the initial moment.

Subsequent changes in the fair value of these financial liabilities are recognised as follows:

- The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income; and
- The remaining amount of change in the fair value of the liability is directly recognised in profit or loss.

The accrual of interest and the premium / discount (when applicable) is recognised on "Interest and similar expenses" based on the effective interest rate of each transaction.

Financial liabilities at amortised cost

Classification

Financial liabilities that were not classified at fair value through profit or loss, or correspond to financial guarantee contracts, are measured at amortised cost.

The category "Financial liabilities at amortised cost" includes Resources of credit institutions, Resources of customers and Debt securities issued.

Initial recognition and subsequent measurement

Financial liabilities at amortised cost are initially recognised at fair value, plus transaction costs directly attributed according to the IFRS9, and are subsequently measured at amortised cost. Interests on financial liabilities at amortised cost are recognised on "Interest and similar expenses", based on the effective interest rate method.

Reclassification between categories of financial liabilities

Reclassifications of financial liabilities are not allowed.

Derecognition of financial liabilities

The Group derecognises financial liabilities when they are cancelled or extinct.

2.4.4 Interest recognition

Interest income and expense for financial instruments measured at amortised cost are recognised in "Interest and similar income" and "Interest expense and similar expenses", through the effective interest rate method. The interest at the effective rate related to financial assets and liabilities at fair value through other comprehensive income are also recognised in net interest income.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument (or, when appropriate, for a shorter period), to the net carrying amount of the financial asset or financial liability.

For calculating the effective interest rate, the Group estimates futures cash flows considering all contractual terms of the financial instrument (for example: early payment options) but without considering future impairment losses. The effective rate includes all eventual fees paid or received considered as included in the effective interest rate, transaction costs and all other premiums or discounts directly related to the transaction, except for assets and liabilities at fair value through profit and loss (the referred commissions are recognised directly in the income statement).

Interest income recognised in income associated with contracts classified in stage 1 and 2 are determined by applying the effective interest rate for each contract on its gross book value. The gross balance of a contract is its amortised cost, before deducting the respective impairment. For financial assets included in stage 3, interests are recognised in the income statement based on its net book value (less impairment). The interest recognition is always made in a prospective way, i.e. for financial assets entering in stage 3 interests are recognised on the amortised cost (net of impairment) in subsequent periods.

For purchase or originated credit impaired assets (POCIs), the effective interest rate reflects the expected credit losses in determining the expected future cash flows receivable from the financial asset.

As for derivative financial instruments, the interest component arising from changes in fair value is not separated and is therefore presented in the income statement under trading assets and liabilities and hedge results.

2.4.5 Financial guarantees

Financial guarantees are contracts which require its issuing entity to make payments to reimburse the holder for incurred losses resulting from breaches of the contractual terms set forth in debt instruments, namely the payment of the corresponding capital and/or interest.

Issued financial guarantees are initially recognised at their fair value. Subsequently, such guarantees are measured at the higher of (i) the initially recognised fair value and (ii) the amount of any financial obligation arising as a result of guaranteed contracts, measured at the statement of financial positions date. Any change in the amount of the liability relating to guarantees is taken to the income statement.

Financial guarantees issued by the Group usually have a set maturity and a periodic fee charged in advance, which varies in accordance with the counterparty risk, amount and maturity date of the contract performed under market conditions. On that basis, the guarantees' fair value as at the date of initial recognition thereof is approximately zero, by considering that the agreed conditions are market conditions. Therefore, the amount recognised at the contract date is equal to the amount of the initial received fee, which is recognised in income statement for the period thereof. Subsequent fees are recognised in income statement for the period to which they relate.

2.4.6 Performance guarantee contracts

Performance guarantees are contracts that provide compensation if another party fails to perform a contractual, commercial or legal obligation.

Where the performance guarantee provides the Group with contractual indemnification rights to recover any payments made to the guarantee holder from the applicant and such rights are covered by collateral, they are treated as a loan commitment provided to the applicant, if the bank concludes that there is no event with commercial substance that could cause the bank to incur an overall loss on the guarantee arrangement.

Such performance guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight line basis over the life of the contract.

At the end of each reporting period, the performance guarantee contracts are measured at the higher of (i) the unamortised balance of the amount at initial recognition and (ii) the amount of the loss allowance determined based on the expected credit loss model.

2.5 ASSETS SOLD WITH REPURCHASE AGREEMENT AND SECURITIES LENDING

Securities sold subject to repurchase agreement (repos) at a fixed price or at a price equal to that of the sale plus interest inherent to the maturity of the transaction are not derecognised from the statement of financial position. The corresponding liability is accounted for in amounts due to banks or to customers, as appropriate. The difference between the sale value and the repurchase value is treated as interest and is deferred while the agreement is in force, using the effective interest rate method.

Securities bought with a resale agreement (reverse repos) at a fixed price or at a price equal to that of the sale plus interest inherent to the maturity of the transaction are not recognised in the statement of financial position, and the purchase value is accounted for as loans and advances to banks or customers, as appropriate. The difference between the purchase value and the resale value is treated as interest and is deferred while the agreement is in force, using the effective interest rate method.

2.6 EQUITY INSTRUMENTS

Securities assigned through loan agreements are not derecognised from the statement of financial positions, being classified and measured in accordance with the accounting policy applicable. Securities received through loan agreements are not recognised in the statement of financial positions.

An instrument is classified as equity instrument only if:

i. The instrument includes no contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable conditions for the issuer; and
ii. The instrument will or may be settled in the issuer's own equity instruments, it is either a non-derivative that includes no contractual obligation on the issuer to deliver a variable number of its own equity instruments or a derivative that will be settled only by the issuer exchanging a fixed amount in cash or another financial asset for a fixed number of its own equity instruments.

Costs directly attributable to the issuing of equity instruments are accounted for under equity, as a deduction to the issuing amount. Amounts paid and received by the purchase and sale of equity instruments are accounted for under equity, net of transaction costs.

When declared, distributions to holders of an equity instrument are deducted directly from equity as dividends.

2.7 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are presented in statement of financial position at net value when there is a legal possibility of offsetting the recognised amounts and there is an intent of settlement thereof by their net value, or to simultaneously realise the asset and settle the liability. This legal possibility cannot depend on future events and must be enforceable in the course of the Group's activity, or even in the event of insolvency or bankruptcy of the Group or its counterparties.

2.8 OTHER TANGIBLE ASSETS

The Group's other tangible assets are measured at historical cost, less their corresponding accumulated depreciations and accumulated impairment losses. The historical cost includes expenses directly attributable to the acquisition of the assets.

The subsequent costs with other tangible assets are only recognised when it is probable that future economic benefits associated with them will flow to the Group. All repair and maintenance costs are charged to the income statement during the period in which they are incurred, on the accrual basis.

Land is not depreciated. The depreciations of other tangible assets are calculated based on the straight-line method, at the following depreciations rates reflecting the expected useful life of the goods.

	Number of Years
Owned Real Estate	35 to 50
Improvements in leasehold property	4 to 10
Computer Equipment	3 to 6
Indoor Installations	4 to 10
Furniture and supplies	3 to 10
Safety Equipment	4 to 10
Tools and Machines	4 to 10
Transportation Material	4 to 5
Other Equipment	2 to 10

The useful life of other intangible assets is reviewed in each financial report, so that the practiced depreciations are in accordance with the consumption patterns of the assets. Changes to the useful life is treated as a change in the accounting estimate and are prospectively applied.

As defined in IAS 36, when there is evidence that an asset may be impaired, its recoverable amount is required to be estimated, and an impairment loss shall be recognised whenever the net value of an asset exceeds its recoverable amount. Any impairment losses are recognised in the income statement.

The recoverable amount is determined as the highest amount between its fair value deducted from the sale costs and its value in use, the latter being calculated based on the net present value of the estimated future cash flows expected to be obtained from the continued use of the asset and of its disposal at the end of its useful life.

Gains or losses on the sale of assets are determined by the difference between the realizable value and the book value of the asset and are recognised in the consolidated income statement.

Regarding properties received in lieu of payment, these are recorded under ‘other assets’ as at 31 December 2025, as they do not meet the recognition criteria set out in IFRS 5. These properties are measured at the lower of the transfer value and their fair value less costs to sell. The measurement of these assets, and consequently the related impairment losses, is supported by valuations performed by independent certified appraisers, which incorporate various assumptions, including those relating to real estate market developments and the asset’s highest and best use.

2.9 INTANGIBLE ASSETS

Intangible assets are only recognised when: i) they are identifiable; ii) it is likely that they will generate future economic benefits; and iii) its cost can be reliably measured.

Haitong only recognizes intangible assets related to software. Costs incurred with the purchase, production and development of software are capitalised, as well as additional expenses required for its deployment, which are borne by the Group. Costs directly related to the development of software applications are recognised and accounted for as intangible assets if they are expected to create future economic benefits beyond one financial year.

Expenditure on internal software development is recorded as an expense when incurred, whenever it is not possible to distinguish the research phase from the development phase, or it is not possible to reliably determine the costs incurred in each phase or the probability of economic benefits flowing to the Group.

SaaS (Software as a Service) are service contracts that provide the Group with the right to access software from a supplier via cloud solutions for a certain period.

Costs incurred to configure or customize and usage fees to gain access to the software are recognised as operating expenses as services are provided.

If there are costs incurred related to the specific development of SaaS (Software as a Service) that improves, modifies, or creates additional capabilities, and that meets the definition and criteria set out in IAS 38 for recognition via an intangible asset. These costs are recognised as intangible software assets and amortized over the useful life of the software.

The useful lives of intangible assets are reviewed in each financial report, so that amortization practiced is in accordance with the consumption patterns of the assets. Changes to useful lives are treated as a change in accounting estimate and are applied prospectively.

All remaining charges associated with Information Technology services are recognised as costs when incurred.

2.10 LEASE ACCOUNTING (IFRS 16)

As set out in IFRS 16, at the beginning of a contract, the Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
    i. the Group has the right to operate the asset; or
    ii. the Group designed the asset in a way that predetermines how and for what purpose it will be used.

As provided for in IFRS 16, the Group chose not to apply the requirements of this standard to short-term lease contracts, less than or equal to one year, and to lease contracts in which the underlying asset has a low value (up to 5,000 EUR). The option of not applying this standard to leases of intangible assets was also used.

As a lessee

The Group recognises a right-of-use asset in Other Tangible Assets and a lease liability in Other Liabilities at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments contractually estimated. The lease payments must be discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.
When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Bank recognises the costs associated to those leases directly in the income statement as general administration expenses.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'. However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

Currently, the Group does not carry out sale and leaseback operations.

2.11 EMPLOYEE BENEFITS

Pensions

Portugal

Following the signature of the Collective Labor Agreement ("Acordo Coletivo de Trabalho" (ACT)) for the banking sector and its subsequent amendments resulting from the 3 tripartite agreements described in Note 15, pension funds and other mechanisms were set up to cover liabilities assumed with pensions on retirement, disability, survival and health-care benefits.

The liabilities' coverage is assured, for the Bank, by pension funds managed by Golden - Sociedade Gestora de Fundos de Pensões. The management of these funds was transferred from GNB – Sociedade Gestora de Fundos de Pensão S.A. to Golden - Sociedade Gestora de Fundos de Pensões, S.A., in July 2025.

In Portugal, there are two defined benefit pension plans which are provided to the employees. The first plan results from the abovementioned ACT agreement and foreseen by its clauses 94th and 103rd. The second plan is complementary and was applicable for its participants and beneficiaries until the 30th of December of 2020. From this date, this plan exists exclusively for the respective beneficiaries and eventual future beneficiaries, by death of those. Defined benefit plans cover pension benefits to be received by employees during retirement, usually dependent on one or more factors such as age, years of service and salary level. On 30th of December of 2020, a new defined contribution plan was introduced, for which the previous participants of the complimentary plan were transferred – former employees with vested rights, as well as active employees.

The retirement pension liabilities are calculated semi-annually, on December 31 and June 30 of each year, for each plan individually, using the Projected Unit Credit Method, being annually reviewed by qualified independent actuaries. The discount rate used in this calculation is determined with reference to market rates associated with high-quality corporate bonds, denominated in the currency in which the benefits will be paid out and with a maturity similar to the expiry date of the plan's liabilities.

The Group determines the net interest income / expense for the period incurred with the pension plan by multiplying the plan's net assets / liabilities (liabilities net of the fair value of the fund's assets) by the discount rate used to measure the retirement pension liabilities referred to above. On that basis, the net interest income / expense was determined based on the interest cost on the retirement pension liabilities net of the expected return on the funds' assets, both calculated using the discount rate applied in the determination of the retirement pension liabilities.

Re-measurement gains and losses, namely (i) actuarial gains and losses arising due to differences between actuarial assumptions used and real values verified (experience adjustments) and changes in actuarial assumptions and (ii) gains and losses arising due to the difference between the expected return on the fund's assets and the actual investment returns, are recognised in equity under the caption other comprehensive income.

The Group recognises as a cost in the income statement a net total amount that includes (i) current service costs, (ii) net interest income / expense with the pension fund, (iii) the effect of early retirement, (iv) past service costs, and (v) the effect of settlements or curtailments occurring during the period. The net interest income / expense with the pension plan is recognised as interest and similar income or interest expense and similar charges, depending on its nature. Early retirement costs correspond to increases in liabilities due to employees retiring before turning 65 years-old (normal retirement age foreseen in the ACT) and which forms the basis of the actuarial calculation of pension fund liabilities. Whenever the possibility of the early retirement provided for in the pension fund regulation is invoked, the responsibilities of same must be incremented by the value of the actuarial calculation of the liabilities corresponding to the period between the early retirement and the employee turning 65 years old. In the event of a settlement or unwind in a defined benefit plan, the difference between (i) the present value of the defined benefit obligation determined at the settlement date and (ii) the settlement amount, including the value of the plan assets to be transferred; is recorded in "Personnel costs".

The Group makes payments to the funds in order to ensure their solvency, with the minimum levels set by Banco de Portugal being: (i) the liability with pensioners must be totally funded at the end of each period, and (ii) the liability relating to past service costs for active employees must be funded at a minimum level of 95%.

The Group assesses the recoverability of any excess in a fund regarding the retirement pension liabilities, based on the expectation of reductions in future contributions or on the reimbursement of contributions made.

Other Geographies

In the remaining geographies, namely Spain, United Kingdom, Poland and Brazil, the Group provides defined contribution pension plans. In these cases, the contributions are previously defined and the benefits assigned at retirement will depend on the amount of the contributions made and the accumulated income.

Health-care benefits

Portugal

The Group provides its banking employees with health-care benefits through a specific Social-Medical Assistance Service. This Social-Medical Assistance Service (Serviço de Assistência Médico-Social, SAMS) is an autonomous entity which is managed by the respective Union.

SAMS provides its beneficiaries services and/or contributions with medical assistance expenses, diagnostics, medication, hospitalization and surgeries, in accordance with its funding availability and internal regulations.

SAMS also applies to employees' family members, in accordance with clause 110 "Beneficiaries" of the Banking Sector Collective Labor Agreement ("ACT")

Arising from the signature of the new Collective Labor Agreement (ACT) on July 5 , 2016, published in Labor Bulletin (*Boletim do Trabalho*) no. 29, of August 8, 2016, the Group's contributions to SAMS as from February 1, 2017, correspond to a fixed amount (as per Annex VI of the new ACT) for each employee, 14 times a year.

The calculation and recognition of the Group's liability with post-retirement health-care benefits is similar to the calculation and recognition of the pension liability described above. These benefits are covered by the Pension Fund, which presently covers all liabilities with pensions and health-care benefits.

Other Geographies

In the remaining geographies, the Group provides local medical plans to its workforce that are complimentary to the national health services provided in each of the respective geography. Namely:

France

The Group provides to its Paris Office staff health-care supplementary insurance and personal insurance by engaging the insurance company Humanis Prévoyance.

Humanis Prévoyance provides the complementary refund of health-care expense for the part that is not refunded by the French Social Security, in addition to providing an indemnity to the staff member beneficiary in case of accident.

Spain

The Spain Branch provides health-care benefits to its employees through a health insurance company named ASISA, a private company which is responsible for covering medical expenses in case of diagnosis appointments, treatments, hospitalization, and surgeries.

Brazil

The Group provides its employees with healthcare benefits through a specific Medical Assistance Service. The company that provides access to disease treatment and health preservation coverage is the operator Care Plus, leader in the corporate healthcare segment in Brazil, and part of Bupa Global, one of the largest health insurers in the world.

Care Plus has its own network of affiliated doctors, as well as a reimbursement system for procedures and medical consultations, in addition to access to hospitals and laboratories throughout the national territory.

Macau

The Macau Branch provides its employees with healthcare benefits through the American International Assurance Group (“AIA”).

AIA is the largest publicly listed life insurance group in Asia-Pacific and provides its beneficiaries with worldwide medical coverage and group life insurance. AIA has an extensive network of affiliated doctors and clinics across the region, in addition to an accessible online reimbursement system at the disposal of its beneficiaries.

UK

In the London Branch, healthcare benefits for staff are administered via a designated Private Medical insurance with Bupa Health UK, the major health insurance provider in the UK and one of the largest worldwide. Employees have access to treatments for physical and mental health, treatment in private hospitals, private consultations, access to a digital GP service, out-patient care, and access to a network of labs throughout the UK.

Poland

Haitong Branch in Warsaw provides its employees with healthcare benefits through Medicover. Medicover, a private company, provides a wide range of healthcare services including outpatient and specialist care and access to a network of hospitals, laboratories and blood collection points provided under two divisions – Healthcare Services and Diagnostic Services. Medicover also provides our employees with the benefits required by occupational medicine.

Employees across geographies are covered by defined contribution plans.

Long-term service bonuses

In Portugal, under the new ACT, signed at the July 5, 2016, the long-term service bonus was replaced by a career bonus, payable immediately prior to the employee´s retirement date, if the employee retires at the service of the Group, corresponding to 1.5 of his/her salary at the time of its payment.

The career bonus is accounted for by the Group in accordance with IAS 19, as a long-term employee benefit. The remeasurement effects and past service costs of this benefit are recognised in the income statement for the year, as occurred with the accounting model for long-term service bonuses.

The amount of the Group's liabilities with this career bonus is likewise periodically estimated based on the Projected Unit Credit Method. The actuarial assumptions used are based on expectations of future salary increases and mortality tables. The discount rate used in this calculation is determined applying the same methodology described above for retirement pensions.

Variable remuneration paid to employees

In accordance with IAS 19 - Employee benefits, variable remuneration (profit sharing, bonuses and others) granted to employees and, possibly, to executive members of administration bodies, is accounted for in profit or loss of its respective financial year.

2.12 INCOME TAXES

Income taxes comprise current and deferred taxes. Income taxes are recognised in income statement, unless when relating to items not directly recognised in equity, in which case they are also accounted for against equity. Taxes recognised in equity, as a result of the reassessment of financial assets at fair value through other comprehensive income, are subsequently recognised in income statement when the gains and losses which were in their origin are recognised in income statement.

Current taxes are those expected to be paid based on the taxable income which is calculated in accordance with the existing tax rules and by using the tax rate enacted or substantially enacted in each jurisdiction.

Deferred taxes are calculated in accordance with the liability method based on the statement of financial positions, on the temporary differences between the carry amount of assets and liabilities and their tax base, by using the tax rates which have been enacted or substantially enacted on the date of the statement of financial position in each jurisdiction and which are expected to be applied once the temporary differences are reversed.

Deferred tax liabilities are recognised for all taxable temporary differences, except for goodwill not deductible for tax purposes, of the differences arising out of the initial recognition of assets and liabilities which affect neither accounting profit nor taxable profit which do not result from simultaneous recognition in a single transaction and of differences relating to investments in subsidiaries insofar as it is not likely that they reverse in the future. Deferred tax assets are only recognised insofar as it is expected that there will be taxable profit in the future which will absorb the tax losses carried forward and the deductible temporary differences.

As of 1 January 2019, the Bank adopted the new interpretative standard of IAS 12 - IFRIC 23 - 'Uncertainty over Income Tax Treatments' - which to recommend the measurement requirements and recognition to be applied in the event of uncertainties regarding the acceptance of a given tax treatment by the Tax Administration concerning income tax and should reflect the entity's best estimate of the presumed outcome of the situation under discussion. This estimated value based on the expected value or the most probable value should be recorded by the entity as an asset or liability for income tax based on IAS 12 and not by IAS 37.

It should be noted that the period of tax losses utilization takes into account the exceptional measures to the COVID-19 pandemic under the terms of Law No. 27-A / 2020 (Supplementary State Budget for 2020), as well as provided in Law No. 24-D/2022, of December 30, which approved the State Budget for 2023, under which the time limitation for the deduction of tax losses calculated in a given tax period is eliminated . Changes to the reporting period apply to tax periods beginning on or after January 1, 2023, as well as to tax losses calculated in tax periods prior to January 1, 2023 whose deduction period is still in progress at that date. However, it should be noted that the new deadline does not apply to tax losses calculated in tax periods prior to January 1, 2023 in which one of the situations provided for in paragraph 1 of article 6 of the applicable special regime has occurred to deferred tax assets (namely, in the event of a negative net result).

The works developed in the level of the OECD/G20 inclusive Framework related to the called “Pillar 2” BEPS Pillar 2, resulted in the adoption of respective model rules at the EU level with the publication Council Directive (EU) 2022/2523, of 15th December 2022 (Pilar 2 Directive). In summary, this regime aims to ensure that the profits of multinational groups with revenues of more than 750 million euros are subjected to a minimum level of effective taxation of no less than 15% in all jurisdictions where they are established. This minimum taxation operates through a so-called Top-up Tax, the calculation and collection of which is primarily the responsibility of the jurisdiction where the so-called Ultimate Parent Entity (UPE) of the multinational group or an intermediate holding company of that group is located, in cases where the jurisdiction of the UPE does not adopt the income inclusion rule (IIR) However, when this mechanism is not activated, the Undertaxed Profits Rule (UTPR) is activated at the level of the companies held.

In Portugal, the Pillar 2 Directive was transposed into national law by the Law No. 41/2024, of November 8, whose Global Minimum Tax Regime («RIMG») also introduced a so-called Qualified Domestic Minimum Top-up Tax (QDMTT), through which Portugal will have priority in collecting any Pillar 2 complementary tax from entities located there. The RIMG will be in force from 2024, with the exception of the UTPR rule, which applies from 2025.

The approved legislation also provides for a set of the safe harbour rules, applicable during the first three years (2024 - 2026), aimed at minimizing the administrative effort of multinational groups in applying the Pillar 2 rules. Under the terms of these safe harbour rules, the Pillar 2 supplementary tax due in Portugal may be considered zero, upon verification of at least one of certain tests based on the Country-by-Country Report – CbCR.

The Bank, qualifies as an entity belonging to a multinational Group covered by the Pillar 2 regime, whose UPE is Haitong Securities Co.Ltd., headquartered in Shanghai, China. To the extent that the upstream entities in its holding chain are located in jurisdictions that do not yet apply the Pillar 2 regime, the Bank may be required for paying supplementary tax in Portugal related to the jurisdictions of its branches and subsidiaries in 2025, through the IIR, as well as for other Group entities from 2025 onwards, through the UTPR.

In this regards, the Bank has analysed the impacts of the application of this Law within its scope, with reference to 2025 and 2024 taking into special consideration the possibility of applying the transitional safe harbour rules mentioned in the previous paragraph.

It should be noted that the Bank applies the temporary exception provided in IAS 12 for the recognition and disclosure of information on deferred tax assets and liabilities related to income taxes resulting from the RIMG.

2.13 CONTINGENT ASSETS

Contingent assets are not recognised in the financial statements, being disclosed when it is probable that there will be a future economic inflow of resources following the treatment provided for by IAS 37.

2.14 PROVISIONS

Provisions are recognised when (i) the Group has a current, legal or constructive obligation, (ii) it is likely that its payment will be required and (iii) when the amount of such obligation may be estimated in a reliable manner.

When the effect of the passage of time (discounting) is material, the provision corresponds to the net present value of the expected future payments, discounted at an appropriate rate considering the risk associated with the obligation.

If it is not likely for payment to be required, it is a contingent liability. Contingent liabilities are only subject to disclosure, unless the likelihood of their realization is remote. Provisions for restructuring are recognised once the Group approves a formal and detailed restructuring plan, and such restructuring has been commenced or publicly announced on the reference date of the financial statements.

A provision for onerous contracts is recognised when the expected benefits of a formal contract are lower than the costs that the Group will inevitably incur in order to meet the obligations arising therefrom. This provision is measured based on the current lowest value between the contract termination costs or the net estimated costs of continuing the contract.

2.15 RECOGNITION OF FEE AND COMMISSION INCOME

Income from services and commissions are recognised when (or as) a performance obligation is fulfilled by transferring a service, based on the transaction price associated with that performance obligation, as follows:

- Income from services and commissions obtained for the performance of a given performance obligation, such as commissions in loan syndications, are recognised in profit or loss when each of the performance obligations has been completed; and
- Income from services and commissions obtained for the performance obligations fulfilled over time are recognised in profit or loss over the period in which these performance obligations are fulfilled;

Income from services and commissions which are an integral part of the effective interest rate of a financial instrument are accounted for in income statement by the effective interest rate method under the headings of interest income or interest expense.

2.16 SEGMENT REPORTING

The Group adopted IFRS 8 – Operating Segments for the disclosure of financial information by operating segments (see Note 4).

An operating segment is a component of the Group: (i) which engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions on the allocation of resources to the segment and assess its performance; and (iii) for which discrete financial information is available.

2.17 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to shareholders of the parent company by the weighted average number of ordinary shares outstanding, with the exclusion of the average number of own shares held by the Group.

For the calculation of diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted to reflect the effect of all dilutive potential ordinary shares, such as those arising out of convertible debt and of options granted to employees over own shares. The effect of the dilution is a decrease in earnings per share, resulting from the assumption that the convertible instruments are converted or that the granted options are exercised.

2.18 CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and its equivalents encompass the amounts accounted for in the statement of financial position whose maturity is less than three months from the date of acquisition/contract with immaterial risk of fair value fluctuation, which includes cash, deposits in Central Banks, deposits in other credit institutions and loans and advances to banks.

The flows from financial assets at fair value through other comprehensive income and at amortized cost are allocated to investment activities, in turn, the flows from financial assets at fair value through profit or loss are allocated to operating activities.

2.19 SUBSEQUENT EVENTS

The Group analyses events occurred after the balance sheet date, i.e., favourable and/or unfavourable events that occur between the balance sheet date and the date the financial statements were authorized for issue. In this context, two types of events can be identified:

i) those that provide evidence of conditions that existed at the balance sheet data (events after the balance sheet date that give rise to adjustments); and,
ii) those that are indicative of the conditions that arose after the balance sheet data (events after the balance sheet date that do not give rise to adjustments).

Events occurred after the date of the financial statements that are not considered as adjustable events, if significant, are disclosed in the notes to the consolidated financial statements in Note 40.

NOTE 3 – MAIN ESTIMATES AND JUDGEMENTS USED IN THE PREPARATION OF FINANCIAL STATEMENTS

The IFRS set forth a range of accounting treatments and require the Board of Directors to make the necessary judgements and estimates to decide on the most appropriate accounting treatment. These estimates were made considering the best information available at the date of preparation of the consolidated financial statements, considering the context of uncertainly that results from the in the current economic scope. The Group's main accounting estimates and judgements used thereby when applying the accounting principles are laid down in this Note with the purpose of improving the understanding on how the implementation thereof affects the Group's reported results and their disclosure.

A broader description of the main accounting policies used by the Group is shown in Note 2 to the consolidated financial statements.

Whereas in many situations there are alternatives to the accounting treatment adopted by the Board of Directors, the results reported by the Group could have differed if it adopted a different treatment. The Board of Directors believes that it made the appropriate choices, and that the consolidated financial statements give an adequate description of the Group's financial position and of the result of its operations in all material respects.

3.1. IMPAIRMENT LOSSES ON FINANCIAL ASSETS AT AMORTISED COST AND DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group periodically reviews financial assets at amortised cost and debt at fair value through other comprehensive income in order to accurately evaluate the existence of impairment, as referred on Note 2.4.1.

Individual analysis

The Risk Management Department identifies all exposures subject to individual staging analysis, encompassing: (i) Top 20 performing largest exposures; (ii) all under-performing (Stage 2) exposures; (iii) non-performing (Stage 3) exposures; (iv) clients with a rating change of at least 4-notches downgrade but remaining within investment grade; and (v) deals with a credit spread increase superior to 30% since their origination; and ensure that they are subject to an analysis by the Impairment Committee and Executive Committee. Stage 2 exposures are analysed individually, in order to verify the absence of indicative unlikeliness to pay of the debtor and the events considered by Capital requirements Regulations (CRR) in its definition of default and by standard IFRS 9 in the definition of impaired financial instruments, which could cause transfer to Stage 3.

The documentation supporting the individual analysis of cases to be discussed at the Impairment Committee and Executive Committee includes: a) historical information (exposure by contract and type, impairment rates in force, collateral and respective valuation); and b) recovery scenarios with expected cash flows discounted to the current date, using the effective interest rate that was determined at initial recognition, in order to obtain expected credit losses.

The recovery scenarios should be influenced by future prospects contemplating not only the most probable scenario (base case) but also alternative scenarios (optimistic or downside scenarios). For each of the scenarios presented, the respective assumptions and respective explanation is assured based on the activity of the company (incorporating data from the historical financial statements, certain events and other financial estimates when available), the value of collaterals (including the respective valuation methodologies) and sale or execution thereof. The recovery scenarios are weighted by their probability of occurrence.

Thus, the individual analysis' process is subject to various estimates and evaluations, including recovery predictions and valuation of existing collaterals.

The use of scenarios or alternative methodologies with other assumptions and estimates could result in different levels of impairment losses recognised, with a consequent impact on the Group's results.

Collective analysis

Impairment assessment on the collective basis is based upon the evaluation of the net present value of the expected cash flows for each loan, using pre-defined risk parameters supported by external information.

Taking into account the specificities of Haitong Bank Group credit portfolios, the collective model is based on external information for all the key risk parameters used. The main parameters used are: (i) Probability of Default (PD), (ii) Loss Given Default (LGD), (iii) Exposure at Default, (iv) Collateral haircut, and (v) Credit Conversion Factor (CCF) for off-balance exposures.

- Probability of Default (PD) reflects the likelihood of default. The Group takes into account Standard & Poor's (S&P) provided PD, whereas the rating assigning process is performed internally based on the S&P methodology, which ensures the alignment between internal risk management and the process of impairment calculation. The PDs published by S&P are, by their nature, Through-the-Cycle (TTC) PDs. As such, and in order to comply with the requirements of IFRS 9, the Group converts the aforementioned PDs to point-in-time (PiT) and forward-looking information. This conversion is carried out in accordance with an internal methodology that is based on the correlation of PDs published by S&P with selected explanatory macroeconomic variables.
- Loss Given Default (LGD) is the magnitude of loss at the time of default. The Group applies LGD based on Moody's benchmarks (recovery rates), depending on the type of debtor (*corporate* or *sovereign*) and the financial instrument's characteristics (collateralized or not).
- The Exposure at Default (EAD) for off-balance sheet exposures is determined as the amortized cost of the financial instrument based upon the effective interest rate method.
- The Group applies the Collaterals Haircut based on the regulatory capital requirements (CRR) eligibility criteria and haircut.
- Credit Conversion Factor (CCF) is based on the CRR where CCF applies to all guarantees and lines of credit (off-balance exposures).

The Group updated the inputs of the collective model in 2025 regarding the incorporation of forward-looking information, according to the information presented in Note 39 – Risk Management.

3.2. INCOME TAXES

The Group is subject to the payment of income taxes in various jurisdictions. Determining the aggregate amount of income taxes requires certain interpretations and estimates. There are several transactions and calculations for which determining the final amount of tax to be paid is uncertain throughout the normal course of business.

Other interpretations and estimates could result in a different level of income taxes recognized in the period, whether current or deferred.

The historical loss calculation in recent years justifies an assessment of the recoverability of deferred tax assets, but these results are significantly affected by extraordinary situations (eg. restructuring) that are not expected to occur in future years.

The assessment of the recoverability of Deferred Tax Assets (including the rate at which they shall be realized) was carried out by the Bank based on projections of its future taxable profit, such projections being specified from a business plan.

The estimate of future taxable profit involves a significant level of judgment regarding the future development of the Group's activity and the timing of execution of temporary differences. For such purpose, several assumptions were adopted, in particular the analysis of several scenarios due to an uncertainty about the fiscal treatment of a set of Bank realities.

Tax Authorities are required to review the calculation of the basis of assessment, made by the Bank, for a period of four years, except where any deduction or tax credit has been made, where the time-limit is the exercise of that right. Hence, there is a possibility that the basis of assessment will be corrected, mainly due to differences in the interpretation of the tax legislation. However, it is the Bank's Boards of Directors belief that there will be no additional settlements of significant value in the context of the financial statements.

The Group complies with the IFRIC 23 guidelines – Uncertainty regarding Income Tax Treatment regarding the determination of taxable profit, tax bases, tax losses to be carried forward, tax credits to be used and tax rates in scenarios of uncertainty regarding income tax treatment, with its did not result material impact on its financial statements.

3.3. PENSIONS AND OTHER EMPLOYEE BENEFITS

Determining responsibilities for retirement pensions requires the use of assumptions and estimates, including the use of actuarial projections, responsibilities discount rate, and other factors that could impact the cost and liability of the pension plan.

Any changes to such assumptions could have a significant impact on the determined amounts.

3.4. FAIR VALUE OF FINANCIAL DERIVATIVES AND ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

For the purposes of determining the fair value of bond and equity instruments, the bank considers the use of their quotation, namely the current purchase price (bid-price). In the absence of this quote, the Bank estimates fair value using: (i) valuation methodologies, such as the use of prices from recent, similar transactions carried out under market conditions, discounted future cash flow techniques and value valuation models customized options to reflect the particularities and circumstances of the instrument, and (ii) valuation assumptions based on market information. These methodologies also incorporate own and counterparty credit risk and may require the use of assumptions or judgments in estimating fair value. Regarding financial liabilities, the Group applies the same valuation hierarchy, but considering the ask-price.

Regarding to derivatives, market risk factors are considered (e.g. interest rate curves and exchange rates), feeding the evaluation models implemented for each derivative. Additionally, the CVA is calculated for which, among others, LGD, PD and Collateral Ratio are used.

Consequently, the use of different methodologies or different assumptions or judgments when applying a given model could result in valuations different from those reported.

3.5. CLASSIFICATION OF PERFORMANCE GUARANTEE

The Group analysed the performance guarantee contracts issued to assess whether they meet the definition of insurance contracts under IFRS 17.

The Group concluded that its performance guarantee contracts expose the Bank solely to the credit risk of the applicant because (i) all contracts require customers requesting a guarantee to fully guarantee their obligations to indemnify the Group as issuer and (ii) there are no scenarios with commercial substance in which the Bank would have to pay significant additional amounts to the holders of such guarantees.

The Group therefore accounts for these contracts as loan commitments in off-balance-sheet items and in accordance with IFRS 9. The gross value of the performance guarantees issued and accounted for as loan commitments is 79,327 thousand euros at December 31, 2025 (December 31, 2024: 81 134 thousand euros) (see Note 36) and the carrying amount of the related liability recognized in the financial statements is 74 thousand euros at December 31, 2025 (December 31, 2024: 54 thousand euros). The commission income recognized for these performance guarantees was 23 thousand euros (December 31, 2024: 129 thousand euros).

3.6. PROVISIONS FOR ONGOING LEGAL PROCEEDINGS

The recognition of a provision occurs when there is a present obligation (legal or constructive) resulting from past events in relation to which the future expenditure of resources is probable, and this can be reliably determined.

The outcome of ongoing legal proceedings, as well as the amount of the provision corresponding to the best estimate of the amount to be disbursed to settle the liability on the balance sheet date, is assessed based on the Board of Directors' perspective supported in accordance with the opinion of the Group's lawyers/legal consultants and the decisions up to the date of the courts (jurisprudence), which however may not come to fruition.

3.7. TERM OF LEASE AGREEMENTS

The Group applies judgment to determine the lease term of some contracts, in which it is the lessee, and which include renewal and termination options. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by a renewal option if it is reasonably certain to be exercised, or any periods covered by a termination option if it is reasonably certain not to be exercised.

This assessment has an impact on the lease term, which will significantly affect the amount of lease liabilities and right-of-use assets recognised.

NOTE 4 – SEGMENT REPORTING

4.1. DESCRIPTION OF BUSINESS AREAS

Each operating segment comprises the following activities, products, customers and structures of the Group:

Mergers and Acquisitions

The Mergers and Acquisitions (M&A) Division provides financial advisory services on the acquisition, sale or merger of companies. This Division also provides services such as valuations, restructuring advisory and feasibility studies.

Capital Markets

The Capital Markets Division comprises the origination, structuring and execution of market-oriented debt and equity instruments. The Bank provides its services to corporates, financial institutions, public companies and state-related entities.

In the Debt Capital Markets (DCM) area, the Bank engages in structuring debt instruments, namely domestic debt issues and cross-border issues, especially related to China and emerging markets, as well as hybrid products, sustainability-linked bonds, project bonds, commercial paper programmes, and liability management.

Equity Capital Market (ECM) transactions are explored on a case-by-case basis, according to the opportunities that arise, mainly comprising capital increases, tender offers, equity-linked instruments, and listings and delisting for corporate clients.

Corporate Derivatives

Haitong Bank's Corporate Derivatives Desk covers several asset classes such as interest rates, FX and commodities, and assists companies in the immunization of their balance against financial variables that may negatively affect their profits, allowing them to focus on their core business and lock in the margin in their products. Consequently, companies can optimize their hedging strategy against the increase in interest rates and against the exchange variations between payments and receipts of their products, in addition to fixing the cost/sale price of raw materials.

Fixed Income

With dedicated Trading, Syndication, and Distribution teams, the Fixed Income Division offers market-making services for corporate and sovereign debt securities, multi-product international distribution, syndication capacity for different debt products and the production of tailor-made products for institutional clients. Its presence in various geographies and the combination of its origination and distribution capacity stimulate the identification of new business opportunities and promote cross-border activity. It is also responsible for managing Haitong Bank's banking and trading book portfolios, in accordance with the investment policies and pre-defined limits established by the Executive Committee.

The Fixed Income Division in Brazil aims to manage several risk factors to which the Bank is locally exposed, such as fixed interest rates, inflation, FX, and equities. It also comprises the risk originating management through the proprietary portfolio alongside its strategy (trading and banking books), following the internal guidance and in accordance with the investment policies established by the Executive Committee and the Board of Directors of Haitong Brazil.

Corporate and Project Financing

The Corporate and Project Financing Division develops financing solutions for its Clients, namely under the form of acquisition/leverage finance, project finance, corporate lending (including asset-based loans and other corporate loans), as well as financial advisory services and arranging and agency services for financing operations.

Client Coverage

The Client Coverage Division is responsible for managing relationships with clients in various sectors and for identifying business opportunities aligned with the Bank's business strategy and product capabilities.

This unit also monitors cross-border opportunities with a view to ensuring a business liaison between the Groups' various geographies.

Treasury

The Treasury Division is responsible for ensuring an appropriate level of funding to meet the Bank's and the Group's current and future funding needs, as well as for maintaining and managing an appropriate level of liquidity to meet the financial liabilities.

Additionally, the Treasury Division is responsible for managing the Bank's proprietary HQLA portfolio.

Global Asset Management

This business segment, carried out via the Bank's subsidiary Haitong Global Asset Management, SGOIC, S.A., includes the management of private equity funds and several different mandates and asset portfolios. The company's strategy is centred on delivering sustainable growth and long-term value through a combination of innovation, risk management, and client-centric solutions.

Corporate Centre

The Corporate Centre does not correspond to a business area; it is a combination of corporate structures ensuring basic functions of the Group's global management, such as those associated with the management and supervisory bodies, and areas such as Compliance, CEO Office, Finance, among others.

Special Portfolio Management

The purpose of the Special Portfolio Management Division (SPM) is to manage all the non-performing exposures, according to IFRS9 criteria, in which the Bank is involved.

This Division also manages all credit operations in which the Bank is solely involved as an agent, in case the operations are in default or classified as non-performing.

Other segments

Includes all remaining segments of the Group's Management Information model, which in accordance with the provisions laid down in IFRS8 are not subject to mandatory individualization.

4.2. CRITERIA FOR THE ATTRIBUTION OF THE BUSINESS AND OF THE RESULTS TO THE SEGMENTS

The financial information set forth for each segment has been prepared by reference to the criteria used for the preparation of internal information, on the basis of which the Group's decisions are made, as provided by the IFRS 8.

The accounting policies used when preparing the information concerning the operating segments are those used when preparing the financial statements herein, as referred to in Note 2.

Measurement of profits or losses from the segments

The Group uses the profit/loss before tax as a measurement tool for the performance assessment of each operating segment.

Haitong Bank's Structures dedicated to the Segment

Haitong Bank's business encompasses all operating segments, therefore being subject to disaggregation accordingly.

For the purpose of allocating financial information, the following principles are used: (i) origination of transactions, i.e., the business originated by the commercial structures dedicated to the segment is allocated to each segment, even if the Group makes a subsequent strategic decision to securitize some of these assets originating therefrom; (ii) allocation of direct costs from commercial and central structures dedicated to the segment; (iii) allocation of indirect costs (central support and IT services) determined in accordance with 7 specific parameters and with the internal Information Management model; (iv) allocation of credit risk determined in accordance with the impairment model.

Transactions between legally autonomous units of the Group are carried out at market prices; the price of provisions between the structures of each unit, such as the prices set for the provision or internal assignment of funds, is determined by the margins process referred to above (which vary according to the strategic relevance of the instrument and the balance of the structures between the fundraising and the credit assignment roles); the remaining transactions are allocated to the segments in accordance with the Management Information internal model.

The services rendered by the various units of the Corporate Centre are governed by SLAs (Service Level Agreements).

Interest income and expenses

Since the Group's activities are exclusively related to the financial sector, a substantial amount of generated revenue results from the difference between interests received from its assets and interest borne by the raised financial resources. This situation and the fact that the segments' activity is assessed by management through negotiated or predetermined margins for each instrument, leads to the profits of the brokerage activity being presented, as permitted by IFRS 8, paragraph 23, by the net value of interest, under the designation of Financial Income.

Net profit/(loss) from fee and commission

In accordance with the policy defined by the Group, net profit/(loss) from fee and commission is recognised in the moment that the service is delivered to its customers.

Investments consolidated under the equity method

Investments in associates which are consolidated under the equity method are comprised in the segment designated 'Other', for Haitong Bank's associates. For investments in associates of other entities of the Group, such entities are allocated to the segments they relate to.

Non-current assets

The Corporate Centre segment comprises non-current assets, which, as foreseen in IFRS 8, comprise Other tangible assets, Intangible assets and real estate received as payment in kind not yet falling into the classification of Non-current assets held-for-sale.

Deferred tax assets

The Income tax component is an element for the generating of the Group's income statement which does not have an effect on the assessment of the Operating Segments. Deferred tax assets are allocated to the Corporate Centre segment.

Domestic and International Areas

In the presentation of the financial information by geographical areas, the operating units making up the International Area are the Branches in London, Spain, Macau and Poland, as well as the subsidiaries in the consolidation perimeter, with the allocation being made by the Headquarters' country (see Note 1).

The equity and economic elements relating to the international area are those contained in the financial statements of those units with the respective consolidation adjustments and eliminations.

(thousand euros)

	31.12.2025											
	Corporate and Project Financing	**Special Portfolio Management**	**Mergers and Acquisitions**	**Capital Markets**	**Corporate Derivatives**	**Fixed Income**	**Asset Management**	**Treasury**	**Client Coverage**	**Corporate Centre**	**Other**	**Total**
Net interest income	18 428	7	(20)	(14)	128	11 634	833	8 924	16	(165)	1 638	41 409
Net fees and commissions	4 098	38	2 827	2 937	(83)	399	881	(19)	187	(373)	(84)	10 808
COMERCIAL OPERATING INCOME	**22 526**	**45**	**2 807**	**2 923**	**45**	**12 033**	**1 714**	**8 905**	**203**	**(538)**	**1 554**	**52 217**
Results on financial operation	631	1 328	98	(20)	3 876	(6 140)	3	(1 013)	-	(1)	1 696	458
Costs Deducting Banking Income	(149)	-	(36)	(10)	(51)	(273)	(11)	(1 559)	(11)	(471)	(2 487)	(5 058)
Intersegment Operating Income	(358)	(22)	54	-	(12)	317	(829)	(192)	(72)	-	1 114	-
TOTAL OPERATING INCOME	**22 650**	**1 351**	**2 923**	**2 893**	**3 858**	**5 937**	**877**	**6 141**	**120**	**(1 010)**	**1 877**	**47 617**
Operating expenses	**4 236**	**794**	**3 317**	**2 953**	**1 831**	**5 239**	**594**	**1 415**	**2 053**	**16 368**	**13 288**	**52 088**
Employee costs	3 284	445	2 514	2 246	1 014	3 008	240	678	1 690	11 805	6 618	33 542
Administrative costs	670	309	576	518	711	1 987	324	683	246	3 198	5 478	14 700
Depreciations and Amortisations	282	40	227	189	106	244	30	54	117	1 365	1 192	3 846
Gross income	**18 414**	**557**	**(394)**	**(60)**	**2 027**	**698**	**283**	**4 726**	**(1 933)**	**(17 378)**	**(11 411)**	**(4 471)**
Impairment and Provisions	**(12 063)**	**1 228**	**80**	**244**	**(3 488)**	**(512)**	**(5)**	**(106)**	**-**	**2**	**(1 637)**	**(16 257)**
Credit impairment	(9 138)	-	-	-	(3 488)	-	-	36	-	-	28	(12 562)
Securities impairment	(1 801)	-	-	-	-	(476)	-	(142)	-	-	-	(2 419)
Net provisions and other impairment	(1 124)	1 228	80	244	-	(36)	(5)	-	-	2	(1 665)	(1 276)
Profit / (Loss) before Income Tax	**6 351**	**1 785**	**(314)**	**184**	**(1 461)**	**186**	**278**	**4 620**	**(1 933)**	**(17 376)**	**(13 048)**	**(20 728)**
Income tax	-	-	-	-	-	-	-	-	-	-	11 202	11 202
Net Profit / (Loss) for the year	**6 351**	**1 785**	**(314)**	**184**	**(1 461)**	**186**	**278**	**4 620**	**(1 933)**	**(17 376)**	**(24 250)**	**(31 930)**
Attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2 262)	(2 262)
Attributable to shareholders of the parent company	**6 351**	**1 785**	**(314)**	**184**	**(1 461)**	**186**	**278**	**4 620**	**(1 933)**	**(17 376)**	**(21 988)**	**(29 668)**

Note: There is no internal cancellation between segments

(thousand euros)

	31.12.2024											
	Corporate and Project Financing	Special Portfolio Management	Mergers and Acquisitions	Capital Markets	Corporate Derivatives	Fixed Income	Asset Management	Treasury	Client Coverage	Corporate Centre	Other	Total
Net interest income	15 616	4	(36)	-	(1)	3 836	-	16 366	(15)	2 513	255	38 538
Net fees and commissions	4 755	39	1 770	13 594	(79)	612	388	(2 294)	6	(486)	685	18 990
COMERCIAL OPERATING INCOME	**20 371**	**43**	**1 734**	**13 594**	**(80)**	**4 448**	**388**	**14 072**	**(9)**	**2 027**	**940**	**57 528**
Results on financial operation	929	789	221	3	1 467	8 493	(376)	2 670	-	(2 284)	2 688	14 600
Costs Deducting Banking Income	(262)	-	(14)	(12)	(53)	(431)	(9)	(763)	-	(4 177)	(419)	(6 140)
Intersegment Operating Income	(190)	(454)	(83)	-	(38)	1 727	101	(496)	-	1 678	(2 245)	-
TOTAL OPERATING INCOME	**20 848**	**378**	**1 858**	**13 585**	**1 296**	**14 237**	**104**	**15 483**	**(9)**	**(2 756)**	**964**	**65 988**
Operating expenses	**3 169**	**718**	**3 962**	**2 511**	**1 425**	**4 439**	**401**	**1 365**	**1 292**	**37 687**	**1 114**	**58 083**
Employee costs	2 410	532	2 887	1 891	763	2 141	159	621	1 036	24 925	839	38 204
Administrative costs	595	136	825	525	578	2 118	242	687	154	8 354	256	14 470
Depreciations and Amortisations	164	50	250	95	84	180	-	57	102	4 408	19	5 409
Gross income	**17 679**	**(340)**	**(2 104)**	**11 074**	**(129)**	**9 798**	**(297)**	**14 118**	**(1 301)**	**(40 443)**	**(150)**	**7 905**
Impairment and Provisions	**680**	**98**	**14**	**(1 403)**	**-**	**908**	**-**	**520**	**-**	**6 136**	**(5 188)**	**1 765**
Credit impairment	316	(123)	-	-	-	-	-	(14)	-	(147)	-	32
Securities impairment	109	-	-	-	-	902	-	496	-	66	-	1 573
Net provisions and other impairment	255	221	14	(1 403)	-	6	-	38	-	6 217	(5 188)	160
Profit / (Loss) before Income Tax	**18 359**	**(242)**	**(2 090)**	**9 671**	**(129)**	**10 706**	**(297)**	**14 638**	**(1 301)**	**(34 307)**	**(5 338)**	**9 670**
Income tax	-	-	-	-	-	-	-	-	-	-	5 024	5 024
Net Profit / (Loss) for the year	**18 359**	**(242)**	**(2 090)**	**9 671**	**(129)**	**10 706**	**(297)**	**14 638**	**(1 301)**	**(34 307)**	**(10 362)**	**4 646**
Attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(432)	(432)
Attributable to shareholders of the parent company	**18 359**	**(242)**	**(2 090)**	**9 671**	**(129)**	**10 706**	**(297)**	**14 638**	**(1 301)**	**(34 307)**	**(9 930)**	**5 078**

Note: There is no internal cancellation between segments

The reporting of secondary segments is made in accordance with the geographical location of the various business units of the Group:

(thousand euros)

	31.12.2025				
	Portugal	**Rest of the Europe**	**America**	**Asia**	**Total**
Net income*	(4 145)	(17 145)	(8 426)	48	(29 668)
Net asset	1 378 923	745 676	1 253 407	51 493	3 429 499
Investments in assets					
tangible	269	256	1 302	5	1 832
intangible	469	28	35	-	532

Net income attributable to shareholders of the parent company

(thousand euros)

	31.12.2024				
	Portugal	**Rest of the Europe**	**America**	**Asia**	**Total**
Net income*	(3 383)	3 236	(1 408)	6 633	5 078
Net asset	1 534 374	648 480	1 090 372	30 058	3 303 284
Investments in assets					
tangible	1 033	282	213	2 474	4 002
intangible	464	138	267	-	869

Net income attributable to shareholders of the parent company

NOTE 5 – FINANCIAL MARGIN

This heading's amount is composed of:

(thousand euros)

	31.12.2025			31.12.2024		
	From assets/liabilities at amortised cost and at fair-value through other comprehensive income	From assets/liabilities at fair-value through profit and loss	Total	From assets/liabilities at amortised cost and at fair-value through other comprehensive income	From assets/liabilities at fair-value through profit and loss	Total
Interest and similar income						
Interest from loans and advances to customers	51 009	-	51 009	55 823	-	55 823
Interest from deposits and investments in credit institutions	25 630	-	25 630	30 398	-	30 398
Interest from financial assets at fair value through other comprehensive income	20 923	-	20 923	19 223	-	19 223
Interest from financial assets at fair-value through profit and loss	-	112 105	112 105	-	87 082	87 082
Interest from financial assets (securities) at amortised cost	35 273	-	35 273	32 776	-	32 776
Other interest and similar income	973	-	973	1 270	-	1 270
	133 808	**112 105**	**245 913**	**139 490**	**87 082**	**226 572**
Interest and similar expenses						
Interest from deposits from central banks and other credit institutions	116 955	-	116 955	94 829	-	94 829
Interest from debt securities issued	24 462	-	24 462	37 885	-	37 885
Interest from resources of customers	62 300	-	62 300	54 492	-	54 492
Interest from leasing operations	568	-	568	614	-	614
Other interest and similar expenses	219	-	219	214	-	214
	204 504	**-**	**204 504**	**188 034**	**-**	**188 034**
Total	**(70 696)**	**112 105**	**41 409**	**(48 544)**	**87 082**	**38 538**

As at December 31, 2025, interest and similar income includes 1 402 thousand euros and 3 512 thousand euros relating to contracts marked as stage 2 and stage 3, respectively (December 31, 2024: 3 312 thousand euros and 580 thousand euros, respectively).

As of December 31, 2025, no costs associated with TLTRO operations ending in 2024 (as of December 31, 2024, this amounted of 399 thousand euros).

For each TLTRO III tranche, the effective interest rate is being periodised. This interest rate considers the interest rates applicable to each operation in the elapsed period, according to the Bank's estimate of the achievement of targets variation in the volume of eligible credit defined by the ECB.

The item lease interest refers to the interest expense related to lease liabilities recognized under IFRS 16.

The average interest rates for the years ended June 30, 2025, and 2024, as well as the respective average balances and interest for the year are shown in Note 39.

As of December 31, 2025 and 2024, the amount of Interest and similar income has the following distribution by geographic segment:

(thousand euros)

	31.12.2025	31.12.2024
Interest and similar income		
Brazil	159 194	116 971
Portugal	20 982	39 684
Poland	11 531	12 915
Spain	7 856	8 733
Luxembourg	3 950	9 289
Italy	2 948	5 580
Netherlands	3 066	3 077
UK	4 962	4 266
France	4 173	4 654
Australia	-	2 782
United States	2 517	-
Others	24 734	18 621
Total	**245 913**	**226 572**

NOTE 6 – NET FEES AND COMMISSIONS INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Fees and commissions income		
From banking services	7 396	6 275
From guarantees provided	1 011	1 471
From transactions with securities	3 426	14 304
	11 833	**22 050**
Fees and commissions expenses		
From banking services rendered by third parties	123	114
From transactions with securities	724	3 003
From guarantees received	357	190
Other fee and commission expenses	-	13
	1 204	**3 320**
Total	**10 629**	**18 730**

As of December 31, 2025, the income regarding fees and commission included 160 thousand euros (December 31, 2024: 638 thousand euros) concern Haitong Group related parties (Note 37).

As at December 31, 2025, and 2024, the amount of fees and commissions income present the following distribution, by geographical segment:

(thousand euros)

	31.12.2025	31.12.2024
Fees and commissions income		
Portugal	3 691	5 263
Poland	2 883	1 155
Brazil	970	1 194
China	855	8 479
France	704	-
Spain	703	1 055
Luxembourg	686	764
United Kingdom	355	1 237
Ireland	254	255
India	136	-
Virgin Islands	-	2 136
Hong Kong	-	326
Others	596	186
Total	**11 833**	**22 050**

NOTE 7 – NET TRADING INCOME

This heading's amount is composed of:

(thousand euros)

		31.12.2025		31.12.2024
Financial assets and liabilities at fair value through profit and loss held for trading				
Securities				
Bonds and other fixed-income securities				
Issued by public entities	37 459		(32 736)	
Of other issuers	582		667	
Shares	336		408	
		38 377		**(31 661)**
Financial derivatives				
Foreign-exchange contracts	8 905		(1 488)	
Interest rates contracts	(44 529)		30 268	
Equity/indexes contracts	(775)		(273)	
Other	(3 336)		40	
		(39 735)		**28 547**
Total		**(1 358)**		**(3 114)**

The assets that compose the amounts presented above are detailed in Notes 19 and 20.

NOTE 8 – NET INCOME FROM OTHER INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Financial assets at fair value through profit or loss not held for trading		
Securities		
Loans and advances to customers	1	(1)
Shares	809	432
Other variable-income securities	1 123	57
	1 933	**488**
Financial liabilities at fair value through profit or loss		
Debt securities issued	(271)	-
	(271)	**-**
Total	**1 662**	**488**

The assets that compose the amounts presented above are detailed in Note 22.

NOTE 9 – NET GAIN/(LOSS) FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT FAIR VALUE TRHOUGH OTHER COMPREHENSIVE INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Bonds and other fixed-income securities		
Of other entities	4 905	1 477
Total	**4 905**	**1 477**

The assets that gave rise to the results presented here are detailed in Note 22.

NOTE 10 – NET GAINS/(LOSSES) FROM HEDGE ACCOUNTING

This heading's amount is composed of:

(thousand euros)

	Notes	31.12.2025	31.12.2024
Net gains/(losses) from hedge accounting			
Hedging derivatives	21	(582)	1 706
Hedged items	21	586	(1 359)
Total		**4**	**347**

The Group carries out accounting hedges using essentially interest rate futures. This item records changes in the fair value of derivatives designated for hedging as well as the respective variation in the covered risk of debt instruments designated for hedging.

The assets that compose the amounts presented here are detailed in Notes 21 and 22.

NOTE 11 – NET GAINS / (LOSSES) FROM FOREIGN EXCHANGE DIFFERENCES

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Currency revaluation	(15 890)	9 577
Total	**(15 890)**	**9 577**

On the December 31, 2025, and 2024, this heading includes results arising out of the exchange rate revaluation of monetary assets and liabilities denominated in foreign currency, in accordance with the accounting policy set forth in Note 2.3, and the results of foreign exchange derivatives. The exposure of assets and liabilities, by currency, is presented in Note 39.

NOTE 12 – NET GAIN/(LOSS) FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

As at December 31, 2025, and 2024, this heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Gains/Losses on Amortized Cost Investments	3 497	4 184
Total	**3 497**	**4 184**

In 2025, the Bank sold a total of 163,650 thousand euros worth of securities (December 31, 2024: 153 thousand euros). These transactions generated a gain of 3 497 thousand euros from the sale of bonds (December 31, 2024: 403 thousand euros).

The sales fall within the Hold to Collect business model, as they were infrequent or insignificant, or motivated by a significant increase in the credit risk of the financial assets or to manage concentration risk.

The assets which gave rise to the results presented here are detailed in Note 22.

NOTE 13 – OTHER OPERATING INCOME AND EXPENSES

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Other customer services	179	260
Direct and Indirect taxes	(3 835)	(4 648)
Non-financial assets	(20)	14
Sub-leasing	488	469
Other operating results	4 393	(898)
Gains / (losses) on recoveries of loans		
Credit Recoveries	126	112
Securities recoveries	1 351	382
Other recoveries	77	70
Total	**2 759**	**(4 239)**

Direct and indirect taxes include:

- 1,376 thousand euros relating to the cost of the Contribution on the Banking Sector (December 31, 2024: 1,781 thousand euros), created by Law No. 55-A/2010 of June 30;
- 1,390 thousand euros relating to the cost of the Social Integration Program and Social Security Financing Contribution (PIS/CONFINS) (December 31, 2024: 1 617 thousand euros), created by Article 239 of the 1988 Constitution and Complementary Laws 7 of September 7, 1970, and 8 of December 3, 1970, and Complementary Law 70 of December 30, 1991.

Other operating income includes:

- 3,744 thousand euros relating to income associated with an asset restructuring;
- 1 098 thousand euros relating to the reimbursement of the Additional Solidarity Contribution on the Banking Sector (including the estimated compensatory interest) concerning the financial years 2021 to 2024. In June 2025, the regime of the Additional Solidarity Contribution on the Banking Sector was declared unconstitutional, with general and mandatory effects.
- 490 thousand euros relating to the cost of the Contribution to the National Resolution Fund (December 31, 2024: 350 thousand euros).

In 2025, there was a recovery of 1 351 thousand euros (2024: 382 thousand euros) relating to a debt instrument.

NOTE 14 – EMPLOYEE COSTS

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Wages and salaries		
Remuneration	25 694	28 498
Career benefits (Note 15)	(22)	1
Changes from termination agreements	137	635
Expenses with retirement pensions (Note 15)	81	43
Other mandatory social charges	5 877	6 131
Other expenses	1 775	2 896
Total	**33 542**	**38 204**

The costs with remuneration and other benefits granted to key management employees of the Haitong Bank Group are distributed as follows:

(thousand euros)

	31.12.2025			
	MB Supervisory function	MB Management function	Other Senior Management	Other Senior Staff
Fixed remuneration				
Number of identified staff	6	6	55	8
Total Fixed remuneration	390	1 915	7 098	545
Of which: Cash-based	390	1 915	7 098	545
Total	**390**	**1 915**	**7 098**	**545**

(milhares de euros)

	31.12.2024			
	MB Supervisory function	MB Management function	Other Senior Management	Other Senior Staff
Fixed remuneration				
Number of identified staff	6	6	55	8
Total Fixed remuneration	390	2 031	7 641	512
Of which: Cash-based	390	2 031	7 641	512
Total	**390**	**2 031**	**7 641**	**512**

In 2025, Haitong Bank Group paid EUR 2,007 thousand in variable remuneration to members of the management bodies and members of the identified staff. This payment included the variable remuneration for the 2024 performance, as well as the deferred portions from 2021, 2022 and 2023. This amount compares to EUR 2,385 thousand, paid in 2024.

On the 31st of December 2025 and 2024, Haitong Bank Group did not present any credit granted to its Management Bodies.Per professional category, the average number of employees of the Haitong Bank Group can be analysed as follows:

	31.12.2025	31.12.2024
Directors	177	197
Management	3	2
Specific roles	113	113
Administrative roles	19	21
Support roles	4	6
Total Group Haitong Bank (Average)	**315**	**339**

As of December 31, 2025, the Group had a total of 309 employees, compared to 31 in December 2024.

NOTE 15 – EMPLOYEES BENEFITS

Retirement pensions and healthcare benefits

Pension and health-care benefits in compliance with the Collective Labor Agreement ("Acordo Coletivo de Trabalho", ACT) for the banking sector established with the unions, the Bank undertook the commitment to grant its employees, or their families, pensions on retirement, disability and survival. These payments consist of a percentage that increases in accordance with the years of service, applied to each year's negotiated salary table for the active work force.

Arising from the signature of the new Collective Labor Agreement ("Acordo Coletivo de Trabalho", ACT) on 5 July 2016, published in Labor Bulletin (Boletim do Trabalho) no. 29, of 8th August 2016, the Group's contributions to SAMS as from February 1, 2017, correspond to a fixed amount (as per Annex VI of the new ACT) for each employee, 14 times a year.

The measurement and recognition of the Group's liability with post-retirement health-care benefits is similar to the measurement and recognition of the pension liability. These benefits are covered by the Pension Fund, which currently covers all liabilities with pensions and health-care benefits.

For employees hired until December 31, 2008, the retirement pension and the disability, survival and death pensions consecrated under the ACT, as well as the liabilities for health-care benefits (SAMS), are covered by a closed pension fund, managed by Golden - Sociedade Gestora de Fundos de Pensões, S.A.

Protection of employees in the event of maternity, paternity and adoption, as well as old age, is covered by the General Social Security Regime, given that with the publication of Decree-Law no. 1A/2011, of January 3, all banking employees who were beneficiaries of "CAFEB – Caixa de Abono de Família dos Empregados Bancários" were integrated in the General Social Security Regime as from January 1, 2011.

Employees hired after December 31, 2008, are covered by the Portuguese General Social Security Regime.

Retirement pensions of banking employees integrated in the General Social Security Regime within the scope of the 2nd tripartite agreement continue to be calculated in accordance with the provisions of the ACT and other conventions; however, banking employees are entitled to receive a pension under the General Regime, which takes into account the number of years of contributions under that regime. The banks are responsible for the difference between the pension determined in accordance with the provisions of the ACT and that which the banking employees are entitled to receive from the General Social Security Regime.

The contribution rate is 26.6%, 23.6% paid by the employer and 3% paid by the employees to the General Social Security Regime on the behalf of Caixa de Abono de Família dos Empregados Bancários (CAFEB), abolished by said Decree-law. In consequence of this change, pension entitlements of active employees are to be covered on the terms defined under the General Social Security Regime, for the length of their employment between January 1, 2011, and their retirement date. The differential required to make up the pension guaranteed under the ACT is paid by the Banks.

At the end of financial year 2011 and pursuant to the third tripartite agreement, it was decided to transfer, definitively and irreversibly, to the General Social Security Regime all the banks' liabilities with pensions in payment to retirees and pensioners that were in that condition as at December 30, 2011 at constant values (0% discount rate) for the component foreseen in the "Instrumento de Regulação Coletiva de Trabalho" (IRCT) applicable to banking employees, including the eventualities of death, disability and survival. The liabilities relating to the updating of pension amounts, pension benefits other than those to be borne by Social Security, health-care contributions to SAMS, death allowances and deferred survivor's pensions will remain under the banks' responsibility, with the corresponding funding being met through the respective pension funds.

The agreement further established that the financial institutions' pension fund assets relating to the part allocated to the satisfaction responsibilities for those pensions, be transferred to the State.

	Assumptions	
	31.12.2025	**31.12.2024**
Financial Assumptions		
Discount rate	4.35%	3.56%
Pension growth rates	2026: 1.95% >=2027: 0,50%	2025: 1,85% >=2026: 0,50%
Salary growth rates	2026: 2.20% >=2027: 0,75%	2025: 2,10% >=2026: 0,75%
Demographic Assumptions and Assessment Methods		
Mortality table		
Men	TV 88/90	TV 88/90
Women	TV 88/90 -3 Years	TV 88/90 -3 Years
Actuarial valuation method	Projected Unit Credit e VAPP	

Disability decrements are not considered in the calculation of liabilities. The discount rate used as a reference on December 31, 2025, was based on: (i) the trends observed in the main indices related to high-quality corporate bonds, and (ii) the duration of the liabilities (14 years).

	31.12.2025	**31.12.2024**
Active workers	77	80
Former employees with vested rights	87	86
Retired	60	57
Survivors	8	8
TOTAL	**232**	**231**

The IAS 19 application implies the following liabilities and coverage levels, which shall be reported on the December 31, 2025, and 2024:

(thousand euros)

	31.12.2025	**31.12.2024**
Net Assets / (Liabilities) recognised in the statement of financial position		
Liabilities as of 31 December		
Pensioners and former employees with vested rights	32 782	33 875
Active workers	7 855	8 903
	40 637	**42 778**
Balance of funds as of 31 December	**56 792**	**53 447**
Excess of coverage / Contributions to the fund	16 155	10 669
Deferred past services costs (curtailments)	-	-
Assets / (Liabilities) in the statement of financial position (Note 27 e Note 33)	**16 155**	**10 669**
Accumulated actuarial gains / losses recognised in other comprehensive income	25 266	30 597

The Group assesses the recoverability of any excess of the fund in relation to retirement pension liabilities, based on the expectation of a reduction in future necessary contributions or the reimbursement of contributions made.

Retired includes the former employees, with vested rights acquired under the Social Plan.

The evolution of liabilities regarding retirement pensions and healthcare benefits is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Liabilities at the beginning of the year	**42 778**	**40 050**
Current service cost (see Note 14)	81	43
Interest expenses	1 504	1 420
Participants contributions	101	95
Actuarial (gains)/losses	(2 785)	1 579
-Changes in financial assumptions	(3 806)	576
- Experience (Gains)/losses	1 021	1 003
Pensions paid by the fund	(1 179)	(1 044)
Changes from termination agreements (see Note 14)	137	635
Liabilities at the end of the year	**40 637**	**42 778**

Liabilities with Health Benefits were fully covered by the Pension Fund and correspond to 2 327 thousand euros on

31 December 2025 (31 December 2024: 2 542 thousand euros).

Considering the situation on the 31 of December 2025, the sensitivity analysis to changes in actuarial assumptions revealed the following impacts:

- An increase in the discount rate of 25 basis points would have represented a reduction in liabilities of approximately 1 371 thousand euros. A discount rate decrease of the same proportion would have represented an increase in liabilities of approximately 1 417 thousand euros.
- An increase of 25 basis points in the growth of salaries and pensions would have represented an increase in liabilities of approximately 1 604 thousand euros. A decrease in the growth of salaries of the same proportion would have represented a decrease in liabilities of approximately 1 546 thousand euros.

The evolution of value regarding the pension funds on the financial years ending on the December 31, 2025, and 2024, may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Pension Funds at the beginning of the period	**53 447**	**52 788**
Real income of the fund	4 423	1 608
Participants contributions	101	95
Benefits paid	(1 179)	(1 044)
Pension Funds at the end of the period	**56 792**	**53 447**

Pension fund assets can be analysed as follows:

	% Portfolio	
	31.12.2025	**31.12.2024**
Bonds	71.45%	75.76%
Shares	26.13%	23.52%
Alternative investment	1.11%	0.00%
Liquidity	1.32%	0.73%
Total	**100%**	**100%**

All assets (except Liquidity assets) are quoted and valued based on market prices.

An adequacy exercise was carried out between the Pension Fund's assets and liabilities, taking into account the investment, contribution and financing policies intended by the associate, which gave rise to the investment strategy.

The VaR of the ratio between the fund's financial assets and the pension plan's liabilities is estimated periodically throughout the year to monitor whether the expected level of volatility between the fund's financial assets and the pension plan's liabilities fits within the budget for risk defined by the Bank.

On the December 31, 2025, and 2024 the funds did not contain securities issued by entities of the Group.

The evolution of accumulated actuarial deviations reflected in other comprehensive income may be analysed as follows:

(thousand euros)

	31.12.2025	**31.12.2024**
Accumulated actuarial gains / (losses) as of 31 December 2024	**30 597**	**28 749**
- Actuarial assumptions changes	(3 806)	576
- (Gains)/losses in experience	(1 525)	1 272
Accumulated actuarial deviations as of 31 December 2025	**25 266**	**30 597**

The costs of the financial year with retirement pensions and healthcare benefits may be analysed as follows:

(thousand euros)

	31.12.2025	**31.12.2024**
Current service cost	81	43
Interest Expenses / (Income)	(373)	(457)
Final Balance	**(292)**	**(414)**

The earnings / costs of the interests are recognised according at net value in interest and similar income / expenses.

The evolution of the net assets / (liabilities) on the balance regarding the financial years ending on the December 31, 2025, and 2024 may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**10 669**	**12 738**
Year expenses	292	414
Actuarial gains / (losses) recognised in other comprehensive income	5 331	(1 848)
Changes in termination agreements	(137)	(635)
Final Balance	**16 155**	**10 669**

The normal contribution planned for the year 2026 is 155 thousand euros. This value corresponds to a cost of 5.45% of the expected value of pensionable salaries for 2026, and does not take into account the deduction of the contribution of employees admitted to the sector after January 1, 1995 (global contribution of 5% on their minimum monthly salary).

However, as the pension fund is fully funded on December 31, 2026, it is not anticipated that the Member will need to make contributions during the year 2026.

The evolution of liabilities and fund balances, as well as the earnings and losses of experience in the last 5 years shall be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Liabilities	(40 637)	(42 778)	(40 050)	(32 916)	(50 066)
Funds balances	56 792	53 447	52 788	49 786	56 260
(Under) / over funded liabilities	**16 155**	**10 669**	**12 738**	**16 870**	**6 194**
Experience (gains) / losses from liabilities	1 021	1 003	1 809	2 304	(142)
Experience (gains) / losses from plan assets	(2 546)	269	(1 848)	6 122	(2 518)

Career bonuses

On December 31, 2025 and on December 31, 2024, the liabilities assumed by the Group and the costs recognised in the periods with the career bonus are the following:

(thousand euros)

	31.12.2025	31.12.2024
Liabilities at the beginning of the year	**486**	**485**
Period expenses	(22)	1
Liabilities at the end of the year	**464**	**486**

The actuarial assumptions used for calculation of liabilities are identical for calculation of retirement pensions (when applicable).

The liability regarding career bonuses is registered in other liabilities (see Note 33).

NOTE 16 – ADMINISTRATIVE COSTS

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Communications and expedition	2 729	2 864
Rents and leases	870	619
Travels and representation expenses	502	677
Maintenance and related services	460	600
Insurance	145	145
Advertising and publications	29	31
Legal and litigation	41	71
Specialised services		
IT services	3 898	3 799
Temporary labour	9	14
Independent labour	848	864
Other specialised services	3 238	2 905
Other expenses	1 931	1 881
Total	**14 700**	**14 470**

Rents and leases include the expenses related to contracts where the Bank applied IFRS 16 practical expedient such as short-term rental contracts; (maturity lower or equal than to one year) and rental contracts with low value as described in the accounting policies disclosed in Note 2.10.

The Other Specialised Services heading includes, among others, the costs with external consultants and auditors.

The item Other Costs includes, among others, the costs with security and surveillance, information, training costs and costs with external suppliers.

The details of the remunerations attributed to PwC auditors and their network, according to the nature and company through which the services were provided, during the 2025 and 2024 financial year are as follows:

(thousand euros)

	31.12.2025	31.12.2024
PwC SROC	**463**	**463**
Audit	242	253
Other assurance services	221	201
Other non-reliability assurance services	-	9
Companies in the PwC network (1)	**382**	**545**
Audit	313	440
Other assurance services	48	53
Other non-reliability assurance services	21	52
Total value of agreed services	**844**	**1,008**

(1) In accordance with the definition of "network" established by the European Commission in its Recommendation nº C(2002) 1873, of May 16, 2002

Values shown do not take into consideration the value-added tax (VAT). The fees related to the statutory audit of annual accounts correspond to those agreed for the years 2025 and 2024. The fees presented for the remaining services relate to amounts agreed during the 2025 and 2024 financial years.

NOTE 17 – EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share are calculated by the division of the result to be attributed to the shareholders of the Bank by the average number of ordinary shares issued during the year, excluding the average number of shares bought and held in portfolio as own shares.

	31.12.2025	31.12.2024
Consolidated net income attributable to shareholders of the parent company	(29 668)	5 078
Weighted average number of ordinary shares outstanding	**174 256**	**174 256**
Basic earnings per share attributable to shareholders of the parent company (euros)	**-0.17**	**0.03**

Diluted earnings per share

The diluted earnings per share are calculated by adjusting the effect of all the potential ordinary diluting shares to the considered average number of existing ordinary shares and to the net result attributed to the bank shareholders.

On December 31, 2025, and 2024, the Bank holds instruments issued without diluting effect, therefore diluted earnings per share equals basic earnings per share.

NOTE 18 – CASH AND CASH EQUIVALENTS

As of December 31, 2025, and December 31, 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Cash	**6**	**2**
Demand deposit at central banks		
Bank of Portugal	4 802	1 318
Other central banks	8 849	26 895
	13 651	**28 213**
Deposits at other credit institutions in Portugal		
Demand deposits	1 047	2 426
	1 047	2 426
Deposits at other credit institutions abroad		
Demand deposits	9 831	9 896
	9 831	**9 896**
	24 535	**40 537**
Impairment losses	(28)	(2 378)
Total	**24 507**	**38 159**

The Demand deposits at central banks – Banco de Portugal includes a compulsory deposit, with the purpose of meeting the legal requirements regarding minimum cash holdings. In accordance with Regulation (EU) No. 1358/2011 of the European Central Bank, of December 14, 2011, the mandatory minimum cash holdings in demand deposits at Banco de Portugal are remunerated and correspond to 1% of deposits and debt securities with a maturity of less than 2 years, excluding deposits and debt securities of institutions subject to the minimum reserve system of the European System of Central Banks. On December 31, 2025, the average rate of return on these deposits was 0% (December 31, 2025: 0%).

Compliance with the mandatory minimum holdings, for a given observation period, is achieved by taking into account the average value of deposit balances with Banco de Portugal during that period. Compliance with the minimum cash requirements for a given observation period is achieved by taking into account the average value of deposit balances with Banco de Portugal during that period. The balance of the account with Banco de Portugal on December 31, 2025, was included in the maintenance period from December 23, 2025, to February 10, 2026, which corresponded to a minimum reserve requirement of 974 thousand euros (December 31, 2024: 1 690 thousand euros).

NOTE 19 – FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING – SECURITIES

As of December 31, 2025, and 2024, the heading of trading financial assets and liabilities is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Financial assets held for trading		
Securities		
Bonds and other fixed-income securities		
From public issuers	819 958	726 628
From other issuers	50 030	44 250
Shares	-	24
	869 988	**770 902**
Financial liabilities held for trading		
Securities		
Short selling	32 724	817
	32 724	**817**
Liquid	**837 264**	**770 085**

As at December 31, 2025, the heading of financial assets held for trading includes 766,998 thousand euros in securities pledged as collateral by the Group (695 173 thousand euros as at December 31, 2025) (see Note 36).

As at December 31, 2025, and 2024, the analysis of financial assets held-for-trading, by residual maturity period, is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	4 796	5 768
From three months to one year	7 213	11 143
From one to five years	39 228	333 152
More than five years	818 751	420 815
Undetermined period	-	24
Total	**869 988**	**770 902**

In accordance with the accounting policy described in Note 2.4.1, trading financial assets and liabilities are bought for the purpose of short-term trading, regardless of their maturity.

As at December 31, 2025, and December 31, 2024, the heading of financial assets held-for-trading, concerning quoted and unquoted securities, is divided as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Bonds and other fixed-income securities						
Issued by public entities	819 958	-	819 958	691	725 937	726 628
Issued by other entities	50 030	-	50 030	39 247	5 003	44 250
Shares	-	-	-	-	24	24
Total book value	**869 988**	**-**	**869 988**	**39 938**	**730 964**	**770 902**

Unquoted securities issued by public entities refers mainly to Brazilian public debt instruments, which, despite being quoted, are valued according to internal model and are therefore presented as unquoted securities.

Additionally, the Bank performs back testing on all operations carried out and has never observed losses or divergences in relation to the valuation methodology.

The short selling represents securities sold by the Group, which had been purchased under a reverse repurchase agreement. In accordance with the accounting policy described in Note 2.5, securities purchased under a repurchase agreement are not recognised in the statement of financial positions, with its fair value being presented in Note 36. When such securities are sold, the Group recognises a financial liability equivalent to the fair-value of the assets which shall be returned in pursuance of the repurchase agreement. These liabilities are measured according to the valuation hierarchy of the Bank.

As part of the periodic review of fair value measurement practices, and in line with the preliminary guidelines issued by Banco de Portugal, the Group updated the fair value measurement methodology for a set of sovereign debt securities included in the trading portfolio, whose impact on net income from this change in methodology was negative 3,866 thousand euros.

The movements in Financial assets held for trading - Securities in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**770 902**	**848 480**
Purchases/Sales and other	(51 396)	(132 999)
Net gain/(loss)	38 377	(31 661)
Accrued interest	112 105	87 082
Closing balance	**869 988**	**770 902**

NOTE 20 – DERIVATIVES

As of December 31, 2025, and 2024, financial derivatives heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Derivatives financial assets		
Trading derivatives		
Foreign-exchange contracts	6 013	7 432
Interest-rate contracts	11 351	16 389
	17 364	**23 821**
Derivatives financial liabilities		
Trading derivatives		
Foreign-exchange contracts	5 700	5 706
Interest-rate contracts	17 338	17 425
	23 038	**23 131**
Net derivative position	**(5 674)**	**690**

As of December 31, 2025, and 2024, financial derivatives heading is analysed as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Notional	Fair value		Notional	Fair value	
		Positive	Negative		Positive	Negative
Foreign-exchange contracts						
Forward		204	1		2 246	29
- buy	5 558			39 652		
- sell	5 558			39 651		
Currency Swaps		527	247		276	762
- buy	140 080			154 324		
- sell	139 932			154 929		
Currency Futures		-	-		-	-
- buy	19 767			50 293		
- sell	20 863			77 487		
Currency Interest Rate Swaps		5 282	5 452		1 676	1 676
- buy	119 797			141 469		
- sell	119 797			141 469		
Currency Options		-	-		3 234	3 239
- buy	30 643			267 707		
- sell	38 829			271 265		
	640 824	**6 013**	**5 700**	**1 338 246**	**7 432**	**5 706**
Interest-rate contracts						
Interest Rate Swaps		11 326	17 313		16 379	17 415
- buy	402 486			434 067		
- sell	402 486			434 067		
Interest Rate Caps & Floors		25	25		10	10
- buy	43 864			54 028		
- sell	43 864			54 028		
Interest Rate Futures		-	-		-	-
- buy	49 079			382 948		
- sell	631 752			175 145		
	1 573 531	**11 351**	**17 338**	**1 534 283**	**16 389**	**17 425**
Contracts on shares/indexes						
Equity / Index Options		-	-		-	-
- buy	5 156			5 593		
Equity / Index Futures		-	-		-	-
- sell	4 322			3 758		
	9 478	**-**	**-**	**9 351**	**-**	**-**
Other derivatives						
Inflation Futures		-	-		-	-
- buy	21 392			-		
- sell	10 589			-		
	31 981	**-**	**-**	**-**	**-**	**-**
Total	**2 255 814**	**17 364**	**23 038**	**2 881 880**	**23 821**	**23 131**

As of December 31, 2025, and 2024, the analysis of trading financial derivatives, by residual maturity period, is as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Notional		Fair Value (net)	Notional		Fair Value (net)
	Sale	Purchase		Sale	Purchase	
Up to three months	251 145	203 546	298	316 541	574 500	632
From three months to one year	101 167	98 733	(38)	364 393	414 544	(182)
From one to five years	460 290	222 966	(100)	420 207	396 947	266
More than five years	605 390	312 576	(5 834)	250 658	144 090	(26)
Total	**1 417 992**	**837 821**	**(5 674)**	**1 351 799**	**1 530 081**	**690**

As of December 31, 2025, and 2024, derivatives, both assets and liabilities, include operations collateralized by the constitution of collateral accounts in order to ensure the fair value hedge of the assets and liability exposures contracted between the Bank and several financial institutions (contracts under ISDA with CSA). The balances related to these collateral are recorded under "Other assets - collateral deposited under clearing agreements" (Note 27) and "Other liabilities - collateral deposited under clearing agreements" (Note 33). The fair value associated with futures is reflected under “Other Assets – Deposited collaterals under margin clearing accounts (futures contracts) (Note 27).

Derivative contracts that are not under CSA agreements are subject to xVA calculations, namely CVA and DVA, which are already included in the above-disclosed fair value. As of December 31, 2025, the CVA amount totals 185 thousand euros (December 31, 2024: 51 thousand euros). As of December 31, 2025, and 2024, the Bank did not record any amount associated with DVA.

The movements in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**690**	**6 703**
Payoff	33 371	(34 560)
Changes in fair value	(39 735)	28 547
Closing balance	**(5 674)**	**690**

NOTE 21 – HEDGING DERIVATIVES

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

			31.12.2025						
			Hedging instrument			Hedged instrument			
Hedged risk	Derivative product	Associated financial asset / liability	Notional	Assets (1)	Fair value change in hedging instruments in the period	Assets (1)	Accumulated fair value adjustments in the hedged item	Fair value change in hedged items in the period	Net gains/(losses) from hedge accounting
Interest Rate	Futures	Debt Instruments	91 819	-	(582)	96 567	(235)	586	4

(thousand euros)

			31.12.2024						
			Hedging instrument			Hedged instrument			
Hedged risk	Derivative product	Associated financial asset / liability	Notional	Assets (1)	Fair value change in hedging instruments in the period	Assets (1)	Accumulated fair value adjustments in the hedged item	Fair value change in hedged items in the period	Net gains/(losses) from hedge accounting
Interest Rate	Futures	Debt Instruments	36 092	-	1 706	35 565	(701)	(1 359)	347

(1) Book value of hedging and hedged instruments excluding hedging adjustments and impairment

The variations in fair value associated to the assets described above and the respective hedge derivatives are entered in the income statement of the period in the caption of Net gains/(losses) from hedge accounting (Note 10). With regard to the fair value of futures, this is reflected in the caption of Other Assets (Note 27).

NOTE 22 – SECURITIES

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Non-trading financial assets mandatorily at fair value through profit or loss		
Bonds and other fixed-income securities		
From other issuers	886	887
Shares	4 653	5 047
Other variable income securities	10 495	11 103
	16 034	**17 037**
Financial assets at fair value through other comprehensive income		
Bonds and other fixed-income securities		
From public issuers	76 904	68 178
From other issuers	238 023	289 266
	314 927	**357 444**
Financial assets measured at amortised cost		
Bonds and other fixed-income securities		
From public issuers	331 583	326 983
From other issuers	236 485	290 583
	568 068	**617 566**
Total	**899 029**	**992 047**

In accordance with the accounting policy described in Note 2.4, the Group regularly assesses whether there is objective evidence of impairment in the investment securities portfolios, following the judgement criteria described in Note 3.1.

As of December 31, 2025, and 2024, the portfolio of the financial assets at fair value through other comprehensive income is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**17 037**	**13 464**
Net gain/(loss)	1 933	488
Other exposure increases/reductions	(2 936)	3 085
Closing balance	**16 034**	**17 037**

As of December 31, 2025, and 2024, the portfolio of the financial assets at fair value through other comprehensive income is decomposed as follows:

(thousand euros)

	Cost (1)	Fair value reserve (2)		Fair value hedge (Note 10)	Impairment (Note 31)	Book value
		Positive	Negative			
Bonds and other fixed-income securities						
Issued by public entities	80 631	39	(3 625)	-	(141)	76 904
Issued by other entities	236 751	2 144	(693)	477	(656)	238 023
Balance as of 31 December 2025	**317 382**	**2 183**	**(4 318)**	**477**	**(797)**	**314 927**
Bonds and other fixed-income securities						
Issued by public entities	74 237	47	(5 980)	-	(127)	68 177
Issued by other entities	288 693	4 063	(2 913)	(10)	(566)	289 267
Balance as of 31 December 2024	**362 930**	**4 110**	**(8 893)**	**(10)**	**(693)**	**357 444**

(1) Amortized cost including accrued interest and the amounts of discontinued hedge accounting relationships
(2) Includes all revaluation reserve components, including hedge and impairment adjustments

As of December 31, 2025, the heading of financial assets at fair value through other comprehensive income includes 175 084 thousand euros (31 December 2024: 170 904 thousand euros) in securities pledged as collateral by the Group.

The movements relating to Financial assets at fair value through other comprehensive income in 2025 and 2024 are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**357 444**	**226 584**
Purchases	247 051	261 006
Sales and other	(292 389)	(122 687)
Other cashflows	(14 684)	(26 787)
Changes in fair value recognised in equity	2 648	2 222
Recognised in profit or loss	4 905	1 477
Fair Value Hedge	606	(358)
Accrued interest	20 923	19 223
Increase/(reversal) of impairment	(408)	741
Other exposure increases/reductions	(11 169)	(3 977)
Closing balance	**314 927**	**357 444**

As of December 31, 2025, and 2024, the portfolio of the financial assets at amortised cost is analysed as follows:

(thousand euros)

	Cost (1)	Fair value hedge (Note 10)	Impairment (Note 31)	Book value
Bonds and other fixed-income securities				
Issued by public entities	332 260	(268)	(409)	331 583
Issued by other entities	239 449	(444)	(2 520)	236 485
Balance as of 31 December 2025	**571 709**	**(712)**	**(2 929)**	**568 068**
Bonds and other fixed-income securities				
Issued by public entities	327 672	(330)	(359)	326 983
Issued by other entities	291 779	(361)	(835)	290 583
Balance as of 31 December 2024	**619 451**	**(691)**	**(1 194)**	**617 566**

(1) Amortized cost including accrued interest and the amounts of discontinued hedge accounting relationships

As of December 31, 2025, the heading of financial assets at amortised cost includes 404,601 thousand euros (31 December 2024: 401,564 thousand euros) in securities pledged as collateral by the Group, which corresponds to a fair value of 404,207 thousand euros ((31 December 2024: 396 810 thousand euros).

In 2025, the Bank sold securities totalling 163,650 thousand euros. These transactions generated a result of 3,497 thousand euros in capital gains. In 2024, the Bank sold securities, totalling 153,200 thousand euros.These transactions generated a result of 4 184 thousand euros in capital gains from the sale of bonds.

The sales fit into the Hold to Collect business model and comply with the limits set by the Bank to meet IFRS 9requirements, particularly regarding transactions that are (i) infrequent or insignificant or (ii) motivated by a significant increase in the credit risk of financial assets or to manage concentration risk.

The movements relating to Financial assets at amortised cost in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**617 566**	**818 722**
Purchases	266 160	197 011
Sales and other	(312 670)	(379 988)
Other cashflows	(28 673)	(24 731)
Recognised in profit or loss	3 497	4 184
Fair Value Hedge	(20)	(1 001)
Accrued interest	35 273	32 776
Increase/(reversal) of impairment	(2 047)	753
Other exposure increases/reductions	(11 018)	(30 160)
Closing balance	**568 068**	**617 566**

As of December 31, 2025, and 2024, the analysis of securities portfolios by maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	40 902	64 129
From three months to one year	190 913	101 078
From one to five years	397 482	629 102
More than five years	254 584	181 588
Undetermined period	15 148	16 150
Total	**899 029**	**992 047**

As of December 31, 2025, and 2024, the heading of securities, concerning quoted and unquoted securities, is divided as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Quoted (1)	Unquoted	Total	Quoted (1)	Unquoted	Total
Securities						
Bonds and other fixed-income securities						
Issued by public entities	404 016	4 471	408 487	233 292	161 869	395 161
Issued by other entities	318 301	157 093	475 394	384 618	196 118	580 736
Shares	-	4 653	4 653	-	5 047	5 047
Other variable-income securities	8 676	1 819	10 495	-	11 103	11 103
Total book value	**730 993**	**168 036**	**899 029**	**617 910**	**374 137**	**992 047**

1) Includes Financial assets at fair value through other comprehensive income and Financial assets not mandatorily held for trading at fair value through profit or loss at fair value (Level 1), see Note 33.

Unquoted securities issued by public entities refers mainly to Brazilian public debt instruments, which, despite being quoted, are valued according to internal model and are therefore presented as unquoted securities.

Additionally, the Bank performs backtesting on all operations carried out and has never observed losses or divergences in relation to the valuation methodology.

Unquoted securities issued by public entities presented as of December 31, 2024, refer mainly to Brazilian public debt instruments which, despite having observable market quotations, were valued in accordance with the Bank's internal model and were therefore presented as unquoted securities. In 2025, as part of the periodic review of fair value measurement practices and in line with the preliminary guidelines issued by Banco de Portugal, the Group revised the fair value measurement methodology applied to the Brazilian public debt securities portfolio classified as financial assets at fair value through other comprehensive income, moving from the internal model to the use of market-available prices.

The average interest rates recorded for the year ended December 31, 2025, and 2024, as well as the respective average balances and interest for the period are presented in Note 39.

Securities written off from assets

The movement during the year end December 31, 2024, and 2023 of the value of securities written off from assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**12 359**	**12 169**
Increases:		
Others	-	572
Decreases:		
Recovery of capital and interest (Note 13)	(1 351)	(382)
Others	(420)	-
Exchange rate effect	(595)	-
Balance at the end of the period	**9 993**	**12 359**

NOTE 23 - LOANS AND ADVANCES TO BANKS

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Loans and advances to central banks		
Bank of Portugal	488 612	426 036
Other central banks	116 097	23 395
Reverse repos	31 922	7 880
	636 631	**457 311**
Loans and advances to banks in Portugal		
Interbank money market	10 088	27 856
Very short-term deposits	1 507	-
	11 595	**27 856**
Loans and advances to banks abroad		
Deposits	74	74
Reverse repos	1 463	7 089
Very short-term deposits	-	17 753
Other loans and advances	1 953	2 128
	3 490	**27 044**
	651 716	**512 211**
Impairment losses	(3)	(9)
Total	**651 713**	**512 202**

As of December 31, 2025, and 2024, the analysis of loans and advances to banks, by residual maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months (Cash equivalents)	616 378	476 990
Up to three months (Others)	33 385	14 969
From three months to one year	1 953	20 252
Total	**651 716**	**512 211**

The average interest rates recorded for the periods ended December 31, 2025 and 2024, as well as the respective average balances and interest for the period are presented in Note 39.

Loans and advances to banks written off from assets

The movements in the year ended December 31, 2025, and 2024 of the value of loans and advances written off from assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**15 077**	**15 077**
Balance at the end of the period	**15 077**	**15 077**

The entire balance of the item relates to an application written off from assets and for which there were nomovements in 2025 and in 2024.

The Group recognizes an investment in credit institutions written off when it has no expectation of recovering anasset in full or in part. Investments in credit institutions written off are recorded in off-balance sheet accounts (Note 36). Eventual recoveries of capital and/or interest are recognised in other operating income and expenses (Note 13).

NOTE 24 – LOANS AND ADVANCES TO CUSTOMERS

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
At fair value through profit and loss		
Overdue capital and interest		
For more than 90 days	24	24
	24	**24**
Revaluation at fair value	1	(1)
	25	**23**
At Amortised cost		
Domestic loans		
Corporate		
Loans	93 843	127 411
	93 843	**127 411**
Abroad loans		
Corporate		
Loans	650 055	596 338
	650 055	**596 338**
Overdue capital and interest		
Up to 90 days	865	560
For more than 90 days	269	-
	1 134	**560**
	745 032	**724 309**
Impairment losses (Note 26)	(18 472)	(5 551)
	726 560	**718 758**
Total	**726 585**	**718 781**

As of December 31, 2025, and 2024, the analysis of loans and advances to customers, by residual maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	1 884	36 895
From three months to one year	50 143	21 524
From one to five years	509 887	523 067
More than five years	177 274	142 823
Undetermined period (1)	5 869	23
Total	**745 057**	**724 332**

(1) Corresponds to overdue capital and interest of matured operations.

Loans and advances to banks written off from assets

The movements in the year ended December 31, 2025, and 2024 of the value of loans and advances written off from assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**31 517**	**36 440**
Decreases:		
Recovery of capital and interest	(126)	(112)
Remission of credits written off from assets	(5 950)	(2 200)
Exchange rate	(20)	(2 611)
Balance at the end of the period	**25 421**	**31 517**

The Group recognizes an investment in credit institutions written off when it has no expectation of recovering an asset in full or in part. Investments in credit institutions written off are recorded in off-balance sheet accounts (Note 36). Eventual recoveries of capital and/or interest are recognised in other operating income and expenses (Note 13).

NOTE 25 – OTHER TANGIBLE ASSETS

As of June 30, 2025, and December 31, 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Real estate		
For own use	1	1
Improvements in leasehold property	8 067	7 691
	8 068	**7 692**
Equipment		
IT equipment	8 045	8 192
Indoor installations	870	873
Furniture	2 121	2 115
Machinery and tools	781	781
Motor vehicles	236	236
Security equipment	153	152
Others	351	312
	12 557	**12 661**
	20 625	**20 353**
Right-of-use		
Buildings	21 358	24 485
Vehicles	216	297
IT equipment	160	128
	21 734	**24 910**
	42 359	**45 263**
Accumulated depreciations	(33 804)	(33 601)
Total	**8 555**	**11 662**

The movement in this heading was as follows:

(thousand euros)

	Real estate	Equipment	Right-of-use			Work in progress	Total
			Real estate	IT Equipment	Vehicles		
Acquisition cost							
Balance as of 31 December 2023	**8 745**	**15 798**	**22 333**	**102**	**277**	**-**	**47 255**
Acquisitions	-	834	3 094	38	36	-	4 002
Write-offs / sales	(704)	(4 138)	(244)	(12)	(16)	-	(5 114)
Transfers:	-	392	-	-	-	-	392
Foreign exchange variation and others	(349)	(225)	(698)	-	-	-	(1 272)
Balance as of 31 December 2024	**7 692**	**12 661**	**24 485**	**128**	**297**	**-**	**45 263**
Acquisitions	37	354	820	-	49	572	1,832
Write-offs / sales	-	(457)	(4 596)	-	(135)	-	(5 188)
Transfers:	343	-	-	-	-	(343)	-
Foreign exchange variation and others	(4)	(1)	649	32	5	(229)	452
Balance as of 31 December 2025	**8 068**	**12 557**	**21 358**	**160**	**216**	**-**	**42 359**
Depreciations						-	
Balance as of 31 December 2023	**7 757**	**14 155**	**13 237**	**74**	**149**	**-**	**35 372**
Depreciations of period	191	981	3 131	22	71	-	4,396
Write-offs / sales	(704)	(4 136)	(243)	(12)	(17)	-	(5 112)
Foreign exchange variation and others	(348)	(183)	(524)	-	-	-	(1 055)
Balance as of 31 December 2024	**6 896**	**10 817**	**15 601**	**84**	**203**	**-**	**33 601**
Depreciations of period	192	1 010	2 283	22	65	-	3 572
Write-offs / sales	-	(450)	(3 689)	-	(133)	-	(4 272)
Foreign exchange variation and others	(3)	(3)	910	-	(1)	-	903
Balance as of 31 December 2025	**7 085**	**11 374**	**15 105**	**106**	**134**	**-**	**33 804**
Net book value as of 31 December 2025	**983**	**1 183**	**6 253**	**54**	**82**	**-**	**8 555**
Net book value as of 31 December 2024	**796**	**1 844**	**8 884**	**44**	**94**	**-**	**11 662**

NOTE 26 – INTANGIBLE ASSETS

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Purchased from third parties		
Software	17 782	18 211
Others	-	82
	17 782	**18 293**
Work in progress	1 115	716
	18 897	**19 009**
Accumulated amortisations	(17 541)	(17 857)
	(17 541)	**(17 857)**
Total	**1 356**	**1 152**

The movement in this heading was as follows:

(thousand euros)

	Software	Other fixed assets	Work in progress	Total
Acquisition cost				
Balance as of 31 December 2023	**23 559**	**173**	**756**	**24 488**
Acquisitions				
Purchased from third parties	277	-	592	869
Write-offs / sales	(5 524)	(40)	-	(5 564)
Transfers:	190	(35)	(547)	(392)
Exchange differences	(291)	(16)	(85)	(392)
Balance as of 31 December 2024	**18 211**	**82**	**716**	**19 009**
Acquisitions				
Purchased from third parties	22	-	510	532
Write-offs / sales	(559)	(82)	-	(641)
Transfers:	110	-	(110)	-
Exchange differences	(2)	-	(1)	(3)
Balance as of 31 December 2025	**17 782**	**-**	**1 115**	**18 897**
Amortizations				
Balance as of 31 December 2023	**22 554**	**120**	**-**	**22 674**
Amortisations of the financial year	1 002	11	-	1 013
Write-offs / sales	(5 509)	(40)	-	(5 549)
Transfers:	35	(35)	-	-
Exchange differences	(272)	(9)	-	(281)
Balance as of 31 December 2024	**17 810**	**47**	**-**	**17 857**
Amortisations of the financial year	274	-	-	274
Write-offs / sales	(537)	(49)	-	(586)
Exchange differences	(4)	-	-	(4)
Balance as of 31 December 2025	**17 543**	**(2)**	**-**	**17 541**
Net book value as of 31 December 2025	**239**	**2**	**1 115**	**1 356**
Net book value as of31 December 2024	**401**	**35**	**716**	**1 152**

NOTE 27 – OTHER ASSETS

As of December 31, 2025, and 2024, the Other Assets heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Debtors and other assets		
Deposited collateral under clearing agreements	22 066	19 886
Public sector	58 097	53 692
Deposited collateral under clearing accounts (futures contracts)	6 597	5 642
Other sundry debtors	1 203	3 948
Loans and derivatives receivables	7 885	11 802
	95 848	**94 970**
Impairment losses for debtors and other investments	(4 855)	(6 048)
	90 993	**88 922**
Other assets		
Other liquid assets	2 828	1 040
Other assets	7 897	5 419
	10 725	**6 459**
Prepayments and deferred costs	**1 961**	**1 961**
Other sundry assets		
Exchange transactions pending settlement	153	610
Market securities transactions pending settlement	1	1 206
Other transactions pending settlement	1 392	4 084
	1 546	**5 900**
Retirement Benefits	16 155	10 669
Total	**121 379**	**113 911**

As at December 31, 2025, Public sector includes (i) an amount of 24,738 thousand euros (23 393 thousand euros as at December 31, 2024) related with a tax contingency, until 2014 (Note 35); (ii) and 14,900 thousand euros 12 479 thousand euros as at December 31, 2024) relating to ongoing tax proceedings since 2015 (Note 36).

This item also includes (i) the amount of the security deposit made to the Directorate-General for the Treasury and Finance under the tax credit (confirmed by Portuguese Tax Authority) inherent to REAID in the amount of 192 thousand euros (under tax credit of 2020) and (ii) payments made to the Portuguese Tax Authority relating with tax proceedings that are currently in litigation in the amount of 6 641 thousand euros.

Regarding the security deposit under REAID, paragraph 8 of article 6 of Ordinance 2016 (in the wording resulting from Ordinance no. 272/2017, of September 13) establishes that:

“Within a maximum period of three months counting from the confirmation of the conversion of deferred tax assets into a tax credit provided for in Ordinance no. 259/2016, of October 4, the taxpayer constitutes a deposit in favor of the State, in an entity to be indicated by the member of the Government responsible for the area of finance, in the amount corresponding to the price of exercising the potential right to acquire all conversion rights, which is reduced, in the respective proportion, whenever there is delivery to the State of the price relating to the rights acquisition powers exercised or exercise by the State of conversion rights.”

The heading Other sundry debtors mainly includes commissions receivable from customers for the provision of services by the Bank.

The heading Other Assets includes real estate assets received in full or partial settlement of borrowers payment obligations. As of December 31, 2025, the amount of these properties totalled 2,480 thousand euros (Note 39).

The heading Market securities transactions pending settlement shows the balance of orders for the sale and purchase of securities awaiting their financial settlement.

NOTE 28 – RESOURCES OF CREDIT INSTITUTIONS

The resources of credit institutions heading is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Resources of other credit institutions		
Foreign		
Repurchase agreements	956 880	702 471
Other resources	239 010	244 199
	1 195 890	**946 670**
Total	**1 195 890**	**946 670**

The heading Repurchase agreements corresponds to repo operations carried out in the money market and serves as a tool for the Group's treasury management. Other resources correspond to medium and long-term deposits made by other credit institutions with the Group.

As of December 31, 2025 and December 31, and 2024, the analysis of resources of credit institutions by residual maturity period is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	830 349	616 012
From three months to one year	16 994	6 880
From one to five years	333 434	306 278
More than five years	15 113	17 500
Total	**1 195 890**	**946 670**

The average interest rates for the period ended December 31, 2025, and December 31, 2024, as well as the respective average balances and interest for the year are shown in Note 39.

NOTE 29 – RESOURCES OF CUSTOMERS

The balance of the resources of customers heading is composed, with regard to its nature, as follows:

(thousand euros)

	31.12.2025	31.12.2024
Repayable on demand		
Demand deposits	12 000	35 513
	12 000	**35 513**
Time deposits		
Fixed-term deposits	1 157 424	1 040 681
	1 157 424	**1 040 681**
Other resources		
Repurchase agreements	79 961	214 670
Other Deposits	2 056	2 184
	82 017	**216 854**
Total	**1 251 441**	**1 293 048**

The balance of repurchase agreements corresponds to the ongoing repo operations carried out in market with non-financial corporation counterparts.

As of December 31, 2025, and 2024, the analysis of due to customers by residual maturity period is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Demand deposits	**12 000**	**35 513**
Fixed-term deposits		
Up to 3 months	319 191	343 782
3 to 12 months	384 770	386 048
1 to 5 years	453 463	310 851
	1 157 424	**1 040 681**
Other resources		
Up to 3 months	18 277	162 592
3 to 12 months	11 330	11 309
1 to 5 years	52 409	42 954
	82 017	**216 854**
Total	**1 251 441**	**1 293 048**

As of December 31, 2025, and 2024, the reconciliation of the cash flows of this financing activity is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**1 293 048**	**1 174 221**
Cash Flows	(52 840)	110 458
Others	11 233	8 369
Closing balance	**1 251 441**	**1 293 048**

The average interest rates recorded for the year ended as of December 31, 2024, and 2023, as well as the respective average balances and interest for the year are presented in Note 39.

NOTE 30 – DEBT SECURITIES ISSUED

The debt securities issued heading can be divided as follows:

(thousand euros)

	31.12.2025	31.12.2024
Debt securities issued		
Other Bonds	243 459	318 413
Total	**243 459**	**318 413**

The fair-value of the portfolio regarding debt securities issued is presented in Note 38.

During 2025, Haitong Bank Group issued 73,146 thousand euros (December 31, 2024: 21 770 thousand euros) of bonds on December 31, 2025, and 124 422 thousand euros were repaid on December 31, 2025 (by December, 2024: 317 662 thousand euros).

The main characteristics of the debt securities issued in 2025 are as follows:

(thousand euros)

Issuer	Designation	Currency	31.12.2025			
			Issue Date	Book Value	Maturity	Interest Rate
Haitong Brasil	LF NOVA LF HAITONG DESAGIADA - CDI BRINTLC0AK40	BRL	2025	852	2029	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI7U1	BRL	2022	1 817	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI880	BRL	2022	884	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI8L8	BRL	2022	364	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI8O2	BRL	2023	1 173	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI8W5	BRL	2023	10 866	2026	CDI 100%
Haitong Brasil	LF NOVA PRE LF HAITONG PRE BRINTLLFI8X3	BRL	2023	2 114	2026	PRÉ 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI8Z8	BRL	2024	1 227	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI906	BRL	2024	1 984	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI914	BRL	2024	746	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI922	BRL	2024	1 169	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI930	BRL	2024	108	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI948	BRL	2024	491	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI955	BRL	2024	69	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI963	BRL	2024	39	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI971	BRL	2024	59	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI989	BRL	2024	3 309	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI997	BRL	2024	827	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9A9	BRL	2024	1 379	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9B7	BRL	2024	6 384	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9C5	BRL	2024	7 296	2026	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9D3	BRL	2025	2 929	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9E1	BRL	2025	888	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9F8	BRL	2025	8 876	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9G6	BRL	2025	621	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9H4	BRL	2025	1 773	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9I2	BRL	2025	6 916	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9J0	BRL	2025	1 951	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9K8	BRL	2025	2 660	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG DESAGIADA - CDI BRINTLLFI9L6	BRL	2025	1 709	2029	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9M4	BRL	2025	322	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9N2	BRL	2025	16 934	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9O0	BRL	2025	457	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9P7	BRL	2025	3 726	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9Q5	BRL	2025	1 295	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9R3	BRL	2025	974	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9S1	BRL	2025	1 693	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9T9	BRL	2025	8 467	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9U7	BRL	2025	1 687	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9V5	BRL	2025	2 309	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9W3	BRL	2025	2 040	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9X1	BRL	2025	590	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9Y9	BRL	2025	641	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFI9Z6	BRL	2025	185	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA07	BRL	2025	59	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA15	BRL	2025	34	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA23	BRL	2025	480	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA31	BRL	2025	93	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA49	BRL	2025	312	2027	CDI 100%
Haitong Brasil	LF NOVA LF HAITONG BRINTLLFIA56	BRL	2025	1 673	2027	CDI 100%
Haitong Portugal	HAITIB 4 05/29/27 Corp	USD	2022	128 008	2027	4%
Total				**243 459**		

The residual maturity of the debt securities issued, as of December 31, 2025, and 2024, is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	10 130	72 008
From three months to one year	32 175	64 994
From one to five years	201 154	181 411
Total	**243 459**	**318 413**

As of December 31, 2025, and 2024, reconciliation of the cash flows of this financing activity is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**318 413**	**635 642**
Cash Flows	(51 276)	(295 892)
Fair Value adjustments	271	-
Other changes	(23 949)	(21 337)
Closing balance	**243 459**	**318 413**

NOTE 31 – PROVISIONS AND IMPAIRMENT

As of December 31, 2025, and 2024, the Provisions heading presents the following movements:

(thousand euros)

	Provisions for other risks and charges	Provisions for guarantees and other commitments	Total
Balance as of 31 December 2024	**7 878**	**1 989**	**9 867**
Net charge of the period	(1 271)	(915)	(2 186)
Amounts used	(2 902)	-	(2 902)
Foreign exchange differences and others	(678)	(185)	(863)
Balance as of 31 December 2024	**3 027**	**889**	**3 916**
Net charge of the period	980	2 052	3 032
Amounts used	(1 342)	-	(1 342)
Foreign exchange differences and others	68	(49)	19
Balance as of 31 December 2025	**2 733**	**2 892**	**5 625**

Provisions for guarantees and provisions for other commitments correspond to 2 799 thousand euros and 93 thousand euros respectively (December 31, of 2024: 728 thousand euros and 161 thousand euros).

The provisions for other risks and charges are meant to cover possible contingencies related to the activity of the Group. The main ongoing contingencies are presented in Note 36.

The movements in impairment losses can be analysed as follows:

(thousand euros)

	31.12.2024	Net charge of the period	Amounts used	Stage 3	Exchange differences and others	31.12.2025
Cash and cash equivalents (Note 18)	2 378	(1 228)	(853)	-	(269)	28
Financial assets at fair value through other comprehensive income (Note 22)	693	372	(296)	36	(8)	797
Financial assets measured at amortised cost						
Loans and advances to banks (Note 23)	9	(6)	-	-	-	3
Loans and advances to customers (Note 24)	5 551	12 561	-	391	(31)	18 472
Securities (Note 22)	1 194	2 047	(256)	-	(56)	2 929
Other assets (Note 27)	6 048	(521)	(622)	-	(50)	4 855
Total	**15 873**	**13 225**	**(2 027)**	**427**	**(414)**	**27 084**

In December 2025, the group have written off from other assets an amount of 622 thousand euros of the accounts receivable (invoices issued to clients with 100 impairment) that were overdue.

(thousand euros)

	31.12.2023	Net charge of the period	Amounts used	Stage 3	Exchange differences and others	31.12.2024
Cash and cash equivalents (Note 18)	1 865	390	-	-	123	2 378
Financial assets at fair value through other comprehensive income (Note 22)	2 983	(791)	(1 266)	50	(283)	693
Financial assets measured at amortised cost	-	-	-	-	-	-
Loans and advances to banks (Note 23)	16	(7)	-	-	-	9
Loans and advances to customers (Note 24)	7 642	(32)	(1 872)	5	(192)	5 551
Securities (Note 22)	3 071	(781)	(872)	28	(252)	1 194
Other assets (Note 27)	12 479	1 642	(7 993)	-	(80)	6 048
Total	**28 056**	**421**	**(12 003)**	**83**	**(684)**	**15 873**

In December 2024, The Group have written off from other assets an amount of 7 933 thousand euros of the accounts receivable (invoices issued to clients with 100 impairment) that were overdue. Of this, 1 068 thousand euros were recorded in off-balance sheet accounts (Note 36).

NOTE 32 – INCOME TAXES

The Bank and its subsidiaries domiciled in Portugal are subject to taxation in accordance with the corporate income tax code (CIT code) and to local taxes.

Income taxes (current or deferred) are recognised in the income statement except in cases where the underlying transactions have been reflected in equity items. In these situations, the corresponding tax is also charged to equity, not affecting the net result for the period.

The current tax in 2025 and 2024 were calculated based on a nominal corporate income nominal tax rate of 20% and 21%, respectively plus tax rate of 1.5% of Municipal Surcharge in accordance with Law no. 82 - B/2014, of December 31, and Law no. 2/2007, of January 15. Additionally, there is a State Surcharge which corresponds to an additional rate of 3% of the taxable profit between 1 500 and 7 500 thousand euros, 5% of the profit between 7 500 and 35 000 thousand euros, 9% of any profit which exceeds this amount (if applicable).

Deferred taxes are calculated based on tax rates anticipated to be in force at the temporary differences reversal date, which corresponds to the rates enacted or substantively enacted at the balance sheet date. Thus, for the year 2025 the deferred tax was calculated at the rate of 23.68%.

Law No. 64/2025 of November 7 was published, which decreed the reduction of the nominal corporate income tax rate to 19% for the 2026 tax period, to 18% for the 2027 tax period, and to 17% starting from the period that begins in 2028. Accordingly, the deferred tax rate was adjusted in line with the published Law.

Special Scheme Applicable to Deferred Tax Assets

In 2014, Haitong Bank joined the special scheme applicable to deferred tax assets (READ) related to impairment losses in credits and post-employment or long-term employee benefits, established by Law no. 61/2014, of August 26. For the purpose of this scheme, the conversion of the mentioned assets in tax credits is expected in the following situations:

- Determining net losses;
- Voluntary winding-up, court insolvency or, when applicable, with the withdrawal of the corresponding authorisation by the competent supervising authority.

It should be noted that, pursuant to Law No. 23/2016, of August 19, READ is no longer applied to deferred tax assets relating to expenses and negative equity changes accounted for in tax periods beginning on or after 1 January 2016.

The tax credit as well as the respective special reserve recorded in the accounts with reference to June 2025 can be analysed in the table below, which also includes reimbursements already made by the Portuguese Tax Authority:

(thousand euros)

Year	Tax Credit	Special Reserve
2015	5 281	5 809
2016	20 529	22 582
2017	9 060	9 966
2018	233	255
2020	433	476
2021	(15 078)	-
2022	(5 414)	(16 585)
2023	(174)	(5 956)
Total	**14 870**	**16 547**

The tax credit and the respective special reserve were recorded during the year following that of the tax credit year, booked in a current tax asset and other reserves item, respectively.

In 2021, the Bank received amounts concerning tax credit from the Portuguese Tax Authority, with reference to the years 2015 and 2016, in the amount of 15,078 thousand euros.

In turn, during the 2022, the Bank received a tax credit from the Portuguese Tax Authority, with reference to the 2017 and 2018, in the amount of 5,414 thousand euros.

In 2023, the Bank received tax credit from the Portuguese Tax Authority, with reference to the year 2020, in the amount of 174 thousand euros.

In pursuance of the abovementioned scheme, such conversion rights correspond to securities that grant the Government the right to request Haitong Bank to issue and deliver ordinary shares at no charge, following the increase in share capital through the inclusion of the reserve value. However, Haitong Bank´s shareholder is granted the right to acquire those conversion rights to the Government in accordance with Ordinance no. 293-A/2016 of 18th of November.

In 2022, the shareholder exercised the rights under Special Regime of DTA with reference to the years 2015 and 2016 and the amount of special reserve decreased in 16,585 thousand euros.

In the 2023, the Bank's shareholder also exercised the right to acquire the conversion rights attributed to the State under the special regime of deferred tax assets relating to the years 2017 and 2018, and the amount of special reserve decreased in 5,956 thousand euros. For the year 2020, if shareholder do not exercise the right to acquire the conversion rights issued and attributed to the Portuguese State within the period established for that purpose, in the year in which the State exercises these rights, it will require the Bank to increase its capital by incorporating the amount of the special reserve and consequent issue and free delivery of ordinary shares representing the capital stock of the Bank, and it may be necessary to adjust the amount of the reserve initially constituted. According to legislation in force, Haitong Bank shareholder may exercise the rights to acquire conversion rights until three years from the conversion confirmation of the deferred tax assets into tax credit by the Tax Authority, which, in the case of the 2020, it will be until May 2026.

The amount of assets by deferred taxes converted into tax credit, the establishment of the special reserve and the issuing and granting of conversion rights to the Government shall be certified by the certified statutory auditor.

Since Haitong Bank recorded a negative net result in its individual accounts as of December 31, 2025, it must, in 2026 and after the approval of the accounts, convert part of the deferred taxes covered by the applicable regime into a tax credit, in proportion to the ratio between the net result and equity. Additionally, it must create a special reserve and issue conversion rights into shares representing the share capital attributable to the Portuguese State.

In July 2019 and January 2020, the Bank was notified of the final Reports of the Tax Authority's inspection services, issued for 2015 and 2016, respectively, both issued by Tax Authorities. In these reports, certain procedures adopted by the Bank, namely in association with special regime of deferred tax assets - (REAID) and costs accepted by Tax Authorities are being challenged.

In this sense, following the Bank disagreement with these corrections, in November 2019, an administrative complaint was submitted regarding the 2015 Tax Inspection Report and in April 2020, an administrative complaint was submitted regarding the 2016 inspection report. Currently, for the year 2015 and 2016, the corrections in question are being challenged in a Judicial Court.

On January 2021, the Bank received the 2017 and 2018 tax inspection report issued by the Tax Authority's inspection services. In this report, similarly to what happened in the 2015 and 2016 tax inspection reports, some procedures adopted by the Bank regarding the application of REAID are raised by Tax Authorities.

The Bank disagreeing with these corrections, so in 2021, submitted an administrative complaint for the Tax inspection report of 2017 and 2018. Currently, the corrections in question are being contested in a Hierarchical Appeal.

In May 2023, the Bank was notified of 2020 tax inspection report issued by the Portuguese Tax Authority. In this report, like what happened in the tax inspection reports from 2015 to 2018, some procedures adopted by the Bank regarding the application of REAID are being challenge.

As the Bank did not agree with these corrections, in 2023, it submitted an administrative complaint to contest the 2020 inspection report. In 2024 financial year, the Bank submitted a Hierarchical Appeal to contest the decision and during 2025 the corrections are being challenged in a Judicial Court.

Finally, it is also noted that, within the scope of the tax inspection for the years 2015, 2016, 2017, 2018 and 2020, the tax authority made corrections to the tax credit of these years in the amount of 14,870 thousand euros (of a total amount of 35,536 thousand euros).

The Bank's management considers that the procedures adopted in those years are compliant with the legislation in force,and therefore estimates that it is not likely that the Tax Authority's position will prevail. Even so, if this correction occurs, it will materialize in the recognition of deferred tax assets. In addition, the Board of Directors believes that any other corrections that may arise, related to the years inspected, will not have a material impact either on the Bank's capital or on the Bank's results in reference to the fiscal year 2025, as essentially its affect tax losses that have not yet been used and for which deferred tax assets have not been recognised.

The activity of Branches abroad is incorporated in the Bank's accounts for determining the taxable profit. Although, the profit of those branches is subject to taxation in the countries where they are established. Local taxes are deductible to the taxes to be paid in Portugal, in accordance with article 91º of CIT Code", when applicable.

The branches' profits are subject to local taxation at the following nominal rates:

Branch	Nominal income tax rate
London	19%
Madrid	30%
Warsaw	19%
Macao	12%

The subsidiary located in Brazil, are subject to tax on their profits under the terms established in the tax rules in force in Brazil, thus in this country profits are subject to nominal rates situated between 34% and 45%.

Current tax assets and liabilities recognized in the statement of financial position in 2025 and 2024 can be analysed as follows:

(thousand euros)

	Asset		Liability	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Corporate income tax	5 819	6 577	(7 606)	(11 549)
Tax Credit (Special Scheme for Deferred Taxes)	14 870	14 870	-	-
Current tax asset / (liability)	**20 689**	**21 447**	**(7 606)**	**(11 549)**

Deferred tax assets and liabilities recognized in the statement of financial position in 2025 and 2024 can be analysed as follows:

(thousand euros)

	Asset		Liability		Net	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Derivative financial instruments	7 505	57	-	-	7 505	57
Securities	919	1 971	-	-	919	1 971
Loans and advances to customers	9 655	11 112	-	-	9 655	11 112
Provisions and other assets	4 879	4 111	-	-	4 879	4 111
Pension Fund and Long-term employee benefits	4 030	5 084	-	-	4 030	5 084
Other	2 425	7 435	(5 573)	(5 573)	(3 148)	1 862
Tax losses carried forward	58 921	69 430	-	-	58 921	69 430
Deferred tax asset/(liability)	**88 334**	**99 200**	**(5 573)**	**(5 573)**	**82 761**	**93 627**
Net deferred tax asset / (liability)	**88 334**	**99 200**	**(5 573)**	**(5 573)**	**82 761**	**93 627**

The tax amount mentioned in "Others", in Portugal, corresponds to Branch tax credits (1,874 thousand euros) and reduction of deferred tax asset relating to fair value for profit and loss (- 528 thousand euros). The remaining amount corresponds to Brazil and essentially concerns deferred tax relating to legal contingencies (1,079 thousand euros).

The Group only recognizes deferred tax assets in relation to reportable tax losses when it considers that they are expected to be recovered in the near future. Of the total deferred tax assets of tax losses, 20,036 thousand

euros (2024: 30,057 thousand euros) relate to Haitong Bank in Portugal and the remaining amount corresponds to Brazil.

The variation in tax losses relates Law No. 64/2025 of November 7 was published, which decreed the reduction of the nominal corporate income tax rate to 19% for the 2026 tax period, to 18% for the 2027 tax period, and to 17% starting from the period that begins in 2028. This change had a negative impact on the calculation of Haitong Bank's deferred taxes in Portugal.

It should be noted that the period of tax losses utilization considers the exceptional measures to the COVID-19 pandemic under the terms of Law No. 27-A / 2020 (Supplementary State Budget for 2020), as well as provided in Law No. 24-D/2022, of December 30 which approved the State Budget for 2023, under which the time limitation for the deduction of tax losses calculated in each tax period is eliminated. Changes to the reporting period apply to tax periods beginning on or after January 1, 2023, as well as to tax losses calculated in tax periods prior to January 1, 2023, whose deduction period is still in progress at that date. However, it should be noted that the new deadline does not apply to tax losses calculated in tax periods prior to January 1, 2023, in which one of the situations provided for in paragraph 1 of article 6 of the applicable special regime has occurred to deferred tax assets (namely, in the event of a negative net result).

Therefore, for Haitong Bank in Portugal, the tax loss for 2014 and 2019 does not expire date and the tax loss for 2015 and 2016 expires in 2029 and 2030, respectively.

The amount of unrecognized deferred tax relating to the tax losses, by year of origin is presented in the following table:

(thousand euros)

Tax losses	31.12.2025	31.12.2024	Expiry Date
2016	32 230	-	2030
2017	-	106 450	2024
2018	7 738	7 738	2025
2019	2 484	645	No expiry
2025	13 486	-	No expiry
Total	**55 938**	**8 383**	

The movements in deferred taxes, in the balance sheet, can be presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**93 627**	**100 043**
Recognised in profit or loss	(8 482)	2 178
Recognised in fair value reserves	(885)	(311)
Recognised in other reserves	(1 023)	(133)
Foreign exchange variation and others	(476)	(8 150)
Closing balance (Asset / (Liability))	**82 761**	**93 627**

Tax recognised in the income statement and reserves as at December 31, 2025, and 2024, had the following source:

(thousand euros)

	31.12.2025		31.12.2024	
	Recognised in profit or loss	Recognised in reserves	Recognised in profit or loss	Recognised in reserves
Deferred Taxes				
Derivative financial instruments	(7 602)	-	(6 357)	-
Securities	-	884	-	311
Loans and advances to customers	1 396	-	5 165	-
Provisions and other assets	(920)	-	(6 210)	-
Pension Fund	30	1 024	293	133
Depreciations (IFRS 16)	-	-	1 780	-
Other	5 128	-	148	-
Tax losses carried forward	10 450	-	3 003	-
	8 482	**1 908**	**(2 178)**	**444**
Current Taxes	2 719	-	7 202	-
Total recognised tax	**11 201**	**1 908**	**5 024**	**444**

Reconciliation of the tax rate, concerning the recognised amount in the income statement, can be analysed as follows:

(thousand euros)

	31.12.2025		31.12.2024	
	%	Value	%	Value
Profit or loss before tax and Non-controlling interests		**(20 728)**		**9 669**
Income tax rate of Haitong Bank	20.0		25.2	
Tax determined based on the income tax rate of Haitong Bank		(4 146)		2 441
Difference in the tax rate of subsidiaries	25.5	(5 288)	(17.7)	(1 710)
Tax-exempt dividends	2.9	(603)	(18.5)	(1 789)
Tax benefits	-	-	(0.6)	(60)
Impairment of subsidiaries	(7.8)	1 610	16.5	1 596
Bank Levy	(1.3)	275	4.6	450
Unrecognised tax losses	(13.0)	2 697	-	-
Branches' income tax	(6.6)	1 376	24.6	2 378
Differences arising from consolidation	4.2	(867)	(14.3)	(1 385)
Other movements according to the tax estimation	(77.3)	16 016	30.7	2 971
Autonomous taxation	(0.6)	131	1.4	132
Total	**(54.0)**	**11 201**	**51.9**	**5 024**

NOTE 33 – OTHER LIABILITIES

As of December 31, 2025, and 2024, the other liabilities heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Creditors and other resources		
Public administrative sector	18 846	16 624
Deposited collateral under clearing agreements (Note 15)	7 109	6 750
Sundry creditors		
Leasing liabilities	6 841	9 961
Creditors from transactions with securities	1 650	907
Suppliers	797	1 136
Other sundry creditors	2 283	4 143
	37 526	**39 521**
Accrued expenses		
Career bonuses (Note 15)	464	486
Other accrued expenses	4 471	5 447
	4 935	**5 933**
Deferred income	**392**	**368**
Other sundry liabilities		
Stock exchange transactions pending settlement	996	-
Foreign exchange transactions pending settlement	148	605
Other transactions pending settlement	7 901	15 503
	9 045	**16 108**
Total	**51 898**	**61 930**

The Public Administrative Sector item includes 15 752 thousand euros (December 31, 2024: 12 445 thousand euros) payable in PIS/Cofins contributions, incurred after December 31, 2014 (Note 36)

As of December 31, 2025, and 2024, the headings regarding Other sundry liabilities refer to transactions with securities, securities sold/bought subject to repurchase agreement pending settlement.

The sub-heading Accrued expenses - Other Accrued expenses corresponds to liabilities to employees relating to remuneration.

Lease liability related to the present value of the rents of leasing contracts under IFRS 16. The movement of these balance are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**9 961**	**9 911**
Increases/Reductions	409	3 261
Remeasures	28	192
Payments	(3 264)	(3 063)
Other variations	(293)	(340)
Final Balance	**6 841**	**9 961**

As of December 31, 2025, and 2024, the contractual cash flows are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to 3 months	-	6
3 to 12 months	10	62
1 to 2 years	3 587	26
2 to 5 years	3 658	10 644
Total	**7 255**	**10 738**

NOTE 34 – CAPITAL, SHARE PREMIUM AND OTHER CAPITAL INSTRUMENTS

Ordinary shares

Until August 3, 2014, the Bank was part of Grupo Banco Espírito Santo, S.A.

On August 3, 2014, Banco de Portugal applied a resolution action to Banco Espírito Santo, S.A., shareholder of 100% of the capital of the Bank, and established Novo Banco, S.A., with a share capital of 4 900 million euros, which incorporated assets of Banco Espírito Santo, S.A. selected by Banco de Portugal. In this regard, the Bank, its branches, and subsidiaries were transferred to Novo Banco, S.A.

On September 7, 2015, the capital of the Bank was fully purchased by Haitong International Holdings Limited.

On December 17, 2015, the Bank increased its capital by 100 000 thousand euros, through the issuance of 20 000 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

On May 22, 2017, the Bank increased its capital by 40 000 thousand euros, through the issuance of 8 000 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited. On May 25, 2017, the Bank increased its capital by 20 000 thousand euros, through the issuance of 4 000 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited, resulting from the conversion of a shareholder loan.

On June 13, 2017, the Bank increased its capital by 160 000 thousand euros, through the issuance of 32 000 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited. On June 26, 2017, the Bank increased its capital by 160 000 thousand euros, through the issuance of 32 000 thousand shares with a nominal value of 5 euros each, resulting from the conversion of a shareholder loan in the amount of 80 000 thousand euros and the conversion of the Fixed Rate Perpetual Deeply Subordinated Additional Tier 1 Resettable Instruments, amounting to 80 000 thousand euros, fully subscribed and paid-up by Haitong International Holdings Limited.

On August 31, 2017, the Bank increased its capital by 38 500 thousand euros, through the issuance of 7 700 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited, resulting from the conversion of a shareholder loan.

In 2022, two resolutions were passed to increase the share capital of Haitong Bank S.A. by 2 630 thousand euros on July 1, 2022, and by 15 879 thousand euros on December 6, 2022, bringing the share capital to 863 278 thousand euros.

On December 19, 2023, the Bank increased its capital by 7 999 thousand euros, through the issuance of 1 600 thousand shares with a nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

These capital increases in 2023 and 2022, in the form of incorporation of a special reserve, resulted from the conversion of the rights attributed to the Portuguese State and acquired by Haitong International Holdings Limited, the Bank's sole voting shareholder. In the case of the 2023 capital increase, this relates to the 2016 and 2017 tax years, and in the case of the 2022 capital increase, this relates to the 2015 tax year, issued under the Special Regime applicable to Deferred Tax Assets (READ).

As of June 30, 2025, and December 31, 2024, Haitong Bank's share capital amounts to 871 278 thousand euros (December 31, 2023: 871,278 thousand euros) and is represented by 174 255 532 shares (December 2023: 174 255 532 shares) with a nominal value of 5 euros each, fully held by Haitong International Holdings Limited.

Share premiums

On December 31, 2025 and December 31, 2024 share premiums amounted to 8,796 thousand euros, referring to the premium paid by shareholders in the capital increase that took place in previous years.

Other equity instruments

During October 2010, the Group issued perpetual subordinated bonds with conditioned interest in the overall amount of 50 million euros. These bonds have a noncumulative conditioned interest, payable only if and when declared by the Board of Directors.

This conditioned interest, corresponding to the applicable annual rate of 8.5% on nominal value, is paid biannually. These securities may be fully, but not partially, reimbursed after the of September 15, 2015, relying solely on the choice of Haitong Bank, upon approval of Banco de Portugal. These bonds are considered a capital instrument in accordance with the accounting policy described in Note 2.6 due to their characteristics.

During the year of 2011, 46 269 thousand euros in other capital instruments were cancelled due to a transaction regarding owned instruments.

As April 20, 2022, the Bank have fully early repaid these Bonds, at the repayment price, corresponding to the nominal value of 3 731 thousand euros.

In March 2018, the Bank issued perpetual instruments eligible as additional own funds of level 1 (Additional Tier 1), in the overall amount of USD 130 000 thousand, corresponding to 105 042 thousand euros, identified as "Fixed Rate Perpetual Deeply Subordinated Additional Tier 1 Resettable Instruments". Such bonds have a non-cumulative conditional interest which is payable only if and when reported by the Board of Directors. Due to their features, such bonds are deemed to be capital instruments, in accordance with the accounting policy laid down in Note 2.6.

These bonds are subordinated in relation to any liability of Haitong Bank and *pari passu* regarding any identical subordinated bonds that may be issued by the Bank.

Since it was issued in 2018, the Group did not pay interest regarding any of these instruments.

NOTE 35 – FAIR-VALUE RESERVES, OTHER RESERVES, RETAINED EARNINGS AND NON-CONTROLLING INTERESTS

Legal reserve, fair-value reserves and other reserves

The legal reserve can only be used for the purposes set out in Article 296 of the Portuguese Commercial Companies Code. One such purpose is the coverage "of the part of the losses carried forward from the previous year that cannot be covered by the profit for the year or by the use of other reserves" (Article 296, paragraph b of the CSC).

Since the Bank has accumulated losses related to previous years, the Legal Reserve was not reinforced in 2023. The profit for that year was entirely allocated to Other Reserves and Retained Earnings to cover these losses.

Fair value reserves represent the potential gains and losses associated with the portfolio of financial assets at fair value through comprehensive income, net of impairment recognized in profit or loss during the period and/or previous periods, as well as adjustments from hedge accounting. These reserves are presented net of deferred taxes.

The heading of other reserves includes the special reserve under READ in the amount corresponding to 16 547 thousand euros on December 31, 2025 and 2024.

The movements of these headings were the following:

(thousand euros)

	Fair Value reserves			Other reserves and retained earnings				
	Revaluation reserves	Income tax reserves	Total fair value reserve	Legal Reserve	Actuarial gains/losses (net of taxes)	Exchange differences	Other reserves and retained earnings	Total Other reserves and retained earnings
Balance as of 31 December 2023	**(6 991)**	**2 115**	**(4 876)**	**39 878**	**(21 010)**	**(164 521)**	**(222 201)**	**(367 854)**
Actuarial gains/losses	-	-	-	-	(1 981)	-	-	(1 981)
Changes in fair value	3 312	(311)	3 001	-	-	-	-	-
Foreign exchange differences	-	-	-	-	-	(15 058)	-	(15 058)
Transfer to reserves	-	-	-	-	-	-	17 262	17 262
Balance as of 31 December 2024	**(3 679)**	**1 804**	**(1 875)**	**39 878**	**(22 991)**	**(179 579)**	**(204 939)**	**(367 631)**
Actuarial gains/losses	-	-	-	-	4 301	-	-	4 301
Changes in fair value	2 210	(885)	1 325	-	-	-	-	-
Foreign exchange differences	-	-	-	-	-	56	-	56
Transfer to reserves	-	-	-	-	-	-	5 078	5 078
Balance as of 31 December 2025	**(1 469)**	**919**	**(550)**	**39 878**	**(18 690)**	**(179 523)**	**(199 861)**	**(358 196)**

The movement of the fair-value reserve, net of deferred taxes and attributable to the Bank's shareholders can be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**(1 875)**	**(4 876)**
Fair value changes	1 361	4 113
Fair value hedge	477	(10)
Impairment recognised in the period	372	(791)
Deferred taxes recognised in reserves during the period	(885)	(311)
Closing balance	**(550)**	**(1 875)**

Non-controlling interests

The Non-controlling interests heading information per subsidiary is as follows:

(thousand euros)

	31.12.2025		31.12.2024	
	Balance sheet	Income statement	Balance sheet	Income statement
Haitong Banco de Investimento do Brasil S.A.	3 140	(2 892)	5 853	-1077
Haitong Securities do Brasil S.A.	3 414	166	3 553	203
Haitong Negócios S.A.	6 735	465	6 383	340
Haitong do Brasil DTVM S.A.	1 507	72	1 438	74
FI Multimercado Treasury	747	(73)	322	28
Total	**15 543**	**(2 262)**	**17 549**	**(432)**

The movement of Non-controlling interests of the periods ended on the June 30, 2025, and December 31, 2024, can be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**17 549**	**22 781**
Dividends paid	-	(632)
Changes in fair value reserve	241	(404)
Exchange difference and other	15	(3 764)
Net income for the period	(2 262)	(432)
Closing balance	**15 543**	**17 549**

NOTE 36 – CONTINGENT LIABILITIES, GUARANTEES AND COMMITMENTS

As of June 30, 2025, and December 31, 2024, off-balance elements are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Contingent liabilities		
Guarantees and stand by letters of credit	97 937	111 490
Assets pledged as collateral	1 346 339	1 262 887
Total	**1 444 276**	**1 374 377**
Commitments		
Irrevocable commitments	63 694	62 120
Revocable commitments	26 623	36 131
Total	**90 317**	**98 251**

The guarantees and standby letters of credit are banking transactions that do not necessarily represent any outflow for the Group.

As at December 31, 2025, and 2024, the heading of financial assets pledged as collateral includes:

- Securities pledged as collateral to the Bank of Portugal (i) within the scope of the Large-Value Payment System, amounting to 10 000 thousand euros (31st of December, 2024: 10 000 thousand euros), (ii) within the scope of Interbank Clearing System [Sistema de Compensação Interbancária], amounting to 4 000 thousand euros (31st of December, 2024: 2 000 thousand euros); and (iii) 176 742 thousand euros of collaterals not discounted (31st of December, 2024: 216 242 thousand euros), the values previously described refer to the value after haircut applied by Banco de Portugal, with the total fair value of securities eligible for rediscount with Banco de Portugal amounting to thousand euros 159 562 (31 December 2024: 260 574 thousand euros); and
- Securities pledged as collateral to the Portuguese Securities Market Commission within the Investor Compensation Scheme in the amount of 253 thousand euros (31st of December 2024: 250 thousand euros);
- Securities pledged as collateral within the scope of transactions with repurchase agreements: 1 121 881 thousand euros (31st of December 2024: 969 510 thousand euros);
- Securities pledged as collateral within the scope of derivatives compensation contracts:64 647 thousand euros (31st of December 2024: 32 553 thousand euros);
- The nominal value of the contracted derivative positions is presented in Notes 20 and 21. The assets written off are also presented in the respective notes, in particular Note 22, Note 23 and Note 24.
- Securities received in operations with resale agreements (Note 23) have a fair value of 33 385 thousand euros (31 December 2024: 14 301 thousand euros).

Additionally, the off-balance elements related to banking services provided are as follows:

	31.12.2025	31.12.2024
Liabilities related to services provided		
Commercial paper programmes agency	71 750	43 700
Other responsibilities related with services provided	304 064	222 783
Total	**375 814**	**266 483**

Other responsibilities for service provision include values relating to client assets invested in Portfolio Management.

Contingent liabilities

Banco Espírito Santo (BES), Novo Banco and Haitong Bank (and, in some cases, supervisory authorities, auditors and former directors from BES) have been sued in civil proceedings associated with facts of the former Grupo Espírito Santo (GES).

Within this framework, Haitong Bank is currently a defendant in a proceeding associated with the share capital increase of BES, which took place in June 2014.

As regards to this legal proceeding (case brought by several investment funds), after the decision of the trial court to declare that the case had been "abandoned", the Lisbon Court of Appeal revoked that decision and ordered the continuation of the proceeding. Two of the Defendants in this proceeding appealed to the Supreme Court of Justice that confirmed the decision of the Court of Appeal. Extraordinary review and Constitutional Court appeals were filed, all of them maintaining the previously decided by the Lisbon Court of Appeal. The legal procedure returned to the trial court (1st instance) for the continuation of said procedure, and now the appointment of the preliminary hearing is yet to be awaited.

Haitong Bank is also a Defendant in 5 proceedings, all associated with issues of financial instruments of GES's entities (Rioforte and ESI – Espírito Santo International).

Since the beginning of these legal proceedings in 2015, it is the opinion of Haitong Bank's Legal Department and of the external lawyers to whom the proceedings have been entrusted, that such proceedings do not have legal sustainability, wherefore it is considered unlikely that any judgment will be made against Haitong Bank in relation thereto. Such opinion is hereby reasserted.

Such opinion has been supported by several judicial decisions.

In fact, of the 78 cases filed against the Bank regarding the issue of commercial paper and other financial instruments by GES' entities, 50 cases have already been res judicata with the total acquittal of Haitong Bank and 23 cases having been withdrawn by the Claimants.

On July 2019, Haitong Bank has been notified of a new legal action brought against itself and several former board members of BES, regarding commercial paper issued by Espírito Santo International and Rioforte in 2013 and 2014.

Such legal action has been submitted by a credit recovery fund (Fundo de Recuperação de Créditos "FRC – INQ – Papel Comercial ESI e Rio Forte") to which have been allegedly assigned the claims submitted by certain holders of ESI and Rioforte commercial paper, which amounts up to € 517,500,099.71, plus interests. Haitong Bank presented its written defence on the 25th of June 2020. The Bank is waiting for the preliminary hearing to be scheduled by the Court.

In the opinion of the external lawyers to whom this proceeding, brought by FRC, has been entrusted, such proceeding does not have a solid legal sustainability and therefore it is considered unlikely that any judgment will be made against Haitong Bank.

Following the above stated, Haitong Bank did not establish any provision related to such legal proceedings.

Without prejudice of the above mentioned regarding the successful outcome for Haitong Bank from such proceedings, and in order to comply with the applicable accounting rules, it is not possible to achieve an amount of expected losses which could eventually arise for Haitong Bank, individually considered, once such legal proceedings are brought against several entities and not only against Haitong Bank.

On June 2022, Haitong Bank was served of a civil legal action brought against itself and another entity, under which the payment of 4 905 460.96 euros, plus interests, was claimed to the defendants, on a joint and several bases, filled by REDITUS GESTÃO, S.A. and GREENDRY LDA, (Claimants), within Lisbon's first instance civil court of law, based on the breach by the Bank of its obligations as an Escrow Agent, among other things.

The other defendant has appealed of the First Instance Court decision in the preliminary hearing and has been acquitted, since the Appeal Court considered that there was an arbitration clause that excluded the civil court jurisdiction on this matter. Such decision was confirmed by the Supreme Court. The legal action proceeded in the first instance civil court only against Haitong Bank, who has requested its suspension until a decision of the arbitral court regarding the dispute between the claimants and the other former defendant was reached. Such request was rejected by the First Instance Court and challenged by Haitong Bank and a decision from the Appeal Court is awaited.

In Brazil, the constitutionality of the law applicable to the levy of contributions to the Social Integration Program ("PIS") and Social Security Financing ("Cofins") on other revenues other than those arising from the sale of goods and the provision of services. Supported by a court decision, the entities of the Group in Brazil, deposit monthly the amounts subject to judicial discussion and deliver directly to the Tax Authorities only those amounts that affect service revenues, which are not the object of this discussion. The amounts subject to judicial deposits are recorded in the balance sheet, under other assets. It is the Group's understanding, based on the opinions of its legal advisors, that the possibility of suffering a court decision against the Bank is less than 50%.

Resolution Fund and Single Resolution Fund

The Resolution Fund is a legal entity under public law with administrative and financial autonomy, created by Decree Law no. 31-A/2012, of 10 February, which is governed by the General Regime of Credit Institutions and Financial Companies (“RGICSF”) and by its regulations and whose mission is to provide financial support to the resolution measures applied by the Banco de Portugal, in the capacity of the national resolution authority, and to perform all the other functions granted by the law related with the execution of these measures.

Like most of the financial institutions operating in Portugal, the Bank is one of the participants in the Resolution Fund, making contributions that result from the application of a rate defined annually by Banco de Portugal, which is based on the amount of its liabilities. As of 31 December 2025, the Bank’s periodical contribution amounted to 490 thousand euros (December 31, 2024: 350 thousand euros), based on a contribution rate of 0.039% calculated pursuant to Instruction 28/2023 of Banco de Portugal.

The Single Resolution Fund (SRF) is the European mechanism for financing resolution measures applicable to institutions covered by the Single Resolution Mechanism (“SRM”), funded through annual contributions from the credit institutions of participating Member States. Under Regulation (EU) No. 806/2014, the SRF aims to reach an amount equivalent to 1% of covered deposits held by institutions in Member States participating in the SRM.

In February 2024, the Single Resolution Fund announced that no annual contribution would be levied for the 2024 financial year, as the fund had already reached its target level at 31 December 2023. Accordingly, in 2024 and 2025, Portuguese banks were no longer required to make contributions to the SRF.

As part of its responsibility as the authority of supervision and resolution of the Portuguese financial sector, on August 3, 2014, Banco de Portugal decided to apply a resolution measure to Banco Espírito Santo, S.A. (“BES”), pursuant to article 145-G(5) of the Regime Geral das Instituições de Crédito e Sociedades Financeiras (RGICSF), which consisted in the transfer of the majority of its activity to a transition bank, called Novo Banco, S.A. (“Novo Banco”).

To capitalise Novo Banco, the Resolution Fund provided 4 900 million Euros, of which, 377 million euros corresponded to its own financial resources. A loan of 700 million euros was also granted by a bank syndicate to the Resolution Fund, the participation of each credit institution being weighted according to diverse factors, including the respective size. The remaining amount (3 823 million euros) was from a refundable loan granted by the Portuguese State.

In December 2015, the national authorities decided to sell the majority of assets and liabilities associated to the activity of Banif – Banco Internacional do Funchal, S.A. ("Banif") to Banco Santander Totta, S.A. ("Santander Totta"), for 150 million euros, also in the context of the application of a resolution measure. This operation involved an estimated amount of 2 255 million euros in public funds which aimed to cover future contingencies, of which 489 million euros was financed by the Resolution Fund and 1 766 million euros directly by the Portuguese State. In the context of this resolution measure, Banif's assets identified as problematic were transferred to an asset management vehicle, created for the purpose – Oitante, S.A., with the Resolution Fund being the sole holder of its share capital, through the emission of bonds representative of the debt of this vehicle, amounting to 746 million euros, with the guarantee of the Resolution Fund and counter-guarantee of the Portuguese State.

The resolution measures applied in 2014 to the BES (a process that gave rise to the creation of Novo Banco) and in 2015 to Banif created uncertainties related with the risk of litigation involving the Resolution Fund, which is significant, and also with the risk of the possible shortage of funds to cover the liabilities, in particular the short-term reimbursement of the financing taken out.

It was in this context that in the second semester of 2016 that the Portuguese Government reached an agreement with the European Commission, in order to alter the conditions of the financing granted by the Portuguese State and by the banks participating in the Resolution Fund in order to preserve financial stability, by means of fostering conditions that would grant predictability and stability to the contributory effort towards the Resolution Fund. For the purpose, a supplement to the loan contracts to the Resolution Fund was formalised, which introduced a series of alterations to the reimbursement plans, to the rates of remuneration and other terms and conditions associated to these loans in order to adjust them to the capacity of the Resolution Fund to fully meet its obligations based on its normal revenue, or rather, without the need to charge special contributions or any other type of extraordinary contribution from the banks participating in the Resolution Fund.

According to the statement of the Resolution Fund of 31 March 2017, the review of the conditions of the financing granted by the Portuguese State and by the participating banks aimed to ensure the sustainability and financial equilibrium of the Resolution Fund, based on a stable, predictable and affordable charge for the banking sector. Based on this review, the Resolution Fund assumed that the full payment of the responsibilities of the Resolution Fund is ensured, and also the respective remuneration, without the need for the banking sector to resort to special contributions or any other type of extraordinary contributions.

Additionally on 31 March 2017, the Banco de Portugal advised that it had selected the Lone Star Fund for the purchase of Novo Banco, which was concluded on 17 October 2017. The Lone Star Fund became the owner of 75% of the share capital of Novo Banco and the Resolution Fund the remaining 25%. Furthermore, the conditions approved include a contingent funding mechanism, pursuant to which the Resolution Fund, as a shareholder, may be called on to make injections of capital if certain cumulative conditions arise. The possible capital injections to be made pursuant to this contingent mechanism are subject to an absolute maximum limit of 3 890 million euros during a period of 8 years. On 18 October 2017, Banco de Portugal and the Resolution Fund announced the decision to conclude the sale of Novo Banco to Lone Star.

On 13 June 2025, Novo Banco announced that its majority shareholder, Nani Holdings S.à r.l. (controlled by Lone Star Funds), had signed a Memorandum of Understanding for the sale of its shareholding to the BPCE Group, valuing Novo Banco at approximately 6.4 billion euros for 100% of its share capital. On the same date, the Resolution Fund announced that the sale of its 13.54% stake would generate gross proceeds of approximately 866 million euros, in addition to dividends relating to 2024 (30 million euros) and the 2025 capital reduction (149 million euros).

On 29 October 2025, the Ministry of Finance, the Resolution Fund, BPCE and Nani Holdings signed the final agreement for the sale of the entire shareholding in Novo Banco. Following completion, BPCE will become its sole shareholder.

At the reporting date, it is not possible to estimate the potential effects for the Resolution Fund arising from: (i) the sale of the stake in Novo Banco; (ii) the application of the "no-creditor-worse-off" principle; and (iii) legal proceedings related to resolution measures.

Even though legislation provides for the possibility of special contributions, given the renegotiation of State and bank-syndicate loans granted to the Resolution Fund and the public statements by the Resolution Fund and the Ministry of Finance confirming that such contributions will not be required, the financial statements as at 31 December 2025 reflect the Bank's expectation that no special or extraordinary contributions will be demanded to finance the resolution measures applied to BES or Banif, or any other liabilities undertaken by the Resolution Fund.

NOTE 37 – RELATED PARTIES TRANSACTIONS

The Group's related parties transactions as of December 31, 2025, and December 31, 2025, as well as the respective expenses and income recognised in the year, are summarized as follows:

(thousand euros)

	31.12.2025					
	Assets			Liabilities	Income	Expenses
	Credit	Others	Total			
Ultimate parent company and Shareholders						
GUOTAI HAITONG SECURITIES CO, LTD.		-	-	-	4	-
Subsidiaries and associates of shareholders						
HAITONG INTERNATIONAL SECURITIES CO LTD	-	-	-	-	-	19
HAITONG INVESTMENT IRELAND PLC	32 974	100	33 074	3 312	2 160	31
HAITONG PRIVATE EQUITY FUND	-	112	112	200	(68)	-
HAITONG UT BRILLIANT LIMITED	-	-	-	-	16	-
TOTAL	**32 974**	**212**	**33 186**	**3 512**	**2 112**	**50**

(thousand euros)

	31.12.2024					
	Assets			Liabilities	Income	Expenses
	Credit	Others	Total			
Subsidiaries and associates of shareholders						
HAITONG INTERNATIONAL SECURITIES CO LTD	-	-	-	-	-	18
HAITONG INTERNATIONAL FINANCE HOLDINGS LIMITED	-	-	-	-	201	-
HAITONG INVESTMENT IRELAND PLC	36 645	-	36 645	7 257	2 858	30
HAITONG PRIVATE EQUITY FUND	-	-	-	421	194	13
HAITONG UT BRILLIANT LIMITED	-	-	-	-	1	-
TOTAL	**36 645**	**-**	**36 645**	**7 678**	**3 254**	**61**

As of December 31, 2025, the income heading includes 160 thousand euros euros concerning fee and commission income heading from banking services (December 31, 2024: 638 thousand euros).

The value of Haitong Group transactions with related entities in which the Administrator and/or family have significant influence in the periods ended December 31, 2025, and 2024, as well as the respective costs and income recognized in the period, are summarized as follows:

(thousand euros)

	31.12.2025				
	Assets		Liabilities	Income	Expenses
	Others	Total			
Entities with relevant influence					
Fundo de pensões Haitong Bank	56 792	56 792	-	4 423	-
CAMARA COMERCIO E INDUSTRIA LUSO-CHINESA	-	-	-	-	6
Members of the management and supervisory bodies	-	-	579	-	8
TOTAL	**56 792**	**56 792**	**579**	**4 423**	**14**

(thousand euros)

	31.12.2024				
	Assets		Liabilities	Income	Expenses
	Others	Total			
Entities with relevant influence					
Fundo de pensões Haitong Bank	53 447	53 447	-	1 608	-
CAMARA COMERCIO E INDUSTRIA LUSO-CHINESA	-	-	-	-	6
Members of the management and supervisory bodies	-	-	2 054	-	7
TOTAL	**53 447**	**53 447**	**2 054**	**1 608**	**13**

All transactions with Related Parties are carried out under normal market conditions. When it is not possible to determine the market conditions applicable to a given transaction with a Related Party, the Group applies a comparability benchmark to assess market conditions.

NOTE 38 – FAIR-VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair-value of financial assets and liabilities

Haitong Bank Group estimates the fair value of its instruments based on prices quoted in active markets or, when such prices are not available, based on valuation techniques following standard valuation models such as discounted cash flows and option pricing models. The valuation models' parameter inputs are based on observable data, when available, derived from prices of financial instruments actively traded or based on indicative broker quotes.

The Group performs valuation adjustments to reflect counterparty credit risk (CVA) for uncollateralized derivatives assets considering the current exposure, loss given default and the probability of default. This probability of default is based on the Group's credit risk assessment model or market information where applicable.

The fair-value of financial assets and liabilities for the Group is analysed as follows:

(thousand euros)

	Amortised cost	Valued at Fair Value			Total book value	Fair Value
		Level 1	Level 2	Level 3		
Balance as of 31 December 2025						
Cash and cash equivalents	24 507	-	-	-	24 507	24 507
Financial assets held for trading						
Securities	-	868 218	1 770	-	869 988	869 988
Derivative financial assets	-	-	17 364	-	17 364	17 364
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities	-	-	5 924	10 110	16 034	16 034
Loans and advances to customers	-	-	-	24	24	24
Financial assets at fair value through other comprehensive income	-	216 815	30 478	67 634	314 927	314 927
Financial assets measured at amortised cost						
Securities	568 068	-	-	-	568 068	567 065
Loans and advances to banks	651 713	-	-	-	651 713	651 713
Loans and advances to customers	726 560	-	-	-	726 560	726 239
Financial assets	**1 970 848**	**1 085 033**	**55 536**	**77 768**	**3 189 185**	**3 187 861**
Financial liabilities held for trading						
Securities	-	32 724	-	-	32 724	32 724
Derivative financial liabilities	-	-	23 038	-	23 038	23 038
Financial liabilities measured at amortised cost						
Resources of credit institutions	1 195 890	-	-	-	1 195 890	1 169 867
Resources of customers	1 251 441	-	-	-	1 251 441	1 247 710
Debt securities issued	243 459	-	-	-	243 459	242 148
Financial liabilities	**2 690 790**	**32 724**	**23 038**	**-**	**2 746 552**	**2 715 487**
Balance as of 31 December 2024						
Cash and cash equivalents	38 159	-	-	-	38 159	38 159
Financial assets held for trading						
Securities	-	39 938	726 267	4 697	770 902	770 902
Derivative financial assets	-	-	23 821	-	23 821	23 821
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities	-	-	5 115	11 922	17 037	17 037
Loans and advances to customers	-	-	-	23	23	23
Financial assets at fair value through other comprehensive income	-	207 083	96 176	54 185	357 444	357 444
Financial assets measured at amortised cost						
Securities	617 566	-	-	-	617 566	608 926
Loans and advances to banks	512 202	-	-	-	512 202	512 202
Loans and advances to customers	718 758	-	-	-	718 758	715 164
Financial assets	**1 886 685**	**247 021**	**851 379**	**70 827**	**3 055 912**	**3 043 678**
Financial liabilities held for trading						
Securities	-	817	-	-	817	817
Derivative financial liabilities	-		23 131	-	23 131	23 131
Financial liabilities measured at amortised cost						
Resources of credit institutions	946 670	-	-	-	946 670	942 691
Resources of customers	1 293 048	-	-	-	1 293 048	1 288 225
Debt securities issued	318 413	-	-	-	318 413	314 273
Financial liabilities	**2 558 131**	**817**	**23 131**	**-**	**2 582 079**	**2 569 137**

As disclosed in Note 22, and as part of the periodic review of fair value measurement practices, and in line with the preliminary guidelines issued by Banco de Portugal, the Group revised the fair value measurement methodology applied to the Brazilian sovereign debt securities portfolio classified as financial assets at fair value through other comprehensive income, moving from the internal valuation model to the use of market-available prices. Accordingly, in 2025, these instruments were reclassified to Level 1 of the fair value hierarchy disclosed above/below (2024: Level 2).

Fair-value Hierarchy

The Bank's financial instruments are classified under the three levels defined in IFRS 13 according to the following:

Level 1 – Instruments valued using quoted prices observed in active and liquid markets. These include government bonds, credit bonds and exchange traded equities and derivatives.

Level 2 – Instruments valued using valuation techniques based on observable market inputs, quotes prices for similar instruments in active markets or for identical instruments in markets that are neither active nor liquid. These includes bonds, plain vanilla OTC derivatives, less liquid equities and funds valued at Net Asset Values (NAV) published daily by the fund manager and with possibility of daily redemption. The OTC derivatives includes financial instruments traded in OTC (over the counter), in which the counterparty has signed agreements of collateral (ISDA with CSA – Credit Support Annex), with very small Minimum Transfer Amount (MTA), which allows to mitigate the counterparty's Credit Risk while the CVA (Credit Value Adjustment) does not have a significant impact on the instrument valuation. Additionally, it also includes financial derivatives traded in OTC, without CSA, but the percentage of information not observed in market (e.g.: Internal Rating, Probability of Default determined by internal models, etc.) within the CVA valuation is not meaningful in what concerns the value of derivative as a whole. It is considered as significant when the value of CVA is higher than 5%.

Level 3 – Instruments measured using valuation techniques based on non-observable market inputs and that do not comply with the requirements to be classified under Level 1 nor Level 2. These include non-plain vanilla OTC derivatives valued based on non-observable market inputs or on indicative prices published by third parties, distressed and highly illiquid bonds, funds valued at Net Asset Values (NAV) published by the fund manager without possibility of daily redemption and private equity placements. In the Level 3 are included financial instruments traded in OTC market with counterparties which Haitong Bank does not have CSA signed and the percentage of unobservable data incorporated in CVA valuating is considered significant in the total value of the derivative (value of CVA has a weight higher than 5% of the value of derivate).

For the valuation of these instruments, unobservable inputs are the Credit Spread, in the case of bonds and the CVA in the case of derivatives.

The CVA represents the specific adjustment applied to reflect counterparties' credit risk on derivatives with a positive fair value. To calculate CVA, Haitong Bank considers the Positive Net Present Value (NPV) of the derivatives—representing the amount owed to the Bank in the event of the counterparty's default—and combines it with a weighting based on the Probability of Default (PD) and the Loss Given Default (LGD).

The Bank uses global default probabilities published annually by Standard & Poor's ("Mapping of S&P Global Market Intelligence Default Rates for Low Default Portfolios"), and the internal assignment of ratings follows S&P's methodology, being the PDs adjusted through the Bank's annual forward looking exercise, ensuring consistency between internal ratings and the PDs applied.

Also, an LGD benchmark derived from Moody's annual study on recovery rates by rating category ("Moody's Corporate Default and Recovery Rates") is used as a proxy, being the LGD solely applied to the unsecured portion of each contract, meaning the exposure amount net of collateral after applying the relevant haircut.

For financial instruments recorded in the balance sheet at fair value, the movement occurred between December 31, 2025, and 2024, in assets and liabilities classified in level 3 is as follows:

(thousand euros)

	Financial assets held for trading		Financial assets mandatory at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Total
	Securities	Derivative financial assets	Securities	Loans and advances		
Balance as of 31 December 2024	**4 697**	**-**	**11 922**	**23**	**54 185**	**70 827**
Results recognised in Net Interest Margin	221	-	916	-	178	**1 315**
Net trading income and from other financial instruments at fair value through profit or loss	-	-	-	1	(51)	**(50)**
Net gains/(losses) derecognition of financial assets measured at fair value through other comprehensive income	-	-	-	-	16	**16**
Impairment on other financial assets net of reversal and recoveries	-	-	-	-	(107)	**(107)**
Other fair value changes	(34)	-	(593)	-	211	**(416)**
Acquisitions	-	-	15	-	21 982	**21 997**
Sales	(4 884)	-	(2 151)	-	(28 858)	**(35 893)**
Transfers from other levels	-	-	-	-	20 077	**20 077**
Transfers to other levels	-	-	-	-	-	**-**
Balance as of 31 December 2025	**-**	**-**	**10 109**	**24**	**67 633**	**77 766**

In December 2025, based on the assessment of the market liquidity of the securities, Investment Securities (Financial Assets at FVTOCI) of 20 077.thousand euros were transferred from Level 2 to Level 3.

(thousand euros)

	Financial assets held for trading		Financial assets mandatory at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Total
	Securities	Derivative financial assets	Securities	Loans and advances		
Balance as of 31 December 2023	**8 410**	**2 114**	**8 354**	**24**	**64 668**	**83 570**
Results recognised in Net Interest Margin	610	-	943	-	4 095	**5 648**
Net trading income and from other financial instruments at fair value through profit or loss	3	285	491	(1)	-	**778**
Net gains/(losses) derecognition of financial assets measured at fair value through other comprehensive income	-	-	-	-	(1 418)	**(1 418)**
Impairment on other financial assets net of reversal and recoveries	-	-	-	-	(118)	**(118)**
Other fair value changes	(1 219)	(2 234)	(575)	-	(4 003)	**(8 031)**
Fair value reserve changes	-	-	-	-	1 344	**1 344**
Acquisitions	-	-	2 888	-	30 919	**33 807**
Sales	-	-	(179)	-	(15 546)	**(15 725)**
Reimbursements	(3 131)	-	-	-	(4 618)	**(7 749)**
Transfers from other levels	24	-	-	-	9 311	**9 335**
Transfers to other levels	-	(165)	-	-	(30 449)	**(30 614)**
Balance as of 31 December 2024	**4 697**	**-**	**11 922**	**23**	**54 185**	**70 827**

In December 2024, based on the assessment of the market liquidity of the securities, Investment Securities (Financial Assets at FVTOCI) of 30 449 thousand euros were transferred from Level 3 to Level 2 and of 9 311 thousand euros from Level 1 to Level 3.

Also, based on the assessment of the market liquidity of the securities, trading securities (Financial Assets HFT) of 24 thousand euros were transferred from Level 1 to Level 3.

Regarding the derivative instruments, between January and December 2024, 165 thousand euros were transferred from Level 3 to Level 2, resulting from changes in CVA's impact on the valuation of the derivative, which exceeded 5% in December 2023.

The main parameters used, during 2025, in the valuation models were the following:

Yield curves

The short-term rates set out below reflects indicative values of deposit interest rates and/or futures. Swap rates are used in the long-term tenors of the interest curve:

(%)

	31.12.2025			31.12.2024		
	EUR	USD	PLN	EUR	USD	PLN
Overnight	1.93	3.71	3.72	2.92	4.37	5.52
1 month	1.94	3.67	4.04	2.85	4.32	5.72
3 months	2.03	3.65	3.99	2.71	4.30	5.74
6 months	2.11	3.58	3.87	2.57	4.25	5.70
1 year	2.15	3.43	3.65	2.02	4.18	5.62
3 years	2.38	3.34	3.62	2.19	4.05	5.04
5 years	2.57	3.46	3.79	2.25	4.04	5.00
7 years	2.73	3.61	3.93	2.29	4.05	5.05
10 years	2.92	3.80	4.21	2.36	4.07	5.16
15 years	3.14	4.05	4.56	2.42	4.12	5.33
20 years	3.24	4.17	4.70	2.36	4.10	5.46

Credit spreads

Credit spreads curves and recovery rates used by the Group are sourced, on a daily basis, from Markit. The table below reflects the evolution of the main CDS indices:

(basis points)

Index	3 years	5 years	7 years	10 years
31.12.2025				
CDX USD Main	29.69	50.01	69.59	89.36
iTraxx Eur Main	27.07	50.66	69.98	91.25
iTraxx Eur Senior Financial	-	54.34	-	-
31.12.2024				
CDX USD Main	29.85	49.84	70.45	90.23
iTraxx Eur Main	35.24	57.65	77.48	97.96
iTraxx Eur Senior Financial	-	63.78	-	101.40

Interest rate volatilities

The following figures reflect at-the-money implied volatilities:

(%)

	31.12.2025			31.12.2024		
	EUR	USD	GBP	EUR	USD	GBP
1 year	22.94	54.80	36.99	68.79	70.16	64.55
3 years	53.57	72.62	60.38	83.63	101.12	98.52
5 years	67.72	78.63	70.36	86.08	103.76	104.74
7 years	66.39	91.30	76.44	85.52	103.64	105.89
10 years	68.24	82.95	82.35	83.59	102.38	104.96
15 years	68.15	84.15	86.14	79.71	98.48	102.36

Foreign exchange rate and volatilities

The table below reflects ECB's foreign exchange rates fixings and at-the-money implied volatilities:

	Exchange rate		Volatiliy (%)				
	31.12.2025	31.12.2024	1 month	3 months	6 months	9 months	1 year
EUR/USD	1.1750	1.0389	5.20	5.49	5.72	5.95	6.11
EUR/GBP	0.8726	0.8292	3.40	3.94	4.34	4.60	4.77
EUR/CHF	0.9314	0.9412	3.30	3.91	4.34	4.65	4.80
EUR/PLN	4.2210	4.2750	3.35	3.95	4.40	4.73	4.82
EUR/CNY	8.2262	7.5833	4.52	4.73	4.83	4.85	4.93
USD/BRL a)	5.4778	6.1847	12.52	13.16	13.89	14.65	16.09

a) Calculated based on the cross exchange rate between EUR/USD and EUR/BRL

The main methods and assumptions used in the abovementioned valuation of the fair-value of financial assets and liabilities are analysed as follows:

Cash and cash equivalents and Loans and advances to banks

The statement of financial position value of these financial instruments is considered a reasonable assumption of the corresponding fair-value due to their associated short timeframe.

Loans and advances to customers

The fair-value of loans and advances to customers is estimated based on the update of expected cash flows and interest, by taking into account market spreads for similar transactions (if they were entered into in the current moment) considering that the instalments are paid in compliance with the deadlines contractually agreed upon. For credit exposures classified in Stage 3, the Bank uses the respective net carrying amount as the fair value.

Resources of credit institutions

The fair value of these financial instruments is estimated based on the update of the expected cash flows of principal and interest, considering that the payments occur on the contractually defined dates.

Resources of customers

The fair value of these financial instruments is estimated based on the update of the expected cash flows of principal and interest, considering that the payments occur on the contractually defined dates. In accordance with IFRS 13.47, the fair value of liabilities with a demand feature cannot be lower than the amount payable to the customer. However, the Bank has considered, as underlying assumptions, the stability of the liability

base and a normal course of business context; therefore, the fair value estimate does not take this criterion into consideration.

Debt securities issued and Subordinated Liabilities

Generically, the fair-value of these instruments is based in market prices, when available. When unavailable, the fair-value it is estimated based on the update of expected cash flows in capital and interest regarding these instruments in the future.

Specifically for HB Brazil, the fair value of these instruments is based on the forecast of future cash flows, discounted by the Brazilian Interest Curve (composed of B3 DI Futures Contracts), plus a credit spread according to the internal Funding Transfer Price (FTP) of the remaining term of the transaction.

NOTE 39 – RISK MANAGEMENT

As an independent control function, the Risk Management Department, being actively involved in all material decisions and aligned with parent guidelines and practices, aims to enable the Bank to make informed decisions and ensure that the risk policies approved by the Board of Directors are duly implemented and followed.

Credit Risk

The Credit Risk results from the possibility of financial losses arising from the default of the customer or counterparty in relation to the contractual financial obligations established with the Group in the scope of its credit activity. Credit risk is mainly present in traditional banking products - loans, guarantees and loan commitments given - and in derivative products - swaps, forwards and options (counterparty risk).

The Group's credit portfolios are permanently monitored, with interaction between the business teams and risk management throughout the sequential stages of the credit cycle.

The Group's credit risk profile is regularly monitored, namely, in what concerns the evolution of credit exposure, delinquency ratios and provisioning, and concentration metrics.

The Group also controls the approved credit limits and assures the proper functioning of mechanisms related with the credit approval process.

ECL Calculation

The IFRS 9 standard outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition. According to Haitong Bank Group model, Expected Credit Loss (ECL) is determined as per the detailed information included in chapter 2.4.1., Impairment of Financial Assets and Financial Model:

- **Stage 1 – Performing**: Impairment assessment is carried out based 12-month expected credit loss (ECL). The ECL is measured by the present value of the exposure at default as at the reference date multiplied by the 12-month probability of default and the loss given default;
- **Stage 2 – Under Performing**: Impairment assessment will reflect the ECL lifetime resulting from a possible default event that may occur over the expected residual life of the instrument. The ECL considers the expected cash flows and the lifetime PD over the remaining life of the financial instrument. The Group considers the daily inter-period PD at the reference date for the ECL calculation.
- **Stage 3 – Non Performing**: Impairment assessment will reflect the ECL over the expected residual life of the instrument.

ECL measurement inputs

As a result of the characteristics of the Group's portfolio (reduced number of transactions and high heterogeneity), the calculation of the ECL has as the main vector of measurement the individual analysis assessment. Under the collective model, which is applied to financial instruments classified in Stage 1 and to determine the minimum impairment rate applicable to financial instruments classified in Stage 2, the key inputs for ECL measurement are the following:

- Probability of Default (PD): describes the likelihood of default. Haitong Bank takes in account the PD provided by from S&P, whereas the rating assigning process is performed internally based on the S&P methodology. This assures the alignment between the internal risk management and the impairment calculation process. Additionally, the Group incorporates climate and environmental considerations into its credit activities through an ESG Risk scoring model, which identifies clients with potentially high ESG risks. For such clients, further ESG due diligence is conducted to assess mitigation measures, leading to a final ESG risk classification embedded in the rating, thus impacting the ECL calculation.
- Loss Given Default (LGD): is the magnitude of the loss at the time of a default. The Bank applies the LGD based on Moody's LGD benchmarks (recovery rates), depending on the debtor and the financial instrument's characteristics.
- Exposure at Default (EAD): the expected exposure in the event of a default. The calculation of EAD depends on the asset type.

Regarding undrawn loan commitments and financial guarantees, the amount considered in the calculation of impairment at each stage results from the exposure as of the reference date weighted by the credit conversion factor (according with CRR).

Forward-Looking Information

As part of the forward-looking exercise, the Group adjusted the through-the-cycle probabilities of default provided by S&P ("TTC PD"), incorporating prospective macroeconomic information, and generated "point-in-time" probabilities of default ("PiT PD"), which are more precise and adequate to a point in time. The TTC PD are the default probabilities provided by S&P, having the Group developed a methodology to estimate PiT PD, based on the Scalar Factor concept, i.e., a coefficient that enables the conversion of TTC PD into PiT PD.

The forward-looking information used by the Group is grounded on a simplified approach, based on a proportionality concept, and due to size and profile of the Bank. Considering the characteristics of the Bank's portfolio, and in view of its worldwide presence, the 2025 forward-looking exercise involves a global macroanalysis.

A scenario-based approach upon external information was implemented, which provides sufficient granularity to meet regulatory and accounting requirements. The scenario-based approach incorporates a base case and downside scenario, weighted by their probability of occurrence, respectively, 80% and 20%.

The table below systematizes the assumptions considered for each scenario, whereas the Bank took into consideration the existing projections of reputed entities.

	Global GDP		Global Inflation		EURIBOR 3-months rate	
	(% of change of constant prices)		(% change in average CPI)		(rate)	
Scenario / Year	Downside	Base	Downside	Base	Downside	Base
2026	2.60%	3.09%	2.80%	3.71%	1.50%	1.90%
2027	2.50%	3.22%	2.75%	3.42%	1.25%	2.10%
2028	2.50%	3.21%	2.60%	3.31%	1.00%	2.42%

The Group's forward-looking exercise applies to the collective impairment model and covers exposures with a significant increase in credit risk, i.e., classified in Stage 2, namely whenever economic projections are available.

The Group's forward-looking exercise applies to the collective impairment model and covers exposures with a significant increase in credit risk, i.e., classified in Stage 2, namely whenever economic projections are available.

The annual update of the forward-looking exercise as of December 2025 led to a decrease of impairment of approximately 65 thousand euros.

Haitong Bank also carried out a sensitivity analysis, as of December 31st, 2025, based on the impact assessment of a 10% variation in external parameters considered in the collective model for the calculation of expected credit losses (PD and LGD). Finally, a +10% shock was applied to the PiT PD and the LGD parameters, verifying that the impact on expected credit losses would result in an increase of approximately 427 thousand euros for each scenario. Moreover, the Bank conducted a sensitivity analysis to disclose the impacts on impairment resulting from variations in the weighting of the scenarios used, adjusting the base case and downside scenario weights to 70% and 30%, respectively. This analysis verified that the impact on expected credit losses would result in an increase of approximately 55 thousand euros.

Additionally, the Group has carried out the regular stress testing exercise covering its credit portfolios, which essentially relies on a sensitivity analysis to assess the potential impacts over its asset quality/risk profile main indicators, resulting from market wide, counterparty-specific, and region-specific shock scenarios.

The financial instruments subject to standard IFRS 9 impairment requirements are presented below, detailed by stage, as of December 31, 2025, and December 31, 2024. It should be highlighted that throughout the presentation of the credit risk tables, the asset class of debt instruments (securities) included a bond measured at FVTPL in the amount of 886 thousand euros, and a loan to customers measured at FVTPL in the amount of 25 thousand euros which, despite not being subject to impairment calculation, contribute at a prudential level to the Bank's banking book and are therefore presented in these tables.

(thousand euros)

Asset Type	31.12.2025									
	Stage 1			Total Stage 1	Stage 2		Total Stage 2	Stage 3 and POCI	Total Stage 3	Total
	Low to Fair risk [aaa+;a-]	Monitoring [bbb+;b-]	Not rated		Low to Fair risk [aaa+;a-]	Monitoring [bbb+;b-]		Impaired [d]		
Loans and advances to customers	63 926	634 343	-	**698 269**	-	19 240	**19 240**	27 547	**27 547**	**745 056**
Loan commitments	2 100	52 857	-	**54 957**	-	-	**-**	360	**360**	**55 317**
Guarantees	29 377	57 114	-	**86 491**	-	-	**-**	11 446	**11 446**	**97 937**
Securities	86 021	782 205	-	**868 226**	-	13 863	**13 863**	7 888	**7 888**	**889 977**
Loans and advances to banks	616 911	34 805	-	**651 716**	-	-	**-**	-	**-**	**651 716**
Cash equivalents	22 094	2 325	-	**24 419**	-	-	**-**	110	**110**	**24 529**
Debtors and other assets	-	-	226	**226**	-	-	**-**	8 862	**8 862**	**9 088**
Commitments to Third Parties	-	35 000	-	**35 000**	-	-	**-**	-	**-**	**35 000**
Total	**820 429**	**1 598 649**	**226**	**2 419 304**	**-**	**33 103**	**33 103**	**56 213**	**56 213**	**2 508 620**

(thousand euros)

Asset Type	31.12.2024									
	Stage 1			Total Stage 1	Stage 2		Total Stage 2	Stage 3 and POCI	Total Stage 3	Total
	Low to Fair risk [aaa+;a-]	Monitoring [bbb+;b-]	Not rated		Monitoring [bbb+;b-]	Substandard [ccc+;ccc]		Impaired		
Loans and advances to customers	73 378	618 432	-	**691 810**	25 583	-	**25 583**	6 940	**6 940**	**724 333**
Loan commitments	2 100	75 799	-	**77 899**	-	-	**-**	352	**352**	**78 251**
Guarantees	30 796	70 716	-	**101 512**	-	9 606	**9 606**	372	**372**	**111 490**
Securities	107 349	862 005	-	**969 354**	10 126	-	**10 126**	3 788	**3 788**	**983 268**
Loans and advances to banks	449 505	62 706	-	**512 211**	-	-	**-**	-	**-**	**512 211**
Cash equivalents	32 487	3 866	284	**36 637**	-	-	**-**	3 898	**3 898**	**40 535**
Debtors and other assets	-	-	431	**431**	-	-	**-**	15 319	**15 319**	**15 750**
Commitments to Third Parties	-	20 000	-	**20 000**	-	-	**-**	-	**-**	**20 000**
Total	**695 615**	**1 713 524**	**715**	**2 409 854**	**35 709**	**9 606**	**45 315**	**30 669**	**30 669**	**2 485 838**

The rating distribution presented above is based on the internal rating methodology of the Bank. As of December 31, 2025, and December 2024, the majority of non-rated exposures relates to other debtors' transactions.

As of December 31, 2025, the maximum exposure to credit risk of financial assets not subject to impairment requirements amounts to 13.7 million euros (December 31, 2024: 28.2 million euros) corresponding to exposures to Central banks.

The table below compiles all financial instruments at amortized cost by industry, stage and days of delay as of December 31, 2025, and December 31, 2024:

(thousand euros)

31.12.2025																						
Financial instruments at Amortised cost (including financial guarantees) by industry, stage and past due status	Stage 1					Total Stage 1		Stage 2		Total Stage 2		Stage 3 and POCI								Total Stage 3 and POCI		Total	
	No overdue		1 - 29 days		30 - 89 days			No overdue				No overdue		30 - 89 days		90 - 180 days		More than 181 days(1)					
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Agribusiness & Commodity Foods	17 255	81	-	-	-	**17 255**	**81**	3 667	71	**3 667**	**71**	-	-	-	-	-	-	-	-	**-**	**-**	**20 922**	**152**
Automobiles & Components	11 769	12	-	-	-	**11 769**	**12**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**11 769**	**12**
Banks	675 148	6	-	-	-	**675 148**	**6**	-	-	**-**	**-**	110	28	-	-	-	-	-	-	**110**	**28**	**675 258**	**34**
Broker Dealers	176	1	-	-	-	**176**	**1**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**176**	**1**
Building Materials	27 247	54	10	-	-	**27 257**	**54**	-	-	**-**	**-**	-	-	-	-	-	-	186	186	**186**	**186**	**27 443**	**240**
Capital Goods	66 780	52	-	-	-	**66 780**	**52**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**66 780**	**52**
Chemicals	37 822	103	-	-	-	**37 822**	**103**	-	-	**-**	**-**	9 756	5 449	15 449	10 400	-	-	571	571	**25 776**	**16 420**	**63 598**	**16 523**
Commercial & Professional Services	4 617	38	-	-	-	**4 617**	**38**	-	-	**-**	**-**	3 940	1 411	-	-	5	5	-	-	**3 945**	**1 416**	**8 562**	**1 454**
Construction & Engineering	128 272	157	-	-	-	**128 272**	**157**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**128 272**	**157**
Consumer Durables & Apparel	28 246	215	-	-	-	**28 246**	**215**	-	-	**-**	**-**	1 800	78	-	-	-	-	-	-	**1 800**	**78**	**30 046**	**293**
Food, Beverage & Tobacco	34 258	118	-	-	-	**34 258**	**118**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**34 258**	**118**
Funds & Asset Managers	416	-	-	-	-	**416**	**-**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**416**	**-**
Governments	334 434	409	-	-	-	**334 434**	**409**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**334 434**	**409**
Health Care	30 518	87	-	-	-	**30 518**	**87**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**30 518**	**87**
Insurance	-	-	-	-	-	**-**	**-**	-	-	**-**	**-**	-	-	-	-	48	5	-	-	**48**	**5**	**48**	**5**
Investment Holdings	13 449	19	-	-	-	**13 449**	**19**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**13 449**	**19**
Metals & Mining	39 480	76	-	-	-	**39 480**	**76**	3 993	49	**3 993**	**49**	-	-	-	-	-	-	-	-	**-**	**-**	**43 473**	**125**
Non Bank Financial Institutions	88 085	358	-	-	-	**88 085**	**358**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**88 085**	**358**
Oil & Gas	126 015	100	-	-	-	**126 015**	**100**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**126 015**	**100**
Paper & Forest Products	23 950	15	-	-	-	**23 950**	**15**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**23 950**	**15**
Power	110 006	446	-	-	-	**110 006**	**446**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**110 006**	**446**
Real estate	70 826	180	16	-	-	**70 842**	**180**	3 754	278	**3 754**	**278**	-	-	-	-	-	-	-	-	**-**	**-**	**74 596**	**458**
Rental & Leasing	-	-	-	-	-	**-**	**-**	11 819	352	**11 819**	**352**	-	-	-	-	-	-	-	-	**-**	**-**	**11 819**	**352**
Retailing	11 376	45	-	-	-	**11 376**	**45**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**11 376**	**45**
Telecoms	103 797	391	3	3	-	**103 800**	**394**	-	-	**-**	**-**	11 149	2 693	-	-	-	-	11	11	**11 160**	**2 704**	**114 960**	**3 098**
Transportation	15 787	37	-	-	-	**15 787**	**37**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**15 787**	**37**
Transportation Infrastructure	90 337	97	7	-	3	**90 347**	**97**	-	-	**-**	**-**	1 146	411	-	-	-	-	7 885	3 890	**9 031**	**4 301**	**99 378**	**4 398**
Water Utilities	24 663	65	-	-	-	**24 663**	**65**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	**-**	**-**	**24 663**	**65**
Others	34	-	78	2	3	**115**	**3**	-	-	**-**	**-**	-	-	-	-	4	-	152	124	**156**	**124**	**271**	**127**
Total	**2 114 763**	**3 162**	**114**	**5**	**6**	**2 114 883**	**3 168**	**23 233**	**750**	**23 233**	**750**	**27 901**	**10 070**	**15 449**	**10 400**	**57**	**10**	**8 805**	**4 782**	**52 212**	**25 262**	**2 190 328**	**29 180**

(1) Resulting from the specific characteristics of the Receivables portfolio, a simplified approach based on the days past due (and therefore standardized in Stage 1) is applied.

(thousand euros)

Financial instruments at Amortised cost (including financial guarantees) by industry, stage and past due status	31.12.2024																			
	Stage 1						Total Stage 1		Stage 2		Total Stage 2		Stage 3 and POCI						Total Stage 3 and POCI		Total	
	No overdue		1 - 29 days		30 - 89 days				No overdue				No overdue		90 - 180 days		More than 181 days(1)					
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Agribusiness & Commodity Foods	-	-	-	-	-	-	-	-	4 724	105	**4 724**	**105**	-	-	-	-	-	-	-	-	**4 724**	**105**
Agricultural Cooperatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Automobiles & Components	45 570	113	-	-	-	-	**45 570**	**113**	-	-	-	-	-	-	-	-	-	-	-	-	**45 570**	**113**
Banks	573 203	34	-	-	-	-	**573 203**	**34**	-	-	-	-	3 897	2 378	-	-	-	-	**3 897**	**2 378**	**577 100**	**2 412**
Broker Dealers	6 217	1	-	-	-	-	**6 217**	**1**	-	-	-	-	-	-	-	-	-	-	-	-	**6 217**	**1**
Building Materials	30 782	61	-	-	-	-	**30 782**	**61**	-	-	-	-	-	-	-	-	189	189	**189**	**189**	**30 971**	**250**
Capital Goods	42 133	14	-	-	-	-	**42 133**	**14**	-	-	-	-	-	-	-	-	-	-	-	-	**42 133**	**14**
Chemicals	20 557	35	-	-	-	-	**20 557**	**35**	15 923	706	**15 923**	**706**	-	-	-	-	2 483	572	**2 483**	**572**	**38 963**	**1 313**
Commercial & Professional Services	39 436	568	-	-	-	-	**39 436**	**568**	-	-	-	-	4 089	1 256	5	5	-	-	**4 094**	**1 261**	**43 530**	**1 829**
Construction & Engineering	96 330	61	7	-	-	-	**96 337**	**61**	-	-	-	-	-	-	-	-	378	378	**378**	**378**	**96 715**	**439**
Consumer Durables & Apparel	18 050	85	-	-	-	-	**18 050**	**85**	-	-	-	-	1 841	-	-	-	-	-	**1 841**	**-**	**19 891**	**85**
Containers & Packaging	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food, Beverage & Tobacco	19 263	46	-	-	-	-	**19 263**	**46**	-	-	-	-	-	-	-	-	-	-	-	-	**19 263**	**46**
Funds & Asset Managers	5 996	4	-	-	-	-	**5 996**	**4**	-	-	-	-	-	-	-	-	-	-	-	-	**5 996**	**4**
Governments	327 970	359	-	-	-	-	**327 970**	**359**	-	-	-	-	-	-	-	-	-	-	-	-	**327 970**	**359**
Health Care	12 205	7	97	1	-	-	**12 302**	**8**	-	-	-	-	-	-	-	-	-	-	-	-	**12 302**	**8**
Media & Entertainment	-	-	62	1	-	-	**62**	**1**	-	-	-	-	-	-	-	-	-	-	-	-	**62**	**1**
Metals & Mining	47 509	98	-	-	-	-	**47 509**	**98**	-	-	-	-	-	-	-	-	-	-	-	-	**47 509**	**98**
Non Bank Financial Institutions	41 054	345	-	-	-	-	**41 054**	**345**	-	-	-	-	-	-	-	-	-	-	-	-	**41 054**	**345**
Oil & Gas	122 191	323	-	-	-	-	**122 191**	**323**	-	-	-	-	-	-	-	-	-	-	-	-	**122 191**	**323**
Paper & Forest Products	22 659	14	-	-	-	-	**22 659**	**14**	-	-	-	-	-	-	-	-	-	-	-	-	**22 659**	**14**
Power	189 494	649	-	-	-	-	**189 494**	**649**	-	-	-	-	-	-	-	-	-	-	-	-	**189 494**	**649**
Real estate	94 638	438	32	-	-	-	**94 670**	**438**	3 754	278	**3 754**	**278**	-	-	-	-	8	4	**8**	**4**	**98 432**	**720**
Rental & Leasing	17 547	134	-	-	-	-	**17 547**	**134**	-	-	-	-	-	-	-	-	-	-	-	-	**17 547**	**134**
Retailing	33 386	133	-	-	-	-	**33 386**	**133**	-	-	-	-	-	-	-	-	-	-	-	-	**33 386**	**133**
Telecoms	94 112	226	20 554	30	29	-	**114 695**	**256**	9 606	615	**9 606**	**615**	-	-	-	-	11	6	**11**	**6**	**124 312**	**877**
Transportation	19 117	54	-	-	-	-	**19 117**	**54**	250	-	**250**	**-**	-	-	-	-	-	-	**-**	**-**	**19 367**	**54**
Transportation Infrastructure	105 383	126	7	-	-	-	**105 390**	**126**	932	26	**932**	**26**	1 711	657	-	-	9 891	4 140	**11 602**	**4 797**	**117 924**	**4 949**
Water Utilities	14 205	41	-	-	-	-	**14 205**	**41**	-	-	-	-	-	-	-	-	-	-	**-**	**-**	**14 205**	**41**
Others	3	-	23	-	130	2	**156**	**2**	-	-	-	-	-	-	635	64	1 720	686	**2 355**	**750**	**2 511**	**752**
Total	**2 039 010**	**3 969**	**20 782**	**32**	**159**	**2**	**2 059 951**	**4 003**	**35 189**	**1 730**	**35 189**	**1 730**	**11 538**	**4 291**	**640**	**69**	**14 680**	**5 975**	**26 858**	**10 335**	**2 121 998**	**16 068**

The following section presents the gross exposure categorized by asset type, impairment stage, and internal rating bucket.

Loans and advances to customers

The table below presents a summary of the portfolio of loans and advances to customers of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Loans and advances to customers		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	63 926	-	-	-	**63 926**
Monitoring	[bbb+;b-]	634 343	19 240	-	-	**653 583**
Impaired	[d]	-	-	17 850	9 673	**27 523**
Gross carrying amount		**698 269**	**19 240**	**17 850**	**9 673**	**745 032**
Loss allowance (Note 31)		1 929	701	10 842	5 000	**18 472**
Carrying amount		**696 340**	**18 539**	**7 008**	**4 673**	**726 560**
Fair Value Through Profit and Loss						
Impaired	[d]	-	-	24	-	**24**
Gross carrying amount		**-**	**-**	**24**	**-**	**24**
Revaluation		-	-	1	-	**1**
Carrying amount		**-**	**-**	**25**	**-**	**25**
Total gross carrying amount		**698 269**	**19 240**	**17 874**	**9 673**	**745 056**
Loss allowance (Note 31)		1 929	701	10 842	5 000	**18 472**
Revaluation		-	-	1	-	**1**
Total Carrying amount		**696 340**	**18 539**	**7 033**	**4 673**	**726 585**

(thousand euros)

Loans and advances to customers		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	73 378	-	-	-	**73 378**
Monitoring	[bbb+;b-]	618 432	25 583	-	-	**644 015**
Impaired	[d]	-	-	2 975	3 941	**6 916**
Gross carrying amount		**691 810**	**25 583**	**2 975**	**3 941**	**724 309**
Loss allowance (Note 31)		2 568	1 115	680	1 188	**5 551**
Carrying amount		**689 242**	**24 468**	**2 295**	**2 753**	**718 758**
Fair Value Through Profit and Loss						
Impaired	[d]	-	-	24	-	**24**
Gross carrying amount		**-**	**-**	**24**	**-**	**24**
Revaluation		-	-	(1)	-	**(1)**
Carrying amount		**-**	**-**	**23**	**-**	**23**
Total gross carrying amount		**691 810**	**25 583**	**2 999**	**3 941**	**724 333**
Loss allowance (Note 31)		2 568	1 115	680	1 188	**5 551**
Total Carrying amount		**689 242**	**24 468**	**2 318**	**2 753**	**718 781**

Loan commitments

The table below presents a summary of the portfolio of loans commitments of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Loan commitments		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	2 100	-	-	-	**2 100**
Monitoring	[bbb+;b-]	52 857	-	-	-	**52 857**
Impaired	[d]	-	-	360	-	**360**
Total gross carrying amount		**54 957**	**-**	**360**	**-**	**55 317**
Loss allowance (Note 31)		37	-	9	-	**46**
Total Carrying amount		**54 920**	**-**	**351**	**-**	**55 271**

(thousand euros)

Loan commitments		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	2 100	-	-	-	**2 100**
Monitoring	[bbb+;b-]	75 799	-	-	-	**75 799**
Impaired	[d]	-	-	352	-	**352**
Total gross carrying amount		**77 899**	**-**	**352**	**-**	**78 251**
Loss allowance (Note 31)		143	-	6	-	**149**
Total Carrying amount		**77 756**	**-**	**346**	**-**	**78 102**

Guarantees

The table below presents a summary of the portfolio of guarantees granted to clients of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Guarantees		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	29 378	-	-	-	**29 378**
Monitoring	[bbb+;b-]	57 113	-	-	-	**57 113**
Impaired	[d]	-	-	11 446	-	**11 446**
Total gross carrying amount		**86 491**	**-**	**11 446**	**-**	**97 937**
Loss allowance (Note 31)		75	-	2 724	-	**2 799**
Total Carrying amount		**86 416**	**-**	**8 722**	**-**	**95 138**

(thousand euros)

Guarantees		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	30 796	-	-	-	**30 796**
Monitoring	[bbb+;b-]	70 716	-	-	-	**70 716**
Substandard	[ccc+;ccc]	-	9 606	-	-	**9 606**
Impaired	[d]	-	-	372	-	**372**
Total gross carrying amount		**101 512**	**9 606**	**372**	**-**	**111 490**
Loss allowance (Note 31)		74	615	39	-	**728**
Total Carrying amount		**101 438**	**8 991**	**333**	**-**	**110 762**

Debt securities

The table below presents a summary of the portfolio of debt securities at amortised cost, fair value through other comprehensive income and fair value though profit and loss of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

FVOCI and Amortised cost debt Securities		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	61 355	-	-	-	**61 355**
Monitoring	[bbb+;b-]	502 450	3 993	-	-	**506 443**
Impaired	[d]	-	-	3 911	-	**3 911**
Gross amount		**563 805**	**3 993**	**3 911**	**-**	**571 709**
Loss allowance (Note 31)		1 014	49	1 866	-	**2 929**
Fair value hedge		(712)	-	-	-	**(712)**
Carrying amount		**562 079**	**3 944**	**2 045**	**-**	**568 068**
Fair Value through Other Comprehensive Income						
Low to fair risk	[aaa+;a-]	24 665	-	-	-	**24 665**
Monitoring	[bbb+;b-]	279 756	9 870	-	-	**289 626**
Impaired	[d]	-	-	-	3 091	**3 091**
Gross amount		**304 421**	**9 870**	**-**	**3 091**	**317 382**
Loss allowance (Note 31)		655	21	-	121	**797**
Revaluation		(2 010)	(174)	-	49	**(2 135)**
Fair value hedge		477	-	-	-	**477**
Carrying amount		**302 233**	**9 675**	**-**	**3 019**	**314 927**
Fair Value Through Profit and Loss						
Impaired	[d]	-	-	-	886	**886**
Gross amount		**-**	**-**	**-**	**886**	**886**
Carrying amount		**-**	**-**	**-**	**886**	**886**
Total gross carrying amount		**868 226**	**13 863**	**3 911**	**3 977**	**889 977**
Loss allowance (Note 31)		1 669	70	1 866	121	**3 726**
Revaluation		(2 010)	(174)	-	49	**(2 135)**
Fair value hedge		(235)	-	-	-	**(235)**
Total Carrying amount		**864 312**	**13 619**	**2 045**	**3 905**	**883 881**

(thousand euros)

FVOCI and Amortised cost debt Securities		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	75 031	-	-	-	**75 031**
Monitoring	[bbb+;b-]	544 420	-	-	-	**544 420**
Gross amount		**619 451**	**-**	**-**	**-**	**619 451**
Loss allowance (Note 31)		1 194	-	-	-	**1 194**
Fair value hedge		(691)	-	-	-	**(691)**
Carrying amount		**617 566**	**-**	**-**	**-**	**617 566**
Fair Value through Other Comprehensive Income						
Low to fair risk	[aaa+;a-]	32 318	-	-	-	**32 318**
Monitoring	[bbb+;b-]	317 585	10 126	-	-	**327 711**
Impaired	[d]	-	-	-	2 901	**2 901**
Gross carrying amount		**349 903**	**10 126**	**-**	**2 901**	**362 930**
Loss allowance		646	47	-	-	**693**
Revaluation		(4 285)	(432)	-	(66)	**(4 783)**
Fair value hedge		(10)	-	-	-	**(10)**
Carrying amount		**344 962**	**9 647**	**-**	**2 835**	**357 444**
Total gross carrying amount						
Total Carrying amount	[d]	-	-	-	887	**887**
Not rated						**-**
Gross amount		**-**	**-**	**-**	**887**	**887**
Carrying amount		**-**	**-**	**-**	**887**	**887**
Total gross carrying amount		**969 354**	**10 126**	**-**	**3 788**	**983 268**
Loss allowance (Note 31)		1 840	47	-	-	**1 887**
Revaluation		(4 285)	(432)	-	(66)	**(4 783)**
Fair value hedge		(701)	-	-	-	**(701)**
Total Carrying amount		**962 528**	**9 647**	**-**	**3 722**	**975 897**

Cash equivalents

The table below presents a summary of the cash equivalents portfolio of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Cash equivalents		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	22 093	-	-	-	**22 093**
Monitoring	[bbb+;b-]	2 326	-	-	-	**2 326**
Impaired	[d]	-	-	110	-	**110**
Total gross carrying amount		**24 419**	**-**	**110**	**-**	**24 529**
Loss allowance (Note 31)		-	-	28	-	**28**
Total Carrying amount		**24 419**	**-**	**82**	**-**	**24 501**

(thousand euros)

Cash equivalents		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	32 487	-	-	-	**32 487**
Monitoring	[bbb+;b-]	3 866	-	-	-	**3 866**
Impaired	[d]	-	-	3 898	-	**3 898**
Not rated		284	-	-	-	**284**
Total gross carrying amount		**36 637**	**-**	**3 898**	**-**	**40 535**
Loss allowance (Note 31)		-	-	2 378	-	**2 378**
Total Carrying amount		**36 637**	**-**	**1 520**	**-**	**38 157**

Loans and advances to banks

The table below presents a summary of the portfolio of loans and advances to banks of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Loans and advances to banks		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	616 910	-	-	-	**616 910**
Monitoring	[bbb+;b-]	34 806	-	-	-	**34 806**
Total gross carrying amount		**651 716**	**-**	**-**	**-**	**651 716**
Loss allowance (Note 31)		3	-	-	-	**3**
Total Carrying amount		**651 713**	**-**	**-**	**-**	**651 713**

(thousand euros)

Loans and advances to banks		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	449 505	-	-	-	**449 505**
Monitoring	[bbb+;b-]	62 706	-	-	-	**62 706**
Total gross carrying amount		**512 211**	**-**	**-**	**-**	**512 211**
Loss allowance (Note 31)		9	-	-	-	**9**
Total Carrying amount		**512 202**	**-**	**-**	**-**	**512 202**

Debtors and other assets

The table below presents a summary of the portfolio of debtors and other assets portfolio of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Debtors and other assets		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Impaired	[d]		-	-	7 885	**7 885**
Not rated		226	-	977	-	**1 203**
Total gross carrying amount		**226**	**-**	**977**	**7 885**	**9 088**
Loss allowance (Note 31)		62	-	903	3 890	**4 855**
Total Carrying amount		**164**	**-**	**74**	**3 995**	**4 233**

(thousand euros)

Debtors and other assets		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Impaired	[d]	-	-	-	11 802	**11 802**
Not rated		431	-	3 517	-	**3 948**
Total gross carrying amount		**431**	**-**	**3 517**	**11 802**	**15 750**
Loss allowance (Note 31)		4	-	1 904	4 140	**6 048**
Total Carrying amount		**427**	**-**	**1 613**	**7 662**	**9 702**

Commitments to Third Parties

The table below presents a summary of the portfolio of debtors and other assets portfolio of Haitong Bank Group, as of December 31, 2025, and December 31, 2024:

(thousand euros)

Commitments to Third Parties		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Monitoring	[bbb+;b-]	35 000	-	-	-	**35 000**
Total gross carrying amount		**35 000**	**-**	**-**	**-**	**35 000**
Loss allowance (Note 31)		48	-	-	-	**48**
Total Carrying amount		**34 952**	**-**	**-**	**-**	**34 952**

(thousand euros)

Commitments to Third Parties		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Monitoring	[bbb+;b-]	20 000	-	-	-	**20 000**
Total gross carrying amount		**20 000**	**-**	**-**	**-**	**20 000**
Loss allowance (Note 31)		11	-	-	-	**11**
Total Carrying amount		**19 989**	**-**	**-**	**-**	**19 989**

Stage movement

During the year of 2025 and 2024, the following moves occurred:

(thousand euros)

	Of which:			Total
	Stage 1	Stage 2	Stage 3	
Balance on 31 December 2024	**2 404 867**	**44 884**	**30 603**	**2 480 354**
Exposure increases/decreases	198 488	(2 087)	(4 227)	**192 147**
Transfers:				
from stage 1	(20 641)	16 730	3 911	**-**
from stage 2	-	(26 598)	26 598	**-**
from stage 3	-	-	-	**-**
Write-off	-	-	(622)	**(622)**
Sales	(165 616)	-	-	**(165 616)**
Balance on 31 December 2025	**2 417 098**	**32 929**	**56 263**	**2 506 290**

(thousand euros)

	Of which:			Total
	Stage 1	Stage 2	Stage 3	
Balance on 31 December 2023	**2 536 238**	**32 266**	**46 538**	**2 615 042**
Exposure increases/decreases	36 995	(12 911)	3 302	**27 386**
Transfers:				**-**
from stage 1	(15 923)	15 923	-	**-**
from stage 2	-	-	-	**-**
from stage 3	-	9 606	(9 606)	**-**
Write-off	-	-	(9 631)	**(9 631)**
Sales	(152 443)	-	-	**(152 443)**
Balance on 31 December 2024	**2 404 867**	**44 884**	**30 603**	**2 480 354**

During 2025, two exposures totalling 16 730 thousand euros were transferred from Stage 1 to Stage 2, two exposures totalling 26 598 thousand euros were transferred from Stage 2 to Stage 3, and an exposure totalling 3 911 thousand euros was transferred from Stage 1 to Stage 3

The use of credit protection is a key element of the risk policy and credit decision process, influencing the acceptance criteria, the decision levels, and the pricing.

The main risk mitigation techniques used by the Group are financial pledges (funded credit protection – financial collateral in the form of securities and cash) and personal guarantees (unfunded credit protection with substitution effect).

Haitong Bank Group follows the prescription of CRR in what concerns collateral haircuts for impairment calculation. Thus, instead of using the collateral value, the Group considers the collateral value after the haircut application.

Frequency and methods of collateral valuation depend on the nature of the collateral. For listed equity securities and debt securities, valuation occurs on a daily basis using market prices.

As approved by the Executive Committee during 2024, the pledge of bank accounts valuation update takes place on a semi-annual basis, after the reference dates 30/6 and 31/12 or whenever there is a significant change that implies the update of the values, according to the information provided by the depositary bank.

Regarding pledges over non-listed equity securities, pledges over equipment and mortgage valuation, it is done at least on an annual basis and it is based on financial information of the borrower or on valuation reports of external entities (e.g. real estate).

As of December 31, 2025, the number of financial instruments with no losses identified, due to credit risk's mitigation techniques (i.e. whenever the exposure at default net of collateral is equal to zero), was 18 798 thousand euros (December 31, 2024: 5 466 thousand euros).

The table below disaggregates the financial instrument and financial guarantees' gross exposure, and exposure at default (EAD) separately for each stage and POCI.

(thousand euros)

		31.12.2025							
Rating bucket		Stage 1		Stage 2		Stage 3		POCI	
		Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD
Low to fair risk	[aaa+;a-]	820 428	802 515	-	-	-	-	-	-
Monitoring	[bbb+;b-]	1 598 649	1 438 351	33 103	33 103	-	-	-	-
Substandard	[ccc+;ccc]	-	-	-	-	-	-	-	-
Doubtful	[lccc]	-	-	-	-	-	-	-	-
Impaired	[d]	-	-	-	-	33 702	33 317	21 535	21 534
Not rated		226	226	-	-	977	976	-	-
Total		**2 419 303**	**2 241 092**	**33 103**	**33 103**	**34 679**	**34 293**	**21 535**	**21 534**

(thousand euros)

		31.12.2024							
Rating bucket		Stage 1		Stage 2		Stage 3		POCI	
		Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD
Low to fair risk	[aaa+;a-]	695 616	668 236	-	-	-	-	-	-
Monitoring	[bbb+;b-]	1 713 524	1 538 005	35 709	35 647	-	-	-	-
Substandard	[ccc+;ccc]	-	-	9 606	4 803	-	-	-	-
Doubtful	[lccc]	-	-	-	-	-	-	-	-
Impaired	[d]	-	-	-	-	7 621	7 151	19 531	19 531
Not rated		714	715	-	-	3 517	3 515	-	-
Total		**2 409 854**	**2 206 956**	**45 315**	**40 450**	**11 138**	**10 666**	**19 531**	**19 531**

Breakdown of Non-Performing and Forborne Exposures

The Group discloses the non-performing exposures and the forborne exposures in accordance with the definitions set out in Annex V to Commission Implementing Regulation (EU) 2018/1627 of 8 October 2018, amending Implementing Regulation (EU) No 680/2014 as regards prudent valuation for supervisory reporting.

The definitions of non-performing and forborne exposures are provided under section 2.4.1.

In this sense, as of December 31, 2025, and the December 31, 2024, the breakdown of performing and non-performing exposures was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage
Performing exposures	**2 450 027**	**4 594**	**0.2%**	**2 449 752**	**6 426**	**0.3%**
Banking Book Debt Securities	879 709	1 739	0.2%	974 062	1 887	0.2%
Loans and advances to customers	717 509	2 630	0.4%	717 394	3 683	0.5%
Loans and advances to banks	651 716	3	0.0%	512 211	9	0.0%
Cash & Cash Equivalents	24 419	-	0.0%	36 637	-	0.0%
Guarantees	86 491	75	0.1%	111 118	689	0.6%
Loan commitments	54 957	37	0.1%	77 899	143	0.2%
Other commitments	35 000	48	0.1%	20 000	11	0.1%
Other assets	-	-	0.0%	-	-	0.0%
Receivables	226	62	27.4%	431	4	0.9%
Non-Performing exposures (NPE)	**56 263**	**25 383**	**45.1%**	**30 602**	**10 335**	**33.8%**
Banking Book Debt Securities	7 937	1 987	25.0%	3 722	-	0.0%
Loans and advances to customers	27 548	15 842	57.5%	6 939	1 868	26.9%
Cash & Cash Equivalents	110	28	25.5%	3 898	2 378	61.0%
Guarantees	11 446	2 724	23.8%	372	39	10.5%
Loan commitments	360	9	2.5%	352	6	1.7%
Other assets	7 885	3 890	49.3%	11 804	4 141	35.1%
Receivables	977	903	92.4%	3 515	1 903	54.1%
Total	**2 506 290**	**29 977**	**1.2%**	**2 480 354**	**16 761**	**0.7%**
NPE ratio	**2.2%**			**1.2%**		
NPL ratio	**3.7%**			**1.0%**		

(1) Amortized cost, comprising accrued interest, discontinued hedges, adjustments for active hedges, and revaluation amounts of securities measured at fair value through other comprehensive income.

As of December 31, 2025, and December 31, 2024, the breakdown of performing and non-performing forborne exposures was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage
Performing exposures	**2 442 567**	**4 245**	**0.2%**	**2 424 418**	**5 311**	**0.2%**
Performing Forborne exposures	**7 421**	**349**	**4.7%**	**25 334**	**1 115**	**4.4%**
Loans and advances to customers	7 421	349	4.7%	25 334	1 115	4.4%
Non-Performing Forborne exposures	**31 909**	**15 972**	**50.1%**	**10 990**	**1 874**	**17.1%**
Banking Book Debt Securities	4 026	121	3.0%	3 722	-	0.0%
Loans and advances to customers	27 523	15 842	57.6%	6 916	1 868	27.0%
Loan commitments	360	9	2.5%	352	6	1.7%
Non-Performing exposures	**24 354**	**9 411**	**38.6%**	**19 612**	**8 461**	**43.1%**
Banking Book Debt Securities	3 911	1 866	47.7%	-	-	0.0%
Loans and advances to customers	25	-	0.0%	23	-	0.0%
Cash & Cash Equivalents	110	28	25.5%	3 898	2 378	61.0%
Guarantees	11 446	2 724	23.8%	372	39	10.5%
Other assets	7 885	3 890	49.3%	11 804	4 141	35.1%
Receivables	977	903	92.4%	3 515	1 903	54.1%
Total	**2,506,251**	**29,977**	**1.2%**	**2,480,354**	**16,761**	**0.7%**

(1) Amortized cost, comprising accrued interest, discontinued hedges, adjustments for active hedges, and revaluation amounts of securities measured at fair value through other comprehensive income.

The tables below present the type of forbearance measures applied, detailing the number of deals, gross amount and revaluations, and loss allowance across different stages as of December 31, 2025, and December 31, 2024.

(thousand euros)

	31.12.2025														
	Stage 1			Stage 2			Stage 3			POCI			Total		
Forbearance Measure	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance
Maturity Extension	-	-	-	1	3 754	278	-	-	-	-	-	-	1	3 754	278
Rescheduled Payments	-	-	-	-	-	-	1	15 450	10 400	-	-	-	1	15 449	10 400
Other Forbearance	-	-	-	1	3 667	71	2	2 762	451	4	13 699	5 121	7	20 127	5 643
Total	**-**	**-**	**-**	**2**	**7 421**	**349**	**3**	**18 212**	**10 851**	**4**	**13 699**	**5 121**	**9**	**39 330**	**16 321**

(thousand euros)

Forbearance Measure	31.12.2024											
	Stage 2			Stage 3			POCI			Total		
	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance
Maturity Extension	1	3 754	278	-	-	-	-	-	-	1	3 754	278
Rescheduled Payments	2	16 855	732	-	-	-	-	-	-	2	16 855	732
Other Forbearance	1	4 725	105	2	4 148	686	3	6 842	1 188	6	15 714	1 979
Total	**4**	**25 334**	**1 115**	**2**	**4 148**	**686**	**3**	**6 842**	**1 188**	**9**	**36 323**	**2 989**

During 2025 and 2024, the following movements in forborne exposures, by gross amount and revaluations, occurred:

(thousand euros)

	31.12.2025	31.12.2024
Initial Balance	**36 323**	**23 194**
Forborne exposures during the period	5 845	19 644
Repayments	(3 029)	(4 030)
Write-off	-	(2 484)
Others	191	-
Final Balance	**39 330**	**36 324**

Concentration risk

Concerning the concentration risk - that is, the risk arising from the possibility of exposure or from a group of exposures sharing common or interrelated risk factors that produce losses large enough to affect the Group's solvency - Haitong Bank has internal limits established for the largest single-name exposures. Regular monitoring of these limits, together with regulatory limits, strengthens the Group's monitoring framework for the concentration of credit risk.

The breakdown of loans and advances to customers, financial assets held for trading and securities, by sector of activity, as of December 31, 2025, and December 31, 2024, is as follows:

(thousand euros)

Industry	31.12.2025								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Agribusiness & Commodity Foods	20 922	-	152	-	-	1 301	-	-	-
Automobiles & Components	-	-	-	-	-	2 895	-	21 301	38
Banks	-	-	-	-	-	11 568	982	26 912	14
Broker Dealers	-	-	-	-	-	-	-	176	1
Building Materials	27 247	-	54	-	-	2 049	-	-	-
Capital Goods	26 014	-	34	-	-	-	-	7 631	8
Chemicals	39 998	1 134	13 284	747	-	1 670	-	25 026	1 948
Commercial & Professional Services	3 283	-	1 370	-	-	430	-	4 617	38
Construction & Engineering	6 020	25	28	-	-	153	-	38 257	67
Consumer Durables & Apparel	19 838	-	245	-	-	875	-	15 369	71
Food, Beverage & Tobacco	31 373	-	112	-	-	-	-	17 903	16
Funds & Asset Managers	-	-	-	-	-	6 226	-	10 911	-
Governments	-	-	-	-	-	819 958	-	409 038	551
Health Care	13 501	-	60	-	-	75	-	31 160	65
Hotels & Gaming	-	-	-	-	-	-	-	8 874	41
Insurance	-	-	-	-	-	508	-	-	-
Investment Holdings	-	-	-	-	-	-	-	13 449	19
Metals & Mining	32 986	-	44	-	-	913	-	25 529	213
Non Bank Financial Institutions	83 073	-	358	-	-	5 574	188	24 917	18
Oil & Gas	114 325	-	88	-	-	1 764	-	30 177	28
Paper & Forest Products	1 326	-	1	-	-	-	-	2 624	3
Power	85 766	-	250	-	-	644	-	25 708	358
Real estate	53 618	-	441	-	-	1 922	-	69 910	66
Rental & Leasing	11 820	-	352	-	-	-	-	-	-
Retailing	5 009	-	23	-	-	1 626	-	15 116	34
Technology Hardware & Equipment	-	-	-	-	-	491	-	9 032	12
Telecoms	83 943	-	313	-	-	1 871	5 282	16 689	15
Transportation	-	-	-	-	-	2 335	-	22 216	44
Transportation Infrastructure	75 308	-	476	-	-	951	10 912	14 076	33
Water Utilities	8 528	-	40	-	-	4 189	-	16 136	25
TOTAL	**743 898**	**1 159**	**17 725**	**747**	**-**	**869 988**	**17 364**	**902 754**	**3 726**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

(thousand euros)

Industry	31.12.2024								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Agribusiness & Commodity Foods	4 724	-	105	-	-	-	274	-	-
Agricultural Cooperatives	33 841	-	95	-	-	2 237	41	55 403	101
Automobiles & Components	-	-	-	-	-	13 845	4 409	64 356	55
Banks	-	-	-	-	-	-	158	175	1
Broker Dealers	30 782	-	61	-	-	1 914	-	-	-
Building Materials	-	-	-	-	-	2 547	-	11 337	12
Capital Goods	15 923	-	706	-	-	3 646	-	23 659	49
Chemicals	38 214	-	1 739	-	-	3 841	-	4 587	40
Commercial & Professional Services	-	23	-	-	-	592	-	42 030	105
Construction & Engineering	19 890	-	86	-	-	-	-	5 230	3
Containers & Packaging	16 420	-	40	-	-	-	-	25 601	19
Food, Beverage & Tobacco	-	-	-	-	-	986	1	17 099	4
Funds & Asset Managers	123	-	-	-	-	726 628	-	395 645	485
Governments	-	-	-	-	-	156	-	21 455	93
Health Care	-	-	-	-	-	953	-	7 870	1
Insurance	-	-	-	-	-	603	-	-	-
Media & Entertainment	-	-	-	-	-	1 048	-	-	-
Metals & Mining	37 521	-	54	-	-	986	-	13 251	63
Non Bank Financial Institutions	36 645	-	343	-	-	3 611	998	24 102	56
Oil & Gas	113 382	-	305	-	-	-	205	9 794	10
Paper & Forest Products	-	-	-	-	-	-	2 950	2 659	3
Power	-	-	-	-	-	-	-	7 151	5
Real estate	139 275	-	479	-	-	1 157	217	43 282	208
Rental & Leasing	50 470	-	465	-	-	1 410	-	91 238	206
Retailing	12 061	-	113	-	-	-	-	5 486	22
Software	-	-	-	-	-	1 594	-	33 386	134
Telecoms	-	-	-	-	-	622	-	-	-
Transportation	87 496	560	221	1	-	2 086	5	25 940	41
Transportation Infrastructure	250	-	-	-	-	195	-	29 746	61
Water Utilities	86 732	-	739	-	-	106	14 563	19 247	69
Others	-	-	-	-	-	139	-	14 205	41
TOTAL	**723 749**	**583**	**5 551**	**1**	**-**	**770 902**	**23 821**	**993 934**	**1 887**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

The breakdown of loans and advances to customers, financial assets held for trading and securities, by country risk, as of December 31, 2025, and December 31, 2024, is as follows:

(thousand euros)

Country	31.12.2025								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Australia	27 319	-	38	-	-	-	-	-	-
Austria	-	-	-	-	-	-	-	10 451	11
Belgium	20 351	-	50	-	-	595	-	-	-
Brazil	102 393	269	4 211	165	-	819 482	204	246 684	2 580
Bulgaria	-	-	-	-	-	-	-	6 057	9
Colombia	-	-	-	-	-	-	-	8 775	19
Croatia	-	-	-	-	-	852	-	-	-
Cyprus	-	-	-	-	-	-	-	8 916	3
Denmark	-	-	-	-	-	-	-	3 531	4
Czech Republic	46 407	-	55	-	-	-	-	32 602	29
China	16 666	-	29	-	-	10 500	-	51 402	75
Finland	-	-	-	-	-	-	-	2 624	3
France	39 794	-	233	-	-	3 329	348	82 691	61
Germany	19 838	-	48	-	-	545	218	8 392	9
Greece	-	-	-	-	-	1 089	-	17 993	11
Hong-Kong	-	-	-	-	-	7 240	-	7 537	2
Hungary	-	-	-	-	-	-	-	46 916	40
Ireland	32 974	-	307	-	-	-	-	-	-
Italy	20 002	-	13	-	-	2 664	-	20 191	9
Japan	-	-	-	-	-	2 904	-	9 032	12
Korea (Republic Of)	-	-	-	-	-	3 650	-	-	-
Luxembourg	-	-	-	-	-	1 607	-	19 373	19
Macao	-	-	-	-	-	-	-	13 345	41
Mexico	17 015	-	11	-	-	-	-	20 238	13
Netherlands	43 556	-	179	-	-	2 985	-	6 429	7
Norway	-	-	-	-	-	-	-	10 775	7
Poland	64 331	890	10 223	582	-	1 444	-	49 690	79
Portugal	98 614	-	528	-	-	4 386	10 912	46 646	269
Romania	-	-	-	-	-	503	-	54 972	52
Spain	54 132	-	1 662	-	-	5 160	211	58 692	186
Sweden	-	-	-	-	-	-	-	7 631	8
Taiwan	-	-	-	-	-	491	-	-	-
Turkey	50 099	-	52	-	-	-	-	-	-
United Kingdom	49 244	-	54	-	-	-	5 471	20 084	33
United States	25 503	-	11	-	-	562	-	31 085	135
Peru	15 660	-	21	-	-	-	-	-	-
Virgin islands (british)	-	-	-	-	-	-	-	-	-
TOTAL	**743 898**	**1 159**	**17 725**	**747**	**-**	**869 988**	**17 364**	**902 754**	**3 726**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

(thousand euros)

Country	31.12.2024							
	Loans and advances to customers				Financial assets held-for-trading		Securities (1)	
	Gross amount		Impairment		Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans				
Australia	30 930	-	45	-	-	-	-	-
Austria	-	-	-	-	-	-	10 068	11
Brazil	70 675	-	909	-	730 610	2 265	203 801	578
Bulgaria	-	-	-	-	-	-	11 289	17
Colombia	-	-	-	-	-	-	9 653	13
Cyprus	-	-	-	-	-	-	9 023	3
Czech Republic	20 504	-	21	-	-	-	9 918	11
China	18 716	-	32	-	5 579	-	75 934	256
Finland	-	-	-	-	-	-	2 659	3
France	33 341	-	159	-	-	129	94 041	129
Germany	20 197	-	30	-	4 136	2 177	57 118	74
Greece	-	-	-	-	-	-	20 395	20
Hong-Kong	-	-	-	-	5 719	-	8 584	3
Hungary	-	-	-	-	1 242	-	20 337	21
Ireland	36 645	-	343	-	-	-	-	-
Italy	19 980	-	14	-	1 605	-	127 127	108
Japan	-	-	-	-	2 435	-	-	-
Korea (Republic Of)	-	-	-	-	983	-	-	-
Luxembourg	-	-	-	-	649	-	5 115	-
Macao	-	-	-	-	473	-	10 118	1
Mexico	9 642	-	6	-	-	-	7 893	6
Netherlands	46 901	-	99	-	3 159	-	33 386	20
Poland	102 411	23	1 012	-	715	205	47 568	118
Portugal	126 620	-	569	-	2 127	17 736	86 283	266
Romania	-	-	-	-	-	-	32 311	31
Spain	80 243	-	1 886	-	5 381	311	79 812	128
Sweden	-	-	-	-	102	-	12 911	12
Turkey	-	-	-	-	-	-	10 582	44
UK	87 749	560	397	1	1 563	998	5 066	11
United States	-	-	-	-	2 052	-	2 942	3
Estonia	-	-	-	-	1 021	-	-	-
India	-	-	-	-	195	-	-	-
Indonesia	-	-	-	-	1 156	-	-	-
Peru	19 195	-	29	-	-	-	-	-
TOTAL	**723 749**	**583**	**5 551**	**1**	**770 902**	**23 821**	**993 934**	**1 887**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

Pension Fund Monitoring

Since July 2025, the management of the Pension Fund has been transferred from GNB Fundo de Pensões to Golden SGF, the entity responsible for ensuring the implementation and monitoring of the funds' investment strategy, while respecting the limits defined in the Investment Policy. Haitong Bank delegates to Mercer Portugal the responsibility to conduct an independent assessment of the actuarial assumptions, as well as for defining the methodology for actuarial valuation.

These entities also bear the responsibility to provide the requisite information to the various Bank's governing bodies, namely the Executive Committee, the Independent Monitoring Committee, and the Risk Committee, enabling them to effectively oversee the risk associated with the pension funds.

Pension Fund Risk

The Fund's asset portfolio is primarily comprised of stocks, bonds, and investment units (investment funds and ETFs). The risks inherent in the Fund's assets are specific to various types of investments (credit risk, market risk, liquidity risk, etc.). As for the Fund's liabilities, consisting of pension payment obligations, these entail several actuarial risks that could have a negative impact on the value of the Fund's liabilities: inflation rate, growth of wages and pensions, evolution of mortality tables, corresponding increase in life expectancy, and discount rate.

The Pension Fund Risk is integrated into the Bank's Risk Appetite Framework (RAF), being monitored on a monthly basis the asset, liabilities, and discount rate evolution. The Pension Fund Risk is quantified for internal capital purposes within the scope of Haitong Bank's ICAAP exercise.

Market risk

Market risk is defined as the possibility of occurrence of losses in on and off-balance sheet positions resulting from adverse movements in market prices, specifically, equity, interest rates, foreign exchange rates and credit spreads. In the development of its activities, Haitong Bank is exposed to market risk in both its trading and banking books.

The main mechanism to manage trading market risk is the application of the risk appetite policy, of which the limit framework is a key component. The Bank sets group-wide value-at-risk (VaR) limits for market risk in the trading book.

VaR is a quantitative measure of the potential loss of fair value positions due to market movements and it should not be exceeded in a defined period of time and with a defined confidence level. Haitong Bank estimates VaR by taking actual historical changes in the market variables over a one-year time interval, a ten-day time horizon and revalue every position for each market scenario considering a 99% confidence level.

(thousand euros)

	31.12.2025				31.12.2024			
	December	Average	Maximum	Minimum	December	Average	Maximum	Minimum
Foreign Exchange Risk	7 418	7 359	9 211	4 234	4 061	4 153	5 186	3 695
Interest Rate Risk	313	378	1 211	164	381	368	1 103	161
Shares	-	2	3	-	2	5	10	2
Credit spread	469	437	735	116	250	217	372	81
Covariance	(926)	(821)	(1 812)	(440)	(526)	(664)	(1 502)	(337)
Global VaR	**7 274**	**7 355**	**9 349**	**4 074**	**4 168**	**4 079**	**5 169**	**3 602**

Unaudited Information

The following table shows the average interest rates verified for the Bank's major categories of financial assets and liabilities, for the financial periods ended on December 31, 2025, and 2024, as well as the respective average balances and interest for the financial period:

(thousand euros)

	31.12.2025			31.12.2024		
	Average balance of the period	Interest of the period	Average interest rate	Average balance of the period	Interest of the period	Average interest rate
Monetary assets (1)	545 608	25 630	4.70%	649 295	30 398	4.67%
Loans and advances to customers	775 016	51 009	6.58%	714 009	55 823	7.80%
Investment in securities	1 789 510	168 301	9.40%	1 802 467	139 081	7.70%
Deposited collateral under clearing agreements	27 409	972	3.55%	22,701	1 270	5.58%
Financial assets	**3 137 543**	**245 913**	**7.84%**	**3 188 472**	**226 572**	**7.09%**
Resources of credit institutions	1 133 329	116 955	10.32%	1 025 475	94 830	9.22%
Resources of customers	1 219 032	62 300	5.11%	1 206 897	54 492	4.50%
Liabilities represented by securities	246 570	24 462	9.92%	463 234	37 885	8.16%
Other resources (2)	90 588	787	0.87%	25 105	827	3.29%
Financial liabilities	**2 689 519**	**204 504**	**7.60%**	**2 720 711**	**188 034**	**6.89%**
Financial Result		**41 409**			**38 538**	

Includes: (1) Cash and cash equivalents and Loans and advances to banks; (2) Financial liabilities held for trading and Other liabilities (Deposited collateral under clearing agreements + Leasing liabilities)

Considering that, the foreign exchange open risk position is the main source of market risk, Haitong Bank closely manages the exposures by currency. As of December 31, 2025, and 2024, the exposure of assets and liabilities by currency was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Spot	Forward	Net Exposure	Spot	Forward	Net Exposure
AOA	2 483	-	2 483	2	-	2
AUD	-	-	-	13	-	13
BRL	73 641	6 167	79 808	80 861	7 781	88 642
CAD	(0)	-	(0)	35	-	35
CHF	178	-	178	(55)	-	(55)
CNY	5 077	-	5 077	5 724	-	5 724
DKK	(5)	-	(5)	(5)	-	(5)
GBP	19 524	(17 803)	1 721	13 859	(13 130)	729
HKD	(1 752)	0	(1 752)	(2 525)	-	(2 525)
JPY	(0)	-	(0)	36	-	36
MOP	6 871	-	6 871	9 431	-	9 431
MXN	(0)	(0)	(0)	10	-	10
NOK	0	-	0	3	-	3
PLN	33 129	7 107	40 236	(16 305)	57 310	41 005
SEK	-	-	-	35	-	35
TRY	-	-	-	-	-	-
USD	126 219	(118 933)	7 285	87 107	(77 476)	9 631
Total	**265 364**	**(123 462)**	**141 902**	**178 226**	**(25 515)**	**152 711**

The main source of FX risk of Haitong Bank comes from its foreign subsidiary Haitong Banco de Investimento do Brasil S.A.

The Group Haitong Bank is exposed to interest rate risk arising from both trading book and banking book positions within its portfolio. The interest-rate-sensitive positions, allocated according to their contractual maturities and classified by the corresponding financial statement line items, as of December 31, 2025, and December 31, 2024 are:

(thousand euros)

	31.12.2025					
			Sensitive to fixed and floating			
	Book Value	Not sensitive to interest rates	Up to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years
Cash and cash equivalents	24 507	24 507	-	-	-	-
Financial assets at fair value through profit or loss	903 411	15 880	4 820	7 304	45 659	829 748
Financial assets held for trading	887 352	732	4 796	7 304	44 773	829 748
Securities	869 988	-	4 796	7 213	39 228	818 751
Derivative financial assets	17 364	732	-	91	5 545	10 997
Non-trading financial assets mandatorily at fair value through profit or loss	16 059	15 148	25	-	886	-
Financial assets at fair value through other comprehensive income	314 927	-	12 733	49 967	168 726	83 500
Financial assets measured at amortised cost	1 946 341	74	682 000	192 354	724 466	347 446
Securities	568 068	-	28 169	140 946	227 870	171 083
Loans and advances to banks	651 713	74	649 688	1 951	-	-
Loans and advances to customers	726 560	-	4 143	49 457	496 596	176 363
Other Assets not sensitive to interest rates	240 313	240 313	-	-	-	-
Total Assets	**3 429 499**	**280 774**	**699 553**	**249 625**	**938 851**	**1 260 695**
Financial liabilities held for trading	55 762	248	-	32 223	6 179	17 112
Securities	32 724	-	-	31 909	533	282
Derivative financial liabilities	23 038	248	-	315	5 645	16 830
Financial liabilities measured at amortised cost	2 690 790	-	1 189 950	445 269	1 040 459	15 113
Resources of credit institutions	1 195 890	-	830 349	16 994	333 434	15 113
Resources of customers	1 251 441	-	349 470	396 100	505 871	-
Debt securities issued	243 459	-	10 130	32 175	201 153	-
Other Liabilities not sensitive to interest rates	70 702	70 702	-	-	-	-
Total Liabilities	**2 817 254**	**70 950**	**1 189 950**	**477 492**	**1 046 637**	**32 224**
Gap (Assets-Liabilities)	**612 245**	**209 824**	**(490 396)**	**(227 868)**	**(107 786)**	**1 228 470**

(thousand euros)

	31.12.2024					
			Sensitive to fixed and floating			
	Book Value	Not sensitive to interest rates	Up to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years
Cash and cash equivalents	38 159	38 159	-	-	-	-
Financial assets at fair value through profit or loss	811 783	21 930	5 833	11 456	337 186	435 378
Financial assets held for trading	794 723	5 780	5 810	11 456	336 299	435 378
Securities	770 902	24	5 768	11 143	333 152	420 814
Derivative financial assets	23 821	5 756	41	313	3 146	14 564
Non-trading financial assets mandatorily at fair value through profit or loss	17 060	16 150	23	-	887	-
Financial assets at fair value through other comprehensive income	357 444	-	4 100	37 873	218 966	96 504
Financial assets measured at amortised cost	1 848 526	74	588 463	104 938	928 863	226 188
Securities	617 566	-	60 029	63 205	409 249	85 084
Loans and advances to banks	512 202	74	491 883	20 245	-	-
Loans and advances to customers	718 758	-	36 552	21 489	519 614	141 104
Other Assets not sensitive to interest rates	247 372	247 372	-	-	-	-
Total Assets	**3 303 284**	**307 535**	**598 397**	**154 267**	**1 485 015**	**758 070**
Financial liabilities held for trading	23 948	4 030	-	1 631	3 087	15 200
Securities	817	-	-	-	208	610
Derivative financial liabilities	23 131	4 030	-	1 631	2 880	14 591
Financial liabilities measured at amortised cost	2 558 131	-	1 229 904	469 234	841 492	17 500
Resources of credit institutions	946 670	-	616 012	6 880	306 278	17 500
Resources of customers	1 293 048		541 885	397 357	353 806	-
Debt securities issued	318 413	-	72 007	64 998	181 409	-
Other Liabilities not sensitive to interest rates	82 968	82 968	-	-	-	-
Total Liabilities	**2 665 047**	**86 998**	**1 229 904**	**470 865**	**844 580**	**32 700**
Gap (Assets-Liabilities)	**638 237**	**220 538**	**(631 507)**	**(316 598)**	**640 435**	**725 370**

Non-trading market risk arises primarily from activities outside of our trading units, in the banking book, and from certain off-balance sheet items, embedding considerations of different accounting treatments of transactions. The most significant risks in the banking book are the changes in the interest rate risk (IRRBB) and the changes in credit spread risk (CSRBB).

Regarding IRRBB, Haitong Bank aims to capture all material sources of interest rate risk and assess the effect of market changes on the scope of its activities and manage IRRBB by measuring the sensitivity of the economic value of its banking book and the sensitivity of its net interest margin expected in a given time horizon.

To measure the economic value, the Bank uses a run-off balance sheet, where existing assets and liabilities are not replaced as they mature, whether for net interest income metric, the Bank follows a stable balance sheet model, where maturing contracts are replaced like for like, but with rates equal to be forward rates at the time of maturing.

As of December 31, 2025, and 2024, the repricing profile of the Bank for interest rate risk-sensitive positions was the following:

(thousand euros)

Tenor	31.12.2025			31.12.2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Up to 3 months	1 545 388	(935 003)	610 385	1 270 761	(942 459)	328 303
3 to 6 months	226 643	(429 284)	(202 641)	353 398	(391 069)	(37 670)
6 to 12 months	130 478	(148 464)	(17 986)	161 910	(148 760)	13 150
From 1 to 5 years	405 375	(529 087)	(123 712)	555 206	(449 539)	105 667
More than 5 years	273 250	(86 979)	186 271	150 712	(46 872)	103 841
Total	**2 581 134**	**(2 128 817)**	**452 317**	**2 491 988**	**(1 978 698)**	**513 290**

Hence, the Bank calculates impacts of different shocks in the yield curves, measured by the economic value of equity (EVE) and the net interest income (NII). In addition, the regulatory add-ons for automatic options and basis risk, defined in the Commission Delegated Regulation (EU) 2024/857, are added to EVE and to NII, generating the final impacts on the banking book economic value and net interest margin. The results were:

(thousand euros)

Scenarios	31.12.2025		31.12.2024	
	Delta EVE	Delta NII	Delta EVE	Delta NII
Final worst impact	**(23 398)**	**(2 766)**	**(23 028)**	**(3 638)**
Regulatory Add-ons	(244)	(74)	(592)	(53)
Worst Impact (without regulatory Add-ons)	(23 153)	(2 692)	(22 436)	(3 585)
Parallel up	(23 153)	2 692	(22 436)	3,585
Parallel down	13 438	(2 692)	10 053	(3 585)
Steepener	(9 408)	n.a.	(3 164)	n.a.
Flattener	2 004	n.a.	(1 285)	n.a.
Short rates up	(3 725)	n.a.	(8 362)	n.a.
Short rates down	1 717	n.a.	2 148	n.a.
% Tier 1 Capital	**4.50%**	**0.53%**	**4.28%**	**0.68%**
% Total Capital	**4.48%**	**0.53%**	**4.27%**	**0.67%**

Unaudited Information

Concerning CSRBB, Haitong Bank aims to capture changes in market perception about the credit quality of individual credit-risky instruments, either because of the changes to expected default levels or because of changes to market liquidity. Changes to underlying credit quality perceptions can amplify the risks already arising from yield curve risk, being this risk is also defined as any kind of asset and/or liability spread risk of credit-risky instruments which is not explained by IRRBB, nor by the expected credit/jump-to-default risk.

To monthly measure the CSRBB, Haitong Bank considers a historical VaR simulation approach with a one-year holding period, a five-year observation period and a 99% confidence level.

(thousand euros)

	31.12.2025		31.12.2024	
	CSR Requirement	HTCS Exposures	CSR Requirement	HTCS Exposures
Haitong Bank S.A.	12 919	244 925	12 609	299 464
of which: Sovereign	29	11 562	200	16 844
of which: Corporate	12 890	233 363	12 409	282 620
Haitong Banco de Investimento do Brasil S.A.	526	70 888	262	57 980
of which: Sovereign	443	65 342	220	51 334
of which: Corporate	83	5 546	42	6 646
Covariance	(1 202)	n.a.	(2 013)	n.a.
Global	**12 244**	**315 812**	**10 858**	**357 444**
Global CSR Requirement (annual average)	**14 515**	**315 812**	**14 236**	**357 444**
% Tier 1 Capital	**2.79%**		**2.64%**	
Average Duration (years)	**-**	**2.89**	**-**	**2.51**

Unaudited Information

The final capital requirement for CSRBB is the maximum value between the reference end of month requirement and the annual average requirement of the last year. Therefore, the final capital requirement for CSRBB is 14.5 million euros in December 2025 (2.79% of Tier 1 Capital), which demonstrates stability in comparison with December 2024.

Reference interest rate reforms

Regulation (EU) 2016/1011 of the European Parliament and of the Council (known as the EU Benchmark Regulation or BMR) established a common framework to ensure that benchmark interest rates meet certain requirements that guarantee their reliability and efficiency as well as protect the consumer and investor, which implied a set of reforms, currently underway, of the reference interest rates with different implications for the activities of financial institutions.

The Bank holds fallback provisions in its contracts in accordance with market practice to respond to a discontinuity in rates.

As of December 31,2025, in Warsaw Branch, there are no financing contracts nor derivatives whose contract rate is associated with discontinued Libor rates.

As of December 31,2025, in Warsaw Branch there’re financing contracts as well as derivatives related to WIBOR index that is planned to be discontinued. The benchmark reform in Poland is aimed at replacement of the WIBOR index with the new index. From December 2022, banks were able to use new index - the WIRON index.

However, due to the fact that there is noticed highest volatility of the WIRON index in relation to other analyzed indices and it may result in lowest probability of creating a liquid derivatives market so National Working Group on Benchmark Reform Steering Committee (Ministry of Finance, NBP, UKNF, BFG, GPW Benchmark, BondSpot and the banking community) declared the need for further in-depth discussion to work on the new index and ultimately, in the future, such an index could be used as an alternative index that will replace the WIBOR benchmark.

The Polish Financial Supervision Authority (KNF) announced in the end of January 2025 that the Steering Committee of the National Working Group (KS NGR) working on the reform of reference rates decided to choose the target name POLSTR (Polish Short-Term Rate) for the proposed index that will replace WIBOR. The planned conversion date of financial sector to new index - reference rates are set at the end of 2027. According to the updated Road Map related to the reform of reference rates, WIBOR will finally cease to be used in 2028. As of 1st of September 2025, it can now be officially stated that POLSTR is an interest rate reference indicator within the meaning of the EU BMR regulation, and not merely an index. This is because POLSTR was used for the first time – not yet in contracts, but for the time being in the calculation of detailed WIG20 stock exchange indices (WIG20TRsht, WIG20TRlev) under the Rules of the Stock Exchange Index Family."

Liquidity risk

Liquidity risk arises from an institution's present or future inability to meet all payment obligations when they become due or to secure the necessary resources at an excessive cost.

In alignment with the risk vision statement approved by the Board of Directors, Haitong Bank as whole, and all its subsidiaries individually aim to maintain a solid short-term liquidity position and a sustainable medium and long-term funding profile. To achieve these objectives, Haitong Bank seeks to develop a diversified investors base, ensuring access to alternative funding sources and instruments, and maintaining an adequate funding structure to support its activity.

Haitong Bank's liquidity and funding management fall under the direct responsibility of the Executive Committee, advised by the Assets and Liabilities Committee (ALCO). Daily liquidity management is carried out by local treasury teams in the Bank's liquidity hubs (Lisbon, S. Paulo and Warsaw), coordinated globally by the Executive Committee member responsible for Treasury.

The Bank employs a comprehensive approach to liquidity management, which includes: establishing a liquidity risk policy, monitoring key liquidity risk metrics, including prudential liquidity ratios, conducting stress tests and maintaining liquidity contingency plans, and setting limits consistent with the Bank's liquidity risk appetite and regulatory requirements.

As of December 31, 2025, the Bank held 836 million Euros of High-Quality Liquid Assets (731 million Euros on December 31, 2024), of which 606 million were available deposits in Central Banks (466 million Euros on December 31, 2024). The remainder of the High-Quality Liquid Assets (HQLA) comprised primarily sovereign debt of European Union countries and Brazilian Government bonds denominated in Brazilian Reais, held by Haitong Bank subsidiary in Brazil.

On December 31, 2025, Haitong Bank reported a surplus of 484 million Euros of its 30-day stressed net outflows, resulting in an LCR of 237% (211% on December 31, 2024) comfortably exceeding both regulatory and internal thresholds.

(million euros)

Liquidity Coverage Ratio	31.12.2025	31.12.2024
High Quality Liquid Assets	836	731
Surplus over stressed net outflows	484	385
Liquidity Coverage Ratio	**237%**	**211%**

Unaudited Information

In 2025, Haitong Bank's primary funding sources included long-term facilities provided by banks, debt securities issued both by Haitong Bank and by its Brazilian subsidiary, sales under repurchase agreements (repos) and deposits from clients (households, corporate and institutional clients).

In stressed market conditions, significant changes in the value of derivatives may require additional collateral postings under master netting agreements (e.g. ISDA) and margin agreements (e.g. Credit Support Annex) primarily with financial institutions. Details on derivatives positions and collateral received and posted are provided in notes 20 and 27, respectively.

As of December 31, 2025, contractual undiscounted cash flows of financial assets and liabilities present the following structure:

(thousand euros)

	31.12.2025						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Assets							
Cash and cash equivalents	24 507	-	-	-	-	-	24 507
Financial assets held-for-trading (Securities)	-	50 988	20 940	423 768	2 292 091	-	2 787 787
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	1 049	-	15 148	16 197
Financial assets at fair value through other comprehensive income	-	16 501	62 037	244 545	118 769	-	441 853
Financial assets at amortised cost	1 993	35 978	199 431	337 485	190 131	-	765 018
Loans and advances to banks	83	651 807	-	-	-	-	651 891
Loans and advances to customers	4	17 521	141 831	599 624	111 251	-	870 230
Derivatives Instruments[1]	-	182 920	16 864	158 188	160 371	22 038	540 381
Total	**26 587**	**955 716**	**441 103**	**1 764 660**	**2 872 613**	**37 186**	**6 097 865**
Liabilities							
Resources of other credit institutions	-	831 683	27 187	378 704	7 330	-	1 244 904
Resources of customers	14 056	338 308	403 275	548 880	-	-	1 304 519
Debt securities issued	-	10 452	40 689	218 340	-	-	269 481
Financial liabilities held-for-trading (Securities)	282	32 442	-	-	-	-	32 724
Derivatives Instruments[1]	-	182 709	16 561	158 157	160 371	450	518 248
Total	**14 338**	**1 395 594**	**487 712**	**1 304 080**	**167 701**	**450**	**3 369 876**

1 Undetermined cash flows from derivatives instruments refer to cash margins received or posted included in other assets

As of December 31, 2025, contractual undiscounted cash flows of financial assets and liabilities present the following structure:

(thousand euros)

	31.12.2024						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Assets							
Cash and cash equivalents	38 159	-	-	-	-	-	38 159
Financial assets held-for-trading (Securities)	-	10 767	13 284	675 201	846 874	-	1 546 126
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	17 037	17 037
Financial assets at fair value through other comprehensive income	-	7 804	48 812	268 439	126 462	-	451 517
Financial assets at amortised cost	-	64 959	90 982	460 613	95 003	-	711 557
Loans and advances to banks	83	497 667	20 708	-	-	-	518 458
Loans and advances to customers	5	49 055	92 006	635 605	99 110	-	875 781
Derivatives Instruments[1]	-	212 386	229 412	44 570	7 492	20 245	514 105
Liabilities	**38 247**	**842 638**	**495 204**	**2 084 428**	**1 174 941**	**37 282**	**4 672 740**
Passivos financeiros detidos para negociação (Títulos)							
Resources of other credit institutions	-	617 465	19 558	328 461	10 779	-	976 263
Resources of customers	37 980	508 033	412 946	412 449	-	-	1 371 408
Debt securities issued	-	72 818	75 976	199 952	-	-	348 746
Financial liabilities held-for-trading (Securities)	817	-	-	-	-	-	817
Derivatives Instruments[1]	-	211 571	228 439	44 358	7 492	777	492 637
Total	**38 797**	**1 409 887**	**736 919**	**985 220**	**18 271**	**777**	**3 189 871**

1 Undetermined cash flows from derivatives instruments refer to cash margins received or posted included in other assets

The derivatives undiscounted cash flows are calculated as gross cash flows of each side of the deal, not considering any net positions.

The maturity profile of issued guarantees issued and undrawn commitments is presented in the following table:

(thousand euros)

	31.12.2025						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Financial guarantees	-	24 455	32 220	35 286	5 974		97 935
Undrawn commitments	-	-	45 940	42 278	2 100		90 317
Total commitments and guarantees	**-**	**24 455**	**78 160**	**77 564**	**8 074**	**-**	**188 253**

(thousand euros)

	31.12.2024						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Financial guarantees	-	34 203	24 251	43 264	9 772	-	111 490
Undrawn commitments	-	340	36 131	59 680	2 100	-	98 251
Total commitments and guarantees	**-**	**34 543**	**60 382**	**102 944**	**11 872**	**-**	**209 741**

Operational risk

Operational Risk corresponds to the possible loss resulting from inadequate internal procedures or its negligent application, inadequacy or failure of information systems, staff behaviour or external events. Legal risks are included in this definition. Operational risk is therefore considered as the sum of operational and information systems (IT) risks.

The Bank has in place a framework to ensure the standardization and systematization of the regular activities regarding the identification, assessment, response/ mitigation, monitoring, and control and report of operational risk. A team within the Risk Management Department is exclusively dedicated to the management of this framework.

Capital Management and Solvency Ratio

The main purposes of capital management in the Group are (i) to promote sustainable growth of activity by creating enough capital to withstand the increase of assets, (ii) meet the minimum requirements established by the supervising entities in relation to capital adequacy and (iii) ensure the achievement of the strategic goals set by Group in relation to capital adequacy.

Regulatory capital requirements are determined by Banco de Portugal under the CRR (Regulation EU no. 575/2013) and CRD (Directive EU no. 2013/36/EU). Under these regulatory frameworks, capital requirements are set in consideration of the level of risk that the Bank is exposed to, which is measured through both risks weighted assets (RWAs) and leverage.

Under this regulatory framework, the minimum CET1 ratio is 4.5%, the minimum Tier 1 ratio is 6% and the minimum Total Capital Ratio is 8%. In addition, these minimum ratios are supplemented by the capital conservation buffer, established at 2,5% from 1 January 2019.

Also related to the CRD capital buffers, in November 2016 Banco de Portugal decided to impose a capital surcharge on six Portuguese banking groups classified as O-SIIs (Other Systemically Important Institutions) in the scope of its annual revision of the identification of the imposition of capital buffers, pursuant to Article 138-R (2) of the Legal Framework of Credit Institutions and Financial Companies (RGICSF). Haitong Bank is excluded from the scope of application of this macro-prudential buffer.

The regulation also provides a counter-cyclical capital buffer of up to 2.5% to be imposed in the event that national supervisors deem it necessary in order to counteract excessive credit growth in the jurisdictions under their supervision. As of 31st of December 2024, Banco de Portugal decided not to impose any additional counter-cyclical capital buffer, by setting it at 0% of the total risk exposure amount to domestic counterparties. This decision is subject to revision on a quarterly basis, but Bank of Portugal already determined that from 1 January 2026 the counter-cyclical capital buffer should be set at 0.75% for exposures to counterparties located in Portugal.

In addition to the above-mentioned capital buffers, as of July 1, 2018, Haitong Bank became subject to an additional requirement with a specific add-on, determined and revised under the Supervisory Review and Evaluation Process performed by Banco de Portugal. On February 1, 2022, Banco de Portugal, as the authority responsible for supervision of Haitong Bank, S.A. on a consolidated basis, communicated the decision regarding the annual supervisory review and evaluation process (SREP 2021), according to which it assigns to Haitong Bank a specific own funds requirement of 4%, to be met at all times from the 1st of July of 2022 onwards, determined under the combined provisions of Article 116C (1), (2)(a), (3)(b) and (4) of the RGICSF. On 28th November 2024 Banco de Portugal informed Haitong Bank of its decision to reduce the Bank's specific own funds requirement to 3.5% from the 1st April 2025.

At the moment and for reporting purposes related to prudential effects before the supervising authorities, the Group uses the Standard method for handling credit risk and operational risk ("The Standardized Approach" - TSA method).

The following table summarizes the capital adequacy of the Haitong Bank Group as at December 31, 2025, and December 31, 2024:

	31.12.2025	31.12.2024
CET1 ratio	19.60%	19.30%
Tier 1 ratio	24.60%	24.10%
Total Capital ratio	24.70%	24.20%

Unaudited Information

NOTE 40 – SUBSEQUENT EVENTS

At the beginning of 2026, the central coastal region of Portugal was severely affected by an extreme weather event. Based on the assessment carried out by the Bank, no exposures to clients directly affected by this event were identified. Accordingly, no material impact on the Group's financial position or performance is anticipated. The Group will however continue monitoring the situation and any potential implications that may arise.

Furthermore, the international geopolitical tensions resulting from the conflict involving the United States and Israel with Iran at the end of February 2026 have contributed to increased levels of volatility in global financial markets. The significant uncertainty surrounding the evolution of these events may affect the Group's operations, particularly in the event of widespread asset devaluations in international financial markets, although no such impacts are known at this date. The Group will continue to closely monitor the development of these geopolitical events and market conditions, with the objective of adopting appropriate management measures and mitigating any potential adverse effects.

Between December 31, 2025, and the date of approval of these consolidated financial statements by the Bank's Board of Directors, there were no subsequent events that required adjustments or modifications to them.

NOTE 41 – ACCOUNTINGS STANDARDS AND RECENT INTERPRETATIONS

Standards, interpretations, amendments and revisions that came into force in this year

Up to the date of approval of these financial statements, the following accounting standards, interpretations, amendments and revisions have been endorsed by the European Union, with mandatory application for the financial period beginning on January 1, 2025:

Description	Change	Effective date
IAS 21 – The effects of changes in foreign exchange rates: Lack of exchangeability	Requirements for determining whether a currency is capable of being exchanged for another currency and, when exchange is not possible for a long period, the options for calculating the spot exchange rate to be used. Disclosure of the impacts of this situation on the liquidity, financial performance and financial position of the entity, as well as the spot exchange rate used on the reporting date.	1 January 2026

There were no significant effects on the Bank's financial statements for the year ended December 31, 2025, as a result of the adoption of the aforementioned standards, interpretations, amendments and revisions.

Standards, interpretations, amendments and revisions that will take effect in future years

The following accounting standards and interpretations, with mandatory application in future financial years, were, until the date of approval of these financial statements, approved ("endorsed") by the European Union:

Description	Change	Effective date
IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	Introduction of a new exception to the definition of derecognition date when the settlement of financial liabilities is made through an electronic payment system. Additional guidance for assessing if contractual cash flows of a financial asset are solely payments of principal and interest. Requirement of new disclosures for certain instruments with contractual terms that may change cash flows. Updated disclosures for fair value gains or losses recognized in Equity in relation to equity instruments designated at fair value through other comprehensive income.	1 January 2026
IFRS 7 and IFRS 9 – Contracts referencing nature-dependent electricity	Refers to the accounting of Power Purchase Agreements for nature-dependent electricity in relation to: i) clarifying the application of the 'own-use' requirements; ii) allowing hedge accounting if nature-dependent electricity contracts are designated as hedging instruments; and iii) adding new disclosure requirements on the impacts of these arrangements in entity's financial performance and cash flows.	1 January 2026
Annual Improvements – Volume 11	Clarification of the wording of several Accounting Standard: IFRS 1, IFRS 7, IFRS 9, IFRS 10 e IAS 7	1 January 2026

These standards, although endorsed by the European Union, were not adopted by the Bank in 2025, as their application is not yet mandatory. As a result of the application of the aforementioned standards, no relevant impacts are expected.

Standards, interpretations, amendments and revisions not yet adopted by the European Union

The following accounting standards and interpretations have been issued by the IASB and are not yet endorsed by the European Union:

Description	Change	Effective date
IAS 21 – Translation to a Hyperinflationary Presentation Currency	Requirements, for the reporting period and the comparatives, of the translation for presentation currency of a hyperinflationary economy, when the functional currency of the entity or of the foreign operation is the currency of a non-hyperinflationary economy.	1 January 2027
IFRS 18 – Presentation and Disclosure in Financial Statements	Presentation and disclosure requirements in financial statements, focusing on the Statement of profit or loss, by determining a structure-model, with the classification of income and expenses into operational, investing and financing categories, and the introduction of relevant subtotals, considering the existence of specific main business activities. Improvements to the disclosure of management performance measures and enhanced guidance on the principles of aggregation and disaggregation of information.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Disclosure-only standard, with reduced disclosures requirements, which works alongside other IFRS Accounting Standards for recognition, measurement, and presentation requirements. Can only be applied by "Eligible" subsidiaries that have no public accountability and have a parent that prepares consolidated financial statements available for public use that comply with IFRS.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Amendment defines the reduction of disclosure requirements for standards and amendments issued between February 2021 and May 2024, applicable for the entities in the scope of IFRS 19.	1 January 2027

These standards have not yet been endorsed by the European Union and, as such, were not applied by the Group in the year ended December 31, 2025.

Regarding these standards and interpretations, issued by the IASB but not yet endorsed by the European Union, it is not estimated that their future adoption will have significant impacts on the attached financial statements.

Individual Financial Statements and Notes to the Individual Financial Statements

1. INDIVIDUAL FINANCIAL STATEMENTS

Income Statement for the year ended on the December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Interest and similar income	4	90 404	109 408
Interest and similar expenses	4	57 481	75 906
Financial margin		**32 923**	**33 502**
Dividend income	5	-	9 617
Fees and commissions income	6	10 945	20 522
Fees and commissions expenses	6	(859)	(2 982)
Net trading income	7	11 781	133
Net income from other financial instruments at fair value through profit or loss	8	968	483
Net gain/(loss) from derecognition of financial assets measured at fair value through other comprehensive income	9	4 905	1 441
Net gains/(losses) from hedge accounting	10	4	347
Net gains / (losses) from foreign exchange differences	11	(14 633)	4 779
Net gain/(loss) from derecognition of financial assets measured at amortised cost	12	3 497	4 184
Other operating income and expense	13	692	(1 986)
Operating Income		**50 223**	**70 040**
Employee costs	14	27 380	30 402
Administrative costs	16	11 302	10 668
Depreciations and amortisations	25 and 26	4 005	4 473
Provisions	32	186	562
Net impairment loss on financial assets	32	16 104	8 867
Operating expenses		**58 977**	**54 972**
Profit / (Loss) before Income Tax		**(8 754)**	**15 068**
Income tax			
Current tax	33	1 566	2 865
Deferred tax	33	18 703	6 569
		20 269	**9 434**
Net Profit / (Loss) for the year		**(29 023)**	**5 634**
Basic Income per Share (in euros)	17	-0,17	0,03
Diluted Income per Share (in euros)	17	-0,17	0,03

The following notes form an integral part of these financial statements

The Director of the Finance Department

The Board of Directors

Statement of Comprehensive Income the year ended on the December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Net income of the year		**(29 023)**	**5 634**
Other comprehensive income for the year			
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit liabilities, net of taxes	36	4 301	(1 982)
		4 301	**(1 982)**
Items that may be reclassified to profit and loss			
Fair value changes of debt instruments measured at fair value through other comprehensive income, net of taxes	36	362	4 618
		362	**4 618**
Total other comprehensive income for the year		**4 663**	**2 636**
Total comprehensive income/(loss) of the year		**(24 360)**	**8 270**

The following notes form an integral part of these financial statements

The Director of the Finance Department

The Board of Directors

Statement of Financial Position as at the December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Assets			
Cash and cash equivalents	18	22 985	35 494
Financial assets at fair value through profit or loss		81 020	74 976
Financial assets held for trading		67 666	61 848
Securities	19	50 506	40 292
Derivative financial assets	20	17 160	21 556
Non-trading financial assets mandatorily at fair value through profit or loss		13 354	13 128
Securities	22	13 329	13 105
Loans and advances to customers	24	25	23
Financial assets at fair value through other comprehensive income	22	244 925	299 464
Financial assets measured at amortised cost		1 707 831	1 661 182
Securities	22	396 621	481 470
Loans and advances to banks	23	616 910	495 105
Loans and advances to customers	24	694 300	684 607
Other tangible assets	25	7 505	10 062
Intangible assets	26	905	689
Investments in associated companies	27	115 025	123 075
Tax assets		46 737	67 254
Current income tax assets	33	16 393	17 086
Deferred income tax assets	33	30 344	50 168
Other assets	28	66 199	64 988
Total Assets		**2 293 132**	**2 337 184**
Liabilities			
Financial liabilities held for trading		17 820	22 457
Securities	19	815	817
Derivative financial liabilities	20	17 005	21 640
Financial liabilities measured at amortised cost		1 610 308	1 613 895
Resources of credit institutions	29	387 502	399 102
Resources of customers	30	1 094 798	1 022 995
Debt securities issued	31	128 008	191 798
Provisions	32	721	610
Tax liabilities		12 521	13 633
Current income tax liabilities	33	6 948	8 060
Deferred income tax liabilities	22	5 573	5 573
Other liabilities	34	32 482	42 949
Total Liabilities		**1 673 852**	**1 693 544**
Equity			
Share capital	35	871 278	871 278
Share premium	35	8 796	8 796
Other equity instruments	35	105 042	105 042
Fair-value reserves	36	916	554
Other reserves and retained earnings	36	(337 729)	(347 664)
Net profit/(loss) for the year		(29 023)	5 634
Total equity		**619 280**	**643 640**
Total Equity and Liabilities		**2 293 132**	**2 337 184**

The following notes form an integral part of these financial statements

The Director of the Finance Department

The Board of Directors

Statement of Changes in Equity for the financial year ended on the December 31, 2025

(thousand euros)

	Notes	Share capital	Share premium	Other equity instruments	Fair-value reserves	Other reserves and retained earnings	Total	Net profit/(loss) for the year	Total Equity
Balance as of 31 December 2023		**871 278**	**8 796**	**105 042**	**(4 064)**	**(357 934)**	**(361 998)**	**12 252**	**635 370**
Other movements recorded directly in equity:									
Changes in fair value, net of taxes	36	-	-	-	4 618	-	4 618	-	4 618
Remeasurements of defined benefit liabilities, net of taxes	36	-	-	-	-	(1 982)	(1 982)	-	(1 982)
Net profit / (loss) for the year	36	-	-	-	-	-	-	5 634	5 634
Total comprehensive income for the year		**-**	**-**	**-**	**4 618**	**(1 982)**	**2 636**	**5 634**	**8 270**
Transfers for reserves and retained earnings	36	-	-	-	-	12 252	12 252	(12 252)	-
Balance as of 31 December 2024		**871 278**	**8 796**	**105 042**	**554**	**(347 664)**	**(347 110)**	**5 634**	**643 640**
Other movements recorded directly in equity:									
Changes in fair value, net of taxes	36	-	-	-	362	-	362	-	362
Remeasurements of defined benefit liabilities, net of taxes	36	-	-	-	-	4 301	4 301	-	4 301
Net profit / (loss) for the year	36	-	-	-	-	-	-	(29 023)	(29 023)
Total comprehensive income for the year		**-**	**-**	**-**	**362**	**4 301**	**4 663**	**(29 023)**	**(24 360)**
Transfers for reserves and retained earnings	36	-	-	-	-	5 634	5 634	(5 634)	-
Balance as of 31 December 2025		**871 278**	**8 796**	**105 042**	**916**	**(337 729)**	**(336 813)**	**(29 023)**	**619 280**

The following notes form an integral part of these financial statements

The Director of the Finance Department

The Board of Directors

Cash Flow Statement for the year ended on the December 31, 2025

(thousand euros)

	Notes	31.12.2025	31.12.2024
Cash flows from operating activities			
Interests received		85 700	99 113
Interests paid		(51 480)	(71 726)
Fees and commissions received		9 296	20 428
Fees and commissions paid		(859)	(2 982)
Recoveries of operations written off from assets	13	1 363	382
Cash payments to employees and suppliers		(42 324)	(43 921)
		1 696	**1 294**
Changes in operating assets and liabilities:			
Trading financial assets and liabilities		(2 088)	3 194
Loans and advances to banks		19 891	9 295
Resources of other credit institutions	29	(9 179)	(225 228)
Loans and advances to customers		(39 251)	(50 046)
Resources of customers	30	69 552	274 054
Other operating assets and liabilities		(4 649)	13 784
Net cash flow from operating activities before income tax		**35 972**	**26 347**
Income taxes paid		(2 053)	(3 218)
		33 919	**23 129**
Net cash flows from investment activities			
Subsidiaries share capital decrease	27	-	28 000
Purchase of securities		(393 021)	(354 545)
Sale and repayments of securities		535 909	433 620
Purchase of fixed assets	25 and 26	(1 007)	(4 390)
Sale of fixed assets		32	16
		141 913	**102 701**
Cash flows from financing activities			
Reimbursement of debt securities issued	31	(46 536)	(173 971)
Rents paid for leasing operations	34	(2 638)	(2 472)
Net cash flow from financing activities		**(49 174)**	**(176 443)**
Net changes in cash and equivalents		**126 658**	**(50 613)**
Cash and equivalents at the beginning for the year		512 733	563 346
Cash and equivalents at the end for the year		639 391	512 733
		126 658	**(50 613)**
Cash and equivalents includes:			
Cash	18	5	2
Demand deposit at central banks	18	13 608	28 199
Deposits at other credit institutions	18	9 400	9 671
Loans and advances to banks	23	616 378	474 861
		639 391	**512 733**

The following notes form an integral part of these financial statements

The Director of the Finance Department

The Board of Directors

2. NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

NOTE 1 – ACTIVITY

Haitong Bank, S.A. (Bank or Haitong Bank) is an investment bank headquartered in Portugal, at Rua Alexandre Herculano, no. 38, in Lisbon. To this end, it has the necessary authorizations from the Portuguese authorities, central banks and other regulatory agents to operate in Portugal and in the countries where it operates through international financial branches.

The institution was incorporated as an investment company in February 1983 through a foreign investment in Portugal under the name FINC - Sociedade Portuguesa Promotora de Investimentos, S.A.R.L.. In 1986, the company was integrated into the Espírito Santo Group under the name Espírito Santo - Sociedade de Investimentos, S.A..

In order to broaden the scope of its activity, the Institution obtained authorization from the competent official bodies for its transformation into an Investment Bank, through Ministerial Order no. 366/92 of November 23, published in the Diário da República - II Série - no. 279, of December 3. Banco de Investimento began operating under the name Banco ESSI, S.A. on April 1, 1993.

In 2000, Banco Espírito Santo, S.A. acquired the entire share capital of BES Investimento in order to reflect all the synergies between the two institutions in its consolidated accounts.

On August 3, 2014, following the application of a resolution measure by Banco de Portugal to Banco Espírito Santo, S.A., the Bank was taken over by Novo Banco, S.A..

In September 2015, Haitong International Holdings Limited acquired the entire share capital of BES Investimento, and the Bank's name was changed to Haitong Bank, S.A..

Haitong Bank currently operates through its head office in Lisbon and branches in London, Warsaw, Macau and Madrid, as well as through its subsidiary in Brazil. In June 2022, Haitong Bank, S.A. completed the process of opening a representative office in Paris.

Haitong Bank's financial statements are consolidated by Haitong International Holdings Limited, headquartered at Li Po Chun Chambers, No. 189, Des Voeux Road Central, Hong Kong, with Guotai Haitong Securities Co., Ltd. as the ultimate parent company.

In September 2024, an agreement was signed between Guotai Junan Securities Co., Ltd. and Haitong Securities Co., Ltd. regarding a proposed merger by integration, involving an exchange of securities. In March 2025, Guotai Junan Securities Co., Ltd. announced to the market the completion of the merger process between the two entities, after which its name was changed to Guotai Haitong Securities Co., Ltd..

Throughout 2025, the necessary authorizations were obtained from the competent regulators of the Haitong Bank Group, including the Bank of Portugal, the Portuguese Securities Market Commission (CMVM), the Central Bank of Brazil, and the Cayman Islands Monetary Authority.

NOTE 2 – MAIN ACCOUNTING POLICIES

2.1. BASES OF PREPARATION

In accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, of the July 19, 2002, and Notice no. 1/2005 of the Bank of Portugal (revoked by Bank of Portugal Notice no. 5/2015), the individual financial statements of Haitong Bank, S.A., (Bank or Haitong Bank) are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

The IFRS comprise the accounting standards issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and by their predecessor bodies.

Haitong Bank's individual financial statements set forth herein refer to the year ended on the December 31, 2025, which has been prepared in accordance with the IFRS in force in the European Union at January 1, 2025.

The accounting policies in this note were consistently to all entities of the Bank and are consistent with those used in the preparation of the financial statements of the previous year.

The individual financial statements are denominated in thousands of euros, rounded to the nearest thousand, and have been prepared in accordance with the historical cost principle, with the exception of the assets and liabilities accounted for at fair value, such as financial derivatives, financial assets and liabilities at fair value through profit and loss and financial assets and liabilities at fair value through other comprehensive income.

Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

The preparation of financial statements in accordance with the IFRS requires the Bank to make judgements and estimates, as well as to use assumptions affecting the implementation of the accounting policies and the amounts corresponding to income, expenses, assets and liabilities. Any changes to such assumptions, or any difference thereof comparing to reality may have an impact on the current estimates and judgements. The areas involving a higher degree of judgement or complexity, or in which significant assumptions and estimates are used when preparing the individual financial statements, are analysed in Note 3.

These financial statements were approved at a meeting of the Board of Directors on 12 March 2026 and will be submitted to the sole shareholder for approval and are expected to be approved without changes.

2.2. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are converted at the exchange rate in force as at the date of the transaction. The monetary assets and liabilities denominated in foreign currency are converted into Euros at the exchange rate in force at the date of the statement of financial position. The exchange rate differences arising from such conversion are recognized in income statement.

Non-monetary assets and liabilities recognised at historical cost, expressed in foreign currency, are converted at the exchange rate on the date of the transaction. Non-monetary assets and liabilities expressed in foreign currency and recorded at amortised cost or fair value are converted at the exchange rate in force on the date the amortised cost or fair value was determined. The resulting exchange differences are recognised in the income statement under "Exchange revaluation results".

2.3. FINANCIAL INSTRUMENTS

2.3.1. Financial assets classification

At the initial recognition, financial assets are classified into one of the following categories:

a) Financial assets at amortised cost;
b) Financial assets at fair value through other comprehensive income; or
c) Financial assets at fair values through profit or loss, namely:
  i. Financial assets held for trading; and
  ii. Non-trading financial assets mandatorily at fair value through profit or loss.

Financial assets classification and measurement depends on the SPPI test results (assessment if the contractual cash flows characteristics, in order to conclude if it corresponds solely payments of principal and interests) and on the business model, under which they are managed.

a) Financial assets measured at amortised cost

A financial asset is classified under the category “Financial assets at amortised cost” if both the following conditions are met:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (hold to collect business model); and
ii. The contractual terms of the financial asset establish cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The “Financial assets at amortised cost” category mainly includes loans and advances to banks and loans and advances to customers.

b) Financial assets at fair value through other comprehensive income

A financial asset is classified under the category of “Financial assets at fair value through other comprehensive income” if both of the following conditions are met:

i. The financial asset is held within a business model whose objective is to both collect contractual cash flows and sell financial assets (hold to collect and sell business model); and
ii. The contractual cash flows occur on specified dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

In addition, in the initial recognition of a capital instrument that is not held for trading, nor a contingent consideration by an acquirer in a concentration of activities to which IFRS 3 applies, the Bank may irrevocably choose to classify it in the category of " Financial assets at fair value through other comprehensive income ". This option is exercised on a case-by-case basis, investment by investment and is only available for financial instruments that comply with the definition of equity instruments set forth in IAS 32 and can not be used for financial instruments whose classification as a capital instrument in the issuer is made under the exceptions provided in paragraphs from 16A to 16D of IAS 32. Currently, the Bank does not hold instruments for which they applied this irrevocable option under IFRS 9, and only debt securities were classified in this category.

c) Financial assets at fair value through profit or loss

A financial asset is classified in the category of “Financial assets at fair value through profit and loss” if the business model defined by the Bank for its management is to hold it for trading purposes or because of the characteristics of its contractual cash flows is not appropriate to be classified in the previous categories (residual category and/or the instrument does not meet the SPPI test requirements).

In addition, the Bank may irrevocably designate a financial asset that meets the criteria to be classified as "Financial assets at amortised cost" or "Financial assets at fair value through other comprehensive income", at fair value through profit or loss, at the time of its initial recognition, if that eliminates or significantly reduces an accounting mismatch, which would otherwise result from the measurement of assets or liabilities or from the recognition of gains and losses thereon on different bases. The Bank did not adopt this irrevocable option, having classified in this category:

- financial assets in the sub-category "Financial assets at fair value through profit or loss - financial assets held for trading", when:

  i. are originated or acquired for the purpose of trading in the short term;
  ii. are part of a group of financial instruments identified and managed jointly for which there is evidence of recent actions with the aim of achieving gains in the short term; or
  iii. are derivative instruments which do not comply with the definition of a financial guarantee and have not been designated as hedging instruments.

Gains and losses on financial assets and liabilities at fair value through profit or loss – Financial assets held for trading, that is, variations in fair value and interest on trading derivatives, as well as associated dividends received (if they effectively remunerate the invested capital) These portfolios are recognised under the heading “results from trading instruments” in the income statement.

- financial assets in the sub-category of "Financial assets at fair value through profit or loss - financial assets not held for trading necessarily at fair value through profit and loss" when:

  i. debt instruments whose cash flows do not originate cash flows on specific dates, which are only payments of principal and interest on the amount of outstanding capital (SPPI); and/or
  ii. equity instruments, which do not classify as held for trading.

Gains and losses on financial assets and liabilities at fair value through profit or loss, namely, changes in fair value, as well as the dividends received from these portfolios (if they get paid the invested capital), are recognised as "Net income from other financial instruments at fair value through profit or loss" in the income statement.

Business model evaluation for financial assets management

In relation to the evaluation of the business model, this does not depend on management intentions for an individual instrument, but on a portfolio of instruments, taking into account the way the portfolio of financial instruments is managed and its defined objectives, as well as the frequency, value, sales frequency in previous years, the reasons for such sales and expectations regarding future sales. Infrequent sales, close to the maturity of the asset due to increases in the credit risk of financial assets and/or to manage concentration risk, among others, may be compatible with the model of holding assets for the collection of contractual cash flows.

Evaluation if the contractual cash flows correspond to solely payments of principal and interest (SPPI)

If a financial asset contains a contractual clause which may modify the timing or value of contractual cash flows (such as early amortization clauses or extension of duration), the Bank determines whether the cash flows that will be generated during the life of the instrument, due to the exercise of the contractual clause, are only payments of principal and interest on the value of the capital outstanding.

The contractual conditions of financial assets that, at the time of initial recognition, have an effect on cash flows or depend on the occurrence of exceptional or highly improbable events do not prevent their classification in the portfolios at cost amortised or at fair value through other comprehensive income.

Initial recognition

At initial recognition all financial instruments are recognised at their fair value. For financial instruments that are not recognised at fair value through profit or loss, the fair value is adjusted by the transaction costs directly attributable to their acquisition or issue. In the case of instruments at fair value through profit or loss, directly attributable transaction costs are recognised immediately in profit or loss.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset or to the issue or assumption of a financial liability that would not have been incurred if the Bank had not realized the transaction. If the Bank considers that the costs are directly attributable to the transaction, they are specialized in results according to the effective interest rate method.

Subsequent measurement

After initial recognition, the Bank proceeds to the subsequent measurement of the financial assets at amortised cost, at fair value through other comprehensive income or at fair value through profit.

The fair value of quoted financial assets is their current bid price. This price is estimated by the Bank according to a hierarchy that meets the IFRS 13 requirements. In the absence of a market quotation, the Bank estimates the fair value using valuation methodologies such as (i) the use of prices of recent transactions, similar and carried out under market conditions, (ii) discounted cash flow techniques and (iii) customized option valuation models in order to reflect the particularities and circumstances of each instrument, and (ii) whenever possible, the Bank uses valuation assumptions based on market information. These methodologies also incorporate credit risk and counterparty risk. These methodologies may require the use of assumptions or judgments in the estimate of fair value.

The income and expenses of financial instruments at amortised cost are recognised in accordance with the following criteria:

a) Interest and premium/discount are recognised in the income statement using the effective interest rate of the instrument on the gross book value of the instrument (except for assets with impairment, where the interest rate is applied on the net book value of impairment).

b) Exchange differences are recognised in the income statement;

c) Impairment losses or recovery gains are recognised in the income statement under the heading “Impairment on financial assets”; and

d) Other changes in value will be recognised as income or expense when the instrument is derecognised from the balance sheet, when it is reclassified, and in the case of financial assets, when there are impairment losses or recovery gains.

Income and expenses of financial instruments at fair value through profit or loss are recognised according to the following criteria:

a) Changes in fair value are recognised directly in profit or loss, separating between the portion attributable to the income of the instrument, which is recognised as interest or as dividends according to their nature, and the remainder, which is recognised as results in the corresponding account.
b) Exchange differences are recognised in the income statement; and

c) Interests and premium/discount on debt instruments are measured using the effective interest rate method and are recognised in financial margin.

Income and expenses from financial instruments at fair value through other comprehensive income are recognised according to the following criteria:

a) Interest and premium/discount have a procedure equal to that of assets at amortised cost;
b) Foreign exchange differences are recognised in income statement;
c) Impairment losses or gains on its recovery are recognised in the income statement results under the heading
"Impairment in financial assets";
d) Losses or gains associated to hedge accounting are cognised in the income statement "Results of derecognition of financial assets at fair value through other comprehensive income"; and
e) The remaining changes in value are recognised in other comprehensive income.

When a debt instrument measured at fair value through other comprehensive income is derecognised from the balance sheet, the gain or loss recognised in other comprehensive income is reclassified to income for the year.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or change does not result in derecognition of the financial asset in accordance with the policy adopted by the Bank, the Bank recalculates the gross amount of the financial asset and recognises a gain or loss arising from the difference from the previous amortised cost against profit or loss. The gross amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the original effective interest rate of the asset.

Reclassifications between categories of financial instruments

Only if the Bank decides to change its business model for the management of a portfolio of financial assets. In this case, all financial assets affected would be reclassified in accordance with the requirements of IFRS 9. This reclassification would be applied prospectively from the date of reclassification. According to the approach of IFRS 9, these reclassifications must be infrequent, decided by the senior management resulting from events beyond the Bank's control and demonstrable to external entities.

Derecognition criteria

The Bank derecognises a financial asset in the following situations:

a) when transferring that asset and, as a result of such transfer, all the risks and benefits of that asset are transferred to another entity;
b) when a significant change in the counterparty structure of that asset occur; and/or
c) when a significant change on the asset terms and conditions occur.

Loans and debt instruments written-off

The Bank writes off a loan when it does not have reasonable expectations to recovering a financial asset in its entirety or a portion thereof. This registration occurs after all the recovery actions developed by the Bank prove to be fruitless. Loans written off are recognised in off-balance sheet accounts.

Eventual recoveries after the instrument received the write-off must be recognised as extraordinary gains, with an impact in the financial statement in other operational results.

Purchase or originated credit impaired assets

Purchase or originated credit impaired (POCI) assets are credit-impaired assets on initial recognition. An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

The two events that lead to the originations of a POCI exposure are presented as follows:

- financial assets arising from a recovery process, where there have been changes to the terms and conditions of the original agreement, which presented objective evidence of impairment that resulted in its derecognition and recognition of a new contract that reflects the credit losses incurred; and/or
- financial assets acquired with a significant discount, that the existence of a significant discount reflects credit losses incurred at the time of its initial recognition.

On initial recognition, POCI assets do not carry an impairment loss. Instead, lifetime expected credit losses are incorporated into the calculation of the effective interest rate. Consequently, at initial recognition, the gross book value of POCI (initial balance) is equal to the net book value before being recognised as POCI (difference between the initial balance and total discounted cash flows).

Impairment of financial assets

The Bank determines impairment losses on debt instruments measured at amortised cost and at fair value through other comprehensive income, as well as for other exposures that have associated credit risk such as bank guarantees and commitments.

The IFRS 9 requirements aim to recognise expected losses, assessed on an individual and collective basis, considering all reasonable, reliable and reasoned information available, without incurring undue costs or efforts, at each reporting date, including forward-looking information.

The impairment losses of debt instruments in the exercise are recognised as a cost under the heading Impairment of Financial Assets in the Income Statement. The Bank registers the impairment losses on debt instruments measured at amortised cost against a cumulative balance sheet impairment account, which reduces the book value of the asset. The Bank recognises the impairment losses on debt instruments measured at fair value through Other Comprehensive Income against the fair value reserve, whereby its recognition does not reduce the balance sheet value of the financial instruments.

Impairment losses on exposures that have associated credit risk, and which are not debt instruments (namely, guarantees and other irrevocable commitments), are registered by means of a provision under "Provisions" in the liability side. Increases and reversals are recorded against under the heading Provisions net of annulments.

Impairment Model

Under IFRS 9, the Bank determines the expected credit losses (ECL) using a forward-looking model. The expected credit losses over the lifetime of financial instruments are required to be measured through a loss allowance. Accordingly, the calculation of ECL incorporates macroeconomic factors, as well as other forward-looking information, whose changes impact expected losses.

The instruments subject to impairment are divided into three stages, taking into account their level of credit risk since its initial recognition, as follows:

- **Stage 1 – Performing**: financial assets for which there was no significant increase in credit risk from the moment of initial recognition. In this case, the impairment will reflect ECL resulting from default events that may occur in the next 12 months after the reporting date;
- **Stage 2 – Under Performing**: financial assets for which there was a significant increase in credit risk has occurred since the initial recognition but for which there is no objective evidence of impairment. In this stage, impairment will reflect the ECL resulting from default events that may occur over the expected residual life of the instrument;
- **Stage 3 – Non-Performing**: financial assets for which there is objective evidence of impairment as a result of events that resulted in losses. In this case, the impairment amount will reflect the ECL over the expected residual life of the instrument.

The collective model implemented by the Bank is applicable to all instruments classified in Stage 1 that do not show any warning signals, as well to determine the minimum lifetime expected credit losses, in the case of exposures with a significant increase in credit risk (Stage 2) since initial recognition, but which are not considered to be impaired.

In addition, the top 20 largest performing debtors are annually subject to a *staging* individual analysis, in order to trace early warning signals that may indicate the need to transfer to Stage 2.

Stage 2 exposures are analysed individually, confirming that there are no indications of unlikeliness to pay of the debtor and the events considered by Capital Requirements Regulations (CRR) in its definition of default and by IFRS 9 in the definition of impaired financial instruments, which could determine a transfer to Stage 3. Stage 2 exposures are subject to the application of a lifetime impairment rate to determine the minimum impairment rate applicable to financial instruments, using a lifetime collective model. All Stage 3 clients are subject to an individual impairment analysis.

At initial recognition, any instrument is allocated to Stage 1, except for purchased or originated credit impaired (POCI) financial instruments, which are allocated to Stage 3. For each reporting date, an assessment of the change in the risk of a default occurring over the expected life of the financial instrument is performed.

An increase in the risk of default may result in a transfer from Stage 1 to Stage 2 or to Stage 3. If the risk of default of a financial asset is low or has not increase significantly since initial recognition, it remains in Stage 1 with a 12-months ECL. Otherwise, if there is a significant increase in credit risk compared with the initial recognition, the result would be a transfer into Stage 2 and, consequently to the recognition of the lifetime ECL over the residual life of the financial asset. A transfer into Stage 3 is required when objective evidence for a credit loss appears.

When a financial asset is no longer assessed to be impaired (Stage 3), it is reclassified to Stage 2, after its due probation period. It is assumed that when a financial asset recovers from Stage 3, it will still have a demonstrated significant increase in credit risk since initial recognition and must therefore be included in Stage 2. From that date on, the impairment will continue to be recognised based on lifetime expected credit losses.

A probation period was established for when a financial asset ceases to be classified in Stage 3, which is defined as 3 months from the moment that the obligor is no longer past due more than 90 days on any material credit obligation, if applicable, and no indication of unlikeliness to pay applies. The probation period for non-performing forborne exposures is longer (12 months). Performing forborne exposures should accomplish a minimum 24-month period in order to be reclassified on Stage 1, whereas throughout that period the debt sustainability should be proved.

Note 40 – Risk Management discloses the inputs of the Bank's collective impairment model, as well as the adjustments made to incorporate forward-looking information.

Expected Credit Losses

According to the IFRS 9, the expected credit loss for financial assets is the present value of the difference between (1) the contractual cash flows that are due to an entity under the contract, and (2) the cash flows that the entity expects to receive.

The recognition of an impairment allowance is required on financial assets measured on an Amortised Cost (AC) or Fair Value through Other Comprehensive Income (FVOCI) basis. Given that, the financial asset types that should have impairment assessment are the following:

- Loans and advances to customers;
- Loans and advances to banks;
- Debt securities;
- Other assets - debtors and other receivables;
- Cash and cash equivalents;
- Guarantees and other financial commitments to third-parties.

The expected credit losses correspond to estimates of credit loss that will be determined as follows:

- Financial assets with no signs of impairment at the reporting date (Stage 1 – Performing): correspond to expected credit losses that result from a default event that may occur within 12 months after the reporting date (credit losses expected at 12 months);
- Financial assets with a significant increase in credit risk or with impairment at the reporting date (Stage 2 – Under Performing and Stage 3 – Non-Performing): correspond to the expected lifetime credit losses calculated by the difference between the gross accounting value and the net present value of the estimated cash flows weighted, for assets in Stage 2, by the prospect of default;
- Unused credit commitments: correspond to the present value considering the amount of the unused commitment as of the reference date multiplied by the credit conversion factor, the probability of default and the loss given default;
- Financial guarantees: the impairment is determined by the difference between the net present value of expected repayments less the amounts that the Bank expects to recover.

Significant increase in credit risk

Under IFRS 9, in order to determine whether there has been a significant increase in credit risk since the initial recognition of the financial instrument, the Bank considers all relevant information available without incurring undue costs or efforts.

The Bank identifies the occurrence of a significant increase in credit risk exposure through three approaches: (i) quantitative approach; (ii) identification of internally defined backstops (warning signals) and (iii) early warning signals (EWS) assessment in order to trace certain events and/or circumstances that could indicate a SICR.

Additionally, the Bank assesses the significant increase in credit risk through a quantitative approach that was updated in 2023. For that end, the Bank defined a transition matrix based upon its internal pricing methodology. The approach involves the comparison between the rating of the financial instrument as at the reporting date vis-à-vis the rating as the date of initial recognition, and the credit risk deterioration required for a Stage 2 reclassification will vary depending on the rating initially assigned to the financial instrument.

The internal warning signals are the following: (i) delay of payments (including capital, interest, fees or other charges) of more than 30 days; (ii) registration of at least one customer's loan in arrears in the Central Credit Register (CCR) from Banco de Portugal, or in other central credit or insolvency registers; (iii) debt restructuring towards a debtor facing and/or about to face financial difficulties in meeting its financial commitments (with no indication of unlikeliness to pay); (iv) overdue debts to tax agency, social security and/or to employees; (v) deals with a credit spread increase superior to 30% since their origination; and (vi) other specific situations (ad-hoc) criteria). The Bank identifies a SICR in the following circumstances: (a) debtors with one of the triggers (i), (iii), (v) and (vi) activated; and (b) debtors with triggers (ii) and (iv) simultaneously activated.

Early warning signals (EWS) assessment of the Top 20 performing largest exposures are subject to the annual review by the Impairment Committee and Executive Committee in order to confirm that the largest debtors do not display any warning signals that convene a transfer to Stage 2. The Impairment Committee and Executive Committee are also held to come up with a decision in the events of: (i) clients with at least 3 or more active triggers in the Early Warning Signals questionnaires; (ii) clients with a rating change of at least 4-notches downgrade but remaining within an investment grade during the period; and (iii) deals with a credit spread increase superior to 30% since their origination.

Additionally, the Bank implemented the internal procedure to quarterly elaborate an EWS assessment, covering all clients classified in Stage 1, thus enabling the timely identification of indicators which suggest a significant increase in credit risk, and encompassing all clients classified in Stage 1 and 2, allowing for the timely manner identification of indicators that may suggest unlikeliness of payments by the debtors.

According with internal procedures defined by the Bank, when there is a significant increase in the credit risk of a debtor, the financial instruments are subject to individual analysis, confirming that there are no indications of unlikeliness to pay of the debtor and the events considered by CRR in its definition of default and by IFRS 9 in the definition of impaired financial instruments, which could cause transfer to Stage 3. The exposures properly classified in Stage 2 are subject to the use of a lifetime impairment rate determined using a lifetime collective model to determine the minimum impairment rate applicable to financial instruments.

Default definition

Under IFRS 9, the Bank considers its financial assets to be in default by applying the same used definition that is applied for prudential purposes. Thus, Haitong Bank defined default as incorporating the following criteria: 1) material exposures which are more than 90-days past due; 2) the debtor is assessed as unlikely to pay credit obligations, without collateral claim, regardless of the existence of any past due amount or of the number of days past due; and 3) if 20% of the exposures of one obligor are determined as non-performing, all other exposures should be considered non-performing ("pulling effect").

In what regards unlikeliness to pay criteria, the Bank addresses the following situations: i) distressed restructurings; ii) clients with loans written-off of interest or capital; iii) the Bank sells the credit obligation at a material (more than 5%) credit-related economic loss; iv) the obligor has been placed (or is likely to be placed) in bankruptcy or similar creditor's protection; v) interest related to credit obligations is no longer recognised (non-accrued status) in the income statement (part or under conditionality); and vi) other conditions (ad-hoc) that may suggest unlikeliness of payments by the debtor.

The definition of default adopted by the Bank complies with article 178 of the CRR and follows the European Banking Association ("EBA") definition of non-performing exposures ("NPE") requirements according to its final report on the application of definition of default (EBA/GL/2016/07).

On June 30th, 2024, the Bank classified as non-performing exposures the amounts receivable relating to commissions for services rendered and which are overdue for more than 90 days, as well as other assets relating to credits or debt securities in default that were targeted of a recovery process, being directly dependent on legal actions against the original debtors.

Forbearance definition

The internal definition of forbearance, i.e., exposures which were subject to restructuring measures due to the debtor's financial difficulties, follows the regulatory definition. Forbearance measure is a concession by the Bank towards an obligor that is experiencing or is likely to experience difficulties in meeting its financial commitments. An exposure can only be forborne if the debtor is facing financial difficulties that have led the Group to make a concession.

A concession may entail a loss for the Bank and shall refer to either of the following actions:

i. a modification of the previous terms and conditions of a contract that the debtor is considered unable to comply with due to financial difficulties resulting in insufficient debt service ability and that would not have been granted had the debtor not been experiencing such difficulties;

ii. a total or partial refinancing of a troubled debt contract, that would not have been granted had the debtor not been experiencing financial difficulties.

When granting forbearance measures to performing exposures with significant increase in credit risk, the Bank assesses whether these measures lead to a reclassification of that exposure as non-performing, being this assessment subject to compliance with the following conditions:

a) If the difference between the net present values of cash flows before and after the restructuring arrangement exceeds a certain threshold (1%), the exposure is considered to be non-performing;

b) If there are other indicators that may suggest an unlikeliness to pay of the debtor.

The definition of forbearance adopted by the Group follows article 47.º B of the CRR, the principles of the European Central Bank and the reference criteria applicable to forborne exposures set by Bank of Portugal under the Carta Circular CC/2018/00000062, from November 2018.

2.3.2. Hedge accounting

The Bank uses financial derivatives as a financial risk management tool, mainly on hedge interest rate risk. When these transactions meet certain IFRS requirements, they qualify for hedge accounting. All other derivatives are classified as trading derivatives.

The Bank accordingly applies the provisions of IFRS 9 for hedge accounting.

The Bank maintains the hedging relationship documentation, which includes the identification of the hedging instrument and of the hedged element, the nature of the risk to be hedged and the way in which the Bank assesses whether the hedging relationship meets the requirements of hedging effectiveness. To ensure that the effectiveness requirement is met:

a) There must be an economic relationship between the hedged item and the hedging instrument,
b) the credit risk of the hedged item's counterparty or of the hedging instrument should not have a dominant effect on changes in value resulting from said economic relationship, and
c) the coverage ratio of the hedge accounting relationship, understood as the share of the item hedged by the hedging instrument, must be the same as the coverage ratio used for management purposes.

Fair value hedge

In a fair value hedging operation of an asset or liability, the balance sheet value of this asset or liability is adjusted in order to reflect the variation in its fair value attributable to the hedged risk.

Variations in the fair value of hedge derivatives are recognised in the income statement, together with the variations in fair value of the hedged assets or liabilities, attributable to the hedged risk. These variations are recognised as hedging accounting in the income statement.

If the hedge no longer meets the criteria of enforceability of the hedge accounting the derivative financial instrument is transferred to the trading portfolio and hedge accounting is discontinued prospectively. Regarding the hedging asset or liability, the adjustment to the book value of the hedged instrument is amortised in financial margin for the remaining period of useful life of the hedged item. If the hedged instrument is sold, the adjustment to the book value of the hedged instrument is totally recognised in profit or loss for the period.

2.3.3. Financial liabilities

Classification, initial recognition and subsequent measurement

At initial recognition, financial liabilities are classified in one of the following categories:

- Financial liabilities at amortised cost; or
- Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss

Classification

Financial liabilities classified under “Financial liabilities at fair value through profit or loss” include:

a) Financial liabilities held for trading

In this balance are classified the issued liabilities with the purpose of repurchasing it in the near term, the ones that form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or is a derivative.

b) Financial liabilities designated at fair value through profit or loss (“Fair Value Option”)

The Bank may irrevocably assign a financial liability at fair value through profit or loss at the time of its initial recognition if at least one of the following conditions is met:

- The financial liability is managed, evaluated and reported internally at its fair value;
- The designation eliminates or significantly reduces the accounting mismatch of transactions; and
- The liability includes an embedded derivative.

The fair value of quoted financial liabilities is their quoted value (ask-price). In the absence of a quotation, the Bank calculates fair value by using valuation techniques considering assumptions based on market information, including in determining the issuer´s own credit risk.

If the Bank repurchases an issued debt, it shall be derecognised from the consolidated statement of financial positions, and the difference between the liability's carry amount and the repurchased value is accounted directly in the income statement.

Initial recognition and subsequent measurement

Considering that the transactions carried out by the Bank in the normal course of its business are made in market conditions, financial liabilities at fair value through profit or loss are initially recognised at fair value with the costs or income associated with the transactions recognised in profit or loss at the initial moment.

Subsequent changes in the fair value of these financial liabilities are recognised as follows:

- The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income; and
- The remaining amount of change in the fair value of the liability is directly recognised in profit or loss.

The accrual of interest and the premium / discount (when applicable) is recognised on "Interest expense and similar charges" based on the effective interest rate of each transaction.

Financial liabilities at amortised cost

Classification

Financial liabilities that were not classified at fair value through profit or loss, or correspond to financial guarantee contracts, are measured at amortised cost.

The category "Financial liabilities at amortised cost" includes Resources of credit institutions, Resources of customers and Debt securities issued.

Initial recognition and subsequent measurement

Financial liabilities at amortised cost are initially recognised at fair value, plus transaction costs directly attributed according to the IFRS9, and are subsequently measured at amortised cost. Interests on financial liabilities at amortised cost are recognised on "Interest and similar expenses", based on the effective interest rate method.

Reclassification between categories of financial liabilities

Reclassifications of financial liabilities are not allowed.

Derecognition of financial liabilities

The Bank derecognises financial liabilities when they are cancelled or extinct.

2.3.4. Interest recognition

Interest income and expense for financial instruments measured at amortised cost are recognised in "Interest and similar income" and "Interest and similar expenses" (Net interest income), through the effective interest rate method. The interest at the effective rate related to financial assets and liabilities at fair value through other comprehensive income are also recognised in net interest income.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument (or, when appropriate, for a shorter period), to the net carrying amount of the financial asset or financial liability.

For calculating the effective interest rate, the Bank estimates futures cash flows considering all contractual terms of the financial instrument (for example: early payment options) but without considering future impairment losses. The effective rate includes all eventual fees paid or received considered as included in the effective interest rate, transaction costs and all other premiums or discounts directly related to the transaction, except for assets and liabilities at fair value through profit and loss (the referred commissions are recognised directly in the income statement).

Interest income recognised in income associated with contracts classified in stage 1 and 2 are determined by applying the effective interest rate for each contract on its gross book value. The gross balance of a contract is its amortised cost, before deducting the respective impairment. For financial assets included in stage 3, interests are recognised in the income statement based on its net book value (less impairment). The interest recognition is always made in a prospective way, i.e. for financial assets entering in stage 3 interests are recognised on the amortised cost (net of impairment) in subsequent periods.

For purchased or originated credit impaired assets (POCIs), the effective interest rate reflects the expected credit losses in determining the expected future cash flows receivable from the financial asset.

As for derivative financial instruments, the interest component arising from changes in fair value is not separated and is therefore presented in the income statement under trading assets and liabilities and hedge results.

2.3.5. Financial guarantees

Financial guarantees are contracts which require its issuing entity to make payments to reimburse the holder for incurred losses resulting from breaches of the contractual terms set forth in debt instruments, namely the payment of the corresponding capital and/or interest.

Issued financial guarantees are initially recognised at their fair value. Subsequently, such guarantees are measured at the higher of (i) the initially recognised fair value and (ii) the amount of any financial obligation arising as a result of guarantee contracts, measured at the statement of financial positions date. Any change in the amount of the liability relating to guarantees is taken to the income statement.

Financial guarantees issued by the Group usually have a set maturity and a periodic fee charged in advance, which varies in accordance with the counterparty risk, amount and maturity date of the contract performed under market conditions. On that basis, the guarantees' fair value as at the date of initial recognition thereof is approximately zero, by considering that the agreed conditions are market conditions. Therefore, the amount recognised at the contract date is equal to the amount of the initial received fee, which is recognised in income statement for the period thereof. Subsequent fees are recognised in income statement for the period to which they relate.

2.3.6. Performance guarantee contracts

Performance guarantees are contracts that provide compensation if another party fails to perform a contractual, commercial or legal obligation.

Where the performance guarantee provides the Group with contractual indemnification rights to recover any payments made to the guarantee holder from the applicant and such rights are covered by collateral, they are treated as a loan commitment provided to the applicant, if the bank concludes that there is no event with commercial substance that could cause the bank to incur an overall loss on the guarantee arrangement.

Such performance guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight line basis over the life of the contract.

At the end of each reporting period, the performance guarantee contracts are measured at the higher of (i) the unamortised balance of the amount at initial recognition and (ii) the amount of the loss allowance determined based on the expected credit loss model.

2.4 ASSETS SOLD WITH REPURCHASE AGREEMENT AND SECURITIES LENDING

Securities sold subject to repurchase agreement (repos) at a fixed price or at a price equal to that of the sale plus interest inherent to the maturity of the transaction are not derecognised from the statement of financial position. The corresponding liability is accounted for in amounts due to banks or to customers, as appropriate. The difference between the sale value and the repurchase value is treated as interest and is deferred while the agreement is in force, using the effective interest rate method.

Securities bought with a resale agreement (reverse repos) at a fixed price or at a price equal to that of the sale plus interest inherent to the maturity of the transaction are not recognised in the statement of financial position, and the purchase value is accounted for as loans and advances to banks or customers, as appropriate. The difference between the purchase value and the resale value is treated as interest and is deferred while the agreement is in force, using the effective interest rate method.

Securities assigned through loan agreements are not derecognised from the statement of financial positions, being classified and measured in accordance with the accounting policy applicable. Securities received through loan agreements are not recognised in the statement of financial positions.

2.5 EQUITY INSTRUMENTS

An instrument is classified as equity instrument only if:

i. The instrument includes no contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable conditions for the issuer; and
ii. The instrument will or may be settled in the issuer's own equity instruments, it is either a non-derivative that includes no contractual obligation on the issuer to deliver a variable number of its own equity instruments or a derivative that will be settled only by the issuer exchanging a fixed amount in cash or another financial asset for a fixed number of its own equity instruments.

Costs directly attributable to the issuing of equity instruments are accounted for under equity, as a deduction to the issuing amount. Amounts paid and received by the purchase and sale of equity instruments are accounted for under equity, net of transaction costs.

When declared, distributions to holders of an equity instrument are deducted directly from equity as dividends.

2.6 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are presented in statement of financial position at net value when there is a legal possibility of offsetting the recognised amounts and there is an intent of settlement thereof by their net value, or to simultaneously realise the asset and settle the liability. This legal possibility cannot depend on future events, and must be enforceable in the course of the Bank's activity, or even in the event of insolvency or bankruptcy of the Bank or its counterparties.

2.7 OTHER TANGIBLE ASSETS

The Bank other tangible assets are measured at historical cost, less their corresponding accumulated depreciations and accumulated impairment losses. The historical cost includes expenses directly attributable to the acquisition of the assets.

The subsequent costs with other tangible assets are capitalized when it is probable that future economic benefits associated with them will flow to the Bank. All repair and maintenance costs are charged to the income statement during the period in which they are incurred, on the accrual basis.

The depreciations of other tangible assets are calculated based on the straight-line method, at the following depreciations rates reflecting the expected useful life of the goods.

	Number of Years
Owned Real Estate	35 to 50
Improvements in leasehold property	4 to 10
Computer Equipment	3 to 6
Indoor Installations	4 to 10
Furniture and supplies	3 to 10
Safety Equipment	4 to 10
Tools and Machines	4 to 10
Transportation Material	4 to 5
Other Equipment	2 to 10

The useful life of other intangible assets is reviewed in each financial report, so that the practiced depreciations are in accordance with the consumption patterns of the assets. Changes to the useful life is treated as a change in the accounting estimate and are prospectively applied.

As defined in IAS 36, when there is evidence that an asset may be impaired, its recoverable amount is required to be estimated, and an impairment loss shall be recognised whenever the net value of an asset exceeds its recoverable amount. Any impairment losses are recognised in the income statement.

The recoverable amount is determined as the highest amount between its fair value deducted from the sale costs and its value in use, the latter being calculated based on the net present value of the estimated future cash flows expected to be obtained from the continued use of the asset and of its disposal at the end of its useful life.

Gains or losses on the sale of assets are determined by the difference between the realizable value and the book value of the asset, and are recognized in the consolidated income statement.

Regarding properties received in lieu of payment, these are recorded under ‘other assets’ as at 31 December 2025, as they do not meet the recognition criteria set out in IFRS 5. These properties are measured at the lower of the transfer value and their fair value less costs to sell. The measurement of these assets, and consequently the related impairment losses, is supported by valuations performed by independent certified appraisers, which incorporate various assumptions, including those relating to real estate market developments and the asset’s highest and best use.

2.8 INTANGIBLE ASSETS

Intangible assets are only recognized when: i) they are identifiable; ii) it is likely that they will generate future economic benefits; and iii) its cost can be reliably measured.

Haitong only recognizes intangible assets related to software. Costs incurred with the purchase, production and development of software are capitalised, as well as additional expenses required for its deployment, which are borne by the Bank. Costs directly related to the development of software applications are recognised and accounted for as intangible assets if they are expected to create future economic benefits beyond one financial year.

Costs directly related to the development of computer applications, which are expected to generate future economic benefits beyond one financial year, are recognised and recorded as intangible assets.

Expenditure on internal software development is recorded as an expense when incurred, whenever it is not possible to distinguish the research phase from the development phase, or it is not possible to reliably determine the costs incurred in each phase or the probability of economic benefits flowing to the Bank.

SaaS (Software as a Service) are service contracts that provide the Bank with the right to access software from a supplier via cloud solutions for a certain period.

Costs incurred to configure or customize and usage fees to gain access to the software are recognized as operating expenses as services are provided.

If there are costs incurred related to the specific development of SaaS (Software as a Service) that improves, modifies, or creates additional capabilities, and that meets the definition and criteria set out in IAS 38 for recognition via an intangible asset. These costs are recognized as intangible software assets and amortized over the useful life of the software.

The useful lives of intangible assets are reviewed in each financial report, so that amortization practiced is in accordance with the consumption patterns of the assets. Changes to useful lives are treated as a change in accounting estimate and are applied prospectively.

All remaining charges associated with Information Technology services are recognised as costs when incurred.

2.9 LEASE TRANSACTIONS (IFRS 16)

As established in IFRS 16, at the beginning of a contract, the Bank assesses whether a contract is or contains a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Bank has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Bank has the right to direct the use of the asset. The Bank has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Bank has the right to direct the use of the asset if either:
  - the Bank has the right to operate the asset; or
  - the Bank designed the asset in a way that predetermines how and for what purpose it will be used.

The Bank chose not to apply this standard to short-term lease contracts which are less or equal to one year, and to lease contracts where the underlying asset has no significant amount (up to 5,000 USD). The option of not applying this standard to intangible assets leases was also used.

As a lessee

The Bank recognises a right-of-use asset in Other Tangible Assets and a lease liability in Other Liabilities at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments contractually estimated. The lease payments must be discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, or if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Bank recognises the costs associated to those leases directly in the income statement as general administration expenses.

As a lessor

When the Bank acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Bank is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Bank applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Bank applies IFRS 15 to allocate the consideration in the contract.

The Bank recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'. However, when the Bank was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

Currently, the Bank does not carry out sale and leaseback operations.

2.10 EMPLOYEE BENEFITS

Pensions

Portugal

Following the signature of the Collective Labor Agreement ("Acordo Coletivo de Trabalho" (ACT)) for the banking sector and its subsequent amendments resulting from the 3 tripartite agreements described in Note 15, pension funds and other mechanisms were set up to cover liabilities assumed with pensions on retirement, disability, survival and health-care benefits.

The liabilities' coverage is assured, for the Bank, by pension funds managed by Golden - Sociedade Gestora de Fundos de Pensões. The management of these funds was transferred from GNB – Sociedade Gestora de Fundos de Pensão S.A. to Golden - Sociedade Gestora de Fundos de Pensões, S.A., in July 2025.

In Portugal, there are two defined benefit pension plans which are provided to the employees. The first plan results from the abovementioned ACT agreement and foreseen by its clauses 94th and 103rd. The second plan is complementary and was applicable for its participants and beneficiaries until the 30th of December of 2020. From this date, this plan exists exclusively for the respective beneficiaries and eventual future beneficiaries, by death of those. Defined benefit plans cover pension benefits to be received by employees during retirement, usually dependent on one or more factors such as age, years of service and salary level. On 30th of December of 2020, a new defined contribution plan was introduced, for which the previous participants of the complimentary plan were transferred – former employees with vested rights, as well as active employees.

The retirement pension liabilities are calculated semi-annually, on December 31 and June 30 of each year, for each plan individually, using the Projected Unit Credit Method, being annually reviewed by qualified independent actuaries. The discount rate used in this calculation is determined with reference to market rates associated with high-quality corporate bonds, denominated in the currency in which the benefits will be paid out and with a maturity similar to the expiry date of the plan's liabilities.

The Group determines the net interest income / expense for the period incurred with the pension plan by multiplying the plan's net assets / liabilities (liabilities net of the fair value of the fund's assets) by the discount rate used to measure the retirement pension liabilities referred to above. On that basis, the net interest income / expense was determined based on the interest cost on the retirement pension liabilities net of the

expected return on the funds' assets, both calculated using the discount rate applied in the determination of the retirement pension liabilities.

Re-measurement gains and losses, namely (i) actuarial gains and losses arising due to differences between actuarial assumptions used and real values verified (experience adjustments) and changes in actuarial assumptions and (ii) gains and losses arising due to the difference between the expected return on the fund's assets and the actual investment returns, are recognised in equity under the caption other comprehensive income.

The Group recognises as a cost in the income statement a net total amount that includes (i) current service costs, (ii) net interest income / expense with the pension fund, (iii) the effect of early retirement, (iv) past service costs, and (v) the effect of settlements or curtailments occurring during the period. The net interest income / expense with the pension plan is recognised as interest and similar income or interest expense and similar charges, depending on its nature. Early retirement costs correspond to increases in liabilities due to employees retiring before turning 65 years-old (normal retirement age foreseen in the ACT) and which forms the basis of the actuarial calculation of pension fund liabilities. Whenever the possibility of the early retirement provided for in the pension fund regulation is invoked, the responsibilities of same must be incremented by the value of the actuarial calculation of the liabilities corresponding to the period between the early retirement and the employee turning 65 years old. In the event of a settlement or unwind in a defined benefit plan, the difference between (i) the present value of the defined benefit obligation determined at the settlement date and (ii) the settlement amount, including the value of the plan assets to be transferred; is recorded in "Personnel costs".

The Group makes payments to the funds in order to ensure their solvency, with the minimum levels set by Banco de Portugal being: (i) the liability with pensioners must be totally funded at the end of each period, and (ii) the liability relating to past service costs for active employees must be funded at a minimum level of 95%.

The Group assesses the recoverability of any excess in a fund regarding the retirement pension liabilities, based on the expectation of reductions in future contributions or on the reimbursement of contributions made.

Other Geographies

In the remaining geographies, namely Spain, United Kingdom, Poland and Brazil, the Group provides defined contribution pension plans. In these cases, the contributions are previously defined and the benefits assigned at retirement will depend on the amount of the contributions made and the accumulated income.

Health-care benefits

Portugal

The Group provides its banking employees with health-care benefits through a specific Social-Medical Assistance Service. This Social-Medical Assistance Service (Serviço de Assistência Médico-Social, SAMS) is an autonomous entity which is managed by the respective Union.

SAMS provides its beneficiaries services and/or contributions with medical assistance expenses, diagnostics, medication, hospitalization and surgeries, in accordance with its funding availability and internal regulations.

SAMS also applies to employees' family members, in accordance with clause 110 "Beneficiaries" of the Banking Sector Collective Labor Agreement ("ACT")

Arising from the signature of the new Collective Labor Agreement (ACT) on July 5 , 2016, published in Labor Bulletin (*Boletim do Trabalho*) no. 29, of August 8, 2016, the Group's contributions to SAMS as from February 1, 2017, correspond to a fixed amount (as per Annex VI of the new ACT) for each employee, 14 times a year.

The calculation and recognition of the Group's liability with post-retirement health-care benefits is similar to the calculation and recognition of the pension liability described above. These benefits are covered by the Pension Fund, which presently covers all liabilities with pensions and health-care benefits.

Other Geographies

In the remaining geographies, the Group provides local medical plans to its workforce that are complimentary to the national health services provided in each of the respective geography. Namely:

France

The Group provides to its Paris Office staff health-care supplementary insurance and personal insurance by engaging the insurance company Humanis Prévoyance.

Humanis Prévoyance provides the complementary refund of health-care expense for the part that is not refunded by the French Social Security, in addition to providing an indemnity to the staff member beneficiary in case of accident.

Spain

The Spain Branch provides health-care benefits to its employees through a health insurance company named ASISA, a private company which is responsible for covering medical expenses in case of diagnosis appointments, treatments, hospitalization, and surgeries.

Brazil

The Group provides its employees with healthcare benefits through a specific Medical Assistance Service. The company that provides access to disease treatment and health preservation coverage is the operator Care Plus, leader in the corporate healthcare segment in Brazil, and part of Bupa Global, one of the largest health insurers in the world.

Care Plus has its own network of affiliated doctors, as well as a reimbursement system for procedures and medical consultations, in addition to access to hospitals and laboratories throughout the national territory.

Macau

The Macau Branch provides its employees with healthcare benefits through the American International Assurance Group ("AIA").

AIA is the largest publicly listed life insurance group in Asia-Pacific and provides its beneficiaries with worldwide medical coverage and group life insurance. AIA has an extensive network of affiliated doctors and clinics across the region, in addition to an accessible online reimbursement system at the disposal of its beneficiaries.

UK

In the London Branch, healthcare benefits for staff are administered via a designated Private Medical insurance with Bupa Health UK, the major health insurance provider in the UK and one of the largest worldwide. Employees have access to treatments for physical and mental health, treatment in private hospitals, private consultations, access to a digital GP service, out-patient care, and access to a network of labs throughout the UK.

Poland

Haitong Branch in Warsaw provides its employees with healthcare benefits through Medicover. Medicover, a private company, provides a wide range of healthcare services including outpatient and specialist care and access to a network of hospitals, laboratories and blood collection points provided under two divisions – Healthcare Services and Diagnostic Services. Medicover also provides our employees with the benefits required by occupational medicine.

Employees across geographies are covered by defined contribution plans.

Long-term service bonuses

In Portugal, under the new ACT, signed at the July 5, 2016, the long-term service bonus was replaced by a career bonus, payable immediately prior to the employee´s retirement date, if the employee retires at the service of the Group, corresponding to 1.5 of his/her salary at the time of its payment.

The career bonus is accounted for by the Group in accordance with IAS 19, as a long-term employee benefit. The remeasurement effects and past service costs of this benefit are recognised in the income statement for the year, as occurred with the accounting model for long-term service bonuses.

The amount of the Group's liabilities with this career bonus is likewise periodically estimated based on the Projected Unit Credit Method. The actuarial assumptions used are based on expectations of future salary increases and mortality tables. The discount rate used in this calculation is determined applying the same methodology described above for retirement pensions.

Variable remuneration paid to employees

In accordance with IAS 19 - Employee benefits, variable remuneration (profit sharing, bonuses and others) granted to employees and, possibly, to executive members of administration bodies, is accounted for in profit or loss of its respective financial year.

2.11 INCOME TAXES

Income taxes comprise current and deferred taxes. Income taxes are recognised in income statement, unless when relating to items not directly recognised in equity, in which case they are also accounted for against equity. Taxes recognised in equity, as a result of the reassessment of financial assets at fair value through other comprehensive income, are subsequently recognised in income statement when the gains and losses which were in their origin are recognised in income statement.

Current taxes are those expected to be paid based on the taxable income which is calculated in accordance with the existing tax rules and by using the tax rate enacted or substantially enacted in each jurisdiction.

Deferred taxes are calculated in accordance with the liability method based on the statement of financial positions, on the temporary differences between the carry amount of assets and liabilities and their tax base, by using the tax rates which have been enacted or substantially enacted on the date of the statement of financial position in each jurisdiction and which are expected to be applied once the temporary differences are reversed.

Deferred tax liabilities are recognised for all taxable temporary differences, except for goodwill not deductible for tax purposes, of the differences arising out of the initial recognition of assets and liabilities which affect neither accounting profit nor taxable profit which do not result from simultaneous recognition in a single transaction and of differences relating to investments in subsidiaries insofar as it is not likely that they reverse in the future. Deferred tax assets are only recognised insofar as it is expected that there will be taxable profit in the future which will absorb the tax losses carried forward and the deductible temporary differences.

As of 1 January 2019, the Bank adopted the new interpretative standard of IAS 12 - IFRIC 23 - 'Uncertainty over Income Tax Treatments' - which to recommend the measurement requirements and recognition to be applied in the event of uncertainties regarding the acceptance of a given tax treatment by the Tax Administration concerning income tax and should reflect the entity's best estimate of the presumed outcome of the situation under discussion. This estimated value based on the expected value or the most probable value should be recorded by the entity as an asset or liability for income tax based on IAS 12 and not by IAS 37.

It should be noted that the period of tax losses utilization takes into account the exceptional measures to the COVID-19 pandemic under the terms of Law No. 27-A / 2020 (Supplementary State Budget for 2020), as well as provided in Law No. 24-D/2022, of December 30, which approved the State Budget for 2023, under which the time limitation for the deduction of tax losses calculated in a given tax period is eliminated . Changes to the reporting period apply to tax periods beginning on or after January 1, 2023, as well as to tax losses calculated in tax periods prior to January 1, 2023 whose deduction period is still in progress at that date. However, it should be noted that the new deadline does not apply to tax losses calculated in tax periods prior to January 1, 2023 in which one of the situations provided for in paragraph 1 of article 6 of the applicable special regime has occurred to deferred tax assets (namely, in the event of a negative net result).

The works developed in the level of the OECD/G20 inclusive Framework related to the called "Pillar 2" BEPS Pillar 2, resulted in the adoption of respective model rules at the EU level with the publication Council Directive (EU) 2022/2523, of 15th December 2022 (Pilar 2 Directive). In summary, this regime aims to ensure that the profits of multinational groups with revenues of more than 750 million euros are subjected to a minimum level of effective taxation of no less than 15% in all jurisdictions where they are established. This minimum taxation operates through a so-called Top-up Tax, the calculation and collection of which is primarily the responsibility of the jurisdiction where the so-called Ultimate Parent Entity (UPE) of the multinational group or an intermediate holding company of that group is located, in cases where the jurisdiction of the UPE does not adopt the income inclusion rule (IIR) However, when this mechanism is not activated, the Undertaxed Profits Rule (UTPR) is activated at the level of the companies held.

In Portugal, the Pillar 2 Directive was transposed into national law by the Law No. 41/2024, of November 8, whose Global Minimum Tax Regime («RIMG») also introduced a so-called Qualified Domestic Minimum Top-up Tax (QDMTT), through which Portugal will have priority in collecting any Pillar 2 complementary tax from entities located there. The RIMG will be in force from 2024, with the exception of the UTPR rule, which applies from 2025.

The approved legislation also provides for a set of the safe harbour rules, applicable during the first three years (2024 - 2026), aimed at minimizing the administrative effort of multinational groups in applying the Pillar 2 rules. Under the terms of these safe harbour rules, the Pillar 2 supplementary tax due in Portugal may be considered zero, upon verification of at least one of certain tests based on the Country-by-Country Report – CbCR.

The Bank, qualifies as an entity belonging to a multinational Group covered by the Pillar 2 regime, whose UPE is Haitong Securities Co.Ltd., headquartered in Shanghai, China. To the extent that the upstream entities in its holding chain are located in jurisdictions that do not yet apply the Pillar 2 regime, the Bank may be required for paying supplementary tax in Portugal related to the jurisdictions of its branches and subsidiaries in 2025, through the IIR, as well as for other Group entities from 2025 onwards, through the UTPR.

In this regards, the Bank has analysed the impacts of the application of this Law within its scope, with reference to 2025 and 2024 taking into special consideration the possibility of applying the transitional safe harbour rules mentioned in the previous paragraph.

It should be noted that the Bank applies the temporary exception provided in IAS 12 for the recognition and disclosure of information on deferred tax assets and liabilities related to income taxes resulting from the RIMG

2.12 CONTINGENT ASSETS

Contingent assets are not recognized in the financial statements, being disclosed when it is probable that there will be a future economic inflow of resources following the treatment provided for by IAS 37.

2.13 PROVISIONS

Provisions are recognised when (i) the Bank has a current, legal or constructive obligation, (ii) it is likely that its payment will be required and (iii) when the amount of such obligation may be estimated in a reliable manner.

When the effect of the passage of time (discounting) is material, the provision corresponds to the net present value of the expected future payments, discounted at an appropriate rate considering the risk associated with the obligation.

If it is not likely for payment to be required, it is a contingent liability. Contingent liabilities are only subject to disclosure, unless the likelihood of their realization is remote. Provisions for restructuring are recognised once the Bank approves a formal and detailed restructuring plan, and such restructuring has been commenced or publicly announced on the reference date of the financial statements.

A provision for onerous contracts is recognised when the expected benefits of a formal contract are lower than the costs that the Bank will inevitably incur in order to meet the obligations arising therefrom. This provision is measured based on the current lowest value between the contract termination costs or the net estimated costs of continuing the contract.

2.14 RECOGNITION OF FEE AND COMMISSION INCOME

Income from services and commissions are recognised when (or as) a performance obligation is fulfilled by transferring a service, based on the transaction price associated with that performance obligation, as follows:

- Income from services and commissions obtained for the performance of a given performance obligation, such as commissions in loan syndications, are recognized in profit or loss when each of the performance obligations has been completed;
- Income from services and commissions obtained for the performance obligations fulfilled over time are recognised in profit or loss over the period in which these performance obligations are fulfilled;

Income from services and commissions which are an integral part of the effective interest rate of a financial instrument are accounted for in income statement by the effective interest rate method under the headings of interest income or interest expense.

2.15 SEGMENT REPORTING

The Group adopted IFRS 8 – Operating Segments for the disclosure of financial information by operating segments (see Note 5).

An operating segment is a component of the Group: (i) which engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions on the allocation of resources to the segment and assess its performance; and (iii) for which discrete financial information is available.

2.16 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to shareholders of the parent company by the weighted average number of ordinary shares outstanding, with the exclusion of the average number of own shares held by the Bank.

For the calculation of diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted to reflect the effect of all dilutive potential ordinary shares, such as those arising out of convertible debt and of options granted to employees over own shares. The effect of the dilution is a decrease in earnings per share, resulting from the assumption that the convertible instruments are converted or that the granted options are exercised.

2.17 CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and its equivalents encompass the amounts accounted for in the statement of financial position whose maturity is less than three months from the date of acquisition/contract with immaterial risk of fair value fluctuation, which includes cash, deposits in Central Banks, deposits in other credit institutions and loans and advances to banks.

The flows from financial assets at fair value through other comprehensive income and at amortized cost are allocated to investment activities, in turn, the flows from financial assets at fair value through profit or loss are allocated to operating activities.

2.18 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

These assets are recorded at historical cost, being subject to periodic analyses of impairment. Dividends are recorded as an income in the year in which its distribution is decided by the subsidiaries and associated companies.

Subsidiaries

Subsidiaries are entities controlled by the Bank. The Bank controls an entity when it has the power to designate the relevant activities of the entity, and when it is exposed, or has rights, to the variability of returns arising from its involvement with that entity and can take control of them through the power it holds over the relevant activities of that entity (de facto control).

Financial investments in associates

Associated companies are entities over which the Bank has significant influence, but does not exercise control over their financial and operational policy. The Bank is presumed to exercise significant influence when it holds more than 20% of the associate's voting rights. If the Bank holds, directly or indirectly, less than 20% of the voting rights, it is assumed that the Bank does not have significant influence, except when this influence can be clearly demonstrated.

Impairment

The recoverable value of investments in subsidiaries and associates is assessed annually, with reference to the end of each year or whenever there are signs of a possible loss in value. Impairment losses are determined based on the difference between the recoverable value of investments in subsidiaries or associates and their book value. Identified impairment losses are recorded against profit or loss, being subsequently reversed through profit or loss if there is a reduction in the amount of the estimated loss in a subsequent period. The recoverable amount is determined based on the greater between the value in use of the assets and the fair value less costs to sell, being calculated using valuation methodologies, supported by discounted cash flow techniques, comparable multiples, considering the conditions markets, time value and business risks.

2.19 SUBSEQUENT EVENTS

The Bank analyses events occurred after the balance sheet date, i.e., favorable and/or unfavorable events that occur between the balance sheet date and the date the financial statements were authorized for issue. In this context, two types of events can be identified:

i) those that provide evidence of conditions that existed at the balance sheet date (events after the balance sheet date that give rise to adjustments); and,
ii) those that are indicative of the conditions that arose after the balance sheet date (events after the balance sheet date that do not give rise to adjustments).

Events occurred after the date of the financial statements that are not considered as adjustable events, if significant, are disclosed in the notes to the individual financial statements in Note 41 – Subsequent Events.

NOTE 3 – MAIN ESTIMATES AND JUDGEMENTS USED IN THE PREPARATION OF FINANCIAL STATEMENTS

The IFRS set forth a range of accounting treatments and require the Board of Directors to make the necessary judgements and estimates to decide on the most appropriate accounting treatment. These estimates were made considering the best information available at the date of preparation of the individual financial statements, considering the context of uncertainly that results from the impact of Russia-Ukraine conflict in the current economic scope. The Bank's main accounting estimates and judgements used thereby when applying the accounting principles are laid down in this Note with the purpose of improving the understanding on how the implementation thereof affects the Bank's reported results and their disclosure.

A broader description of the main accounting policies used by the Bank is shown in Note 2 to the individual financial statements.

Whereas in many situations there are alternatives to the accounting treatment adopted by the Board of Directors, the results reported by the Bank could have differed if it adopted a different treatment. The Board of Directors believes that it made the appropriate choices, and that the individual financial statements give an adequate description of the Bank financial position and of the result of its operations in all material respects.

3.1. IMPAIRMENT LOSSES ON FINANCIAL ASSETS AT AMORTISED COST AND DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Bank periodically reviews financial assets at amortised cost and debt at fair value through other comprehensive income in order to accurately evaluate the existence of impairment, as referred on Note 2.3.1.

Individual analysis

The Risk Management Department identifies all exposures subject to individual staging analysis, encompassing: (i) Top 20 performing largest exposures; (ii) all under-performing (Stage 2) exposures; (iii) non-performing (Stage 3) exposures; (iv) clients with a rating change of at least 4-notches downgrade but remaining within investment grade; and (v) deals with a credit spread increase superior to 30% since their origination, and ensure that they are subject to an analysis by the Impairment Committee and Executive Committee. Stage 2 exposures are analysed individually, in order to verify the absence of indicative unlikeliness to pay of the debtor and the events considered by Capital requirements Regulations (CRR) in its definition of default and by standard IFRS 9 in the definition of impaired financial instruments, which could cause transfer to Stage 3.

The documentation supporting the individual analysis of cases to be discussed at the Impairment Committee and Executive Committee includes: a) historical information (exposure by contract and type, impairment rates in force, collateral and respective valuation); and b) recovery scenarios with expected cash flows discounted to the current date, using the effective interest rate that was determined at initial recognition, in order to obtain expected credit losses.

The recovery scenarios should be influenced by future prospects contemplating not only the most probable scenario (base case) but also alternative scenarios (optimistic or downside scenarios). For each of the scenarios presented, the respective assumptions and respective explanation is assured based on the activity of the company (incorporating data from the historical financial statements, certain events and other financial estimates when available), the value of collaterals (including the respective valuation methodologies) and sale or execution thereof. The recovery scenarios are weighted by their probability of occurrence.

Thus, the individual analysis' process is subject to various estimates and evaluations, including recovery predictions and the valuation of existing collaterals.

The use of scenarios or alternative methodologies with other assumptions and estimates could result in different levels of impairment losses recognised, with a consequent impact on the Bank's results.

Collective analysis

Impairment assessment on the collective basis is based upon the evaluation of the net present value of the expected cash flows for each loan, using pre-defined risk parameters supported by external information.

Taking into account the specificities of Haitong Bank credit portfolio, the collective model is based on external information for all the key risk parameters used. The main parameters used are: (i) Probability of Default (PD), (ii) Loss Given Default (LGD), (iii) Exposure at Default, (iv) Collateral haircut, and (v) Credit Conversion Factor (CCF) for off-balance exposures.

- Probability of Default (PD) reflects the likelihood of default. The Bank takes into account Standard & Poor's (S&P) provided PD, whereas the rating assigning process is performed internally based on the S&P methodology, which ensures the alignment between internal risk management and the process of impairment calculation. The PDs published by S&P are, by their nature, Through-the-Cycle (TTC) PDs. As such, and in order to comply with the requirements of IFRS 9, the Group converts the aforementioned PDs to point-in-time (PiT) and forward-looking information. This conversion is carried out in accordance with an internal methodology that is based on the correlation of PDs published by S&P with selected explanatory macroeconomic variables.
- Loss Given Default (LGD) is the magnitude of loss at the time of default. The Bank applies LGD based on Moody's benchmarks (recovery rates), depending on the debtor (*corporate* or *sovereign*) and the financial instrument's characteristics (collateralized or not).
- The Exposure at Default (EAD) for off-balance sheet exposures is determined as the amortized cost of the financial instrument based upon the effective interest rate method.
- The Bank applies the Collateral Haircut based on the regulatory capital requirements (CRR) eligibility criteria and haircut.
- Credit Conversion Factor (CCF) is based on the CRR where CCF applies to all guarantees and lines of credit (off-balance exposures).

The Bank updated the inputs of the collective model regarding the incorporation of forward-looking information, according to the information presented in Note 38 – Risk Management.

3.2. INCOME TAXES

The Bank is subject to the payment of income taxes in various jurisdictions. Determining the aggregate amount of income taxes requires certain interpretations and estimates. There are several transactions and calculations for which determining the final amount of tax to be paid is uncertain throughout the normal course of business.

Other interpretations and estimates could result in a different level of income taxes recognized in the period, whether current or deferred.

The historical loss calculation in recent years justifies an assessment of the recoverability of deferred tax assets, but these results are significantly affected by extraordinary situations (eg. restructuring) that are not expected to occur in future years.

The assessment of the recoverability of Deferred Tax Assets (including the rate at which they shall be realized) was carried out by the Bank based on projections of its future taxable profit, such projections being specified from a business plan.

The estimate of future taxable profit involves a significant level of judgment regarding the future development of the Bank's activity and the timing of execution of temporary differences. For such purpose, several assumptions were adopted, in particular the analysis of several scenarios due to a uncertainty about the fiscal treatment of a set of Bank realities.

Tax Authorities are required to review the calculation of the basis of assessment, made by the Bank, for a period of four years, except where any deduction or tax credit has been made, where the time-limit is the exercise of that right. Hence, there is a possibility that the basis of assessment will be corrected, mainly due to differences in the interpretation of the tax legislation. However, it is the Bank's Boards of Directors belief that there will be no additional settlements of significant value in the context of the financial statements.

The Bank complies with the IFRIC 23 guidelines – Uncertainty regarding Income Tax Treatment with regard to the determination of taxable profit, tax bases, tax losses to be carried forward, tax credits to be used and tax rates in scenarios of uncertainty regarding income tax treatment, with its did not result material impact on its financial statements.

3.3. IMPAIRMENT LOSSES IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Investments in subsidiaries and associated companies are analysed periodically for the purpose of identifying signs of impairment. If any, the impairment is determined in accordance with the rules set forth in IAS 36. In the absence of an available market value (price book value), the recoverable amount is normally determined based on discounted value techniques using a discount rate that considers the risk associated with unit to be tested. The determination of the future cash flows to be discounted and the discount rate to be used involves judgment. Changes in expected cash flows and in the discount rates to be used could lead to different conclusions from those that formed the basis of the preparation of these financial statements.

3.4. PENSIONS AND OTHER EMPLOYEE BENEFITS

Determining responsibilities for retirement pensions requires the use of assumptions and estimates, including the use of actuarial projections, responsabilities discount rate, and other factors that could impact the cost and liability of the pension plan.

Any changes to such assumptions could have a significant impact on the determined amounts.

3.5. FAIR VALUE OF FINANCIAL DERIVATIVES AND ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

For the purposes of determining the fair value of bond and equity instruments, the use of their quotation is preferred, namely the current purchase price (bid-price). In the absence of this quote, the Bank estimates fair value using: (i) valuation methodologies, such as the use of prices from recent, similar transactions carried out under market conditions, discounted future cash flow techniques and value valuation models customized options to reflect the particularities and circumstances of the instrument, and (ii) valuation assumptions based on market information. These methodologies also incorporate own and counterparty credit risk, and may require the use of assumptions or judgments in estimating fair value. Regarding financial liabilities, the Group applies the same valuation hierarchy, but considering the ask-price.

In relation to derivatives, market risk factors are considered (e.g. interest rate curves and exchange rates) that feed the evaluation models implemented for each derivative. Additionally, the CVA is calculated for which, among others, LGD, PD and Collateral Ratio are used.

Consequently, the use of different methodologies or different assumptions or judgments when applying a given model could result in valuations different from those reported.

3.6. CLASSIFICATION OF PERFORMANCE GUARANTEE

The Bank analysed the issued performance guarantee contracts to assess whether they would meet the definition of insurance contracts in the scope of IFRS 17.

The Bank has concluded that its performance guarantee contracts expose the Bank solely to credit risk of the applicant because (i) all the contracts require the customers who apply for a guarantee to fully collateralise their obligations to indemnify the Bank as the issuer and (ii) there are no scenarios with commercial substance where the Group would have to pay significant additional amounts to the holders of such guarantees.

Accordingly, the Bank accounts for these contracts as loan commitments in off-balance sheet items in accordance with IFRS 9. The gross amount of the performance guarantees issued and accounted for as loan commitments in the off-balance sheet items amounts to 79 327(31 December 2024: 81 134 thousand euros) (refer to Note 37) and the carrying value of the liability related and recognised in the individual financial statements is 74 thousand euros (31 December 2024: 54 thousand euros) of December 31, 2025. The fee income recognised for these performance guarantees was 23 thousand euros (31 December 2024: 129 thousand euros) for the year ended 31 December 2025.

3.7. PROVISIONS FOR ONGOING LEGAL PROCEEDINGS

The recognition of a provision occurs when there is a present obligation (legal or constructive) resulting from past events in relation to which the future expenditure of resources is probable, and this can be reliably determined.

The outcome of ongoing legal proceedings, as well as the amount of the provision corresponding to the best estimate of the amount to be disbursed to settle the liability on the balance sheet date, is assessed based on the Board of Directors' perspective supported in accordance with the opinion of the Group's lawyers/legal consultants and the decisions up to the date of the courts (jurisprudence), which however may not come to fruition.

3.8. TERM OF LEASE AGREEMENTS

The Bank applies judgment to determine the lease term of some contracts, in which it is the lessee, and which include renewal and termination options. The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by a renewal option if it is reasonably certain to be exercised, or any periods covered by a termination option if it is reasonably certain not to be exercised.

This assessment has an impact on the lease term, which will significantly affect the amount of lease liabilities and right-of-use assets recognized.

NOTE 4 – FINANCIAL MARGIN

This heading's amount is composed of:

(thousand euros)

	31.12.2025			31.12.2024		
	From assets/liabilities at amortised cost and at fair-value through other comprehensive income	From assets/liabilities at fair-value through profit and loss	Total	From assets/liabilities at amortised cost and at fair-value through other comprehensive income	From assets/liabilities at fair-value through profit and loss	Total
Interest and similar income						
Interest from loans and advances to customers	46 646	-	46 646	51 567	-	51 567
Interest from deposits and investments in credit institutions	12 658	-	12 658	27 495	-	27 495
Interest from financial assets at fair value through other comprehensive income	13 628	-	13 628	12 071	-	12 071
Interest from financial assets at fair-value through profit and loss	-	2 085	2 085	-	1 264	1 264
Interest from financial assets (securities) at amortised cost	14 415	-	14 415	15 741	-	15 741
Other interest and similar income	972	-	972	1 270	-	1 270
	88 319	**2 085**	**90 404**	**108 144**	**1 264**	**109 408**
Interest and similar expenses						-
Interest from deposits from central banks and other credit institutions	13 603	-	13 603	24 133	-	24 133
Interest from debt securities issued	5 631	-	5 631	15 794	-	15 794
Interest from resources of customers	37 627	-	37 627	35 360	-	35 360
Interest from leasing operations	401	-	401	405	-	405
Other interest and similar expenses	219	-	219	214	-	214
	57 481	**-**	**57 481**	**75 906**	**-**	**75 906**
Total	**30 838**	**2 085**	**32 923**	**32 238**	**1 264**	**33 502**

As of December 31, 2025, interest and similar income includes an amount of 1 180 thousand euros and 1 016 thousand euros concerning contracts flagged as stage 2 and stage 3, respectively (December 31, 2024:1 813 thousand euros and 118 thousand euros).

As of December 31, 2025, no costs associated with TLTRO operations ending in 2024 (as of December 31, 2025, this amounted of 399 thousand euros).

For each TLTRO III tranche, the effective interest rate is being periodised. This interest rate considers the interest rates applicable to each operation in the elapsed period, according to the Bank's estimate of the achievement of targets variation in the volume of eligible credit defined by the ECB.

The item lease interest refers to the interest expense related to lease liabilities recognized under IFRS 16.

The average interest rates for the years ended December 31, 2025, and 2024, as well as the respective average balances and interest for the year are shown in Note 40.

As of December 31, 2025 and 2024, the amount of Interest and similar income has the following distribution by geographic segment:

(thousand euros)

	31.12.2025	31.12.2024
Interest and similar income		
Brazil	3 437	-
Portugal	20 982	39 684
Poland	11 531	12 915
Spain	7 856	8 733
Luxembourg	3 950	9 289
Italy	2 948	5 580
Netherlands	3 066	3 077
UK	4 962	4 266
Ireland	-	2 620
France	4 173	4 654
Australia	-	2 782
United States	2 508	-
Others	24 991	15 808
Total	**90 404**	**109 408**

NOTE 5 – DIVIDEND INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Dividend income		
HAITONG BANCO DE INVESTIMENTO DO BRASIL S.A.	-	2 528
HAITONG GLOBAL ASSET MANAGEMENT SGOIC S.A.	-	7 089
Total	**-**	**9 617**

NOTE 6 – NET FEES AND COMMISSIONS INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Fees and commissions income		
From banking services	6 624	5 194
From guarantees provided	864	1 097
From transactions with securities	3 457	14 231
	10 945	**20 522**
Fees and commissions expenses		
From banking services rendered by third parties	123	115
From transactions with securities	380	2 664
From guarantees received	356	190
Other fee and commission expenses	-	13
	859	**2 982**
Total	**10 086**	**17 540**

As of December 31, 2025, the income regarding fees and commission included 740 thousand euros (December 31, 2024: 940 thousand euros) in services concerning Haitong Group related parties (Note 38).

As of December 31, 2025 and 2024, the amount of fees and commissions present the following distribution, by operational segment:

(thousand euros)

	31.12.2025	31.12.2024
Fees and commissions income		
Corporate and Project Financing	3 819	3 012
Capital Markets	2 880	13 284
Merger and Acquisitions	2 769	2 570
Fixed Income	894	1 318
Clients	236	6
Asset Management	67	198
Others	280	134
Total	**10 945**	**20 522**

Each operating segment comprises the following activities, products, customers and structures of the Group:

Mergers and Acquisitions

The Mergers and Acquisitions (M&A) Division provides financial advisory services on the acquisition, sale or merger of companies. This Division also provides services such as valuations, restructuring advisory and feasibility studies.

Capital Markets

The Capital Markets Division comprises the origination, structuring and execution of market-oriented debt and equity instruments. The Bank provides its services to corporates, financial institutions, public companies and state-related entities.

In the Debt Capital Markets (DCM) area, the Bank engages in structuring debt instruments, namely domestic debt issues and cross-border issues, especially related to China and emerging markets, as well as hybrid products, sustainability-linked bonds, project bonds, commercial paper programmes, and liability management.

Equity Capital Market (ECM) transactions are explored on a case-by-case basis, according to the opportunities that arise, mainly comprising capital increases, tender offers, equity-linked instruments, and listings and delisting for corporate clients.

Corporate Derivatives

Haitong Bank's Corporate Derivatives Desk covers several asset classes such as interest rates, FX and commodities, and assists companies in the immunization of their balance against financial variables that may negatively affect their profits, allowing them to focus on their core business and lock in the margin in their products. Consequently, companies can optimize their hedging strategy against the increase in interest rates and against the exchange variations between payments and receipts of their products, in addition to fixing the cost/sale price of raw materials.

Fixed Income

With dedicated Trading, Syndication, and Distribution teams, the Fixed Income Division offers market-making services for corporate and sovereign debt securities, multi-product international distribution, syndication capacity for different debt products and the production of tailor-made products for institutional clients. Its presence in various geographies and the combination of its origination and distribution capacity stimulate the identification of new business opportunities and promote cross-border activity. It is also responsible for managing Haitong Bank's banking and trading book portfolios, in accordance with the investment policies and pre-defined limits established by the Executive Committee.

The Fixed Income Division in Brazil aims to manage several risk factors to which the Bank is locally exposed, such as fixed interest rates, inflation, FX, and equities. It also comprises the risk originating management through the proprietary portfolio alongside its strategy (trading and banking books), following the internal guidance and in accordance with the investment policies established by the Executive Committee and the Board of Directors of Haitong Brazil.

Corporate and Project Financing

The Corporate and Project Financing Division develops financing solutions for its Clients, namely under the form of acquisition/leverage finance, project finance, corporate lending (including asset-based loans and other corporate loans), as well as financial advisory services and arranging and agency services for financing operations.

Client Coverage

The Client Coverage Division is responsible for managing relationships with clients in various sectors and for identifying business opportunities aligned with the Bank's business strategy and product capabilities.

This unit also monitors cross-border opportunities with a view to ensuring a business liaison between the Groups' various geographies.

Treasury

The Treasury Division is responsible for ensuring an appropriate level of funding to meet the Bank's and the Group's current and future funding needs, as well as for maintaining and managing an appropriate level of liquidity to meet the financial liabilities.

Additionally, the Treasury Division is responsible for managing the Bank's proprietary HQLA portfolio.

Global Asset Management

This business segment, carried out via the Bank's subsidiary Haitong Global Asset Management, SGOIC, S.A., includes the management of private equity funds and several different mandates and asset portfolios. The company's strategy is centred on delivering sustainable growth and long-term value through a combination of innovation, risk management, and client-centric solutions.

Corporate Centre

The Corporate Centre does not correspond to a business area; it is a combination of corporate structures ensuring basic functions of the Group's global management, such as those associated with the management and supervisory bodies, and areas such as Compliance, CEO Office, Finance, among others.

Special Portfolio Management

The purpose of the Special Portfolio Management Division (SPM) is to manage all the non-performing exposures, according to IFRS9 criteria, in which the Bank is involved.

This Division also manages all credit operations in which the Bank is solely involved as an agent, in case the operations are in default or classified as non-performing.

Other segments

Includes all remaining segments of the Group's Management Information model, which in accordance with the provisions laid down in IFRS8 are not subject to mandatory individualization.

As of December 31, 2025 and 2024, the amount of fees and commissions present the following distribution, by geographical segment:

(thousand euros)

	31.12.2025	31.12.2024
Fees and commissions income		
Portugal	3 918	4 644
Poland	2 883	1 153
China	855	8 479
France	704	-
Spain	703	1 075
Brazil	504	486
United Kingdom	355	1 237
Ireland	254	255
Luxembourg	162	620
India	136	-
Virgin Islands	-	2 136
Hong Kong	-	253
Others	471	184
Total	**10 945**	**20 522**

NOTE 7 – NET TRADING INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Financial assets and liabilities at fair value through profit and loss held for trading		
Securities		
Bonds and other fixed-income securities		
Issued by public entities	200	446
Of other issuers	459	1 015
Shares	(25)	3
	634	**1 464**
Financial derivatives		
Foreign-exchange contracts	12 073	(2 103)
Interest rates contracts	(6)	1 000
Equity/indexes contracts	(775)	(273)
Other	(145)	45
	11 147	**(1 331)**
Total	**11 781**	**133**

The assets that gave rise to the results presented here are detailed in Note 19 and 20.

NOTE 8 – NET INCOME FROM OTHER INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Financial assets at fair value through profit or loss not held for trading		
Loans and advances to customers	1	(1)
Shares	810	432
Other variable-income securities	157	52
	968	**483**
Total	**968**	**483**

The assets that gave rise to the results presented here are detailed in Note 22 and 24.

NOTE 9 – NET GAIN/(LOSS) FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT FAIR VALUE TRHOUGH OTHER COMPREHENSIVE INCOME

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Bonds and other fixed-income securities		
Of other entities	4 905	1 441
Total	**4 905**	**1 441**

The assets that gave rise to the results presented here are detailed in Note 22.

NOTE 10 – NET GAINS/(LOSSES) FROM HEDGE ACCOUNTING

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Net gains/(losses) from hedge accounting		
Hedging derivatives (Note 21)	(582)	1 706
Hedged items (Note 21)	586	(1 359)
Total	**4**	**347**

The Bank carries out accounting hedges using essentially interest rate futures. This item records changes in the fair value of derivatives designated for hedging as well as the respective variation in the covered risk of debt instruments designated for hedging.

The assets that gave rise to the results presented here are detailed in Note 21 and Note 22.

NOTE 11 – NET GAINS / (LOSSES) FROM FOREIGN EXCHANGE DIFFERENCES

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Currency revaluation	(14 633)	4 779
Total	**(14 633)**	**4 779**

On the December 31, 2025 and 2024, this heading includes results arising out of the exchange rate revaluation of monetary assets and liabilities denominated in foreign currency, in accordance with the accounting policy set forth in Note 2.2, and the results of foreign exchange derivatives. The exposure of assets and liabilities, by currency, is presented in Note 40.

NOTE 12 – NET GAIN/(LOSS) FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Gains/Losses on Amortized Cost Investments	3 497	4 184
Total	**3 497**	**4 184**

In 2025, the Bank sold a total of 163,650 thousand euros worth of securities (December 31, 2024: 153,000 thousand euros). These transactions generated a gain of 3,497 thousand euros from the sale of bonds (December 31, 2024: 4,184 thousand euros).

The sales fall within the Hold to Collect business model, as they were infrequent or insignificant, or motivated by a significant increase in the credit risk of the financial assets or to manage concentration risk.

The assets that gave rise to the results presented here are detailed in Note 22.

NOTE 13 – OTHER OPERATING INCOME AND EXPENSES

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Other customer services	125	130
Direct and Indirect taxes	(2 396)	(2 969)
Non-financial assets	(20)	12
Sub-leasing	543	517
Other operating results	1 077	(58)
Securities recoveries	1 351	382
Total	**692**	**(1 986)**

Direct and indirect taxes include 1,376 thousand euros concerning the cost associated with the Bank Levy and Additional Solidarity Contribution on the Banking Sector (2023: 1,781 thousand euros), established pursuant to Law no. 55-A/2010, of the December 31, 2024 (see Note 37).

Other operating income includes:

- 1 098 thousand euros relating to the reimbursement of the Additional Solidarity Contribution on the Banking Sector (including the estimated compensatory interest) concerning the financial years 2021 to 2024. In June 2025, the regime of the Additional Solidarity Contribution on the Banking Sector was declared unconstitutional, with general and mandatory effects.
- 490 thousand euros relating to the cost of the Contribution to the National Resolution Fund (December 31, 2024: 350 thousand euros).

In 2025, there was a recovery of 1 351 thousand euros (2024: 382 thousand euros) relating to a debt instrument.

NOTE 14 – EMPLOYEE COSTS

This heading's amount is composed of:

(thousand euros)

	Notes	31.12.2025	31.12.2024
Wages and salaries			
Remuneration		21 463	23 609
Career benefits	15	(22)	1
Changes from termination agreements		137	635
Expenses with retirement pensions	15	81	43
Other mandatory social charges		4 990	4 938
Other expenses		731	1 176
Total		**27 380**	**30 402**

The costs with remuneration and other benefits granted to key management employees of the Haitong Bank are distributed as follows:

(thousand euros)

	31.12.2025			
	MB Supervisory function	MB Management function	Other Senior Management	Other Senior Staff
Fixed remuneration				
Number of identified staff	6	6	44	8
Total Fixed remuneration	390	1 841	5 821	545
Of which: Cash-based	390	1 841	5 821	545
Total	**390**	**1 841**	**5 821**	**545**

(thousand euros)

	31.12.2024			
	MB Supervisory function	MB Management function	Other Senior Management	Other Senior Staff
Fixed remuneration				
Number of identified staff	6	5	46	7
Total Fixed remuneration	390	1 721	6 233	455
Of which: Cash-based	390	1 721	6 233	455
Total	**390**	**1 721**	**6 233**	**455**

In 2025, Haitong Bank paid EUR 1,825 thousand in variable remuneration to members of the management bodies and members of the identified staff. This payment included the variable remuneration for the 2024 performance, as well as the deferred portions from 2021, 2022 and 2023. This amount compares to EUR 2,179 thousand, paid in 2024.

The category "Identified Staff" considers the staff whose actions have a material impact on the Bank's risk profile ("Identified Staff").

On December 31st, 2025 and December 31st,2024, the Haitong Bank did not present any credit granted to its Management Bodies.

Per professional category, the average number of employees of the Haitong Bank can be analysed as follows:

	31.12.2025	31.12.2024
Directors	142	152
Management	3	2
Specific roles	96	95
Administrative roles	18	18
Support roles	4	6
Total HT Bank (Average)	**263**	**272**

As at December 31, 2025, and 2024, the Bank had a total of 257 and 269 employees on its staff, respectively.

NOTE 15 – EMPLOYEES BENEFITS

Retirement pensions and healthcare benefits

Pension and health-care benefits in compliance with the Collective Labor Agreement ("Acordo Coletivo de Trabalho", ACT) for the banking sector established with the unions, the Bank undertook the commitment to grant its employees, or their families, pensions on retirement, disability and survival. These payments consist of a percentage that increases in accordance with the years of service, applied to each year's negotiated salary table for the active work force.

Arising from the signature of the new Collective Labor Agreement ("Acordo Coletivo de Trabalho", ACT) on 5 July 2016, published in Labor Bulletin (Boletim do Trabalho) no. 29, of 8th August 2016, the Group's contributions to SAMS as from February 1, 2017, correspond to a fixed amount (as per Annex VI of the new ACT) for each employee, 14 times a year.

The measurement and recognition of the Group's liability with post-retirement health-care benefits is similar to the measurement and recognition of the pension liability. These benefits are covered by the Pension Fund, which currently covers all liabilities with pensions and health-care benefits.

For employees hired until December 31, 2008, the retirement pension and the disability, survival and death pensions consecrated under the ACT, as well as the liabilities for health-care benefits (SAMS), are covered by a closed pension fund, managed by Golden - Sociedade Gestora de Fundos de Pensões, S.A.

Protection of employees in the event of maternity, paternity and adoption, as well as old age, is covered by the General Social Security Regime, given that with the publication of Decree-Law no. 1A/2011, of January 3, all banking employees who were beneficiaries of "CAFEB – Caixa de Abono de Família dos Empregados Bancários" were integrated in the General Social Security Regime as from January 1, 2011.

Employees hired after December 31, 2008, are covered by the Portuguese General Social Security Regime.

Retirement pensions of banking employees integrated in the General Social Security Regime within the scope of the 2nd tripartite agreement continue to be calculated in accordance with the provisions of the ACT and other conventions; however, banking employees are entitled to receive a pension under the General Regime, which takes into account the number of years of contributions under that regime. The banks are responsible for the difference between the pension determined in accordance with the provisions of the ACT and that which the banking employees are entitled to receive from the General Social Security Regime.

The contribution rate is 26.6%, 23.6% paid by the employer and 3% paid by the employees to the General Social Security Regime on the behalf of Caixa de Abono de Família dos Empregados Bancários (CAFEB), abolished by said Decree-law. In consequence of this change, pension entitlements of active employees are to be covered on the terms defined under the General Social Security Regime, for the length of their employment between January 1, 2011, and their retirement date. The differential required to make up the pension guaranteed under the ACT is paid by the Banks.

At the end of financial year 2011 and pursuant to the third tripartite agreement, it was decided to transfer, definitively and irreversibly, to the General Social Security Regime all the banks' liabilities with pensions in payment to retirees and pensioners that were in that condition as at December 30, 2011 at constant values (0% discount rate) for the component foreseen in the "Instrumento de Regulação Coletiva de Trabalho" (IRCT) applicable to banking employees, including the eventualities of death, disability and survival. The liabilities relating to the updating of pension amounts, pension benefits other than those to be borne by Social Security, health-care contributions to SAMS, death allowances and deferred survivor's pensions will remain under the banks' responsibility, with the corresponding funding being met through the respective pension funds.

The agreement further established that the financial institutions' pension fund assets relating to the part allocated to the satisfaction responsibilities for those pensions, be transferred to the State.

The main assumptions used in the calculation of liabilities are as follows:

	Assumptions	
	31.12.2025	**31.12.2024**
Financial Assumptions		
Discount rate	4.35%	3.56%
Pension growth rates	2026: 1.95% >=2027: 0,50%	2025: 1.85% >=2026: 0.50%
Salary growth rates	2026: 2.20% >=2027: 0,75%	2025: 2.10% >=2026: 0.75%
Demographic Assumptions and Assessment Methods		
Mortality table		
Men	TV 88/90	TV 88/90
Women	TV 88/90 -3 years	TV 88/90 -3 years
Actuarial valuation method	Projected Unit Credit e VAPP	

Disability decrements are not considered in the calculation of liabilities. The discount rate used as a reference on December 31, 2025, was based on: (i) the trends observed in the main indices related to high-quality corporate bonds, and (ii) the duration of the liabilities (14 years).

Recipients of the pensions plan are disaggregated as follows:

	31.12.2025	31.12.2024
Active workers	77	80
Former employees with vested rights	87	86
Retired	60	57
Survivors	8	8
TOTAL	**232**	**231**

Former employees with vested rights refer to employees who ceased their activity in the Bank in 2023 and 2022 and maintained the pension plan rights.

The IAS 19 application implies the following liabilities and coverage levels, which shall be reported on the December 31, 2025, and 2024:

(thousand euros)

	31.12.2025	31.12.2024
Net Assets / (Liabilities) recognised in the statement of financial position		
Liabilities as of December 31		
Pensioners and former employees with vested rights	32 782	33 875
Active workers	7 855	8 903
	40 637	**42 778**
Balance of funds as of December 31	**56 792**	**53 447**
Excess of coverage / Contributions to the fund	16 155	10 669
Deferred past services costs (curtailments)	-	-
Assets / (Liabilities) in the statement of financial position (Note 28 e Note 34)	**16 155**	**10 669**
Acummulated actuarial gains / losses recognised in other comprehensive income	25 266	30 597

The Bank assesses the recoverability of any excess of the fund in relation to retirement pension liabilities, based on the expectation of a reduction in future necessary contributions or the reimbursement of contributions made.

Retired includes the former employees, with vested rights acquired under the Social Plan.

The evolution of liabilities regarding retirement pensions and healthcare benefits is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Liabilities at the beginning of the year	**42 778**	**40 050**
Current service cost (see Note 13)	81	43
Interest expenses	1 504	1 420
Participants contributions	101	95
Actuarial (gains)/losses	(2 785)	1 579
-Changes in financial assumptions	(3 806)	576
- Experience (Gains)/losses	1 021	1 003
Pensions paid by the fund	(1 179)	(1 044)
Changes from termination agreements (see Note 13)	137	635
Liabilities at the end of the year	**40 637**	**42 778**

Liabilities with Health Benefits were fully covered by the Pension Fund and correspond to 2 327 million euros on December 31, 2025 (December 31, 2024: 2 542 thousand euros).

Considering the situation on the December 31, 2025, the analysis to the sensibility and alterations of the actuarial assumptions revealed the following impacts:

- An increase in the discount rate of 25 base points would have represented a reduction in liabilities of approximately 1 371 thousand euros. A discount rate decrease of the same proportion would have represented an increase in liabilities of approximately 1 417 thousand euros;
- An increase of 25 base points in the growth of salaries and pensions would have represented an increase in liabilities of approximately 1 604 thousand euros. A decrease in the growth of salaries of the same proportion would have represented a decrease in liabilities of approximately 1 546 thousand euros.

The evolution of value regarding the pension funds on the financial years ending on the December 31, 2025 and 2024, may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Pension Funds at the beginning of the period	**53 447**	**52 788**
Real income of the fund	4 423	1 608
Participants contributions	101	95
Benefits paid	(1 179)	(1 044)
Pension Funds at the end of the period	**56 792**	**53 447**

Pension fund's assets can be analysed as follows:

	% Portfolio	
	31.12.2025	31.12.2024
Bonds	71.45%	75.76%
Shares	26.13%	23.52%
Alternative investment	1.11%	0.00%
Liquidity	1.32%	0.73%
Total	**100%**	**100%**

All assets (except Liquidity assets) are quoted and valued based on market prices.

An adequacy exercise was carried out between the Pension Fund's assets and liabilities, taking into account the investment, contribution and financing policies intended by the associate, which gave rise to the investment strategy. The VaR of the ratio between the fund's financial assets and the pension plan's liabilities is estimated periodically throughout the year to monitor whether the expected level of volatility between the fund's financial assets and the pension plan's liabilities fits within the budget for risk defined by the Bank.

On the December 31, 2025 and 2024 the funds did not contain securities issued by entities of the Bank.

The evolution of accumulated actuarial deviations reflected in other comprehensive income may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Accumulated actuarial gains / (losses) as of 31 december 2024	**30 597**	**28 749**
- Actuarial assumptions changes	(3 806)	576
- (Gains)/losses in experience	(1 525)	1 272
Accumulated actuarial deviations as of December 31 2025	**25 266**	**30 597**

The costs of the financial year with retirement pensions and healthcare benefits may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Current service cost	81	43
Interest Expenses / (Income)	(374)	(457)
Final Balance	**(293)**	**(414)**

The earnings / costs of the interests are recognised according at net value in interest and similar income / expenses.

The evolution of the net assets / (liabilities) on the balance regarding the financial years ending on the December 31, 2025 and 2024 may be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**10 669**	**12 738**
Year expenses	293	414
Actuarial gains / (losses) recognised in other comprehensive income	5 331	(1 848)
Changes in termination agreements	(137)	(635)
Final Balance	**16 156**	**10 669**

The normal contribution planned for the year 2025 is 156 thousand euros. This value corresponds to a cost of 5.45% of the expected value of pensionable salaries for 2025, and does not take into account the deduction of the contribution of employees admitted to the sector after January 1, 1995 (global contribution of 5% on their minimum monthly salary).

However, as the pension fund is fully funded on December 31, 2025, it is not anticipated that the Member will need to make contributions during the year 2026.

The evolution of liabilities and fund balances, as well as the earnings and losses of experience in the last 5 years shall be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Liabilities	(40 637)	(42 778)	(40 050)	(32 916)	(50 066)
Funds balances	56 793	53 447	52 788	49 786	56 260
(Under) / over funded liabilities	**16 156**	**10 669**	**12 738**	**16 870**	**6 194**
Experience (gains) / losses from liabilities	1 021	1 003	1 809	2 304	(142)
Experience (gains) / losses from plan assets	(2 546)	269	(1 848)	6 122	(2 518)

Career bonuses

On the December 31, 2025, and 2024, the liabilities assumed by the Bank and the costs recognised in the periods with the career bonus are the following:

(thousand euros)

	31.12.2025	31.12.2024
Liabilities at the beginning of the year	**486**	**485**
Period expenses	(22)	1
Liabilities at the end of the year	**464**	**486**

The actuarial assumptions used for calculation of liabilities are identical for calculation of retirement pensions (when applicable).

The liability regarding career bonuses is registered in other liabilities (see Note 34).

NOTE 16 – ADMINISTRATIVE COSTS

This heading's amount is composed of:

(thousand euros)

	31.12.2025	31.12.2024
Communications and expedition	2 376	2 364
Rents and leases	464	505
Travels and representation expenses	428	584
Maintenance and related services	373	494
Insurance	48	43
Advertising and publications	16	17
Legal and litigation	34	47
Specialised services		
IT services	2 928	2 760
Temporary labour	9	14
Independent labour	783	763
Other specialised services	2 674	2 113
Other expenses	1 169	964
Total	**11 302**	**10 668**

The Rents and leases heading includes costs relating to short-term rental contracts, less than or equal to one year, and rental contracts in which the underlying asset has a low value, as described in accounting policy 2.9.

The Other Specialised Services heading includes, among others, the costs with external consultants and auditors. The item Other Costs includes, among others, the costs with security and surveillance, information, training costs and costs with external suppliers.

The details of the remunerations attributed to PwC auditors and their network, according to the nature and company through which the services were provided, during the 2025 and 2024 financial year are as follows:

(thousand euros)

	31.12.2025	31.12.2024
PwC SROC	**463**	**463**
Audit	242	253
Other assurance services	221	201
Other non-reliability assurance services	-	9
Companies in the PwC network (1)	**166**	**192**
Audit	145	142
Other non-reliability assurance services	21	50
Total value of agreed services	**629**	**655**

(1) In accordance with the definition of "network" established by the European Commission in its Recommendation nº C(2002) 1873, of May 16, 2002

Values shown do not take into consideration the value-added tax (VAT). The fees related to the statutory audit of annual accounts correspond to those agreed for the years 2025 and 2024. The fees presented for the remaining services relate to amounts agreed during the 2025 and 2024 financial years.

NOTE 17 – EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share are calculated by the division of the result to be attributed to the shareholders of the Bank by the average number of ordinary shares issued during the year, excluding the average number of shares bought and held in portfolio as own shares.

(thousand euros)

	31.12.2025	31.12.2024
Net Profit / (Loss) for the year (1)	(29 023)	5 634
Weighted average number of ordinary shares outstanding	**174 256**	**174 256**
Basic Income per Share (in euros)	**-0.17**	**0.03**

(1) Net profit/ (loss) for the period attributable to the equity holders of the Bank adjusted by the interest paid from perpetual subordinated bonds atributtable to the period (that are recorded as a change in reserves).

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Diluted earnings per share

The diluted earnings per share are calculated by adjusting the effect of all the potential ordinary diluting shares to the considered average number of existing ordinary shares and to the net result attributed to the bank shareholders.

On the December 31, 2025, and 2024, the Bank holds instruments issued without diluting effect, therefore diluted earnings per share equals basic earnings per share.

NOTE 18 – CASH AND CASH EQUIVALENTS

As of December 31, 2024, and 2023, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Cash	**5**	**2**
Demand deposit at central banks		
Bank of Portugal	4 802	1 318
Other central banks	8 806	26 881
	13 608	**28 199**
Deposits at other credit institutions in Portugal		
Demand deposits	1 034	2 385
	1 034	**2 385**
Deposits at other credit institutions abroad		
Demand deposits	8 366	7 286
	8 366	**7 286**
	23 013	**37 872**
Impairment losses	(28)	(2 378)
Total	**22 985**	**35 494**

The 'Demand deposits in central banks – Bank of Portugal' heading, includes deposits with a mandatory nature, intended to comply with the legal minimum cash deposits requirements. In accordance with Regulation (EU) no. 1358/2011 of the European Central Bank, of December 14, 2011, the mandatory minimum deposits in demand deposits in the Bank of Portugal, are paid and represent 1% of the deposits and debt securities with maturity up to 2 years, whereof are excluded deposits and debt securities from entities subject to the minimum reserve requirement scheme of the European System of Central Banks. On the December 31, 2024, the average rate of return of such deposits was 0 % (December 31,2024: 0%).

The compliance with mandatory minimum deposits, for a specific observation period, is effected by taking into account the medium amount of the balances of the deposits with the Bank of Portugal throughout the aforementioned period. The balance of the account with the Bank of Portugal as of December 31, 2025, has been comprised in the maintenance period from the December 23, 2025, to February 10, 2026, which corresponded a mandatory minimum reserve amounting to 974 thousand euros (December,2024: 1,690 thousand euros).

NOTE 19 – FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING - SECURITIES

As of December 31, 2025, and 2024, the heading of trading financial assets and liabilities is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Financial assets held for trading		
Securities		
Bonds and other fixed-income securities		
From public issuers	476	691
From other issuers	50 030	39 577
Shares	-	24
	50 506	**40 292**
Financial liabilities held for trading		
Securities		
Short selling	815	817
	815	**817**
Liquid	**49 691**	**39 475**

As of December 31, 2025, the heading of financial assets held for trading includes 42 434 thousand euros in securities pledged as collateral by the Group (34 419 thousand euros as of December 31, 2024) (see Note 37).

As of December 31, 2025, and 2024, the analysis of financial assets and liabilities held for trading – securities, by residual maturity period, is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	4 795	5 768
From three months to one year	7 213	6 471
From one to five years	35 345	22 308
More than five years	3 153	5 721
Undetermined period	-	24
Total	**50 506**	**40 292**

In accordance with the accounting policy described in Note 2.3.1, financial assets and liabilities held for trading – securities are bought for the purpose of short-term trading, regardless of their maturity.

As of December 31, 2025, and 2024, the heading of financial assets held-for-trading, concerning quoted and unquoted securities, is divided as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Bonds and other fixed-income securities						
Issued by public entities	476	-	476	691	-	691
Issued by other entities	50 030	-	50 030	39 247	330	39 577
Shares	-	-	-	-	24	24
Total book value	**50 506**	**-**	**50 506**	**39 938**	**354**	**40 292**

Additionally, the Bank performs Backtesting on all operations carried out and has never observed losses or divergences in relation to the valuation methodology.

The short selling represents securities sold by the Bank, which had been purchased under a reverse repurchase agreement. In accordance with the accounting policy described in Note 2.4, securities purchased under a repurchase agreement are not recognised in the statement of financial positions, with its fair value being presented in Note 38. When such securities are sold, the Bank recognises a financial liability equivalent to the fair-value of the assets which shall be returned in pursuance of the repurchase agreement. These liabilities are measured according to the valuation hierarchy of the Bank.

The movements in Financial assets held for trading - Securities in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**40 292**	**42 906**
Purchases/Sales and other	(4 835)	(19 819)
Net gain/(loss)	634	1 464
Accrued interest	14 415	15 741
Closing balance	**50 506**	**40 292**

NOTE 20 – DERIVATIVES

As of December 31, 2025 and 2024, financial derivatives heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Derivatives financial assets		
Trading derivatives		
Foreign-exchange contracts	5 809	5 208
Interest-rate contracts	11 351	16 348
Other contracts	-	-
	17 160	**21 556**
Derivatives financial liabilities		
Trading derivatives		
Foreign-exchange contracts	5 699	5 699
Interest-rate contracts	11 306	15 941
Other contracts	-	-
	17 005	**21 640**
Net derivative position	**155**	**(84)**

As of December 31, 2025, and 2024, trading financial derivatives is analysed as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Notional	Fair Value		Notional	Fair Value	
		Positive	Negative		Positive	Negative
Foreign-exchange contracts						
Forward		-	-		22	22
- buy	-			693		
- sell	-			693		
Currency Swaps		527	247		276	762
- buy	140 080			154 324		
- sell	139 932			154 929		
Currency Interest Rate Swaps		5 282	5 452		1 676	1 676
- buy	119 797			141 469		
- sell	119 797			141 469		
Currency Options		-	-		3 234	3 239
- buy	30 643			267 707		
- sell	38 829			271 265		
	589 078	**5 809**	**5 699**	**1 132 549**	**5 208**	**5 699**
Interest-rate contracts						
Interest Rate Swaps		11 326	11 281		16 338	15 931
- buy	246 033			411 504		
- sell	246 033			411 504		
Interest Rate Caps & Floors		25	25		10	10
- buy	43 864			54 028		
- sell	43 864			54 028		
Interest Rate Futures		-	-		-	-
- buy	25 055			44 589		
- sell	20 830			41 545		
	625 679	**11 351**	**11 306**	**1 017 198**	**16 348**	**15 941**
Contracts on shares/indexes						
Equity / Index Options		-	-		-	-
- buy	5 156			5 593		
Equity / Index Futures		-	-		-	-
- sell	4 322			3 758		
	9 478	**-**	**-**	**9 351**	**-**	**-**
Total	**1 224 235**	**17 160**	**17 005**	**2 159 098**	**21 556**	**21 640**

As of December 31, 2025, and 2024, the analysis of trading financial derivatives, by residual maturity period, is as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Notional		Fair Value (net)	Notional		Fair Value (net)
	Sale	Purchase		Sale	Purchase	
Up to three months	201 779	198 804	281	254 956	258 718	(220)
From three months to one year	53 041	53 041	(10)	304 791	301 747	(60)
From one to five years	201 733	201 733	(100)	379 086	379 086	222
More than five years	157 054	157 050	(16)	140 358	140 356	(26)
Total	**613 607**	**610 628**	**155**	**1 079 191**	**1 079 907**	**(84)**

As of December 31, 2024, and 2023, derivatives, both assets and liabilities, include operations collateralized by the constitution of collateral accounts in order to ensure the fair value hedge of the active and liability exposures contracted between the Bank and several financial institutions (contracts under ISDA with CSA). The balances related to these collateral are recorded under "Other assets - collateral deposited under clearing agreements" (Note 28) and "Other liabilities - collateral deposited under clearing agreements" (Note 33). The fair value associated with futures is reflected under “Other Assets” (Note 28).

Derivative contracts that are not under CSA agreements are subject to xVA calculations, namely CVA and DVA, which are already included in the above-disclosed fair value. As of December 31, 2025, the CVA amount totals 185 thousand euros (December 31, 2024: 39 thousand euros). As of December 31, 2025, and 2024, the Bank did not record any amount associated with DVA.

The movements in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**(84)**	**219**
Payoff	(10 908)	1 028
Changes in fair value	11 147	(1 331)
Closing balance	**155**	**(84)**

NOTE 21 - HEDGING DERIVATIVES

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

			31.12.2025						
			Hedging instrument			Hedged instrument			
Hedged risk	Derivative product	Associated financial asset / liability	Notional	Assets (1)	Fair value change in hedging instruments in the period	Assets (1)	Accumulated fair value adjustments in the hedged item	Fair value change in hedged items in the period	Net gains/(losses) from hedge accounting
Interest rate	Futures	Debt instruments	91 819	-	(582)	96 567	(235)	586	4

(1) Book value of hedging and hedged instruments excluding hedging adjustments and impairment

(thousand euros)

Hedged risk	Derivative product	Associated financial asset / liability	31.12.2024						
			Hedging instrument			Hedged instrument			
			Notional	Assets (1)	Fair value change in hedging instruments in the period	Assets (1)	Accumulated fair value adjustments in the hedged item	Fair value change in hedged items in the period	Net gains/(losses) from hedge accounting
Interest rate	Futures	Debt instruments	36 092	-	1 706	35 565	(701)	(1 359)	347

(1) Book value of hedging and hedged instruments excluding hedging adjustments and impairment

The variations in fair value associated to the assets described above and the respective hedge derivatives are entered in the income statement of the period in the caption of Net gains/(losses) from hedge accounting (Note 10). With regard to the fair value of futures, this is reflected in the caption of Other Assets (Note 28).

NOTE 22 – SECURITIES

As of December 31, 2025, and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Non-trading financial assets mandatorily at fair value through profit or loss		
Shares	4 653	5 047
Other variable income securities	8 676	8 058
	13 329	**13 105**
Financial assets at fair value through other comprehensive income		
Bonds and other fixed-income securities		
From public issuers	11 562	16 844
From other issuers	233 363	282 620
	244 925	**299 464**
Financial assets measured at amortised cost		
Bonds and other fixed-income securities		
From public issuers	191 846	256 087
From other issuers	204 775	225 383
	396 621	**481 470**
Total	**654 875**	**794 039**

In accordance with the accounting policy described in Note 2.3, the Bank regularly assesses whether there is objective evidence of impairment in the investment securities portfolios measured at fair value through other comprehensive income and at amortised cost, following the judgement criteria described in Note 3.1.

The movements relating to Financial assets not mandatorily held for trading at fair value through profit or loss in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**13 105**	**9 564**
Purchases/Sales and other	0.00	0.00
Net gain/(loss)	968	483
Other exposure increases/reductions	(744)	3 058
Closing balance	**13 329**	**13 105**

As of December 31, 2025, and 2024, the portfolio of Financial assets at fair value through other comprehensive income is analysed as follows:

(thousand euros)

	Cost (1)	Fair value reserve (2)		Fair value hedge (Note 10)	Impairment (Note 32)	Book Value
		Positive	Negative			
Bonds and other fixed-income securities						
Issued by public entities	11 836	-	(271)	-	(3)	11 562
Issued by other entities	231 935	2 095	(624)	477	(520)	233 363
Balance as of 31 December 2025	**243 771**	**2 095**	**(895)**	**477**	**(523)**	**244 925**
Bonds and other fixed-income securities						
Issued by public entities	17 291	12	(454)	-	(5)	16 844
Issued by other entities	282 000	4 005	(2 823)	(10)	(552)	282 620
Balance as of 31 December 2024	**299 291**	**4 017**	**(3 277)**	**(10)**	**(557)**	**299 464**

(1) Amortized cost including accrued interest and the amounts of discontinued hedge accounting relationships

(2) Includes all revaluation reserve components, including hedge and impairment adjustments

As of December 31, 2025, the heading of Financial assets at fair value through other comprehensive income includes in securities pledged as collateral by the Bank: 132 483 thousand euros (December 31, 2024: 149 665 thousand euros).

The movements relating to Financial assets at fair value through other comprehensive income in 2025 and 2024 are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**299 464**	**166 402**
Purchases	192 443	213 089
Sales and other	(252 758)	(91 343)
Liquid	(12 019)	(10 340)
Reserva de reavaliação	460	6 250
Recognised in profit or loss	4 905	1 441
Fair Value Hedge	607	(358)
Accrued interest	13 628	12 071
Increase/(reversal) of impairment	(279)	(393)
Other exposure increases/reductions	(1526)	2 645
Closing balance	**244 925**	**299 464**

The portfolio of financial assets at amortised cost is analysed as follows:

(thousand euros)

	Cost (1)	Fair value hedge (Note 10)	Impairment (Note 32)	Book value
Bonds and other fixed-income securities				
Issued by public entities	192 242	(268)	(128)	191 846
Issued by other entities	205 713	(444)	(494)	204 775
Balance as of 31 December 2025	**397 955**	**(712)**	**(622)**	**396 621**
Bonds and other fixed-income securities				
Issued by public entities	256 621	(330)	(204)	256 087
Issued by other entities	226 305	(361)	(561)	225 383
Balance as of 31 December 2024	**482 926**	**(691)**	**(765)**	**481 470**

(1) Amortized cost including accrued interest and the amounts of discontinued hedge accounting relationships

As of December 31, 2025, the heading of financial assets at amortised cost includes in securities pledged as collateral by the Bank: 285 208 thousand euros (December 31, 2024: 366 003 thousand euros), which corresponds to a fair value of 285 464 thousand euros.

The movements relating to Financial assets at amortised cost in 2025 and 2024 are shown below:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**481 470**	**669 826**
Purchases	200 578	141 456
Sales and other	(283 151)	(342 277)
Liquid	(10 386)	(6 877)
Recognised in profit or loss	3 497	4 184
Fair Value Hedge	(21)	(1 001)
Accrued interest	14 415	15 741
Increase/(reversal) of impairment	(130)	173
Other exposure increases/reductions	(9 651)	245
Closing balance	**396 621**	**481 470**

As of December 31, 2025 and 2024, the analysis of securities portfolios by maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	36 554	60 748
From three months to one year	100 930	74 474
From one to five years	259 929	473 576
More than five years	244 133	172 136
Undetermined period	13 329	13 105
Total	**654 875**	**794 039**

As of December 31, 2025 and 2024, the heading of securities, concerning quoted and unquoted securities, is divided as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Quoted (1)	Unquoted	Total	Quoted (1)	Unquoted	Total
Securities						
Bonds and other fixed-income securities						
Issued by public entities	198 936	4 472	203 408	233 292	39 639	272 931
Issued by other entities	318 301	119 837	438 138	384 618	123 385	508 003
Shares	-	4 653	4 653	-	5 047	5 047
Other variable-income securities	8 676	-	8 676	-	8 058	8 058
Total book value	**525 913**	**128 962**	**654 875**	**617 910**	**176 129**	**794 039**

1) Includes Financial assets at fair value through other comprehensive income and Financial assets not mandatorily held for trading at fair value through profit or loss at fair value (Level 1), see Note 33.

Additionally, the Bank performs Backtesting on all operations carried out and has never observed losses or divergences in relation to the valuation methodology.

The average interest rates recorded for the periods ended December 31, 2025 and 2024, as well as the respective average balances and interest for the period are presented in Note 40.

Securities written off from assets

The movement in the years 2025 and 2024 of the value of securities written off from assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**12 359**	**12 169**
Increases:		
Others	-	572
Decreases:		
Recovery of capital and interest (Note 13)	(1 351)	(382)
Others	(595)	-
Exchange rate effect	(420)	-
Balance at the end of the period	**9 993**	**12 359**

The Bank recognizes a security written off when it has no expectation of recovering an asset in full or in part. Securities written off from assets are recorded in off-balance sheet accounts (see note 37), and eventual recoveries in other operating results (see note 13).

As of December 31, 2025 and 2024, securities written off from assets correspond to debt instruments.

NOTE 23 - LOANS AND ADVANCES TO BANKS

As of December 31, 2025 and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Loans and advances to central banks		
Bank of Portugal	488 612	426 036
Other central banks	116 098	23 395
	604 710	**449 431**
Loans and advances to banks in Portugal		
Interbank money market	10 088	27 856
Very short-term deposits	1 507	-
	11 595	**27 856**
Loans and advances to banks abroad		
Deposits	74	74
Reverse repos	532	-
Very short-term deposits	-	17 753
	606	**17 827**
	616 911	**495 114**
Impairment losses	(1)	(9)
Total	**616 910**	**495 105**

As of December 31, 2025 and 2024, the analysis of loans and advances to banks, by residual maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months (Cash equivalents)	616 378	474 861
Up to three months (Others)	533	-
From three months to one year	-	20 253
Total	**616 911**	**495 114**

The average interest rates recorded for the periods ended December 31, 2025 and 2024, as well as the respective average balances and interest for the period are presented in Note 40.

Loans and advances to banks written off from assets

The movements in the year ended December 31, 2025, and 2024 of the value of loans and advances written off from assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**15 077**	**15 077**
Balance at the end of the period	**15 077**	**15 077**

The entire balance of the item relates to an application written off from assets and for which there were no movements in 2025 and in 2024.

The Group recognizes an investment in credit institutions written off when it has no expectation of recovering an asset in full or in part. Investments in credit institutions written off are recorded in off-balance sheet accounts (Note 37). Eventual recoveries of capital and/or interest are recognised in other operating income and expenses (Note 14).

NOTE 24 – LOANS AND ADVANCES TO CUSTOMERS

As of December 31, 2025 and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
At fair value through profit and loss		
Overdue capital and interest		
For more than 90 days	24	24
	24	**24**
Revaluation at fair value	1	(1)
	25	**23**
At Amortised cost		
Domestic loans		
Corporate		
Loans	93 843	127 411
	93 843	**127 411**
Abroad loans		
Corporate		
Loans	613 875	561 345
	613 875	**561 345**
Overdue capital and interest		
Up to 90 days	865	560
For more than 90 days	-	-
	865	**560**
	708 583	**689 316**
Impairment losses (Note 26)	(14 283)	(4 709)
	694 300	**684 607**
Total	**694 325**	**684 630**

As of December 31, 2025 and 2024, the analysis of loans and advances to customers, by residual maturity period, is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	239	36 895
From three months to one year	50 143	21 150
From one to five years	503 718	514 872
More than five years	154 483	116 399
Undetermined period (1)	25	23
Total	**708 608**	**689 339**

(1) Corresponds to overdue capital and interest of matured operations.

Credits written off

The movement in 2025 and 2024 in the value of credits written off against assets is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**19 009**	**-**
Increases:		
Credits written off from assets	-	21 209
Decreases:		
Recovery of capital and interest (Note 13)	-	-
Remission of credits written off from assets	(5 950)	(2 200)
Exchange rate	(5)	-
Balance at the end of the period	**13 054**	**19 009**

The Bank recognizes a credit written off from assets when it has no expectation of recovering an asset in full or in part. Credits written off from assets are recorded in off-balance sheet accounts (Note 37) and eventual recoveries in other operating income and expense (Note 13).

NOTE 25 – OTHER TANGIBLE ASSETS

As of December 31, 2025 and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Real estate		
Improvements in leasehold property	5 959	5 921
	5 959	**5 921**
Equipment		
IT equipment	7 436	7 590
Indoor installations	870	873
Furniture	1 911	1 904
Machinery and tools	505	504
Motor vehicles	79	79
Security equipment	151	150
Others	346	307
	11 298	**11 407**
	17 257	**17 328**
Right-of-use		
Buildings	20 637	20 157
Vehicles	216	297
IT equipment	160	128
	21 013	**20 582**
	38 270	**37 910**
Accumulated depreciations	(30 765)	(27 848)
Total	**7 505**	**10 062**

The movement in this heading was as follows:

(thousand euros)

			Right-of-use			
	Real estate	Equipment	Buildings	IT equipment	Vehicles	Total
Acquisition cost						
Balance as of 30 December 2023	**6 625**	**14 342**	**17 371**	**103**	**279**	**38 720**
Acquisitions	-	809	2 906	38	36	3 789
Write-offs / sales	(704)	(4 136)	(241)	(13)	(18)	(5 112)
Transfers	-	392	-	-	-	392
Exchange differences and other movements	-	-	121	-	-	121
Balance as of 31 December 2024	**5 921**	**11 407**	**20 157**	**128**	**297**	**37 910**
Acquisitions	38	347	98	-	49	532
Write-offs / sales	-	(457)	(268)	-	(135)	(860)
Transfers	-	-	-	-	-	-
Exchange differences and other movements	-	1	650	32	5	688
Balance as of 31 December 2025	**5 959**	**11 298**	**20 637**	**160**	**216**	**38 270**
Balance as of 30 December 2023	**5 635**	**13 030**	**10 401**	**74**	**152**	**29 292**
Depreciations of period	191	845	2 538	22	71	3,667
Write-offs / sales	(704)	(4 135)	(243)	(12)	(17)	(5 111)
Balance as of 31 December 2024	**5 122**	**9 740**	**12 696**	**84**	**206**	**27 848**
Depreciations of period	189	923	2 568	22	65	3 767
Write-offs / sales	-	(449)	(268)	-	(132)	(849)
Balance as of 31 December 2025	**5 311**	**10 214**	**14 996**	**106**	**138**	**30 765**
Net book value as of 31 December 2025	**648**	**1 084**	**5 641**	**54**	**78**	**7 505**
Net book value as of 31 December 2024	**799**	**1 667**	**7 461**	**44**	**91**	**10 062**

NOTE 26 – INTANGIBLE ASSETS

As of December 31, 2025 and 2024, this heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Purchased from third parties		
Software	16 193	16 626
	16 193	**16 626**
Work in progress	725	376
	16 918	**17 002**
Accumulated amortisations	(16 013)	(16 313)
	(16 013)	**(16 313)**
Total	**905**	**689**

The movement in this heading was as follows:

(thousand euros)

	Software	Other fixed assets	Work in progress	Total
Acquisition cost				
Balance as of 30 December 2023	**21 745**	**74**	**595**	**22 414**
Acquisitions				
Purchased from third parties	277	-	324	601
Write-offs / sales	(5 524)	(39)	-	(5 563)
Transfers	128	(35)	(485)	(392)
Exchange rate variation	-	-	(58)	(58)
Balance as of 31 December 2024	**16 626**	**-**	**376**	**17 002**
Acquisitions				
Purchased from third parties	22	-	453	475
Write-offs / sales	(559)	-	-	(559)
Transfers	104	-	(104)	-
Exchange rate variation	-	-	-	-
Balance as of 31 December 2025	**16 193**	**-**	**725**	**16 918**
Amortizations				
Balance as of 30 December 2023	**20 980**	**75**	**-**	**21 055**
Amortisations of the financial year	806	-	-	806
Write-offs / sales	(5 508)	(40)	-	(5 548)
Transfers	35	(35)	-	-
Balance as of 31 December 2024	**16 313**	**-**	**-**	**16 313**
Amortizations	238	-	-	238
Write-offs / sales	(538)	-	-	(538)
Transfers	-	-	-	-
Balance as of 31 December 2025	**16 013**	**-**	**-**	**16 013**
Net book value as of 31 December 2025	**180**	**-**	**725**	**905**
Net book value as of 31 December 2024	**313**	**-**	**376**	**689**

NOTE 27 – INVESTMENTS IN ASSOCIATED COMPANIES

Financial information regarding associated companies is presented in the following table:

(thousand euros)

	31.12.2025				31.12.2024			
	Number of shares	by the bank	Par Value (Euro)	Acquisition Cost	Number of shares	by the bank	Par Value (Euro)	Acquisition Cost
Subsidiaries								
HAITONG BANCO DE INVESTIMENTO DO BRASIL S.A.	101 870 930	80.00%	0.37	174 496	101 870 930	80.00%	0.37	174 496
HAITONG GLOBAL ASSET MANAGEMENT SGOIC S.A.	5 000 000	100.00%	5	21 750	5 000 000	100.00%	5	21 750
				196 246				**196 246**
Impairment losses				(81 221)				(73 171)
Tutal				**115 025**				**123 075**

During 2025 and 2024, the balance Investments in subsidiaries and associates presented the following changes:

- In July 2024, Haitong Global Asset Management SGOIC S.A. distributed free reserves to its sole shareholder, Haitong Bank, S.A., in the amount of 28,000 thousand euros, of which 20,911 was recognised as a distribution of capital and 7,089 was recognised as remuneration of capital (Note 5).
- In December 2024, Haitong Banco de Investimento do Brasil, S.A. approved the payment of interest on its own capital in the amount of 20,300 thousand reais. Of this amount, 80% will be received by Haitong Bank S.A. (Note 5).

Investments in subsidiaries are periodically analyzed to identify signs of impairment. If there are any, impairment losses are determined based on the difference between the recoverable value of investments in subsidiaries or associates and their book value. Identified impairment losses are recorded against results, and are subsequently reversed through results if there is a reduction in the amount of the estimated loss in a later period. In the year 2025 and 2024:

- In 2025 the Bank recognized an impairment increase of 8,050 thousand euros (in 2024 recognized an impairment increase of 6,326 thousand euros) for the investment in Haitong Banco de Investimento do Brasil S.A..

NOTE 28 – OTHER ASSETS

As of December 31, 2025 and 2024, the Other Assets heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Debtors and other assets		
Deposited collateral under clearing agreements	16 713	19 611
Public sector	6 834	7 196
Deposited collateral under clearing accounts (futures contracts)	6 597	5 642
Other sundry debtors	839	3 371
Loans and derivatives receivables	7 885	9 891
	38 868	**45 711**
Impairment losses for debtors and other investments	(4 207)	(5 470)
	34 661	**40 241**
Other assets		
Other liquid assets	2 828	1 040
Other assets	7 655	5 176
	10 483	**6 216**
Income receivable	**95**	**95**
Prepayments and deferred costs	**1 507**	**1 384**
Other sundry assets		
Exchange transactions pending settlement	148	605
Market securities transactions pending settlement	1	-
Other transactions pending settlement	3 149	5 778
	3 298	**6 383**
Retirement Benefits	16 155	10 669
Total	**66 199**	**64 988**

As at 31st December 2025 Public sector includes (i) the value of the security deposit made to the Directorate-General for the Treasury and Finance under the tax credit (confirmed by the Portuguese Tax Authority) inherent to REAID in the amount of 192 thousand euros (under tax credit of 2020) and (ii) payments made to the Portuguese Tax Authority relating with tax proceedings that are currently in litigation in the amount of 6,641 thousand euros.

Regarding the security deposit under REAID, paragraph 8 of article 6 of Ordinance 2016 (in the wording resulting from Ordinance no. 272/2017, of September 13) establishes that "Within a maximum period of three months counting from the confirmation of the conversion of deferred tax assets into tax credit provided for in Ordinance no. 259/2016, of October 4, the taxpayer constitutes a deposit in favor of the State, in an entity to indicate by the member of the Government responsible for the area of finance, in the amount corresponding to the price of exercising the potential right to acquire all conversion rights, which is reduced, in the respective proportion, whenever there is delivery to the State of the price relating to the rights acquisition powers exercised or exercise by the State of conversion rights".

The heading - Other sundry debtors mainly includes commissions pending payment from customers for the provision of services by the Bank.

The heading Other Assets includes real estate assets received in full or partial settlement of borrowers payment obligations. As of December 31, 2025, the amount of these properties totalled 2,480 thousand euros (Note 39).

The heading Market securities transactions pending settlement, on December 31, 2025, and 2024, shows the balance of orders for the sale and purchase of securities awaiting their respective financial settlement.

NOTE 29 – RESOURCES OF CREDIT INSTITUTIONS

The resources of credit institutions heading is presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Resources of other credit institutions		
Foreign		
Repurchase agreements	163 605	173 247
Other resources	223 897	225 855
	387 502	**399 102**
Total	**387 502**	**399 102**

The balance Repurchase agreements corresponds to repo operations carried out in the money market and is a tool for the Bank's treasury management. Other resources correspond to medium and long-term investments made by other credit institutions with the Bank.

As of December 31, 2025, and 2024, the analysis of resources of credit institutions by residual maturity period is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	37 074	86 789
From three months to one year	16 994	6 549
From one to five years	333 434	305 764
Total	**387 502**	**399 102**

As of December 31, 2025, and 2025, the reconciliation of the flows of this financing activity is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**399 102**	**628 573**
Cash Flows	(13 462)	(225 228)
Other changes	1 862	(4 243)
Closing balance	**387 502**	**399 102**

The average interest rates recorded for the years ended December 31, 2025, and 2024, as well as the respective average balances and interest for the year are presented in Note 40.

NOTE 30 – RESOURCES OF CUSTOMERS

The balance of the resources of customers heading is composed, with regard to its nature, as follows:

(thousand euros)

	31.12.2025	31.12.2024
Repayable on demand		
Demand deposits	12 222	35 796
	12 222	**35 796**
Time deposits		
Fixed-term deposits	1 000 932	917 320
	1 000 932	**917 320**
Other resources		
Repurchase agreements	79 587	67 695
Other Deposits	2 057	2 184
	81 644	**69 879**
Total	**1 094 798**	**1 022 995**

The balance Repurchase agreements corresponds to operations carried out in market with non financial corporations counterparts.

As of December 31, 2025, and 2024, the analysis of due to customers by residual maturity period is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Demand deposits	**12 222**	**35 796**
Fixed-term deposits		
Up to 3 months	283 552	337 532
3 to 12 months	361 288	291 262
1 to 5 years	356 092	288 526
	1 000 932	**917 320**
Other resources		
Up to 3 months	17 905	15 616
3 to 12 months	11 330	11 309
1 to 5 years	52 409	42 954
	81 644	**69 879**
Total	**1 094 798**	**1 022 995**

As of December 31, 2025, and 2024, the reconciliation of the cash flows of this financing activity is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**1 022 995**	**739 559**
Cash Flows	63 340	274 054
Others	8 463	9 382
Closing balance	**1 094 798**	**1 022 995**

The average interest rates recorded for the years ended December 31, 2025, and 2024, as well as the respective average balances and interest for the year are presented in Note 40.

NOTE 31 – DEBT SECURITIES ISSUED

As of December 31, 2025, and 2024, the debt securities issued presents the following:

(thousand euros)

	31.12.2025	31.12.2024
Debt securities issued		
Other Bonds	128 008	191 798
Total	**128 008**	**191 798**

The fair value of the debt securities issued is shown in Note 39.

During the year 2025, the Bank reacquired/reimbursed 46 536 thousand euros of securities.

The essential features of these resources break down as follows:

(thousand euros)

Issuer	Designation	Currency	31.12.2025			
			Issue Date	Book Value	Maturity	Interest Rate
HB_PT	HAITIB 4 05/29/27 Corp	USD	2022	128 008	2027	4%
Total				**128 008**		

The residual duration of Liabilities represented by securities, on December 31, 2025, and 2024, is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to three months	-	47 105
From one to five years	128 008	144 693
Total	**128 008**	**191 798**

As of December 31, 2025, and 2024, the reconciliation of cash flows from this financing activity is as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**191 798**	**367 288**
Cash Flows	(46 536)	(173 971)
Other changes	(17 254)	(1 519)
Closing balance	**128 008**	**191 798**

NOTE 32 – PROVISIONS AND IMPAIRMENT

As of December 31, 2025, and 2024, the Provisions heading presents the following movements:

(thousand euros)

	Provisions for other risks and charges	Provisions for guarantees and other commitments	Total
Balance as of 30 December 2023	**552**	**566**	**1 118**
Net charge of the period	598	(36)	562
Amounts used	(1 038)	-	(1 038)
Foreign exchange differences and others	-	(32)	(32)
Balance as of 31 December 2024	**112**	**498**	**610**
Net charge of the period	-	186	186
Amounts used	(69)	-	(69)
Foreign exchange differences and others	-	(6)	(6)
Balance as of 31 December 2025	**43**	**678**	**721**

Provisions for guarantees and provisions for other commitments correspond to 584 thousand euros and thousand 94 euros respectively (2024: 793 thousand euros and 295 thousand euros).

These provisions are meant to cover possible contingencies related to the activity of the Group. The main ongoing contingencies are presented in Note 38.

The movements in impairment losses can be analysed as follows:

(thousand euros)

	31.12.2024	Net charge of the period	Amounts used	Stage 3	Exchange differences and others	31.12.2025
Cash and cash equivalents (Note 18)	2 378	(1 228)	(853)	-	(269)	28
Financial assets at fair value through other comprehensive income (Note 22)	557	279	(296)	-	(17)	523
Financial assets measured at amortised cost						
Loans and advances to banks (Note 23)	9	(8)	-	-	-	1
Loans and advances to customers (Note 24)	4 709	9 475	-	163	(64)	14 283
Securities (Note 22)	765	130	(256)	-	(17)	622
Investments in associated companies (Note 27)	73 171	8 050	-	-	-	81 221
Other assets (Note 28)	5 470	(594)	(622)	-	(47)	4 207
Total	**87 059**	**16 104**	**(2 027)**	**163**	**(414)**	**100 885**

(thousand euros)

	31.12.2023	Net charge of the period	Amounts used	Stage 3	Exchange differences and others	31.12.2024
Cash and cash equivalents (Note 18)	1 865	390	-	-	123	2 378
Financial assets at fair value through other comprehensive income (Note 22)	577	393	(423)	-	10	557
Financial assets measured at amortised cost						
Loans and advances to banks (Note 23)	15 093	(7)	(15 077)	-	-	9
Loans and advances to customers (Note 24)	27 716	316	(22 979)	(1)	(343)	4 709
Securities (Note 22)	1 051	(173)	(142)	-	29	765
Investments in associated companies (Note 27)	66 845	6 326	-	-	-	73 171
Other assets (Note 28)	11 736	1 622	(7 921)	-	33	5 470
Total	**124 883**	**8 867**	**(46 542)**	**(1)**	**(148)**	**87 059**

In December 2024, The Group have written off from other assets an amount of 7 921 thousand euros of the accounts receivable (invoices issued to clients with 100 impairment) that were overdue. Of this, 1 068 thousand euros were recorded in off-balance sheet accounts (Note 37).

NOTE 33 – INCOME TAXES

The Bank is subject to taxation in accordance with the corporate income tax code (CIT code) and to local taxes.

Income taxes (current or deferred) are recognised in the income statement except in cases where the underlying transactions have been reflected in equity items. In these situations, the corresponding tax is also charged to equity, not affecting the net result for the period.

The current tax of 2025 and 2024 were calculated based on a nominal corporate income nominal tax rate of 20% and 21%, respectively plus tax rate of 1.5% of Municipal Surcharge in accordance with Law no. 82-B/2014, of 31st of December, and Law no. 2/2007, of 15th of January. Additionally there is a State Surcharge which corresponds to an additional rate of 3% of the taxable profit between 1,500 and 7,500 thousand euros, 5% of the profit between 7,500 and 35,000 thousand euros, 9% of any profit which exceeds this amount (if applicable).

Deferred taxes are calculated based on tax rates anticipated to be in force at the temporary differences reversal date, which corresponds to the rates enacted or substantively enacted at the balance sheet date. Thus, for the year 2025 deferred tax was calculated at the rate of 23.68%.

Law No. 64/2025 of November 7 was published, which decreed the reduction of the nominal corporate income tax rate to 19% for the 2026 tax period, to 18% for the 2027 tax period, and to 17% starting from the period that begins in 2028. Accordingly, the deferred tax rate was adjusted in line with the published Law.

Special Scheme Applicable to Deferred Tax Assets

In 2014, Haitong Bank joined the special scheme applicable to deferred tax assets (READ) related to impairment losses in credits and post-employment or long-term employee benefits, established by Law no. 61/2014, of August 26th. For the purpose of this scheme, the conversion of the mentioned assets in tax credits is expected in the following situations:

- Determining net losses;
- Voluntary winding-up, court insolvency or, when applicable, with the withdrawal of the corresponding authorisation by the competent supervising authority.

It should be noted that, pursuant to Law No. 23/2016, of August 19, READ is no longer applied to deferred tax assets relating to expenses and negative equity changes accounted for in tax periods beginning on or after 1 January 2016.

The tax credit as well as the respective special reserve recorded in the accounts with reference to 31st of December 2025 can be analysed in the table below, which also includes reimbursements already made by the Portuguese Tax Authority:

(thousand euros)

Year	Tax Credit	Special Reserve
2015	5 281	5 809
2016	20 529	22 582
2017	9 060	9 966
2018	233	255
2020	433	476
2021	(15 078)	-
2022	(5 414)	(16 585)
2023	(174)	(5 956)
Total	**14 870**	**16 547**

The tax credit and the respective special reserve were recorded during the year following that of the tax credit year, booked in a current tax asset and other reserves item, respectively.

In 2021, the Bank received amounts concerning tax credit from the Portuguese Tax Authority, with reference to the years 2015 and 2016, in the amount of 15,078 thousand euros.

In turn, during the 2022, the Bank received a tax credit from the Portuguese Tax Authority, with reference to the 2017 and 2018, in the amount of 5,414 thousand euros.

In 2023, the Bank received a tax credit from the Portuguese Tax Authority, with reference to the year 2020, in the amount of 174 thousand euros.

In pursuance of the abovementioned scheme, such conversion rights correspond to securities that grant the Government the right to request Haitong Bank to issue and deliver ordinary shares at no charge, following the increase in share capital through the inclusion of the reserve value. However, Haitong Bank´s shareholder is granted the right to acquire those conversion rights to the Government in accordance with Ordinance no. 293-A/2016 of 18th of November.

In 2022, the shareholder exercised the rights under Special Regime of DTA with reference to the years 2015 and 2016 and the amount of special reserve decreased in 16,585 thousand euros.

In the 2023, the Bank's shareholder also exercised the right to acquire the conversion rights attributed to the State under the special regime of deferred tax assets relating to the years 2017 and 2018, and the amount of special reserve decreased in 5,956 thousand euros.

For the year 2020, if shareholder do not exercise the right to acquire the conversion rights issued and attributed to the Portuguese State within the period established for that purpose, in the year in which the State exercises these rights, it will require the Bank to increase its capital by incorporating the amount of the special reserve and consequent issue and free delivery of ordinary shares representing the capital stock of the Bank, and it may be necessary to adjust the amount of the reserve initially constituted.

According to legislation in force, Haitong Bank shareholder may exercise the rights to acquire conversion rights until three years from the conversion confirmation of the deferred tax assets into tax credit by the Tax Authority, which, in the case of the 2020, it will be until May 2026.

The amount of assets by deferred taxes converted into tax credit, the establishment of the special reserve and the issuing and granting of conversion rights to the Government shall be certified by the certified statutory auditor.

Since Haitong Bank recorded a negative net result in its individual accounts as of December 31, 2025, it must, in 2026 and after the approval of the accounts, convert part of the deferred taxes covered by the applicable regime into a tax credit, in proportion to the ratio between the net result and equity. Additionally, it must create a special reserve and issue conversion rights into shares representing the share capital attributable to the Portuguese State.

In July 2019 and January 2020, the Bank was notified of the final Reports of the Tax Authority’s inspection services, issued for 2015 and 2016, respectively, both issued by Tax Authorities. In these reports, certain procedures adopted by the Bank, namely in association with special regime of deferred tax assets (READ) and costs accepted by Tax Authorities are being challenged.

In this sense, following the Bank disagreement with these corrections, in November 2019, an administrative complaint was submit regarding the 2015 Tax Inspection Report and in April 2020, an administrative complaint was submit regarding the 2016 inspection report. Currently, for the year 2015 and 2016, the corrections in question are being challenged in a Judicial Court.

On January 2021, the Bank received the 2017 and 2018 tax inspection report issued by the Tax Authority’s inspection services. In this report, similarly to what happened in the 2015 and 2016 tax inspection reports, some procedures adopted by the Bank with regard to the application of READ are raised by Tax Authorities.

The Bank disagreeing with these corrections, so in 2021, submitted an administrative complaint for the Tax inspection report of 2017 and 2018. Currently, the corrections in question are being contested in a Hierarchical Appeal.

In May 2023, the Bank was notified of 2020 tax inspection report issued by the Portuguese Tax Authority. In this report, similar to what happened in the tax inspection reports from 2015 to 2018, some procedures adopted by the Bank with regard to the application of READ are being challenge.

As the Bank did not agree with these corrections, in 2023, it submitted an administrative complaint to contest the 2020 inspection report. In 2024 financial year, the Bank submitted a Hierarchical Appeal to contest the decision and during 2025 the corrections are being challenged in a Judicial Court.

Finally, it is also noted that, within the scope of the tax inspection for the years 2015, 2016, 2017, 2018 and 2020, the tax authority made corrections to the tax credit of these years in the amount of 14,870 thousand euros (of a total amount of 35,536 thousand euros).

The Bank's management considers that the procedures adopted in those years are compliant with the legislation in force, and therefore estimates that it is not likely that the Tax Authority's position will prevail. Even so, if this correction occur, it would materialize in the recognition of deferred tax assets. In addition, the Board of Directors believes that any other corrections that may arise, related to the years inspected, will not have a material impact either on the Bank's capital or on the Bank's results in fiscal year 2025, as essentially its affect tax losses that have not yet been used and for which deferred tax assets have not been recognised.

The activity of branches abroad is incorporated in the Bank's accounts for determining the taxable profit. Although, the profit of those branches is subject to taxation in the countries where they are established. Local taxes are deductible to the taxes to be paid in Portugal, in accordance with art. 91º of CIT Code", when applicable.

The branches' profits are subject to local taxation at the following nominal rates:

Branch	Nominal income tax rate
London	19%
Madrid	30%
Warsaw	19%
Macao	12%

As of December 31, 2025, and 2024, current tax assets and liabilities can be analyzed as follows:

(thousand euros)

	Asset		Liability	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Corporate income tax	1 523	2 216	(6 948)	(8 060)
Tax Credit (Special Scheme for Deferred Taxes)	14 870	14 870	-	-
Current tax asset / (liability)	**16 393**	**17 086**	**(6 948)**	**(8 060)**

Deferred tax assets and liabilities recognized in the statement of financial position in 2025 and 2024 can be analyzed as follows:

(thousand euros)

	Asset		Liability		Net	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Securities	(284)	(187)	-	-	(284)	(187)
Loans and advances to customers	5 221	9 477	-	-	5 221	9 477
Provisions and other assets	10	29	-	-	10	29
Pension Fund and Long-term employee benefits	4 015	5 084	-	-	4 015	5 084
Other	1 346	5 708	(5 573)	(5 573)	(4 227)	135
Tax losses carried forward	20 036	30 057	-	-	20 036	30 057
Deferred tax asset/(liability)	**30 344**	**50 168**	**(5 573)**	**(5 573)**	**24 771**	**44 595**
Net deferred tax asset / (liability)	**30 344**	**50 168**	**(5 573)**	**(5 573)**	**24 771**	**44 595**

The tax amount mentioned in “Others” corresponds to branch tax credits (1,874 thousand euros) and deferred tax relating to fair value for profit and loss (- 528 thousand euros).

The Bank only recognizes deferred tax assets in relation to reportable tax losses when it considers that they are expected to be recovered in the near future.

The variation in tax losses relates Law No. 64/2025 of November 7 was published, which decreed the reduction of the nominal corporate income tax rate to 19% for the 2026 tax period, to 18% for the 2027 tax period, and to 17% starting from the period that begins in 2028. . This change had an negative impact on the calculation of Haitong Bank's deferred taxes in Portugal.

It should be noted that the period of tax losses utilization takes into account the exceptional measures to the COVID-19 pandemic under the terms of Law No. 27-A / 2020 (Supplementary State Budget for 2020), as well as provided in Law No. 24-D/2022, of December 30which approved the State Budget for 2023, under which the time limitation for the deduction of tax losses calculated in a given tax period is eliminated. Changes to the reporting period apply to tax periods beginning on or after January 1, 2023, as well as to tax losses calculated in tax periods prior to January 1, 2023 whose deduction period is still in progress at that date. However, it should be noted that the new deadline does not apply to tax losses calculated in tax periods prior to January 1, 2023 in which one of the situations provided for in paragraph 1 of article 6 of the applicable special regime has occurred to deferred tax assets (namely, in the event of a negative net result).

Therefore, for Haitong Bank in Portugal, the tax loss for 2014 and 2019 does not expire date and the tax loss for 2015 and 2016 expires in 2029 and 2030, respectively.

The amount of unrecognized deferred tax relating to the tax losses, by year of origin is presented in the following table:

(thousand euros)

Tax losses	31.12.2025	31.12.2024	Expiry date
2016	32 230	-	2030
2017	-	106 450	2024
2018	7 738	7 738	2025
2019	2 484	645	No expiry
2025	13 486	-	No expiry
Total	**55 938**	**114 833**	

The movements in deferred taxes, in the balance sheet, can be presented as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**44 595**	**52 929**
Recognised in profit or loss	(18 703)	(6 569)
Recognised in fair value reserves	(97)	(1 632)
Recognised in other reserves	(1 024)	(133)
Closing balance (Asset / (Liability))	**24 771**	**44 595**

Tax recognised in the income statement and reserves during 2025 and 2024 financial years had the following:

(thousand euros)

	31.12.2025		31.12.2024	
	Recognised in profit or loss	Recognised in reserves	Recognised in profit or loss	Recognised in reserves
Deferred Taxes				
Securities	-	97	-	1 632
Loans and advances to customers	4 256	-	2 912	-
Provisions and other assets	18	-	117	-
Pension Fund	45	1 024	293	133
Depreciations (IFRS 16)	-	-	1 780	-
Other	4 363	-	(36)	-
Tax losses carried forward	10 021	-	1 503	-
	18 703	**1 121**	**6 569**	**1 765**
Current Taxes	1 566	-	2 865	-
Total recognised tax	**20 269**	**1 121**	**9 434**	**1 765**

Reconciliation of the tax rate, concerning the recognised amount in the income statement, can be analysed as follows:

(thousand euros)

	31.12.2025		31.12.2024	
	%	Value	%	Value
Profit or loss before tax		**(8 754)**		**15 070**
Income tax rate of Haitong Bank	20.0		25.2	
Tax determined based on the income tax rate of Haitong Bank		(1 751)		3 804
Tax-exempt dividends	0.0	-	(11.9)	(1 789)
Impairment of subsidiaries	(18.4)	1 610	10.6	1 596
Bank Levy	(3.1)	275	3.0	450
Unrecognised tax losses	(31)	2 697	-	-
Branches' income tax	(15.7)	1 376	15.8	2 378
Other movements according to the tax estimation	(182.0)	15 931	19.0	2 864
Autonomous taxation	(1.5)	131	0.9	132
Total	**(231.5)**	**20 269**	**62.6**	**9 435**

NOTE 34 – OTHER LIABILITIES

As of December 2025, and 2024, the Other liabilities heading is analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Creditors and other resources		
Public administrative sector	2 515	2 711
Deposited collateral under clearing agreements (Note 15)	7 109	6 750
Sundry creditors		
Leasing liabilities	6 169	8 284
Creditors from transactions with securities	1 650	907
Suppliers	797	1 121
Other sundry creditors	1 482	1 689
	19 722	**21 462**
Accrued expenses		
Career bonuses (Note 15)	464	486
Other accrued expenses	3 920	4 895
	4 384	**5 381**
Deferred income	392	344
Other sundry liabilities		
Foreign exchange transactions pending settlement	148	605
Other transactions pending settlement	7 835	15 157
	7 984	**15 762**
Total	**32 482**	**42 949**

As of December 31, 2025 and 2024, the headings regarding Stock exchange transactions pending settlement refer to transactions with securities pending settlement.

In the sub-heading Accrued expenses – Other accrued expenses corresponds to responsibilities relating to employees remuneration.

The headings Lease liability represents commitments with future rents corresponding to the adoption of IFRS 16, and presents the following movement during the years 2025 and 2024:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**8 284**	**7,486**
Increases/Reductions	805	3 261
Remeasures	28	(16)
Payments	(2 638)	(2 472)
Other variations	(310)	25
Final Balance	**6 169**	**8 284**

As of December 31, 2025, and 2024, the contractual cash flows are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Up to 3 months	-	6
3 to 12 months	10	62
1 to 2 years	3 587	26
2 to 5 years	2 845	8 804
Total	**6 442**	**8 898**

NOTE 35 – CAPITAL, SHARE PREMIUM AND OTHER CAPITAL INSTRUMENTS

Ordinary shares

Until August 3rd 2014 the Bank was part of Grupo Banco Espírito Santo, S.A.

On the 3rd of August 2014, the Bank of Portugal applied a resolution action to Banco Espírito Santo, S.A., shareholder of 100% of the capital of the Bank, and established Novo Banco, S.A., with the share capital of 4.9 billion euros, which incorporated assets of Banco Espírito Santo, S.A. selected by the Bank of Portugal. In this regard, the Bank, its branches and subsidiaries were transferred to Novo Banco, S.A.

On the 7th of September 2015, the capital of the Bank was fully purchased by Haitong International Holdings Limited.

On the 17th of December 2015, the Bank increased its capital in 100,000 thousand euros, through the issuance of 20,000 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

On the 22nd of May 2017, the Bank increased its capital in 40,000 thousand euros, through the issuance of 8,000 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

On the 25th of May 2017, the Bank increased its capital in 20,000 thousand euros, through the issuance of 4,000 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

On the 13th of June 2017, the Bank increased its capital in 160,000 thousand euros, through the issuance of 32,000 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

On the 26th of June 2017, the Bank increased its capital in 160,000 thousand euros, through the issuance of 32,000 thousand shares with the nominal value of 5 euros each, resulted from a in the conversion of a shareholder loan in the amount of 80,000 thousand euros and the conversion of the Fixed Rate Perpetual Deeply Subordinated Additional Tier 1 Resettable Instruments, amounting to 80,000 thousand euros, which was fully subscribed and paid-up by Haitong International Holdings Limited.

On the 31th of August 2017, the Bank increased its capital in 38,500 thousand euros, through the issuance of 7,700 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

In 2022 two resolutions have been passed to increase the share capital of Haitong Bank S.A. by 2,630 thousand euros in the 1st of July 2022, and by 15,879 thousand euros in December 2022 to 863,279 thousand euros.

On the 19th of December 2023, the Bank increased its capital in 7,999 thousand euros, through the issuance of 1,600 thousand shares with the nominal value of 5 euros each, fully subscribed and paid-up by Haitong International Holdings Limited.

This share capital increase in 2023 and 2022, in the form of incorporation of a special reserve, resulted from the conversion of the rights attributed to the Portuguese State and which were acquired by Haitong International Holdings Limited, the Bank's sole voting shareholder. In the case of the 2023 capital increase relating to the 2016 and 2017 tax years and in the case of the 2022 capital increase relating to the 2015 tax year, issued under the Special Regime applicable to Deferred Tax Assets (REAID).

As of December 31, 2025 and 2024, the share capital of Haitong Bank amounts to 871,278 thousand euros (December 2024: 871,278 thousand euros) and is represented by 174,255,532 shares (December 2024: 172,255,532 shares) with the nominal value of 5 euros each, fully held by Haitong International Holdings Limited.

Share premiums

As of December 31, 2025 and 2024, share premiums are represented by 8,796 thousand euros, corresponding to the amount paid by shareholders in the increase of capital of previous years.

Other equity instruments

During October 2010 the Bank issued perpetual subordinated bonds with conditioned interest in the overall amount of 50 million euros. These bonds have a noncumulative conditioned interest, payable only if and when declared by the Board of Directors.

This conditioned interest, corresponding to the applicable annual rate of 8.5% on nominal value, is paid biannually. These securities may be fully, but not partially, reimbursed after the 15th of September 2015, relying solely on the choice of Haitong Bank, upon approval of the Bank of Portugal. These bonds are considered a capital instrument in accordance with the accounting policy described in Note 2.5 due to their characteristics.

During the year of 2011, 46,269 thousand euros in other capital instruments were cancelled due to a transaction regarding owned instruments.

As of 20th April 2022, the Bank have fully early repaid these Bonds, at the repayment price, corresponding to the nominal value of 3,731 thousand euros.

In March 2018, the Bank issued perpetual instruments eligible as additional own funds of level 1 (Additional Tier 1), in the overall amount of USD 130,000 thousand, corresponding to 105,042 thousand euros, identified as "Fixed Rate Perpetual Deeply Subordinated Additional Tier 1 Resettable Instruments". Such bonds have a non-cumulative conditional interest which is payable only if and when reported by the Board of Directors. Due to their features, such bonds are deemed to be capital instruments, in accordance with the accounting policy laid down in Note 2.5.

These bonds are subordinated in relation to any liability of Haitong Bank and *pari passu* regarding any identical subordinated bonds that may be issued by the Bank.

Since it was issued in 2018, the Group did not pay interest regarding any of these instruments.

NOTE 36 – FAIR-VALUE RESERVES, OTHER RESERVES AND RETAINED EARNINGS

Legal reserve, fair-value reserves and other reserves

The heading of other reserves includes the special reserve under READ in the amount corresponding to 16 547 thousand euros in December 2023 and December 2024.

Since the Bank presents accumulated losses relating to previous years, the Legal Reserve was not reinforced in the year of 2023, with the profit relating to that year being completely taken to Other Reserves and Retained Earnings, in order to cover those losses.

Fair-value reserves represent the possible capital gains and losses in relation to the financial assets through other comprehensive income portfolio, net of impairment recognised in the income statement of the year and/or previous years. The value of this reserve is presented net of deferred tax.

The heading of other reserves includes the special reserve under READ in the amount corresponding to 16,547 thousand euros in December 2025.

The movements of these headings, attributable to the Bank's shareholders, were the following:

(thousand euros)

	Fair Value reserves				Other reserves and retained earnings		
	Revaluation reserves	Income tax reserves	Total fair value reserve	Legal Reserve	Actuarial gains/losses (net of taxes)	Other reserves and retained earnings	Total Other reserves and retained earnings
Balance as of 31 December 2023	**(5 509)**	**1 445**	**(4 064)**	**39 878**	**(21 009)**	**(376 803)**	**(357 934)**
Actuarial gains/losses	-	-	-	-	(1 982)	-	(1 982)
Changes in fair value	6 250	(1 632)	4 618	-	-	-	-
Share capital increase	-	-	-	-	-	12 252	12 252
Balance as of 31 December 2024	**741**	**(187)**	**554**	**39 878**	**(22 991)**	**(364 551)**	**(347 664)**
Actuarial gains/losses	-	-	-	-	4 301	-	4 301
Changes in fair value	459	(97)	362	-	-	-	-
Transfer to reserves	-	-	-	-	-	5 634	5 634
Balance as of 31 December 2025	**1 200**	**(284)**	**916**	**39 878**	**(18 690)**	**(358 917)**	**(337 729)**

The movement of the fair-value reserve, net of deferred taxes and attributable to the Bank's shareholders can be analysed as follows:

(thousand euros)

	31.12.2025	31.12.2024
Opening balance	**554**	**(4 064)**
Fair value changes	(297)	5 867
Fair value hedge	477	(10)
Impairment recognised in the period	279	393
Deferred taxes recognised in reserves during the period	(97)	(1 632)
Closing balance	**916**	**554**

NOTE 37 – CONTINGENT LIABILITIES, GUARANTEES AND COMMITMENTS

As of December 31, 2025 and 2024, off-balance elements are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Contingent liabilities		
Guarantees and stand by letters of credit	91 839	93 679
Assets pledged as collateral	460 381	545 823
Total	**552 220**	**639 502**
Commitments		
Irrevocable commitments	63 694	62 120
Revocable commitments	26 623	36 131
Total	**90 317**	**98 251**

The rendered guarantees and sureties are banking transactions that do not necessarily represent any outflow for the Bank.

As of December 31, 2025, and 2024, the heading of financial assets pledged as collateral includes:

- Securities pledged as collateral to the Bank of Portugal (i) within the scope of the Large-Value Payment System, amounting to 10 000 thousand euros as of December 31, 2025 (December 31, 2024: 10 000 thousand euros), (ii) within the scope of target long-term refinancing operations, amounting to 4 000 thousand euros as of December 31, 2024, (iii) 137 747 thousand euros of collaterals not discounted (December 31, 2024: 216 242 thousand euros), the values previously described refer to the value after haircut applied by Banco de Portugal, with the total fair value of securities eligible for rediscount with Banco de Portugal amounting to 159 560 thousand euros on December 31, 2025 (December 31, 2024: 260,574 thousand euros); and
- Securities pledged as collateral to the Portuguese Securities Market Commission within the Investor Compensation Scheme in the amount of 201 thousand euros (December 31, 2024: 200 thousand euros);
- Securities pledged as collateral within the scope of transactions with repurchase agreements: 300 620 thousand euros (31st of December 2024: 285 049 thousand euros);

The nominal value of the contracted derivative positions is presented in Notes 21 and 22. The assets written off are also presented in the respective Notes 22, 23, and 24.

Securities received in operations with resale agreements (Note 23) have a fair value of 533 thousand euros.

Additionally, the off-balance elements related to banking services provided are as follows:

(thousand euros)

	31.12.2025	31.12.2024
Liabilities related to services provided		
Commercial paper programmes agency	71 750	43 700
Other responsibilities related with services provided	2 956	91 901
Total	**74 706**	**135 601**

Other responsibilities for service provision include values relating to client assets invested in Portfolio Management.

Contingent liabilities

Banco Espírito Santo (BES), Novo Banco and Haitong Bank (and, in some cases, supervisory authorities, auditors and former directors from BES) have been sued in civil proceedings associated with facts of the former Grupo Espírito Santo (GES).

Within this framework, Haitong Bank is currently a defendant in a proceeding associated with the share capital increase of BES, which took place in June 2014.

As regards to this legal proceeding (case brought by several investment funds), after the decision of the trial court to declare that the case had been “abandoned”, the Lisbon Court of Appeal revoked that decision and ordered the continuation of the proceeding. Two of the Defendants in this proceeding appealed to the Supreme Court of Justice that confirmed the decision of the Court of Appeal. Extraordinary review and Constitutional Court appeals were filed, all of them maintaining the previously decided by the Lisbon Court of Appeal. The legal procedure returned to the trial court (1st instance) for the continuation of said procedure, and now the appointment of the preliminary hearing is yet to be awaited.

Haitong Bank is also a Defendant in 5 proceedings, all associated with issues of financial instruments of GES's entities (Rioforte and ESI – Espírito Santo International).

Since the beginning of these legal proceedings in 2015, it is the opinion of Haitong Bank's Legal Department and of the external lawyers to whom the proceedings have been entrusted, that such proceedings do not have legal sustainability, wherefore it is considered unlikely that any judgment will be made against Haitong Bank in relation thereto. Such opinion is hereby reasserted.

Such opinion has been supported by several judicial decisions.

In fact, of the 78 cases filed against the Bank regarding the issue of commercial paper and other financial instruments by GES' entities, 50 cases have already been res judicata with the total acquittal of Haitong Bank and 23 cases having been withdrawn by the Claimants.

On July 2019, Haitong Bank has been notified of a new legal action brought against itself and several former board members of BES, regarding commercial paper issued by Espírito Santo International and Rioforte in 2013 and 2014.

Such legal action has been submitted by a credit recovery fund (Fundo de Recuperação de Créditos "FRC – INQ – Papel Comercial ESI e Rio Forte") to which have been allegedly assigned the claims submitted by certain holders of ESI and Rioforte commercial paper, which amounts up to € 517,500,099.71, plus interests. Haitong Bank presented its written defence on the 25th of June 2020. The Bank is waiting for the preliminary hearing to be scheduled by the Court.

In the opinion of the external lawyers to whom this proceeding, brought by FRC, has been entrusted, such proceeding does not have a solid legal sustainability and therefore it is considered unlikely that any judgment will be made against Haitong Bank.

Following the above stated, Haitong Bank did not establish any provision related to such legal proceedings.

Without prejudice of the above mentioned regarding the successful outcome for Haitong Bank from such proceedings, and in order to comply with the applicable accounting rules, it is not possible to achieve an amount of expected losses which could eventually arise for Haitong Bank, individually considered, once such legal proceedings are brought against several entities and not only against Haitong Bank.

On June 2022, Haitong Bank was served of a civil legal action brought against itself and another entity, under which the payment of 4 905 460.96 euros, plus interests, was claimed to the defendants, on a joint and several bases, filled by REDITUS GESTÃO, S.A. and GREENDRY LDA, (Claimants), within Lisbon's first instance civil court of law, based on the breach by the Bank of its obligations as an Escrow Agent, among other things.

The other defendant has appealed of the First Instance Court decision in the preliminary hearing and has been acquitted, since the Appeal Court considered that there was an arbitration clause that excluded the civil court jurisdiction on this matter. Such decision was confirmed by the Supreme Court. The legal action proceeded in the first instance civil court only against Haitong Bank, who has requested its suspension until a decision of the arbitral court regarding the dispute between the claimants and the other former defendant was reached. Such request was rejected by the First Instance Court and challenged by Haitong Bank and a decision from the Appeal Court is awaited.

Resolution Fund and Single Resolution Fund

The Resolution Fund is a legal entity under public law with administrative and financial autonomy, created by Decree Law no. 31-A/2012, of 10 February, which is governed by the General Regime of Credit Institutions and Financial Companies ("RGICSF") and by its regulations and whose mission is to provide financial support to the resolution measures applied by the Banco de Portugal, in the capacity of the national resolution authority, and to perform all the other functions granted by the law related with the execution of these measures.

Like most of the financial institutions operating in Portugal, the Bank is one of the participants in the Resolution Fund, making contributions that result from the application of a rate defined annually by Banco de Portugal, which is based on the amount of its liabilities. As of 31 December 2025, the Bank's periodical contribution amounted to 490 thousand euros (December 31, 2024: 350 thousand euros), based on a contribution rate of 0.039% calculated pursuant to Instruction 28/2023 of Banco de Portugal.

The Single Resolution Fund (SRF) is the European mechanism for financing resolution measures applicable to institutions covered by the Single Resolution Mechanism ("SRM"), funded through annual contributions from the credit institutions of participating Member States. Under Regulation (EU) No. 806/2014, the SRF aims to reach an amount equivalent to 1% of covered deposits held by institutions in Member States participating in the SRM.

In February 2024, the Single Resolution Fund announced that no annual contribution would be levied for the 2024 financial year, as the fund had already reached its target level at 31 December 2023. Accordingly, in 2024 and 2025, Portuguese banks were no longer required to make contributions to the SRF.

As part of its responsibility as the authority of supervision and resolution of the Portuguese financial sector, on August 3, 2014, Banco de Portugal decided to apply a resolution measure to Banco Espírito Santo, S.A. ("BES"), pursuant to article 145-G(5) of the Regime Geral das Instituições de Crédito e Sociedades Financeiras (RGICSF), which consisted in the transfer of the majority of its activity to a transition bank, called Novo Banco, S.A. ("Novo Banco").

To capitalise Novo Banco, the Resolution Fund provided 4 900 million Euros, of which, 377 million euros corresponded to its own financial resources. A loan of 700 million euros was also granted by a bank syndicate to the Resolution Fund, the participation of each credit institution being weighted according to diverse factors, including the respective size. The remaining amount (3 823 million euros) was from a refundable loan granted by the Portuguese State.

In December 2015, the national authorities decided to sell the majority of assets and liabilities associated to the activity of Banif – Banco Internacional do Funchal, S.A. ("Banif") to Banco Santander Totta, S.A. ("Santander Totta"), for 150 million euros, also in the context of the application of a resolution measure. This operation involved an estimated amount of 2 255 million euros in public funds which aimed to cover future contingencies, of which 489 million euros was financed by the Resolution Fund and 1 766 million euros directly by the Portuguese State. In the context of this resolution measure, Banif's assets identified as problematic were transferred to an asset management vehicle, created for the purpose – Oitante, S.A., with the Resolution Fund being the sole holder of its share capital, through the emission of bonds representative of the debt of this vehicle, amounting to 746 million euros, with the guarantee of the Resolution Fund and counter-guarantee of the Portuguese State.

The resolution measures applied in 2014 to the BES (a process that gave rise to the creation of Novo Banco) and in 2015 to Banif created uncertainties related with the risk of litigation involving the Resolution Fund, which is significant, and also with the risk of the possible shortage of funds to cover the liabilities, in particular the short-term reimbursement of the financing taken out.

It was in this context that in the second semester of 2016 that the Portuguese Government reached an agreement with the European Commission, in order to alter the conditions of the financing granted by the Portuguese State and by the banks participating in the Resolution Fund in order to preserve financial stability, by means of fostering conditions that would grant predictability and stability to the contributory effort towards the Resolution Fund. For the purpose, a supplement to the loan contracts to the Resolution Fund was formalised, which introduced a series of alterations to the reimbursement plans, to the rates of remuneration and other terms and conditions associated to these loans in order to adjust them to the capacity of the Resolution Fund to fully meet its obligations based on its normal revenue, or rather, without the need to charge special contributions or any other type of extraordinary contribution from the banks participating in the Resolution Fund.

According to the statement of the Resolution Fund of 31 March 2017, the review of the conditions of the financing granted by the Portuguese State and by the participating banks aimed to ensure the sustainability and financial equilibrium of the Resolution Fund, based on a stable, predictable and affordable charge for the banking sector. Based on this review, the Resolution Fund assumed that the full payment of the responsibilities of the Resolution Fund is ensured, and also the respective remuneration, without the need for the banking sector to resort to special contributions or any other type of extraordinary contributions.

Additionally on 31 March 2017, the Banco de Portugal advised that it had selected the Lone Star Fund for the purchase of Novo Banco, which was concluded on 17 October 2017. The Lone Star Fund became the owner of 75% of the share capital of Novo Banco and the Resolution Fund the remaining 25%. Furthermore, the conditions approved include a contingent funding mechanism, pursuant to which the Resolution Fund, as a shareholder, may be called on to make injections of capital if certain cumulative conditions arise. The possible capital injections to be made pursuant to this contingent mechanism are subject to an absolute maximum limit of 3 890 million euros during a period of 8 years. On 18 October 2017, Banco de Portugal and the Resolution Fund announced the decision to conclude the sale of Novo Banco to Lone Star.

On 13 June 2025, Novo Banco announced that its majority shareholder, Nani Holdings S.à r.l. (controlled by Lone Star Funds), had signed a Memorandum of Understanding for the sale of its shareholding to the BPCE Group, valuing Novo Banco at approximately 6.4 billion euros for 100% of its share capital. On the same date, the Resolution Fund announced that the sale of its 13.54% stake would generate gross proceeds of approximately 866 million euros, in addition to dividends relating to 2024 (30 million euros) and the 2025 capital reduction (149 million euros).

On 29 October 2025, the Ministry of Finance, the Resolution Fund, BPCE and Nani Holdings signed the final agreement for the sale of the entire shareholding in Novo Banco. Following completion, BPCE will become its sole shareholder.

At the reporting date, it is not possible to estimate the potential effects for the Resolution Fund arising from: (i) the sale of the stake in Novo Banco; (ii) the application of the “no-creditor-worse-off” principle; and (iii) legal proceedings related to resolution measures.

Even though legislation provides for the possibility of special contributions, given the renegotiation of State and bank-syndicate loans granted to the Resolution Fund and the public statements by the Resolution Fund and the Ministry of Finance confirming that such contributions will not be required, the financial statements as at 31 December 2025 reflect the Bank’s expectation that no special or extraordinary contributions will be demanded to finance the resolution measures applied to BES or Banif, or any other liabilities undertaken by the Resolution Fund.

NOTE 38 – RELATED PARTIES

The Bank's related parties transactions as of December 31, 2025, and 2024, as well as the respective expenses and income recognised in the year, are summarized as follows:

(thousand euros)

	31.12.2025						
	Assets			Guarantees	Liabilities	Income	Expenses
	Credit	Others	Total				
Subsidiaries							
HAITONG BANCO DE INVESTIMENTO DO BRASIL SA	-	2 539	2 539	11 536	-	291	(316)
HAITONG GLOBAL ASSET MANAGEMENT, SGOIC	-	119	119	-	29 431	275	862
TOTAL	**-**	**2 658**	**2 658**	**11 536**	**29 431**	**566**	**546**

(thousand euros)

	31.12.2024						
	Assets			Guarantees	Liabilities	Income	Expenses
	Credit	Others	Total				
Subsidiaries							
HAITONG BANCO DE INVESTIMENTO DO BRASIL SA	-	2 378	2 378	11 556	-	2 840	-
HAITONG GLOBAL ASSET MANAGEMENT, SGOIC	-	40	40	-	28 691	7 337	1 357
TOTAL	**-**	**2 418**	**2 418**	**11 556**	**28 691**	**10 177**	**1 357**

The Bank’s related parties transactions the group Haitong as of December 31, 2025, and 2024, as well as the respective expenses and income recognised in the year, are summarized as follows:

(thousand euros)

	31.12.2025						
	Assets			Guarantees	Liabilities	Income	Expenses
	Credit	Others	Total				
Ultimate parent company and Shareholders							
HAITONG SECURITIES CO., LTD	-	-	-	-	-	4	-
Subsidiaries and associates of shareholders							
HAITONG INTERNATIONAL SECURITIES CO LTD	-	-	-	-	-	-	19
HAITONG INTERNATIONAL FINANCE HOLDINGS LIMITED	-	-	-	-	-	-	-
HAITONG INVESTMENT IRELAND PLC	32 974	100	33 074	-	3 312	2 160	31
HAITONG PRIVATE EQUITY FUND	-	112	112	-	200	(257)	-
HAITONG UT BRILLIANT LIMITED	-	-	-	-	-	16	-
TOTAL	**32 974**	**212**	**33 186**	**-**	**3 512**	**1 923**	**50**

(thousand euros)

	31.12.2024						
	Assets			Guarantees	Liabilities	Income	Expenses
	Credit	Others	Total				
Subsidiaries and associates of shareholders							
HAITONG INTERNATIONAL SECURITIES CO LTD	-	-	-	-	-	-	18
HAITONG INTERNATIONAL FINANCE HOLDINGS LIMITED	-	-	-	-	-	201	-
HAITONG INVESTMENT IRELAND PLC	36 645	-	36 645	-	7 257	2 858	30
HAITONG PRIVATE EQUITY FUND	-	-	-	-	421	6	13
HAITONG UT BRILLIANT LIMITED	-	-	-	-	-	1	-
TOTAL	**36 645**	**-**	**36 645**	**-**	**7 678**	**3 066**	**61**

As of December 31, 2025, the income regarding fees and commission included 740 thousand euros (December 31,2024: 940 thousand euros) concern Haitong Group related parties.

The value of Haitong Bank transactions with related entities in which the Administrator and/or family have significant influence, in the year ended December 31, 2025 and 2024, as well as the respective costs and income recognised in the year, are summarized as follows:

(thousand euros)

	31.12.2025				
	Assets		Liabilities	Income	Expenses
	Others	Total			
Entities with relevant influence					
Fundo de pensões Haitong Bank	56 793	56 793	-	4 423	-
CAMARA COMERCIO E INDUSTRIA LUSO-CHINESA	-	-	-	-	6 035
Members of the management and supervisory bodies	-	-	579 276	-	7 684
TOTAL	**56 793**	**56 793**	**579 276**	**4 423**	**13 719**

(thousand euros)

	31.12.2024				
	Assets		Liabilities	Income	Expenses
	Others	Total			
Entities with relevant influence					
Fundo de pensões Haitong Bank	53 447	53 447	-	1 608	-
CAMARA COMERCIO E INDUSTRIA LUSO-CHINESA	-	-	-	-	6
Members of the management and supervisory bodies	-	-	2 054	-	7
TOTAL	**53 447**	**53 447**	**2 054**	**1 608**	**13**

All transactions with Related Parties are carried out under normal market conditions. When it is not possible to determine the market conditions applicable to a given transaction with a Related Party, the Bank applies a comparability benchmark to assess market conditions.

NOTE 39 – FAIR-VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair-value of financial assets and liabilities

Haitong Bank estimates the fair value of its instruments based on prices quoted in active markets or, when such prices are not available, based on valuation techniques following standard valuation models such as discounted cash flows and option pricing models. The valuation models' parameter inputs are based on observable data, when available, derived from prices of financial instruments actively traded or based on indicative broker quotes.

The Bank performs valuation adjustments to reflect counterparty credit risk (CVA) for uncollateralized derivatives assets considering the current exposure, loss given default and the probability of default. This probability of default is based on the Bank's credit risk assessment model or market information where applicable.

Fair-value Hierarchy

The Bank's financial instruments are classified under the three levels defined in IFRS 13 according to the following:

Level 1 – Instruments valued using quoted prices observed in active and liquid markets. These include government bonds, credit bonds and exchange traded equities and derivatives.

Level 2 – Instruments valued using valuation techniques based on observable market inputs, quotes prices for similar instruments in active markets or for identical instruments in markets that are neither active nor liquid. These includes bonds, plain vanilla OTC derivatives, less liquid equities and funds valued at Net Asset Values (NAV) published daily by the fund manager and with possibility of daily redemption. The OTC derivatives includes financial instruments traded in OTC (over the counter), in which the counterparty has signed agreements of collateral (ISDA with CSA – Credit Support Annex), with very small Minimum Transfer Amount (MTA), which allows to mitigate the counterparty's Credit Risk while the CVA (Credit Value Adjustment) does not have a significant impact on the instrument valuation. Additionally, it also includes financial derivatives traded in OTC, without CSA, but the percentage of information not observed in market (e.g.: Internal Rating, Probability of Default determined by internal models, etc.) within the CVA valuation is not meaningful in what concerns the value of derivative as a whole. It is considered as significant when the value of CVA is higher than 5%.

Level 3 – Instruments measured using valuation techniques based on non-observable market inputs and that do not comply with the requirements to be classified under Level 1 nor Level 2. These include non-plain vanilla OTC derivatives valued based on non-observable market inputs or on indicative prices published by third parties, distressed and highly illiquid bonds, funds valued at Net Asset Values (NAV) published by the fund manager without possibility of daily redemption and private equity placements. In the Level 3 are included financial instruments traded in OTC market with counterparties which Haitong Bank does not have CSA signed and the percentage of unobservable data incorporated in CVA valuating is considered significant in the total value of the derivative (value of CVA has a weight higher than 5% of the value of derivate).

For the valuation of these instruments, unobservable inputs are the Credit Spread, in the case of bonds and the CVA in the case of derivatives.

The CVA represents the specific adjustment applied to reflect counterparties' credit risk on derivatives with a positive fair value. To calculate CVA, Haitong Bank considers the Positive Net Present Value (NPV) of the

derivatives—representing the amount owed to the Bank in the event of the counterparty's default—and combines it with a weighting based on the Probability of Default (PD) and the Loss Given Default (LGD).

The Bank uses global default probabilities published annually by Standard & Poor's ("Mapping of S&P Global Market Intelligence Default Rates for Low Default Portfolios"), and the internal assignment of ratings follows S&P's methodology, being the PDs adjusted through the Bank's annual forward looking exercise, ensuring consistency between internal ratings and the PDs applied. Also, an LGD benchmark derived from Moody's annual study on recovery rates by rating category ("Moody's Corporate Default and Recovery Rates") is used as a proxy, being the LGD solely applied to the unsecured portion of each contract, meaning the exposure amount net of collateral after applying the relevant haircut.

The fair-value of financial assets and liabilities for the Bank is analysed as follows:

(thousand euros)

	Amortised cost	Valued at Fair Value			Total book value	Fair Value
		Level 1	Level 2	Level 3		
Balance as of 31 December 2025						
Cash and cash equivalents	22 985	-	-	-	22 985	22 985
Financial assets held for trading						
Securities	-	48 736	1 770	-	50 506	50 506
Derivative financial assets	-	-	17 160	-	17 160	17 160
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities	-	-	5 924	7 405	13 329	13 329
Loans and advances to customers	-	-	-	25	25	25
Financial assets at fair value through other comprehensive income	-	151 474	30 477	62 974	244 925	244 925
Financial assets measured at amortised cost						
Securities	396 621	-	-	-	396 621	397 811
Loans and advances to banks	616 910	-	-	-	616 910	616 910
Loans and advances to customers	694 300	-	-	-	694 300	694 553
Financial assets	**1 730 816**	**200 210**	**55 331**	**70 404**	**2 056 761**	**2 058 204**
Financial liabilities held for trading						
Securities	-	815	-	-	815	815
Derivative financial liabilities	-		17 005	-	17 005	17 005
Financial liabilities measured at amortised cost						
Resources of credit institutions	387 502	-	-	-	387 502	361 479
Resources of customers	1 094 798	-	-	-	1 094 798	1 091 398
Debt securities issued	128 008	-	-	-	128 008	126 696
Financial liabilities	**1 610 308**	**815**	**17 005**	**-**	**1 628 128**	**1 597 393**
Balance as of 31 December 2024						
Cash and cash equivalents	35 494	-	-	-	35 494	35 494
Financial assets held for trading						
Securities	-	39 938	330	24	40 292	40 292
Derivative financial assets	-	-	21 556	-	21 556	21 556
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities	-	-	5 115	7 990	13 105	13 105
Loans and advances to customers	-	-	-	23	23	23
Financial assets at fair value through other comprehensive income	-	207 084	44 841	47 539	299 464	299 464
Financial assets measured at amortised cost						
Securities	481 470	-	-	-	481 470	478 079
Loans and advances to banks	495 105	-	-	-	495 105	495 105
Loans and advances to customers	684 607	-	-	-	684 607	681 744
Financial assets	**1 696 676**	**247 022**	**71 842**	**55 576**	**2 071 116**	**2 064 862**
Financial liabilities held for trading						
Securities	-	817	-	-	817	817
Derivative financial liabilities	-		21 640	-	21 640	21 640
Financial liabilities measured at amortised cost						
Resources of credit institutions	399 102	-	-	-	399 102	395 123
Resources of customers	1 022 995	-	-	-	1 022 995	1 018 894
Debt securities issued	191 798	-	-	-	191 798	187 239
Financial liabilities	**1 613 895**	**817**	**21 640**	**-**	**1 636 352**	**1 623 713**

For financial instruments recorded in the balance sheet at fair value, the movement occurred between December 31, 2025 and December 31, 2024 in assets and liabilities classified in level 3 is as follows:

(thousand euros)

	Financial assets held for trading		Financial assets mandatory at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Total
	Securities	Derivative financial assets	Securities	Loans and advances		
Balance as of 31 December 2024	**24**	**-**	**7 990**	**23**	**47 539**	**55 576**
Results recognised in Net Interest Margin	-	-	-	-	(58)	**(58)**
Net trading income and from other financial instruments at fair value through profit or loss	-	-	-	2	-	**2**
Impairment on other financial assets net of reversal and recoveries	-	-	-	-	28	**28**
Other fair value changes	(24)	-	(585)	-	224	**(385)**
Acquisitions	-	-	-	-	21 780	**21 780**
Sales	-	-	-	-	(26 620)	**(26 620)**
Transfers from other levels	-	-	-	-	20 077	**20 077**
Balance as of 31 December 2025	**-**	**-**	**7 405**	**25**	**62 974**	**70 404**

In December 2025, based on the assessment of the market liquidity of the securities, Investment Securities (Financial Assets at FVTOCI) of 20,077 thousand euros were transferred from Level 2 to Level 3.

(thousand euros)

	Financial assets held for trading		Financial assets mandatory at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Total
	Securities	Derivative financial assets	Securities	Loans and advances		
Balance as of 31 December 2023	**1 390**	**165**	**4 454**	**24**	**41 515**	**47 548**
Results recognised in Net Interest Margin	-	-	-		734	**734**
Net trading income and from other financial instruments at fair value through profit or loss	3	-	491	(1)	-	**493**
Impairment on other financial assets net of reversal and recoveries	-	-	-	-	(104)	**(104)**
Other fair value changes	-	-	157	-	10	**167**
Fair value reserve changes	-	-	-	-	453	**453**
Acquisitions	-	-	2 888	-	29 726	**32 614**
Sales	-	-	-	-	(657)	**(657)**
Reimbursements	(1 393)	-	-	-	(3 000)	**(4 393)**
Transfers from other levels	24	-	-	-	9 311	**9 335**
Transfers to other levels	-	(165)	-	-	(30 449)	**(30 614)**
Balance as of 31 December 2024	**24**	**-**	**7 990**	**23**	**47 539**	**55 576**

In December 2024, based on the assessment of the market liquidity of the securities, Investment Securities (Financial Assets at FVTOCI) of 30,449 thousand euros were transferred from Level 3 to Level 2 and of 9,311 thousand euros from Level 1 to Level 3.

Also, based on the assessment of the market liquidity of the securities, trading securities (Financial Assets HFT) of 24 thousand euros were transferred from Level 1 to Level 3.

Regarding the derivative instruments, between January and December 2024, 165 thousand euros were transferred from Level 3 to Level 2, resulting from changes in CVA's impact on the valuation of the derivative, which exceeded 5% in December 2023.

The main parameters used, during 2025, in the valuation models were the following:

Yield curves

The short-term rates set out below reflects indicative values of deposit interest rates and/or futures. Swap rates are used in the long-term tenors of the interest curve:

(%)

Tenor	31.12.2025			31.12.2024		
	EUR	USD	PLN	EUR	USD	PLN
Overnight	1.93	3.71	3.72	2.92	4.37	5.52
1 month	1.94	3.67	4.04	2.85	4.32	5.72
3 months	2.03	3.65	3.99	2.71	4.30	5.74
6 months	2.11	3.58	3.87	2.57	4.25	5.70
1 year	2.15	3.43	3.65	2.02	4.18	5.62
3 years	2.38	3.34	3.62	2.19	4.05	5.04
5 years	2.57	3.46	3.79	2.25	4.04	5.00
7 years	2.73	3.61	3.93	2.29	4.05	5.05
10 years	2.92	3.80	4.21	2.36	4.07	5.16
15 years	3.14	4.05	4.56	2.42	4.12	5.33
20 years	3.24	4.17	4.70	2.36	4.10	5.46

Credit spreads

Credit spreads curves and recovery rates used by the Bank are sourced, on a daily basis, from Markit. The table below reflects the evolution of the main CDS indices:

(basis points)

Index	3 years	5 years	7 years	10 years
31.12.2025				
CDX USD Main	29.69	50.01	69.59	89.36
iTraxx Eur Main	27.07	50.66	69.98	91.25
iTraxx Eur Senior Financial	-	54.34	-	-
31.12.2024				
CDX USD Main	29.85	49.84	70.45	90.23
iTraxx Eur Main	35.24	57.65	77.48	97.96
iTraxx Eur Senior Financial	-	63.78	-	101.40

Interest rate volatilities

The following figures reflect at-the-money implied volatilities:

(%)

	31.12.2025			31.12.2024		
	EUR	USD	GBP	EUR	USD	GBP
1 year	22.94	54.80	36.99	68.79	70.16	64.55
3 years	53.57	72.62	60.38	83.63	101.12	98.52
5 years	67.72	78.63	70.36	86.08	103.76	104.74
7 years	66.39	91.30	76.44	85.52	103.64	105.89
10 years	68.24	82.95	82.35	83.59	102.38	104.96
15 years	68.15	84.15	86.14	79.71	98.48	102.36

Foreign exchange rate and volatilities

The table below reflects ECB's (European Central Bank) foreign exchange rates fixings and at-the-money implied volatilities:

	Exchange rate		Volatiliy (%)				
	31.12.2025	31.12.2024	1 month	3 months	6 months	9 months	1 year
EUR/USD	1.1750	1.0389	5.20	5.49	5.72	5.95	6.11
EUR/GBP	0.8726	0.8292	3.40	3.94	4.34	4.60	4.77
EUR/CHF	0.9314	0.9412	3.30	3.91	4.34	4.65	4.80
EUR/PLN	4.2210	4.2750	3.35	3.95	4.40	4.73	4.82
EUR/CNY	8.2262	7.5833	4.52	4.73	4.83	4.85	4.93
USD/BRL a)	5.4778	6.1847	12.52	13.16	13.89	14.65	16.09

a)Calculated based on the cross exchange rate between EUR/USD and EUR/BRL

The main methods and assumptions used in the abovementioned valuation of the fair-value of financial assets and liabilities are analysed as follows:

Cash and cash equivalents and Loans and advances to banks

The statement of financial position value of these financial instruments is considered a reasonable assumption of the corresponding fair-value due to their associated short timeframe.

Loans and advances to customers

The fair-value of loans and advances to customers is estimated based on the update of expected cash flows and interest, by taking into account market spreads for similar transactions (if they were entered into in the current moment) considering that the instalments are paid in compliance with the deadlines contractually agreed upon. For credit exposures classified in Stage 3, the Bank uses the respective net carrying amount as the fair value.

Resources of credit institutions

The fair value of these financial instruments is estimated based on the update of the expected cash flows of principal and interest, considering that the payments occur on the contractually defined dates.

Resources of customers

The fair value of these financial instruments is estimated based on the update of the expected cash flows of principal and interest, considering that the payments occur on the contractually defined dates. In accordance with IFRS 13.47, the fair value of liabilities with a demand feature cannot be lower than the amount payable to the customer. However, the Bank has considered, as underlying assumptions, the stability of the liability

base and a normal course of business context; therefore, the fair value estimate does not take this criterion into consideration.

Debt securities issued and Subordinated Liabilities

Generically, the fair-value of these instruments is based in market prices, when available. When unavailable, the fair-value it is estimated based on the update of expected cash flows in capital and interest regarding these instruments in the future.

NOTE 40 – RISK MANAGEMENT

As an independent control function, the Risk Management Department, being actively involved in all material decisions and aligned with parent guidelines and practices, aims to enable the Bank to make informed decisions and ensure that the risk policies approved by the Board of Directors are duly implemented and followed.

Credit Risk

The Credit Risk results from the possibility of financial losses arising from the default of the customer or counterparty in relation to the contractual financial obligations established with the Bank in the scope of its credit activity. Credit risk is mainly present in traditional banking products - loans, guarantees and loan commitments given - and in derivative products - swaps, forwards and options (counterparty risk).

The Bank's credit portfolios are permanently monitored, with interaction between the business teams and risk management throughout the sequential stages of the credit cycle.

The Group's credit risk profile is regularly monitored, namely, in what concerns the evolution of credit exposure, delinquency ratios and provisioning, and concentration metrics.

The Bank also controls the approved credit limits and assures the proper functioning of mechanisms related with the credit approval process.

ECL calculation

The IFRS 9 standard outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition. According to Haitong Bank model, Expected Credit Loss (ECL) is determined as per the detailed information included in chapter 2.3.1., Impairment of Financial Assets and Financial Model.

- **Stage 1 – Performing**: Impairment assessment is carried out based 12-month expected credit loss (ECL). The ECL is measured by the present value of the exposure at default as at the reference date multiplied by the 12-month probability of default and the loss given default;
- **Stage 2 – Under Performing**: Impairment assessment will reflect the ECL lifetime resulting from a possible default event that may occur over the expected residual life of the instrument. The ECL considers the expected cash flows and the lifetime PD over the remaining life of the financial instrument. The Group considers the daily inter-period PD at the reference date for the ECL calculation.
- **Stage 3 – Non Performing**: Impairment assessment will reflect the ECL over the expected residual life of the instrument.

ECL measurement inputs

As a result of the characteristics of the Bank's portfolio (reduced number of transactions and high heterogeneity), the calculation of the ECL has as the main vector of measurement the individual analysis assessment. Under the collective model, which is applied to financial instruments classified in Stage 1 and to determine the minimum impairment rate applicable to financial instruments classified in Stage 2, the key inputs for ECL measurement are the following:

- Probability of Default (PD): describes the likelihood of default. Haitong Bank takes in account the PD provided by S&P, whereas the rating assigning process is performed internally based on the S&P methodology. This assures the alignment between the internal risk management and the impairment calculation process. Additionally, the Bank incorporates climate and environmental considerations into its credit activities through an ESG Risk scoring model, which identifies clients with potentially high ESG risks. For such clients, further ESG due diligence is conducted to assess mitigation measures, leading to a final ESG risk classification embedded in the rating, thus impacting the ECL calculation.
- Loss Given Default (LGD): is the magnitude of the loss at the time of a default. The Bank applies the LGD based on Moody's LGD benchmarks (recovery rates), depending on the debtor and the financial instrument's characteristics in terms of instrument type and collateral.
- Exposure at Default (EAD): the expected exposure in the event of a default. The calculation of EAD depends on the asset type.

Regarding undrawn loan commitments and financial guarantees, the amount considered in the calculation of impairment at each stage results from the exposure as of the reference date weighted by the credit conversion factor (according with CRR).

Forward-Looking Information

As part of the forward-looking exercise, the Bank adjusted the through-the-cycle probabilities of default ("TTC PD"), incorporating prospective macroeconomic information, and generated "point-in-time" probabilities of default ("PiT PD"),. The TTC PD are the default probabilities provided by S&P, having the Bank developed a methodology to estimate PiT PD, based on the Scalar Factor concept, i.e., a coefficient that enables the conversion of TTC PD into PiT PD.

The forward-looking information used by the Bank is grounded on a simplified approach, based on a proportionality concept, and due to size and profile of the Bank. Considering the characteristics of the Bank's portfolio, and in view of its worldwide presence, the 2024 forward-looking exercise involves a global macroanalysis.

The Scalar Factor was determined according to a scenario-based approach upon external information was implemented, which provides sufficient granularity to meet regulatory and accounting requirements. The scenario-based approach incorporates a base case and downside scenario, weighted by their probability of occurrence, respectively, 80% and 20%.

The table below systematizes the assumptions considered for each scenario, whereas the Bank took into consideration the existing projections of reputed entities.

	Global GDP		Global Inflation		EURIBOR 3-months rate	
	(% of change of constant prices)		(% change in average CPI)		(rate)	
Scenario / Year	Downside	Base	Downside	Base	Downside	Base
2026	2.60%	3.09%	2.80%	3.71%	1.50%	1.90%
2027	2.50%	3.22%	2.75%	3.42%	1.25%	2.10%
2028	2.50%	3.21%	2.60%	3.31%	1.00%	2.42%

The Bank's forward-looking exercise applies to the collective impairment model and covers exposures with a significant increase in credit risk, i.e., classified in Stage 2, namely whenever economic projections are available.

The annual update of the forward-looking exercise as of December 2025 led to a decrease of impairment of approximately 59 thousand euros.

Haitong Bank also carried out a sensitivity analysis, as of December 31st, 2025, based on the impact assessment of a 10% variation in external parameters considered in the collective model for the calculation of expected credit losses (PD and LGD). Finally, a +10% shock was applied to the PiT PD and the LGD parameters, verifying that the impact on expected credit losses would result in an increase of approximately 378 thousand euros for each scenario. Moreover, the Bank conducted a sensitivity analysis to disclose the impacts on impairment resulting from variations in the weighting of the scenarios used, adjusting the base case and downside scenario weights to 70% and 30%, respectively. This analysis verified that the impact on expected credit losses would result in an increase of approximately 49 thousand euros.

Additionally, the Bank has carried out the regular stress testing exercise covering its credit portfolios, which essentially relies on a sensitivity analysis to assess the potential impacts over its asset quality/risk profile main indicators, resulting from market wide, counterparty-specific and region-specific shock scenarios.

The financial instruments subject to standard IFRS 9 impairment requirements are presented below, detailed by stage, as of December 31st, 2025 and December 31st, 2024. It should be highlighted that throughout the presentation of the credit risk tables, the asset class of loan to customers included a loan measured at FVTPL in the amount of 25 thousand euros which, despite not being subject to impairment calculation, contribute at a prudential level to the Bank's banking book and are therefore presented in these tables.

(thousand euros)

Asset Type	31.12.2025													
	Stage 1					Total Stage 1	Stage 2				Total Stage 2	Stage 3 and POCI	Total Stage 3	Total
	Low to Fair risk [aaa+;a-]	Monitoring [bbb+;b-]	Substandard [ccc+;ccc]	Doubtful [lccc]	Not rated		Monitoring [bbb+;b-]	Substandard [ccc+;ccc]	Doubtful [lccc]	Not rated		Impaired		
Loans and advances to customers	63 927	610 351	-	-	-	**674 278**	15 573	-	-	-	**15 573**	18 757	**18 757**	**708 608**
Loan commitments	2 100	52 857	-	-	-	**54 957**	-	-	-	-	**-**	360	**360**	**55 317**
Guarantees	29 377	62 165	-	-	-	**91 542**	-	-	-	-	**-**	297	**297**	**91 839**
Securities	85 970	546 803	-	-	-	**632 773**	8 953	-	-	-	**8 953**	-	**-**	**641 726**
Loans and advances to banks	616 911	-	-	-	-	**616 911**	-	-	-	-	**-**	-	**-**	**616 911**
Cash equivalents	21 923	975	-	-	-	**22 898**	-	-	-	-	**-**	110	**110**	**23 008**
Debtors and other assets	-	-	-	-	498	**498**	-	-	-	-	**-**	8 226	**8 226**	**8 724**
Commitments to Third Parties	-	35 000	-	-	-	**35 000**	-	-	-	-	**-**	-	**-**	**35 000**
Total	**820 208**	**1 308 151**	**-**	**-**	**498**	**2 128 857**	**24 526**	**-**	**-**	**-**	**24 526**	**27 750**	**27 750**	**2 181 133**

(thousand euros)

Asset Type	31.12.2024													
	Stage 1					Total Stage 1	Stage 2				Total Stage 2	Stage 3 and POCI	Total Stage 3	Total
	Low to Fair risk [aaa+;a-]	Monitoring [bbb+;b-]	Substandard [ccc+;ccc]	Doubtful [lccc]	Not rated		Monitoring [bbb+;b-]	Substandard [ccc+;ccc]	Doubtful [lccc]	Not rated		Impaired		
Loans and advances to customers	73 377	592 649	-	-	-	**666 026**	19 927	-	-	-	**19 927**	3 387	**3 387**	**689 340**
Loan commitments	2 100	75 799	-	-	-	**77 899**	-	-	-	-	**-**	352	**352**	**78 251**
Guarantees	30 796	62 511	-	-	-	**93 307**	-	-	-	-	**-**	372	**372**	**93 679**
Securities	107 300	664 791	-	-	-	**772 091**	10 126	-	-	-	**10 126**	-	**-**	**782 217**
Loans and advances to banks	449 506	45 608	-	-	-	**495 114**	-	-	-	-	**-**	-	**-**	**495 114**
Cash equivalents	30 743	2 946	-	-	284	**33 973**	-	-	-	-	**-**	3 897	**3 897**	**37 870**
Debtors and other assets	-	-	-	-	439	**439**	-	-	-	-	**-**	12 823	**12 823**	**13 262**
Commitments to Third Parties	-	20 000	-	-	-	**20 000**	-	-	-	-	**-**	-	**-**	**20 000**
Total	**693 822**	**1 464 304**	**-**	**-**	**723**	**2 158 849**	**30 053**	**-**	**-**	**-**	**30 053**	**20 831**	**20 831**	**2 209 733**

The rating distribution presented above is based on the internal rating methodology of the Bank. As of December 31st, 2024, and December 2023, the majority of non-rated exposures relates to other debtors' transactions.

As of December 31st, 2054, the maximum exposure to credit risk of financial assets not subject to impairment requirements amounts to 13,6 thousands euros (December 31, 2024: 28.2 million euros) corresponding to exposures to Central Banks.

The table below compiles all financial instruments at amortised cost by industry, stage and days of delay as December 31st, 2025 and December 31st, 2024:

(thousand euros)

31.12.2025																						
Financial instruments at Amortised cost (including financial guarantees) by industry, stage and past due status	Stage 1						Total Stage 1		Stage 2		Total Stage 2		Stage 3 and POCI						Total Stage 3 and POCI		Total	
	No overdue		1 - 29 days		30 - 89 days				No overdue				No overdue		90 - 180 days		More than 181 days(1)					
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Agribusiness & Commodity Foods	17 255	81	-	-	-	-	**17 255**	**81**	-	-	-	-	-	-	-	-	-	-	-	-	**17 255**	**81**
Agricultural Cooperatives	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Automobiles & Components	11 769	12	-	-	-	-	**11 769**	**12**	-	-	-	-	-	-	-	-	-	-	-	-	**11 769**	**12**
Banks	650 358	514	-	-	327	-	**650 685**	**514**	-	-	-	-	110	28	-	-	-	-	**110**	**28**	**650 795**	**542**
Broker Dealers	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Building Materials	27 247	54	10	-	-	-	**27 257**	**54**	-	-	-	-	-	-	-	-	186	186	**186**	**186**	**27 443**	**240**
Capital Goods	66 780	52	-	-	-	-	**66 780**	**52**	-	-	-	-	-	-	-	-	-	-	-	-	**66 780**	**52**
Chemicals	37 822	103	-	-	-	-	**37 822**	**103**	-	-	-	-	-	-	15 449	10 400	-	-	**15 449**	**10 400**	**53 271**	**10 503**
Commercial & Professional Services	-	-	-	-	-	-	**-**	**-**	-	-	-	-	3 940	1 411	-	-	-	-	**3 940**	**1 411**	**3 940**	**1 411**
Construction & Engineering	128 272	157	-	-	-	-	**128 272**	**157**	-	-	-	-	-	-	-	-	-	-	-	-	**128 272**	**157**
Consumer Durables & Apparel	28 246	215	-	-	-	-	**28 246**	**215**	-	-	-	-	-	-	-	-	-	-	-	-	**28 246**	**215**
Containers & Packaging	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Food, Beverage & Tobacco	31 373	112	-	-	-	-	**31 373**	**112**	-	-	-	-	-	-	-	-	-	-	-	-	**31 373**	**112**
Funds & Asset Managers	416	-	-	-	-	-	**416**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**416**	**-**
Governments	194 416	128	-	-	-	-	**194 416**	**128**	-	-	-	-	-	-	-	-	-	-	-	-	**194 416**	**128**
Health Care	28 606	83	-	-	-	-	**28 606**	**83**	-	-	-	-	-	-	-	-	-	-	-	-	**28 606**	**83**
Hotels & Gaming	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Household & Personal Products	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Insurance	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Investment Holdings	13 449	19	-	-	-	-	**13 449**	**19**	-	-	-	-	-	-	-	-	-	-	-	-	**13 449**	**19**
Media & Entertainment	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Metals & Mining	27 319	38	-	-	-	-	**27 319**	**38**	-	-	-	-	-	-	-	-	-	-	-	-	**27 319**	**38**
Non Bank Financial Institutions	88 085	358	-	-	21	-	**88 106**	**358**	-	-	-	-	-	-	-	-	-	-	-	-	**88 106**	**358**
Oil & Gas	126 015	100	-	-	-	-	**126 015**	**100**	-	-	-	-	-	-	-	-	-	-	-	-	**126 015**	**100**
Paper & Forest Products	22 624	13	-	-	-	-	**22 624**	**13**	-	-	-	-	-	-	-	-	-	-	-	-	**22 624**	**13**
Power	91 549	400	-	-	-	-	**91 549**	**400**	-	-	-	-	-	-	-	-	-	-	-	-	**91 549**	**400**
Real estate	70 826	180	16	-	-	-	**70 842**	**180**	3 754	278	**3 754**	**278**	-	-	-	-	-	-	-	-	**74 596**	**458**
Rental & Leasing	-	-	-	-	-	-	**-**	**-**	11 820	352	**11 820**	**352**	-	-	-	-	-	-	-	-	**11 820**	**352**
Retailing	9 065	29	-	-	-	-	**9 065**	**29**	-	-	-	-	-	-	-	-	-	-	-	-	**9 065**	**29**
Software	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Technology Hardware & Equipment	-	-	-	-	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Telecoms	103 738	333	-	-	-	-	**103 738**	**333**	-	-	-	-	-	-	-	-	-	-	-	-	**103 738**	**333**
Transportation	10 434	15	-	-	-	-	**10 434**	**15**	-	-	-	-	-	-	-	-	-	-	-	-	**10 434**	**15**
Transportation Infrastructure	84 179	83	7	-	3	-	**84 189**	**83**	-	-	-	-	-	-	-	-	7 885	3 890	**7 885**	**3 890**	**92 074**	**3 973**
Water Utilities	23 703	61	-	-	-	-	**23 703**	**61**	-	-	-	-	-	-	-	-	-	-	-	-	**23 703**	**61**
Others	32	-	77	4	-	-	**109**	**4**	-	-	-	-	-	-	-	-	151	130	**151**	**130**	**260**	**134**
Total	**1 893 578**	**3 140**	**110**	**4**	**351**	**-**	**1 894 039**	**3 144**	**15 574**	**630**	**15 574**	**630**	**4 050**	**1 439**	**15 449**	**10 400**	**8 222**	**4 206**	**27 721**	**16 045**	**1 937 334**	**19 819**

(1) Resulting from the specific characteristics of the Receivables portfolio, a simplified approach based on the days past due (and therefore standardized in Stage 1) is applied.

(thousand euros)

31.12.2024																						
Financial instruments at Amortised cost (including financial guarantees) by industry, stage and past due status	Stage 1						Total Stage 1		Stage 2		Total Stage 2		Stage 3 and POCI						Total Stage 3 and POCI		Total	
	No overdue		1 - 29 days		More than 181 days(1)				No overdue				No overdue		90 - 180 days		More than 181 days(1)					
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Agribusiness & Commodity Foods	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-	-	-
Automobiles & Components	45 570	113	-	-	-	-	**45 570**	**113**	-	-	-	-	-	-	-	-	-	-	-	-	**45 570**	**113**
Banks	571 038	315	-	-	-	-	**571 038**	**315**	-	-	-	-	3 897	2 379	-	-	-	-	**3 897**	**2 379**	**574 935**	**2 694**
Broker Dealers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Materials	30 782	61	-	-	-	-	**30 782**	**61**	-	-	-	-	-	-	-	-	189	189	**189**	**189**	**30 971**	**250**
Capital Goods	42 133	14	-	-	-	-	**42 133**	**14**	-	-	-	-	-	-	-	-	-	-	-	-	**42 133**	**14**
Chemicals	16 692	30	-	-	-	-	**16 692**	**30**	15 923	707	**15 923**	**707**	-	-	-	-	-	-	-	-	**32 615**	**737**
Commercial & Professional Services	34 848	530	-	-	-	-	**34 848**	**530**	-	-	-	-	4 089	1 257	5	5	-	-	**4 094**	**1 262**	**38 942**	**1 792**
Construction & Engineering	96 330	61	7	-	-	-	**96 337**	**61**	-	-	-	-	-	-	-	-	378	377	**378**	**377**	**96 715**	**438**
Consumer Durables & Apparel	18 050	85	-	-	-	-	**18 050**	**85**	-	-	-	-	-	-	-	-	-	-	-	-	**18 050**	**85**
Containers & Packaging	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food, Beverage & Tobacco	16 420	40	-	-	-	-	**16 420**	**40**	-	-	-	-	-	-	-	-	-	-	-	-	**16 420**	**40**
Funds & Asset Managers	5 996	4	-	-	-	-	**5 996**	**4**	-	-	-	-	-	-	-	-	-	-	-	-	**5 996**	**4**
Governments	256 919	204	-	-	-	-	**256 919**	**204**	-	-	-	-	-	-	-	-	-	-	-	-	**256 919**	**204**
Health Care	9 362	-	97	1	-	-	**9 459**	**1**	-	-	-	-	-	-	-	-	-	-	-	-	**9 459**	**1**
Media & Entertainment	-	-	62	1	-	-	**62**	**1**	-	-	-	-	-	-	-	-	-	-	-	-	**62**	**1**
Metals & Mining	30 930	45	-	-	-	-	**30 930**	**45**	-	-	-	-	-	-	-	-	-	-	-	-	**30 930**	**45**
Non Bank Financial Institutions	41 054	345	40	-	-	-	**41 094**	**345**	-	-	-	-	-	-	-	-	-	-	-	-	**41 094**	**345**
Oil & Gas	122 191	323	-	-	-	-	**122 191**	**323**	-	-	-	-	-	-	-	-	-	-	-	-	**122 191**	**323**
Paper & Forest Products	22 659	14	-	-	-	-	**22 659**	**14**	-	-	-	-	-	-	-	-	-	-	-	-	**22 659**	**14**
Power	153 018	556	-	-	-	-	**153 018**	**556**	-	-	-	-	-	-	-	-	-	-	-	-	**153 018**	**556**
Real estate	94 638	438	32	-	-	-	**94 670**	**438**	3 754	278	**3 754**	**278**	-	-	-	-	8	3	**8**	**3**	**98 432**	**719**
Rental & Leasing	12 061	113	-	-	-	-	**12 061**	**113**	-	-	-	-	-	-	-	-	-	-	-	-	**12 061**	**113**
Retailing	19 741	61	-	-	-	-	**19 741**	**61**	-	-	-	-	-	-	-	-	-	-	-	-	**19 741**	**61**
Telecoms	94 099	226	20 554	30	29	-	**114 682**	**256**	-	-	-	-	-	-	-	-	-	-	-	-	**114 682**	**256**
Transportation	10 502	16	-	-	-	-	**10 502**	**16**	250	-	**250**	-	-	-	-	-	-	-	-	-	**10 752**	**16**
Transportation Infrastructure	96 258	105	7	-	-	-	**96 265**	**105**	-	-	-	-	-	-	-	-	9 891	4 139	**9 891**	**4 139**	**106 156**	**4 244**
Water Utilities	7 407	11	-	-	-	-	**7 407**	**11**	-	-	-	-	-	-	-	-	-	-	-	-	**7 407**	**11**
Others	3	-	23	-	131	1	**157**	**1**	-	-	-	-	-	-	634	63	1 719	687	**2 353**	**750**	**2 510**	**751**
Total	**1 848 701**	**3 710**	**20 822**	**32**	**160**	**1**	**1 869 683**	**3 743**	**19 927**	**985**	**19 927**	**985**	**7 986**	**3 636**	**639**	**68**	**12 185**	**5 395**	**20 810**	**9 099**	**1 910 420**	**13 827**

Loans and advances to customers

The table below presents a summary of the portfolio of loans and advances to customers of Haitong Bank as of December 31st, 2025, and December 31st, 2024:

(thousand euros)

Loans and advances to customers		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	63 926	-	-	-	**63 926**
Monitoring	[bbb+;b-]	610 352	15 573	-	-	**625 925**
Impaired	[d]	-	-	16 704	2 028	**18 732**
Gross carrying amount		**674 278**	**15 573**	**16 704**	**2 028**	**708 583**
Loss allowance (Note 32)		1 882	630	10 431	1 340	**14 283**
Carrying amount		**672 396**	**14 943**	**6 273**	**688**	**694 300**
Fair Value Through Profit and Loss		-	-	-	-	**-**
Impaired	[d]	-	-	25	-	**25**
Gross carrying amount		**-**	**-**	**25**	**-**	**25**
Carrying amount		**-**	**-**	**25**	**-**	**25**
Total gross carrying amount		**674 278**	**15 573**	**16 729**	**2 028**	**708 608**
Loss allowance (Note 32)		1 882	630	10 431	1 340	**14 283**
Total Carrying amount		**672 396**	**14 943**	**6 298**	**688**	**694 325**

(thousand euros)

Loans and advances to customers		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	73 378	-	-	-	**73 378**
Monitoring	[bbb+;b-]	592 648	19 927	-	-	**612 575**
Impaired	[d]	-	-	1 263	2 100	**3 363**
Gross carrying amount		**666 026**	**19 927**	**1 263**	**2 100**	**689 316**
Loss allowance (Note 32)		2 514	985	22	1 188	**4 709**
Carrying amount		**663 512**	**18 942**	**1 241**	**912**	**684 607**
Fair Value Through Profit and Loss		**-**	**-**	**-**	**-**	**-**
Impaired	[d]	-	-	24	-	**24**
Gross carrying amount		**-**	**-**	**24**	**-**	**24**
Revaluation		-	-	(1)	-	**(1)**
Carrying amount		**-**	**-**	**23**	**-**	**23**
Total gross carrying amount		**666 026**	**19 927**	**1 287**	**2 100**	**689 340**
Loss allowance (Note 32)		2 514	985	22	1 188	**4 709**
Total Carrying amount		**663 511**	**18 942**	**1 265**	**912**	**684 630**

Loan commitments

The table below presents a summary of the portfolio of loan commitments of Haitong Bank as of December 31st, 2025:

(thousand euros)

Loan commitments		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	2 100	-	-	-	**2 100**
Monitoring	[bbb+;b-]	52 857	-	-	-	**52 857**
Impaired	[d]	-	-	360	-	**360**
Total gross carrying amount		**54 957**	**-**	**360**	**-**	**55 317**
Loss allowance (Note 32)		37	-	9	-	**46**
Total Carrying amount		**54 920**	**-**	**351**	**-**	**55 271**

(thousand euros)

Loan commitments		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	2 100	-	-	-	**2 100**
Monitoring	[bbb+;b-]	75 799	-	-	-	**75 799**
Impaired	[d]	-	-	352	-	**352**
Total gross carrying amount		**77 899**	**-**	**352**	**-**	**78 251**
Loss allowance (Note 32)		143	-	6	-	**149**
Total Carrying amount		**77 756**	**-**	**346**	**-**	**78 102**

Guarantees

The table below presents a summary of the portfolio of guarantees granted to clients of Haitong Bank as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

Guarantees		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	29 377	-	-	-	**29 377**
Monitoring	[bbb+;b-]	62 165	-	-	-	**62 165**
Impaired	[d]	-	-	297	-	**297**
Total gross carrying amount		**91 542**	**-**	**297**	**-**	**91 839**
Loss allowance (Note 32)		553	-	31	-	**584**
Total Carrying amount		**90 989**	**-**	**266**	**-**	**91 255**

(thousand euros)

Guarantees		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Low to fair risk	[aaa+;a-]	30 796	-	-	-	**30 796**
Monitoring	[bbb+;b-]	62 511	-	-	-	**62 511**
Impaired	[d]	-	-	372	-	**372**
Total gross carrying amount		**93 307**	**-**	**372**	**-**	**93 679**
Loss allowance (Note 32)		297	-	39	-	**336**
Total Carrying amount		**93 010**	**-**	**333**	**-**	**93 343**

Debt securities

The table below presents a summary of the portfolio of loans and advances debt securities at amortised cost and at fair value through other comprehensive income of Haitong Bank, as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

FVOCI and Amortised cost debt Securities		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	61 305	-	-	-	**61 305**
Monitoring	[bbb+;b-]	336 650	-	-	-	**336 650**
Gross carrying amount		**397 955**	**-**	**-**	**-**	**397 955**
Loss allowance (Note 32)		622	-	-	-	**622**
Fair value hedge		(712)	-	-	-	**(712)**
Carrying amount (Note 17)		**396 621**	**-**	**-**	**-**	**396 621**
Fair Value through Other Comprehensive Income						
Low to fair risk	[aaa+;a-]	24 666	-	-	-	**24 666**
Monitoring	[bbb+;b-]	210 152	8 953	-	-	**219 105**
Gross carrying amount		**234 818**	**8 953**	**-**	**-**	**243 771**
Loss allowance (Note 32)		514	9	-	-	**523**
Revaluation		1 308	(108)	-	-	**1 200**
Fair value hedge		477	-	-	-	**477**
Carrying amount		**236 089**	**8 836**	**-**	**-**	**244 925**
Total gross carrying amount		**632 773**	**8 953**	**-**	**-**	**641 726**
Loss allowance		1 136	9	-	-	**1 145**
Revaluation		1 308	(108)	-	-	**1 200**
Fair value hedge		(235)	-	-	-	**(235)**
Total Carrying amount		**632 710**	**8 836**	**-**	**-**	**641 546**

(thousand euros)

FVOCI and Amortised cost debt Securities		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	74 982	-	-	-	**74 982**
Monitoring	[bbb+;b-]	407 944	-	-	-	**407 944**
Gross carrying amount		**482 926**	**-**	**-**	**-**	**482 926**
Loss allowance (Note 32)		765	-	-	-	**765**
Fair value hedge		(691)	-	-	-	**(691)**
Carrying amount (Note 17)		**481 470**	**-**	**-**	**-**	**481 470**
Fair Value through Other Comprehensive Income						
Low to fair risk	[aaa+;a-]	32 318	-	-	-	**32 318**
Monitoring	[bbb+;b-]	256 847	10 126	-	-	**266 973**
Gross carrying amount		**289 165**	**10 126**	**-**	**-**	**299 291**
Loss allowance (Note 32)		510	47	-	-	**557**
Revaluation		1 171	(431)	-	-	**740**
Fair value hedge		(10)	-	-	-	**(10)**
Carrying amount		**289 816**	**9 648**	**-**	**-**	**299 464**
Total gross carrying amount		**772 091**	**10 126**	**-**	**-**	**782 217**
Loss allowance		1 275	47	-	-	**1 322**
Revaluation		1 173	(432)	-	-	**741**
Fair value hedge		(702)	-	-	-	**(702)**
Total Carrying amount		**771 287**	**9 647**	**-**	**-**	**780 934**

Cash equivalents

The table below presents a summary of the cash equivalents portfolio of Haitong Bank, as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

Cash equivalents		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	21 923	-	-	-	**21 923**
Monitoring	[bbb+;b-]	975	-	-	-	**975**
Impaired	[d]	-	-	110	-	**110**
Total gross carrying amount		**22 898**	**-**	**110**	**-**	**23 008**
Loss allowance (Note 32)		-	-	28	-	**28**
Total Carrying amount		**22 898**	**-**	**82**	**-**	**22 980**

(thousand euros)

Cash equivalents		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	30 743	-	-	-	**30 743**
Monitoring	[bbb+;b-]	2 946	-	-	-	**2 946**
Impaired	[d]	-	-	3 897	-	**3 897**
Not rated		284	-	-	-	**284**
Total gross carrying amount		**33 973**	**-**	**3 897**	**-**	**37 870**
Loss allowance (Note 32)		-	-	2 378	-	**2 378**
Total Carrying amount		**33 973**	**-**	**1 519**	**-**	**35 492**

Loans and advances to banks

The table below presents a summary of the portfolio of loans and advances to banks of Haitong Bank, as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

Loans and advances to banks		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	616 911	-	-	-	**616 911**
Total gross carrying amount		**616 911**	**-**	**-**	**-**	**616 911**
Loss allowance (Note 32)		1	-	-	-	**1**
Total Carrying amount		**616 910**	**-**	**-**	**-**	**616 910**

(thousand euros)

Loans and advances to banks		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Low to fair risk	[aaa+;a-]	449 506	-	-	-	**449 506**
Monitoring	[bbb+;b-]	45 608	-	-	-	**45 608**
Total gross carrying amount		**495 114**	**-**	**-**	**-**	**495 114**
Loss allowance (Note 32)		9	-	-	-	**9**
Total Carrying amount		**495 105**	**-**	**-**	**-**	**495 105**

Debtors and other assets

The table below presents a summary of the debtors and other assets portfolio of Haitong Bank, as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

Debtors and other assets		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Impaired	[d]	-	-	-	7 885	**7 885**
Not rated		498	-	341	-	**839**
Total gross carrying amount		**498**	**-**	**341**	**7 885**	**8 724**
Loss allowance (Note 32)		1	-	316	3 890	**4 207**
Total Carrying amount		**497**	**-**	**25**	**3 995**	**4 517**

(thousand euros)

Debtors and other assets		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Impaired	[d]	-	-	-	9 891	**9 891**
Not rated		439	-	2 932	-	**3 371**
Total gross carrying amount		**439**	**-**	**2 932**	**9 891**	**13 262**
Loss allowance (Note 32)		4	-	1 326	4 140	**5 470**
Total Carrying amount		**435**	**-**	**1 606**	**5 751**	**7 792**

Commitments to Third Parties

The table below presents a summary of the portfolio of debtors and other assets portfolio of Haitong Bank Group, as of December 31st, 2025 and December 31st, 2024:

(thousand euros)

Commitments to Third Parties		31.12.2025				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Monitoring	[bbb+;b-]	35 000	-	-	-	**35 000**
Total gross carrying amount		**35 000**	**-**	**-**	**-**	**35 000**
Loss allowance (Note 32)		48	-	-	-	**48**
Total Carrying amount		**34 952**	**-**	**-**	**-**	**34 952**

(thousand euros)

Commitments to Third Parties		31.12.2024				
		Stage 1	Stage 2	Stage 3	POCI	Total
Amortized cost						
Monitoring	[bbb+;b-]	20 000	-	-	-	**20 000**
Total gross carrying amount		**20 000**	**-**	**-**	**-**	**20 000**
Loss allowance (Note 32)		11	-	-	-	**11**
Total Carrying amount		**19 989**	**-**	**-**	**-**	**19 989**

During the year of 2025 and 2024, the following moves occurred:

(thousand euros)

	Of which:			Total
	Stage 1	Stage 2	Stage 3	
Balance on 31 December 2024	**2 159 320**	**29 621**	**20 831**	**2 209 772**
Exposure increases/decreases	148 046	(1 574)	(7 908)	**138 564**
Transfers	-	-	-	**-**
from stage 1	(11 820)	11 820	-	**-**
from stage 2	-	(15 449)	15 449	**-**
from stage 3	-	-	-	**-**
Write-off	-	-	(622)	**(622)**
Sales	(165 616)	-	-	**(165 616)**
Balance on 31 December 2025	**2 129 930**	**24 418**	**27 750**	**2 182 098**

(thousand euros)

	Of which:			Total
	Stage 1	Stage 2	Stage 3	
Balance on 31 December 2023	**2 266 048**	**24 287**	**56 652**	**2 346 987**
Exposure increases/decreases	61 638	(10 589)	(26 262)	**24 787**
Transfers	-	-	-	**-**
from stage 1	(15 923)	15 923	-	**-**
from stage 2	-	-	-	**-**
from stage 3	-	-	-	**-**
Write-off	-	-	(9 559)	**(9 559)**
Sales	(152 443)	-	-	**(152 443)**
Balance on 31 December 2024	**2 159 320**	**29 621**	**20 831**	**2 209 772**

During 2025, an exposure totalling 15 449 thousand euros was transferred from Stage 2 to Stage 3, and an exposure totalling 11 820 thousand euros was transferred from Stage 1 to Stage 2.

The use of credit protection is a key element of the risk policy and credit decision process, influencing the acceptance criteria, the decision levels, and the pricing.

The main risk mitigation techniques used by the Group are financial pledges (funded credit protection – financial collateral in the form of securities and cash) and personal guarantees (unfunded credit protection with risk substitution effect).

Haitong Bank follows the prescription of CRR in what concerns collateral haircuts for impairment calculation. Thus, instead of using the collateral value, the Group considers the collateral value after haircut application.

Frequency and methods of collateral valuation depends on the nature of the collateral. For listed equity securities and debt securities, valuation occurs on a daily basis using market prices.

As approved by the Executive Committee during 2024, the pledge of bank accounts valuation update takes place on a semi-annual basis, after the reference dates 30/6 and 31/12 or whenever there is a significant change that implies the update of the values, according to the information provided by the depositary bank.

Regarding pledges over non-listed equity securities, pledges over equipment and mortgage valuation, it is done at least on an annual basis and it is based on financial information of the borrower or on valuation reports of external entities (e.g. real estate).

As of December 31st, 2025, the number of financial instruments with no losses identified, due to credit risk's mitigation techniques (i.e. whenever the exposure at default net of collateral is equal to zero), was 18 789 thousand euros accounted under guarantees (December 31st, 2024: 5 466 thousand euros).

The table below disaggregates the financial instrument and financial guarantees' gross exposure, and exposure at default (EAD) separately for each stage and POCI.

(thousand euros)

31.12.2025									
Rating bucket		Stage 1		Stage 2		Stage 3		POCI	
		Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD
Low to fair risk	[aaa+;a-]	820 208	802 295	-	-	-	-	-	-
Monitoring	[bbb+;b-]	1 308 151	1 177 192	24 526	24 526	-	-	-	-
Substandard	[ccc+;ccc]	-	-	-	-	-	-	-	-
Doubtful	[lccc]	-	-	-	-	-	-	-	-
Impaired	[d]	-	-	-	-	17 495	17 111	9 913	9 913
Not rated		498	498	-	-	342	342	-	-
Total		**2 128 857**	**1 979 985**	**24 526**	**24 526**	**17 837**	**17 453**	**9 913**	**9 913**

(thousand euros)

31.12.2024									
Rating bucket		Stage 1		Stage 2		Stage 3		POCI	
		Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD	Gross Exposure	EAD
Low to fair risk	[aaa+;a-]	693 822	666 443	-	-	-	-	-	-
Monitoring	[bbb+;b-]	1 464 304	1 304 562	30 053	29 990	-	-	-	-
Substandard	[ccc+;ccc]	-	-	-	-	-	-	-	-
Doubtful	[lccc]	-	-	-	-	-	-	-	-
Impaired	[d]	-	-	-	-	5 908	5 441	11 991	11 991
Not rated		723	723	-	-	2 932	2 932	-	-
Total		**2 158 849**	**1 971 728**	**30 053**	**29 990**	**8 840**	**8 373**	**11 991**	**11 991**

Breakdown of Non-Performing and Forborne Exposures

In accordance with the definitions set out in Annex V to Commission Implementing Regulation (EU) 2018/1627 of 8 October 2018, amending Implementing Regulation (EU) No 680/2014 as regards prudent valuation for supervisory reporting, the Bank discloses the non-performing exposures and the forborne exposures.

The definitions of non-performing and forborne exposures are provided under section 2.3.1.

In this sense, as of December 31st, 2025 and December 31st, 2024, the breakdown of performing and non-performing exposures was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage
Performing exposures	**2 154 348**	**4 297**	**0.2%**	**2 188 941**	**5 285**	**0.2%**
Banking Book Debt Securities	642 691	1 145	0.2%	782 256	1 322	0.2%
Loans and advances to customers	689 851	2 512	0.4%	685 953	3 499	0.5%
Loans and advances to banks	616 911	1	0.0%	495 114	9	0.0%
Cash & Cash Equivalents	22 898	-	0.0%	33 973	-	0.0%
Guarantees	91 542	553	0.6%	93 307	297	0.3%
Loan commitments	54 957	37	0.1%	77 899	143	0.2%
Other commitments	35 000	48	0.1%	20 000	11	0.1%
Other assets	-	-	0.0%	-	-	0.0%
Receivables	498	1	0.2%	439	4	0.9%
Instruments Held for sale	-	-	0.0%	-	-	0.0%
Non-Performing exposures (NPE)	**27 750**	**16 045**	**57.8%**	**20 831**	**9 099**	**43.7%**
Banking Book Debt Securities	-	-	0.0%	-	-	0.0%
Loans and advances to customers	18 757	11 771	62.8%	3 387	1 210	35.7%
Loans and advances to banks	-	-	0.0%	-	-	0.0%
Cash & Cash Equivalents	110	28	25.5%	3 897	2 378	61.0%
Guarantees	297	31	10.4%	372	39	10.5%
Loan commitments	360	9	2.5%	352	6	1.7%
Other commitments	-	-	0.0%	-	-	0.0%
Other assets	7 884	3 891	49.4%	9 891	4 140	41.9%
Receivables	342	315	92.1%	2 932	1 326	45.2%
Instruments Held for sale	-	-	0.0%	-	-	0.0%
Total	**2 182 098**	**20 342**	**0.9%**	**2 209 772**	**14 384**	**0.7%**
NPE ratio	**1.3%**			**0.9%**		
NPL ratio	**2.6%**			**0.5%**		

(1) Amortized cost, comprising accrued interest, discontinued hedges, adjustments for active hedges, and revaluation amounts of securities measured at fair value through other comprehensive income.

As of December 31st, 2025 and December 31st, 2024, the breakdown of performing and non-performing forborne exposures was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage	Gross amount and revaluations (1)	Impairment, Negative revaluations and Provisions	Coverage
Performing exposures	**2 150 594**	**4 019**	**0.2%**	**2 169 264**	**4 301**	**0.2%**
Performing Forborne exposures	**3 754**	**278**	**7.4%**	**19 677**	**984**	**5.0%**
Loans and advances to customers	3 754	278	7.4%	19 677	984	5.0%
Non-Performing Forborne exposures	**19 092**	**11 780**	**61.7%**	**3 716**	**1 216**	**32.7%**
Loans and advances to customers	18 732	11 771	62.8%	3 364	1 210	36.0%
Loan commitments	360	9	2.5%	352	6	1.7%
Non-Performing exposures	**8 658**	**4 265**	**49.3%**	**17 115**	**7 883**	**46.1%**
Loans and advances to customers	25	-	0.0%	23	-	0.0%
Loans and advances to banks	-	-	0.0%	-	-	0.0%
Cash & Cash Equivalents	110	28	25.5%	3 897	2 378	61.0%
Guarantees	297	31	10.4%	372	39	10.5%
Other assets	7 884	3 891	49.4%	9 891	4 140	41.9%
Receivables	342	315	92.1%	2 932	1 326	45.2%
Total	**2 182 098**	**20 342**	**0.9%**	**2,209,772**	**14,384**	**0.7%**

(1) Amortized cost, comprising accrued interest, discontinued hedges, adjustments for active hedges, and revaluation amounts of securities measured at fair value through other comprehensive income.

The tables below present the type of forbearance measures applied, detailing the number of deals, gross amount and revaluations, and loss allowance across different stages as of December 31st, 2025, and December 31st, 2024.

(thousand euros)

31.12.2025											
Forbearance Measure	Stage 2			Stage 3			POCI			Total		
	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance
Rescheduled Payments	-	-	-	1	15 449	10 400	-	-	-	1	15 449	10 400
Other Forbearance	1	3 754	278	1	1 616	41	1	2 028	1 340	3	7 397	1 657
Total	**1**	**3 754**	**278**	**2**	**17 064**	**10 441**	**1**	**2 028**	**1 340**	**4**	**22 846**	**12 057**

(thousand euros)

31.12.2024											
Forbearance Measure	Stage 2			Stage 3			POCI			Total		
	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance	No. of Deals	Gross Exposure	Loss Allowance
Rescheduled Payments	1	15 923	706	-	-	-	-	-	-	1	15 923	706
Other Forbearance	1	3 754	278	1	1 616	28	1	2 100	1 188	3	7 471	1 495
Total	**2**	**19 677**	**984**	**1**	**1 616**	**28**	**1**	**2 100**	**1 188**	**4**	**23 394**	**2 201**

During 2025 and 2024, the following movements in forborne exposures, by gross amount and revaluations, occurred:

(thousand euros)

	31.12.2025	31.12.2024
Balance at the beginning of the period	**23 393**	**30 876**
Forborne exposures during the	1	15 921
Derecognition	-	-
Repayments	(474)	(57)
Write-off	-	(23 347)
Other	(74)	-
Balance at the end of the period	**22 846**	**23 393**

Concentration risk

Concerning the concentration risk - that is, the risk arising from the possibility of exposure or from a group of exposures sharing common or interrelated risk factors that produce losses large enough to affect the Bank's solvency - Haitong Bank has internal limits established for the largest single name exposures. Regular monitoring of these limits, together with regulatory limits, strengthens the bank's monitoring framework for the concentration of credit risk.

The breakdown of loans and advances to customers, financial assets held for trading and securities, by sector of activity, as of December 31st, 2025 and December 31st, 2024, is as follows:

(thousand euros)

Industry	31.12.2025								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Agribusiness & Commodity Foods	17 255	-	81	-	-	1 301	-	-	-
Automobiles & Components	-	-	-	-	-	2 895	-	21 301	38
Banks	-	-	-	-	-	11 568	778	26 650	13
Broker Dealers	-	-	-	-	-	-	-	-	-
Building Materials	27 247	-	54	-	-	2 049	-	-	-
Capital Goods	26 014	-	34	-	-	-	-	7 631	8
Chemicals	34 422	865	9 866	582	-	1 670	-	21 115	83
Commercial & Professional Services	3 283	-	1 370	-	-	430	-	-	-
Construction & Engineering	6 020	25	28	-	-	153	-	38 257	67
Consumer Durables & Apparel	18 038	-	167	-	-	875	-	15 369	71
Containers & Packaging	-	-	-	-	-	-	-	-	-
Food, Beverage & Tobacco	31 373	-	112	-	-	-	-	15 018	10
Funds & Asset Managers	-	-	-	-	-	6 226	-	9 092	-
Governments	-	-	-	-	-	476	-	203 539	131
Health Care	13 501	-	60	-	-	75	-	28 706	58
Hotels & Gaming	-	-	-	-	-	-	-	8 874	41
Insurance	-	-	-	-	-	508	-	-	-
Investment Holdings	-	-	-	-	-	-	-	13 449	19
Media & Entertainment	-	-	-	-	-	-	-	-	-
Metals & Mining	27 319	-	38	-	-	913	-	20 686	153
Non Bank Financial Institutions	83 073	-	358	-	-	5 574	188	24 917	18
Oil & Gas	114 325	-	88	-	-	1 764	-	30 177	28
Paper & Forest Products	-	-	-	-	-	-	-	2 624	3
Pharmaceuticals	-	-	-	-	-	-	-	-	-
Power	68 767	-	210	-	-	644	-	20 225	231
Real estate	53 618	-	441	-	-	1 922	-	69 910	66
Rental & Leasing	11 820	-	352	-	-	-	-	-	-
Retailing	5 009	-	23	-	-	1 626	-	12 804	18
Software	-	-	-	-	-	-	-	-	-
Technology Hardware & Equipment	-	-	-	-	-	491	-	9 032	12
Telecoms	83 943	-	313	-	-	1 871	5 282	16 689	15
Transportation	-	-	-	-	-	2 335	-	16 864	21
Transportation Infrastructure	74 161	-	64	-	-	951	10 912	7 917	19
Water Utilities	8 527	-	39	-	-	4 188	-	15 176	22
TOTAL	**707 715**	**890**	**13 698**	**582**	**-**	**50 505**	**17 160**	**656 022**	**1 145**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

(thousand euros)

Industry	31.12.2024								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Agribusiness & Commodity Foods	33 841	-	95	-	-	2 237	-	55 403	101
Agricultural Cooperatives	-	-	-	-	-	9 173	2 459	64 080	54
Automobiles & Components	-	-	-	-	-	-	158	-	-
Banks	30 782	-	61	-	-	1 914	-	-	-
Broker Dealers	-	-	-	-	-	2 547	-	11 337	12
Building Materials	15 923	-	706	-	-	3 646	-	19 794	44
Capital Goods	38 214	-	1 739	-	-	3 841	-	-	-
Chemicals	-	23	-	-	-	592	-	42 030	105
Commercial & Professional Services	18 050	-	85	-	-	-	-	5 230	3
Consumer Durables & Apparel	16 420	-	40	-	-	-	-	22 758	13
Containers & Packaging	-	-	-	-	-	986	1	14 054	4
Food, Beverage & Tobacco	123	-	-	-	-	691	-	273 140	208
Funds & Asset Managers	-	-	-	-	-	156	-	17 915	84
Governments	-	-	-	-	-	953	-	7 870	1
Hotels & Gaming	-	-	-	-	-	603	-	-	-
Insurance	-	-	-	-	-	1 048	-	-	-
Media & Entertainment	30 930	-	45	-	-	986	-	7 903	40
Metals & Mining	36 645	-	343	-	-	3 611	998	24 102	56
Non Bank Financial Institutions	113 382	-	305	-	-	-	205	9 794	10
Oil & Gas	-	-	-	-	-	-	2 950	2 659	3
Paper & Forest Products	-	-	-	-	-	-	-	7 151	5
Power	120 082	-	434	-	-	1 157	217	34 563	189
Real estate	50 470	-	465	-	-	1 410	-	91 238	205
Rental & Leasing	12 061	-	113	-	-	-	-	-	-
Retailing	-	-	-	-	-	1 593	-	19 741	61
Technology Hardware & Equipment	-	-	-	-	-	622	-	-	-
Telecoms	87 496	560	221	1	-	2 085	5	25 940	40
Transportation	250	-	-	-	-	195	-	21 130	24
Transportation Infrastructure	84 088	-	56	-	-	106	14 563	10 122	48
Water Utilities	-	-	-	-	-	140	-	7 407	12
TOTAL	**688 757**	**583**	**4 708**	**1**	**-**	**40 292**	**21 556**	**795 361**	**1 322**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

The breakdown of loans and advances to customers, financial assets held for trading and securities, by country risk, as of December 31st, 2025 and December 31st, 2024, is as follows:

(thousand euros)

Country	31.12.2025								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Australia	27 319	-	38	-	-	-	-	-	-
Austria	-	-	-	-	-	-	-	10 451	11
Barbados	25 517	-	12	-	-	-	-	-	-
Belgium	20 351	-	50	-	-	595	-	-	-
Brazil	66 213	-	186	-	-	-	-	-	-
Bulgaria	-	-	-	-	-	-	-	6 057	9
Colombia	-	-	-	-	-	-	-	8 775	19
Cyprus	-	-	-	-	-	-	-	8 916	3
Denmark	-	-	-	-	-	-	-	3 531	4
Czech Republic	46 407	-	55	-	-	-	-	32 602	29
China	16 666	-	29	-	-	10 500	-	51 402	75
Croatia	-	-	-	-	-	852	-	-	-
Finland	-	-	-	-	-	-	-	2 624	3
France	39 794	-	233	-	-	3 329	348	82 691	61
Germany	19 838	-	48	-	-	545	218	8 392	9
Greece	-	-	-	-	-	1 089	-	17 993	11
Hong-Kong	-	-	-	-	-	7 240	-	7 537	2
Hungary	-	-	-	-	-	-	-	46 916	40
Ireland	32 974	-	307	-	-	-	-	-	-
Italy	20 002	-	13	-	-	2 664	-	20 191	9
Japan	-	-	-	-	-	2 904	-	9 032	12
Korea (Republic Of)	-	-	-	-	-	3 650	-	-	-
Luxembourg	-	-	-	-	-	1 607	-	19 373	19
Macao	-	-	-	-	-	-	-	13 345	41
Mexico	17 015	-	11	-	-	-	-	20 238	13
Netherlands	18 038	-	167	-	-	2 985	-	6 429	7
Poland	64 331	890	10 223	582	-	1 444	-	49 690	79
Portugal	98 614	-	528	-	-	4 386	10 912	46 596	269
Romania	-	-	-	-	-	503	-	54 972	52
Spain	54 132	-	1 662	-	-	5 160	211	58 692	186
Sweden	-	-	-	-	-	-	-	7 631	8
Turkey	50 099	-	51	-	-	-	-	-	-
Taiwan	-	-	-	-	-	490	-	-	-
Croatia	-	-	-	-	-	-	-	10 775	6
United Kingdom	49 244	-	53	-	-	-	5 471	20 086	33
Peru	15 659	-	21	-	-	-	-	-	-
United States	25 502	-	11	-	-	562	-	31 085	135
TOTAL	**707 715**	**890**	**13 698**	**582**	**-**	**50 505**	**17 160**	**656 022**	**1 145**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

(thousand euros)

Country	31.12.2024								
	Loans and advances to customers				Financial assets held-for-trading			Securities (1)	
	Gross amount		Impairment		Revaluation	Securities	Derivative financial assets	Gross amount	Impairment
	Outstanding loans	Overdue loans	Outstanding loans	Overdue loans	Overdue loans				
Australia	30 930	-	45	-	-	-	-	-	-
Austria	-	-	-	-	-	-	-	10 068	11
Brazil	35 682	-	68	-	-	-	-	5 277	13
Bulgaria	-	-	-	-	-	-	-	11 289	17
Colombia	-	-	-	-	-	-	-	9 653	13
Cyprus	-	-	-	-	-	-	-	9 023	3
Czech Republic	20 504	-	21	-	-	-	-	9 918	11
China	18 716	-	32	-	-	5 579	-	75 934	256
Finland	-	-	-	-	-	-	-	2 659	3
France	33 341	-	159	-	-	-	129	94 041	129
Germany	20 197	-	30	-	-	4 136	2 177	57 118	74
Greece	-	-	-	-	-	-	-	20 395	20
Hong-Kong	-	-	-	-	-	5 719	-	8 584	3
Hungary	-	-	-	-	-	1 242	-	20 337	21
Ireland	36 645	-	343	-	-	-	-	-	-
Italy	19 980	-	14	-	-	1 605	-	127 127	108
Japan	-	-	-	-	-	2 435	-	-	-
Korea (Republic Of)	-	-	-	-	-	983	-	-	-
Luxembourg	-	-	-	-	-	649	-	5 115	-
Macao	-	-	-	-	-	473	-	10 118	1
Mexico	9 642	-	6	-	-	-	-	7 893	6
Netherlands	46 901	-	99	-	-	3 159	-	33 386	20
Poland	102 411	23	1 012	-	-	715	205	47 568	118
Portugal	126 620	-	569	-	-	2 127	17 736	86 233	266
Romania	-	-	-	-	-	-	-	32 311	31
Spain	80 243	-	1 886	-	-	5 381	311	79 812	128
Sweden	-	-	-	-	-	101	-	12 911	11
Turkey	-	-	-	-	-	-	-	10 582	45
United Kingdom	87 749	560	396	1	-	1 562	998	5 067	12
India	-	-	-	-	-	196	-	-	-
Indonesia	-	-	-	-	-	1 157	-	-	-
Peru	19 196	-	28	-	-	-	-	-	-
Estonia	-	-	-	-	-	1 022	-	-	-
United States	-	-	-	-	-	2 051	-	2 942	2
Total	**688 757**	**583**	**4 708**	**1**	**-**	**40 292**	**21 556**	**795 361**	**1 322**

(1) Including: A) Financial assets measured at amortised cost; B) Financial assets at fair value through other comprehensive income; C) Non-trading financial assets mandatorily at fair value through profit or loss.

Pension Fund Monitoring

Since July 2025, the management of the Pension Fund has been transferred from GNB Fundo de Pensões to Golden SGF, the entity responsible for ensuring the implementation and monitoring of the funds' investment strategy, while respecting the limits defined in the Investment Policy. Haitong Bank delegates to Mercer Portugal the responsibility to conduct an independent assessment of the actuarial assumptions, as well as for defining the methodology for actuarial valuation.

These entities also bear the responsibility to provide the requisite information to the various Bank's governing bodies, namely the Executive Committee, the Independent Monitoring Committee, and the Risk Committee, enabling them to effectively oversee the risk associated with the pension funds.

Pension Fund Risk

The Fund's asset portfolio is primarily comprised of stocks, bonds, and investment units (investment funds and ETFs). The risks inherent in the Fund's assets are specific to various types of investments (credit risk, market risk, liquidity risk, etc.). As for the Fund's liabilities, consisting of pension payment obligations, these entail several actuarial risks that could have a negative impact on the value of the Fund's liabilities: inflation rate, growth of wages and pensions, evolution of mortality tables, corresponding increase in life expectancy, and discount rate.

The Pension Fund Risk is integrated into the Bank's Risk Appetite Framework (RAF), being monitored on a monthly basis the asset, liabilities, and discount rate evolution. The Pension Fund Risk is quantified for internal capital purposes within the scope of Haitong Bank's ICAAP exercise.

Market risk

Market risk is the possibility of losses resulting from adverse movements in market prices, such as equity, interest rates, foreign exchange rates and credit spreads. In the development of its activities, Haitong Bank is exposed to market risk in both its trading and banking books.

The Bank estimates the potential losses in its trading book and for the overall commodity and foreign currency positions using the historical Value at Risk (VaR) methodology, calculated considering a 99% confidence level, an investment period of 10 business days and 1 year of historical observation.

(thousand euros)

	31.12.2025				31.12.2024			
	December	Average	Maximum	Minimum	December	Average	Maximum	Minimum
Foreign Exchange Risk	7 403	7 335	9 199	4 137	4 044	4 039	4 831	3 638
Interest Rate Risk	187	208	552	45	188	232	489	94
Shares	-	2	3	-	2	4	7	2
Credit spread	469	437	735	116	250	208	344	81
Covariance	(622)	(531)	(952)	(164)	(390)	(493)	(862)	(232)
Global VaR	**7,437**	**7,451**	**9,537**	**4,134**	**4,094**	**3,990**	**4,809**	**3,583**

Unaudited Information

Considering that, the foreign exchange open risk position is the main source of market risk, Haitong Bank closely manages the exposures by currency. As of December 2025, and December 2024, the exposure of assets and liabilities by currency was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Average balance of the period	Interest of the period	Average interest rate	Average balance of the period	Interest of the period	Average interest rate
Monetary assets (1)	466 811	12 658	2.71%	639 695	27 495	4.29%
Loans and advances to customers	738 295	46 645	6.32%	689 932	51 567	7.45%
Investment in securities	921 996	30 129	3.27%	970 033	29 076	2.99%
Deposited collateral under clearing agreements	22 959	972	4.24%	22,396	1 270	5.66%
Financial assets	**2 150 061**	**90 404**	**4.20%**	**2 322 056**	**109 408**	**4.70%**
Monetary resources	396 732	13 600	3.43%	502 616	24 134	4.79%
Resources of customers	1 018 816	37 630	3.69%	918 466	35 360	3.84%
Liabilities represented by securities	136 579	5 631	4.12%	312 290	15 794	5.04%
Other resources (2)	16 650	620	3.72%	8 593	618	7.18%
Financial liabilities	**1 568 777**	**57 481**	**3.66%**	**1 741 965**	**75 906**	**4.35%**
Financial Result		**32 923**			**33 502**	

Includes: (1) Cash and cash equivalents and Loans and advances to banks; (2) Financial liabilities held for trading and Other liabilities (Deposited collateral under clearing agreements + Leasing liabilities)

Considering that, the foreign exchange open risk position is the main source of market risk, Haitong Bank closely manages the exposures by currency. As of December 2025, and December 2024, the exposure of assets and liabilities by currency was as follows:

(thousand euros)

	31.12.2025			31.12.2024		
	Spot	Forward	Net Exposure	Spot	Forward	Net Exposure
AOA	2 483	-	2 483	2	-	2
AUD	-	-	-	13	-	13
BRL	95 006	-	95 006	103 422	-	103 422
CAD	-	-	-	35	-	35
CHF	178	-	178	(55)	-	(55)
CNY	5 162	-	5 162	5 632	-	5 632
DKK	(5)	-	(5)	(5)	-	(5)
GBP	19 524	(17 803)	1 721	13 859	(13 130)	729
HKD	(1 752)	-	(1 752)	(2 525)	-	(2 525)
JPY	-	-	-	36	-	36
MOP	6 871	-	6 871	9 431	-	9 431
MXN	-	-	-	10	-	10
NOK	-	-	-	3	-	3
PLN	33 129	7 107	40 236	(16 305)	57 310	41 005
SEK	-	-	-	35	-	35
USD	119 949	(112 766)	7 183	79 316	(69 695)	9 621
Total	**280 545**	**(123 462)**	**157 083**	**192 904**	**(25 515)**	**167 389**

Note: asset (liability)

The main source of FX risk of Haitong Bank comes from the foreign subsidiary Haitong Banco de Investimento do Brasil S.A.

The Haitong Bank is exposed to interest rate risk arising from both trading book and banking book positions within its portfolio. The interest-rate-sensitive positions, allocated according to their contractual maturities and classified by the corresponding financial statement line items, as of December 31, 2025 and December 31, 2024 are:

(thousand euros)

	31.12.2025					
			Sensitive to fixed and floating			
	Book Value	Not sensitive to interest rates	Up to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years
Cash and cash equivalents	22 985	22 985	-	-	-	-
Financial assets at fair value through profit or loss	81 020	13 856	4 820	7 304	40 890	14 150
Financial assets held for trading	67 666	527	4 796	7 304	40 890	14 150
Securities	50 506	-	4 796	7 213	35 345	3 153
Derivative financial assets	17 160	527	-	91	5 545	10 997
Non-trading financial assets mandatorily at fair value through profit or loss	13 354	13 329	25	-	-	-
Financial assets at fair value through other comprehensive income	244 925	-	10 373	45 995	111 264	77 292
Financial assets measured at amortised cost	1 707 831	74	643 255	104 393	639 096	321 013
Securities	396 621	-	26 181	54 935	148 665	166 840
Loans and advances to banks	616 910	74	616 836	-	-	-
Loans and advances to customers	694 300	-	238	49 457	490 432	154 173
Other assets not sensitive to interest rates	244 421	244 421	-	-	-	-
Total Assets	**2 301 182**	**281 336**	**658 448**	**157 692**	**791 250**	**412 454**
Financial liabilities held for trading	17 820	247	-	101	6 179	11 294
Securities	815	-	-	-	533	282
Derivative financial liabilities	17 005	247	-	101	5 645	11 012
Financial liabilities measured at amortised cost	1 610 308	-	350 753	389 612	869 943	-
Resources of credit institutions	387 502	-	37 074	16 994	333 434	-
Resources of customers	1 094 798	-	313 679	372 618	408 501	-
Debt securities issued	128 008	-	-	-	128 008	-
Other liabilities not sensitive to interest rates	45 724	45 724	-	-	-	-
Total Liabilities	**1 673 852**	**45 971**	**350 753**	**389 713**	**876 121**	**11 294**
Gap (Assets-Liabilities)	**627 330**	**235 366**	**307 696**	**(232 021)**	**(84 871)**	**401 160**

(thousand euros)

	31.12.2024					
			Sensitive to fixed and floating			
	Book Value	Not sensitive to interest rates	Up to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years
Cash and cash equivalents	22 985	22 985	-	-	-	-
Financial assets at fair value through profit or loss	81 020	13 856	4 820	7 304	40 890	14 150
Financial assets held for trading	67 666	527	4 796	7 304	40 890	14 150
Securities	50 506	-	4 796	7 213	35 345	3 153
Derivative financial assets	17 160	527	-	91	5 545	10 997
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Securities	396 621	-	26 181	54 935	148 665	166 840
Loans and advances to banks	616 910	74	616 836	-	-	-
Loans and advances to customers	694 300	-	238	49 457	490 432	154 173
Other assets not sensitive to interest rates	244 421	244 421	-	-	-	-
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Securities	815	-	-	-	533	282
Derivative financial liabilities	17 005	247	-	101	5 645	11 012
Financial liabilities measured at amortised cost	1 610 308	-	350 753	389 612	869 943	-
Resources of credit institutions	387 502	-	37 074	16 994	333 434	-
Resources of customers	1 094 798	-	313 679	372 618	408 501	-
Debt securities issued	128 008	-	-	-	128 008	-
Other liabilities not sensitive to interest rates	45 724	45 724	-	-	-	-
Total Liabilities	**1 673 852**	**45 971**	**350 753**	**389 713**	**876 121**	**11 294**
Gap (Assets-Liabilities)	**627 330**	**235 366**	**307 696**	**(232 021)**	**(84 871)**	**401 160**

Non-trading market risk arises primarily from activities outside of our trading units, in the banking book, and from certain off balance sheet items, embedding considerations of different accounting treatments of transactions. The most significant risks in the banking book are the changes in the interest rate risk (IRRBB) and the changes in credit spread risk (CSRBB).

In what regards to IRRBB, Haitong Bank aims to capture all material sources of interest rate risk and assess the effect of market changes on the scope of its activities and manage IRRBB by measuring the sensitivity of the economic value of its banking book and the sensitivity of its net interest margin expected in a given time horizon.

To measure the economic value, the Bank uses a run-off balance sheet, where existing assets and liabilities are not replaced as they mature, whether for net interest income metric, the Bank follows a stable balance sheet model, where maturing contracts are replaced like for like, but with rates equal to be forward rates at the time of maturing.

As of December 2025, and December 2024, the repricing profile of the Bank for interest rate risk sensitive positions was the following:

(thousand euros)

Tenor	31.12.2025			31.12.2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Up to 3 months	1 309 277	(511 675)	797 603	1 098 098	(646 060)	452 038
3 to 6 months	224 323	(427 487)	(203 165)	340 950	(388 528)	(47 579)
6 to 12 months	115 252	(139 620)	(24 367)	151 342	(141 976)	9 367
From 1 to 5 years	327 193	(508 283)	(181 090)	458 853	(420 302)	38 551
More than 5 years	257 647	(79 649)	177 998	128 921	(36 092)	92 828
Total	**2 233 693**	**(1 666 713)**	**566 980**	**2 178 164**	**(1 632 958)**	**545 206**

Hence, the Bank calculates impacts of different shocks in the yield curves, measured by the economic value of equity (EVE) and the net interest income (NII). In addition, the regulatory add-ons for automatic options and basis risk, defined in the Commission Delegated Regulation (EU) 2024/857, are added to EVE and to NII, generating the final impacts on the banking book economic value and net interest margin. The results were:

(thousand euros)

Scenarios	31.12.2025		31.12.2024	
	Delta EVE	Delta NII	Delta EVE	Delta NII
Final worst impact	(18 417)	(7 184)	(17 045)	(3 089)
Regulatory Add-ons	(244)	(74)	(592)	(53)
Worst impact (without regulatory Add ons)	(18 173)	(7 110)	(16 453)	(3 036)
Parallel up	(18 173)	7 110	(16 453)	3 036
Parallel down	10 591	(7 110)	6 540	(3 036)
Steepener	(9 278)	n.a.	(2 478)	n.a.
Flattener	2 942	n.a.	(666)	n.a.
Short rates up	(921)	n.a.	(5 392)	n.a.
Short rates down	230	n.a.	572	n.a.
% Total Capital	**3.19%**	**1.24%**	**2.86%**	**0.52%**
% Tier 1 Capital	**3.19%**	**1.24%**	**2.86%**	**0.52%**

Unaudited Information

In what regards to CSRBB, Haitong Bank aims to capture changes in market perception about the credit quality of individual credit-risky instruments, either because of the changes to expected default levels or because of changes to market liquidity. Changes to underlying credit quality perceptions can amplify the risks already arising from yield curve risk, being this risk also defined as any kind of asset and/or liability spread risk of credit-risky instruments which is not explained by IRRBB, nor by the expected credit/jump-to-default risk.

To monthly measure the CSRBB, the Haitong Bank considers a historical VaR simulation approach with one year holding period, five years observation period and 99% confidence level.

(thousand euros)

	31.12.2025		31.12.2024	
	CSR Requirement	HTCS Exposures	CSR Requirement	HTCS Exposures
Global	**12 919**	**244 925**	**12 609**	**299 464**
of which: Sovereign	29	11 562	240	16 844
of which: Corporate	12 890	233 363	12 409	282 620
Average Duration (years)	**-**	**2.87**	**-**	**2.47**
% Tier 1 Capital	**2.24%**	**-**	**2.02%**	

Unaudited Information

Reference interest rate reforms

Regulation (EU) 2016/1011 of the European Parliament and of the Council (known as the EU Benchmark Regulation or BMR) established a common framework to ensure that benchmark interest rates meet certain requirements that guarantee their reliability and efficiency as well as protect the consumer and investor, which implied a set of reforms, currently underway, of the reference interest rates with different implications for the activities of financial institutions.

The Bank holds fallback provisions in its contracts in accordance with market practice to respond to a discontinuity in rates.

As of December 31,2025, in Warsaw Branch, there are no financing contracts nor derivatives whose contract rate is associated with discontinued Libor rates.

As of December 31,2025, in Warsaw Branch there're financing contracts as well as derivatives related to WIBOR index that is planned to be discontinued. The benchmark reform in Poland is aimed at replacement of the WIBOR index with the new index. From December 2022, banks were able to use new index - the WIRON index.

However, due to the fact that there is noticed highest volatility of the WIRON index in relation to other analyzed indices and it may result in lowest probability of creating a liquid derivatives market so National Working Group on Benchmark Reform Steering Committee (Ministry of Finance, NBP, UKNF, BFG, GPW Benchmark, BondSpot and the banking community) declared the need for further in-depth discussion to work on the new index and ultimately, in the future, such an index could be used as an alternative index that will replace the WIBOR benchmark.

The Polish Financial Supervision Authority (KNF) announced in the end of January 2025 that the Steering Committee of the National Working Group (KS NGR) working on the reform of reference rates decided to choose the target name POLSTR (Polish Short-Term Rate) for the proposed index that will replace WIBOR. The planned conversion date of financial sector to new index - reference rates are set at the end of 2027. According to the updated Road Map related to the reform of reference rates, WIBOR will finally cease to be used in 2028. As of 1st of September 2025, it can now be officially stated that POLSTR is an interest rate reference indicator within the meaning of the EU BMR regulation, and not merely an index. This is because POLSTR was used for the first time – not yet in contracts, but for the time being in the calculation of detailed WIG20 stock exchange indices (WIG20TRsht, WIG20TRlev) under the Rules of the Stock Exchange Index Family."

Liquidity risk

Liquidity risk arises from an institution's present or future inability to meet all payment obligations when they come due or secures such resources only at an excessive cost.

Within the scope of the risk vision statement approved by the Board of Directors, Haitong Bank as whole and all its subsidiaries individually aim to maintain a solid short-term liquidity position and sustainable medium and long-term funding profile.

To achieve these goals, Haitong Bank seeks to develop a diversified investors' base, ensuring access to alternative funding sources and instruments, and keeping an adequate funding structure to finance its activity.

Haitong Bank's liquidity and funding management is under the direct responsibility of the Executive Committee, advised by the Assets and Liabilities Committee (ALCO). Local treasury teams ensure liquidity daily management in each of the Bank's liquidity hubs (Lisbon and Warsaw), under the global coordination of Haitong Bank's CEO.

The Bank manages its liquidity by establishing a liquidity risk policy, monitoring a set of liquidity risk metrics, including prudential liquidity ratios, stress testing and liquidity contingency plans, and by setting limits consistent with the Bank's liquidity risk appetite and regulatory requirements.

As of 31 December 2025, the Bank held 769 million Euros of High Quality Liquid Assets (674 million Euros in 31 December 2024), of which 606 million were available deposits in Central Banks (466 million Euros in 31 December 2024). The remainder of the High-Quality Liquid Assets (HQLA) comprised primarily sovereign debt of European Union countries.

On December 31, 2025, Haitong Bank reported a surplus of 478 million Euros of its 30 days stressed net outflows, resulting in an LCR of 265% (230% on 31 December 2024) exceeding both regulatory and internal thresholds.

(million euros)

Liquidity Coverage Ratio	**31.12.2025**	**31.12.2024**
High Quality Liquid Assets	769	674
Surplus over stressed net outflows	478	380
Liquidity Coverage Ratio	**266%**	**230%**

Unaudited Information

In 2025, Haitong Bank's primary funding sources included long-term facilities provided by banks, debt securities, sales under repurchase agreements (repos) and deposits from clients (households, corporate and institutional clients).

In stressed market conditions, significant changes in the value of derivatives may necessitate additional collateral postings under master netting agreements (e.g. ISDA) and margin agreements (e.g. Credit Support Annex) primarily with financial institutions. Details on derivatives positions and collateral received and posted are provided in notes 21 and 28, respectively.

As of December 31, 2025, contractual undiscounted cash flows of financial assets and liabilities present the following structure:

(thousand euros)

	31.12.2025						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Assets							
Cash and cash equivalents	22 985	-	-	-	-	-	22 985
Financial assets held-for-trading (Securities)	-	5 237	8 734	39 437	5 620	-	59 028
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	13 329	13 329
Financial assets at fair value through other comprehensive income	-	12 949	53 804	139 373	86 935	-	293 061
Financial assets at amortised cost	-	30 721	62 267	190 563	180 605	-	466 156
Loans and advances to banks	83	616 891	-	-	-	-	616 974
Loans and advances to customers	4	12 443	136 813	577 333	98 779	-	825 371
Derivatives Instruments[1]	-	182 899	14 635	158 188	5 005	16 027	376 754
Total	**23 072**	**861 140**	**278 254**	**1 104 893**	**376 944**	**29 356**	**2 673 659**
Liabilities							
Resources of other credit institutions	-	37 109	25 626	366 427	-	-	428 162
Resources of customers	14 278	300 544	378 086	427 253	-	-	1 119 940
Debt securities issued	-	-	5 106	130 107	-	-	135 213
Financial liabilities held-for-trading (Securities)	282	533	-	-	-	-	815
Derivatives Instruments[1]	-	182 706	14 651	158 157	5 005	450	360 968
Total	**14 560**	**520 892**	**422 470**	**1 081 944**	**5 005**	**450**	**2 045 099**

[1] *Undetermined cash flows from derivatives instruments refer to cash margins received or posted included in other assets*

The following table presents the cash flows associated to guarantees and commitments according to the contracts maturity dates.

(thousand euros)

	31.12.2025				
	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financial guarantees	6 823	32 220	35 286	17 510	91 839
Undrawn commitments	-	45 940	42 278	2 100	90 317
Total commitments and guarantees	**6 823**	**78 160**	**77 564**	**19 610**	**182 156**

As of December 31, 2024, contractual undiscounted cash flows of financial assets and liabilities present the following structure:

(thousand euros)

	31.12.2024						
	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undetermined	Total
Assets							
Cash and cash equivalents	35 494	-	-	-	-	-	35 494
Financial assets held-for-trading (Securities)	-	7 098	9 615	22 864	7 855	-	47 432
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	13 105	13 105
Financial assets at fair value through other comprehensive income	-	3 986	38 321	205 852	93 204	-	341 363
Financial assets at amortised cost	-	62 544	53 785	326 017	89 297	-	531 643
Loans and advances to banks	83	474 856	20 707	-	-	-	495 646
Loans and advances to customers	5	46 397	85 735	606 467	80 142	-	818 746
Derivatives Instruments[1]	-	209 065	206 845	43 480	7 492	18 580	485 462
Total	**35 582**	**803 946**	**415 008**	**1 204 680**	**277 990**	**31 685**	**2 768 891**
Liabilities							
Resources of other credit institutions	-	86 822	16 046	313 689	-	-	416 557
Resources of customers	37 980	352 141	308 290	351 350	-	-	1 049 761
Debt securities issued	-	47 644	5 775	153 355	-	-	206 774
Financial liabilities held-for-trading (Securities)	817	-	-	-	-	-	817
Derivatives Instruments[1]	-	209 216	207 115	43 268	7 492	714	467 805
Total	**38 797**	**695 823**	**537 226**	**861 662**	**7 492**	**714**	**2 141 714**

[1] *Undetermined cash flows from derivatives instruments refer to cash margins received or posted included in other assets*

The following table presents the cash flows associated to guarantees and commitments according to the contracts maturity dates.

(thousand euros)

	31.12.2024				
	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financial guarantees	15 022	14 065	43 264	21 328	93 679
Undrawn commitments	340	36 131	59 680	2 100	98 251
Total commitments and guarantees	**15 362**	**50 196**	**102 944**	**23 428**	**191 930**

The derivatives undiscounted cash flows are calculated as gross cash flows of each side of the deal, not considering any net positions.

Operational risk

Operational Risk corresponds to the possible loss resulting from inadequate internal procedures or its negligent application, inadequacy or failure of information systems, staff behavior or external events. Legal risks are included in this definition. Legal and IT risks are included in this definition. Operational risk is therefore considered as the sum of operational, information systems and compliance risks.

The Bank has in place a framework to ensure the standardization and systematization of the regular activities regarding the identification, assessment, response/ mitigation, monitoring, and control and report of operational risk. A team within the Risk Management Department is exclusively dedicated to the management of this framework.

Capital Management and Solvency Ratio

The main purposes of capital management in the Bank are (i) to promote sustainable growth of activity by creating enough capital to withstand the increase of assets, (ii) meet the minimum requirements established by the supervising entities in relation to capital adequacy and (iii) ensure the achievement of the strategic goals set by Bank in relation to capital adequacy.

In prudential terms, the Bank is subject to supervision by the Bank of Portugal, under the regulatory framework established in the European Union: CRR (Regulation EU nº 575/2013) and CRD (Directive EU nº 2013/36/EU). These regulations set the minimum capital requirements taking into consideration the level of risk to which the Bank is exposed.

At the moment and for reporting purposes related to prudential effects before the supervising authorities, the Group uses the Standard method for handling credit risk and operational risk ("The Standardized Approach" - TSA method).

The following table summarises the capital adequacy of the Haitong Bank S.A. as at 31st of December 2025 and 2024:

	31.12.2025	31.12.2024
CET1 ratio	25.50%	25.00%
Tier 1 ratio	31.10%	30.30%
Total Capital ratio	31.10%	30.30%

Unaudited Information

NOTE 41 – SUBSEQUENT EVENTS

At the beginning of 2026, the central coastal region of Portugal was severely affected by an extreme weather event. Based on the assessment carried out by the Bank, no exposures to clients directly affected by this event were identified. Accordingly, no material impact on the Bank's financial position or performance is anticipated. The Bank will however continue monitoring the situation and any potential implications that may arise.

Furthermore, the international geopolitical tensions resulting from the conflict involving the United States and Israel with Iran at the end of February 2026 have contributed to increased levels of volatility in global financial markets. The significant uncertainty surrounding the evolution of these events may affect the Bank's operations, particularly in the event of widespread asset devaluations in international financial markets, although no such impacts are known at this date. The Bank will continue to closely monitor the development of these geopolitical events and market conditions, with the objective of adopting appropriate management measures and mitigating any potential adverse effects.

Between December 31, 2025 and the date of approval of these financial statements by the Bank's Board of Directors, there was no subsequent event that required adjustments or modifications to them.

NOTE 42 – ACCOUNTINGS STANDARDS AND RECENT INTERPRETATIONS

Standards, interpretations, amendments and revisions that came into force in this year

Up to the date of approval of these financial statements, the following accounting standards, interpretations, amendments and revisions have been endorsed by the European Union, with mandatory application for the financial period beginning on January 1, 2025:

Description	Change	Effective date
IAS 21 – The effects of changes in foreign exchange rates: Lack of exchangeability	Requirements for determining whether a currency is capable of being exchanged for another currency and, when exchange is not possible for a long period, the options for calculating the spot exchange rate to be used. Disclosure of the impacts of this situation on the liquidity, financial performance and financial position of the entity, as well as the spot exchange rate used on the reporting date.	1 January 2026

There were no significant effects on the Bank's financial statements for the year ended December 31, 2024, as a result of the adoption of the aforementioned standards, interpretations, amendments and revisions.

Standards, interpretations, amendments and revisions that will take effect in future years

The following accounting standards and interpretations, with mandatory application in future financial years, were, until the date of approval of these financial statements, approved ("endorsed") by the European Union:

Description	Change	Effective date
IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	Introduction of a new exception to the definition of derecognition date when the settlement of financial liabilities is made through an electronic payment system. Additional guidance for assessing if contractual cash flows of a financial asset are solely payments of principal and interest. Requirement of new disclosures for certain instruments with contractual terms that may change cash flows. Updated disclosures for fair value gains or losses recognized in Equity in relation to equity instruments designated at fair value through other comprehensive income.	1 January 2026

Description	Change	Effective date
IFRS 7 and IFRS 9 – Contracts referencing nature-dependent electricity	Refers to the accounting of Power Purchase Agreements for nature-dependent electricity in relation to: i) clarifying the application of the 'own-use' requirements; ii) allowing hedge accounting if nature-dependent electricity contracts are designated as hedging instruments; and iii) adding new disclosure requirements on the impacts of these arrangements in entity's financial performance and cash flows.	1 January 2026
Annual Improvements – Volume 11	Clarification of the wording of several Accounting Standard: IFRS 1, IFRS 7, IFRS 9, IFRS 10 e IAS 7	1 January 2026

These standards, although endorsed by the European Union, were not adopted by the Bank in 2025, as their application is not yet mandatory. As a result of the application of the aforementioned standards, no relevant impacts are expected.

Standards, interpretations, amendments and revisions not yet adopted by the European Union

The following accounting standards and interpretations have been issued by the IASB and are not yet endorsed by the European Union:

Description	Change	Effective date
IAS 21 – Translation to a Hyperinflationary Presentation Currency	Requirements, for the reporting period and the comparatives, of the translation for presentation currency of a hyperinflationary economy, when the functional currency of the entity or of the foreign opration is the currency of a non-hyperinflationary economy.	1 January 2027
IFRS 18 – Presentation and Disclosure in Financial Statements	Presentation and disclosure requirements in financial statements, focusing on the Statement of profit or loss, by determining a structure-model, with the classification of income and expenses into operational, investing and financing categories, and the introduction of relevant subtotals, considering the existence of specific main business activities. Improvements to the disclosure of management performance measures and enhanced guidance on the principles of aggregation and disaggregation of information.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Disclosure-only standard, with reduced disclosures requirements, which works alongside other IFRS Accounting Standards for recognition, measurement, and presentation requirements. Can only be applied by "Eligible" subsidiaries that have no public accountability and have a parent that prepares consolidated financial statements available for public use that comply with IFRS.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Amendment defines the reduction of disclosure requirements for standards and amendments issued between February 2021 and May 2024, applicable for the entities in the scope of IFRS 19.	1 January 2027

These standards have not yet been endorsed by the European Union and, as such, were not applied by the Group in the year ended December 31, 2025.

Regarding these standards and interpretations, issued by the IASB but not yet endorsed by the European Union, it is not estimated that their future adoption will have significant impacts on the attached financial statements.

CORPORATE GOVERNANCE REPORT

PART I - Shareholder Structure and Corporate Practices 340
PART II - Corporate Bodies and Committees 342
PART III - Internal Organisation 360
PART IV - Remuneration 363
PART V - Transactions with Related Parties 365
PART VI - Corporate Governance Assessment 367
ANNEX I 377

This report constitutes an integral part of Haitong Bank's 2025 Annual Report and intends to disclose the corporate governance structure and practices adopted by Haitong Bank, S.A.. This report was prepared in accordance with Article 70/2 of the Portuguese Companies Code and Article 29-H/5 of the Portuguese Securities Code.

PART I - Shareholder Structure and Corporate Practices

1. Capital structure

As at December 31, 2025, the share capital of the Bank was EUR 871,277,660.00 (eight hundred and seventy-one million, two hundred and seventy-seven thousand, and six hundred and sixty euros), fully subscribed and paid up. The share capital is divided into 174,255,532 (one hundred and seventy-four million, two hundred and fifty-five thousand and five hundred and thirty-two) book-entry shares with a nominal value of EUR 5.00 (five euros) each.

Haitong International Holdings Limited, a Hong Kong-based subsidiary of Guotai Haitong Securities Co., Ltd., holds 100% of the Bank's share capital with voting rights, corresponding to 174,255,528 (one hundred and seventy-four million, two hundred and fifty-five thousand and five hundred and twenty-eight) shares. The remaining 4 (four) shares are held by Haitong International Global Strategic Investment Limited (incorporated in the Cayman Islands); Haitong Capital International Investment Co., Ltd (incorporated in Hong Kong); Haitong Innovation International Capital Management Co., Ltd (incorporated in the Cayman Islands); and Haitong Capital International Investment Fund L.P. (incorporated in the Cayman Islands).

The Bank's share capital is entirely represented by ordinary shares.

2. Restrictions on the transfer of shares

The Articles of Association of the Bank do not provide for restrictions on the transferability of shares.

3. Possible restrictions on voting rights, such as limitations on the voting rights dependent on holding a certain number or percentage of shares, deadlines imposed on the right to vote, or key rights of patrimonial content

Pursuant to the Bank's Articles of Association, Shareholders or groups of shareholders who hold a minimum of one hundred shares are entitled to participate in the Shareholder's General Meetings of the Bank. Each group of one hundred ordinary shares corresponds to one vote.

4. Rules governing the appointment and replacement of members of the management body and the amendment of the Articles of Association

The members of the Board of Directors are appointed and replaced by the General Meeting in accordance with the terms set out in the Portuguese Companies Code. The same occurs with any amendment to the Articles of Association.

5. Powers of the management body, particularly with regard to resolutions on capital increases

The Board of Directors does not hold any powers with regard to resolutions on capital increases.

6. Agreements between the Bank and members of the management body or senior staff which foresee indemnity payments in case of unilateral termination of the employment contract by the employee or dismissal with no cause

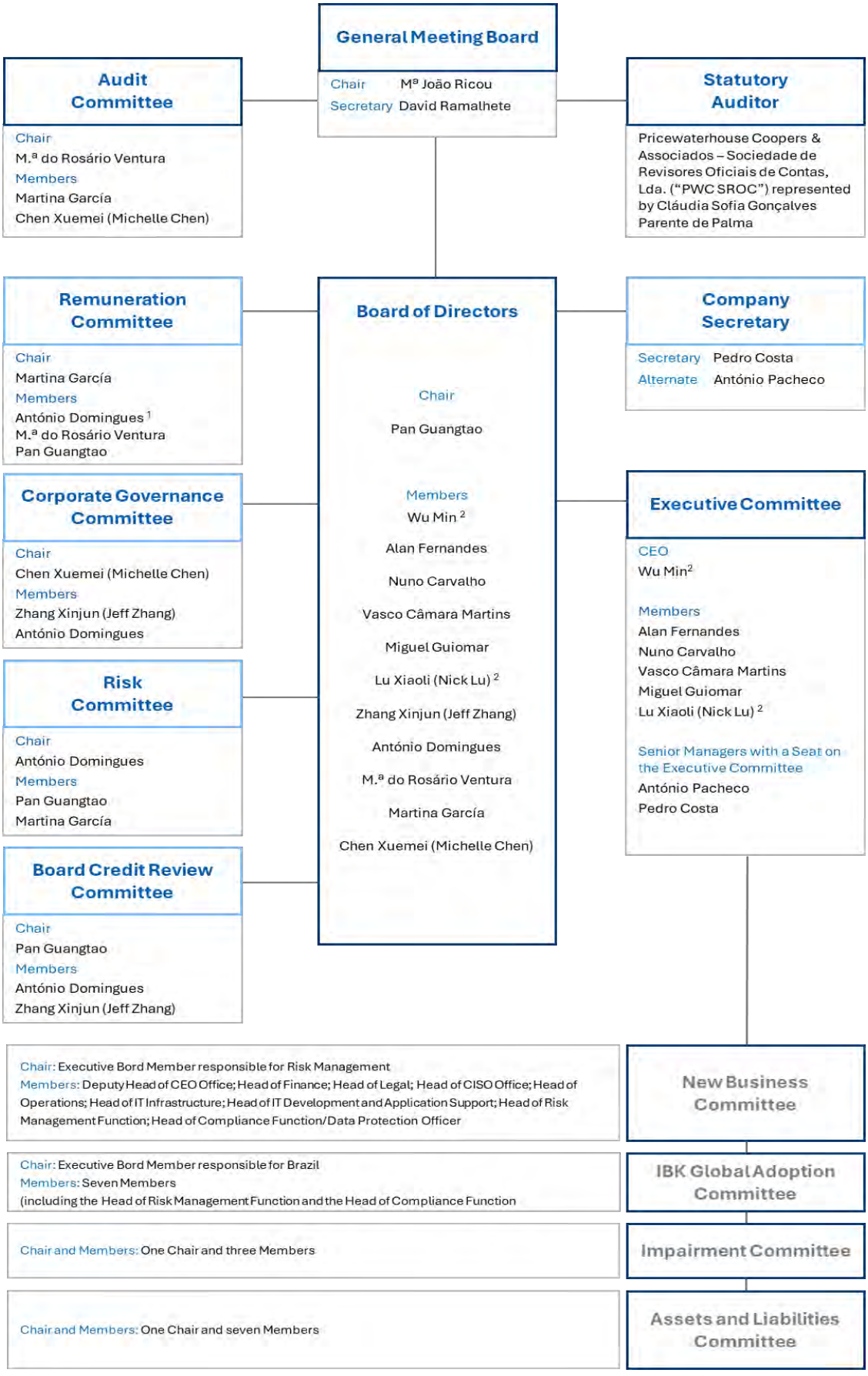
The Bank did not enter into any agreement of this type.

7. Shares and Bonds held by members of the Board of Directors and Audit Committee

Annex referred to in paragraph 5 of Article 447 of the Portuguese Companies Code

Shareholders / Bondholders	Securities	Securities held as of 31/Dec/2024	Transactions in 2025			Securities held as of 31/Dec/2025
			Date	Acquisitions	Disposals	
Pan Guangtao	-	-	-	-	-	-
Wu Min	-	-	-	-	-	-
Alan Fernandes	-	-	-	-	-	-
Nuno Carvalho	-	-	-	-	-	-
Vasco Câmara Martins	-	-	-	-	-	-
Miguel Guiomar	-	-	-	-	-	-
Lu Xiaoli (Nick Lu)	-	-	-	-	-	-
Zhang Xinjun (Jeff Zhang)	-	-	-	-	-	-
António Domingues	-	-	-	-	-	-
Maria do Rosário Ventura	-	-	-	-	-	-
Martina García	-	-	-	-	-	-
Chen Xuemei (Michelle Chen)	-	-	-	-	-	-

PART II - Corporate Bodies and Committees



[1] *Mr. António Domingues stepped down from the Remuneration Committee on November 10, 2025*
[2] *On January 22, 2026, the Bank's BoD accepted Mr. Wu Min's resignation and appointed Mr. Nick Lu as the new Bank's CEO*

8. Shareholder's General Meeting

Composition of the General Meeting Board

Under the terms of Article 14 of the Bank's Articles of Association, the General Meeting Board is composed of one Chair and one Secretary appointed by the General Meeting for a period of three years and can always be re-elected, provided that all due legal requirements are met.

The General Meeting Board for the three-year term of office period of 2023-2025 is composed as follows:

Chair	Maria João Ricou
Secretary	David Luís Marques Ramalhete

Voting Rights

Under the terms of the Bank's Articles of Association, the General Meeting is composed of all shareholders who hold at least one hundred ordinary shares and provide evidence of registration in their name in a securities' registry account with a financial intermediary.

Also, under the terms of the Bank's Articles of Association, resolutions of the General Meeting shall require an absolute majority of the votes cast at each meeting, except where the law or the Articles of Association require a qualified majority. Abstentions are not counted.

The Bank has a single voting Shareholder and in 2025, all Shareholder resolutions were taken via written resolution.

The General Meeting deliberates on matters specially assigned by law or the Articles of Association – including the election of corporate bodies, the approval of the annual report and accounts for the year, distribution of profits and capital increases – as well as, if so requested by the Board of Directors, matters related to the management of the Bank.

During 2025, 2 (two) written resolutions were taken by the sole voting Shareholder.

9. Management and Supervision

9.1. Governance Model

The Bank currently has in place a governance model that includes a General Meeting, a Board of Directors (with powers delegated to an Executive Committee), an Audit Committee, and a Statutory Auditor. This is the so-called Anglo-Saxon Model of corporate governance, foreseen in Article 278(1)(b) of the Portuguese Companies Code and considered the most suitable model for the Bank.

9.2. Board of Directors

Under the terms of Article 17 of the Bank's Articles of Association, the Board of Directors is composed of a minimum number of three and a maximum number of fifteen members appointed by the General Meeting. The General Meeting will also appoint the Chair of the Board of Directors from among those members, and, if so decided, one or more Vice-Chairs. The Bank's Articles of Association do not contain any rules governing procedural or material requirements related to the appointment or replacement of members of the Board of Directors. Article 30 (3) of the RGICSF (*Regime Geral das Instituições de Crédito e Sociedades Financeiras* – Legal Framework of Credit Institutions and Financial Companies) lays down the suitability requisites (integrity, professional qualifications, independence and availability) that the members of the Board of Directors must possess to exercise the respective functions.

Pursuant to the provisions of Article 30-A(2) of the RGICSF, the most updated version of the "Policy on the Selection and Assessment of Members of the Management and Supervisory bodies and Key Function Holders", which contains the legal requirements and requisites applicable to the members of the Board of Directors, was approved by the General Meeting on April 30, 2025.

The composition of the Board of Directors and its Committees until December 31, 2025, is presented in the organisational chart included at the beginning of Part II of this report.

The date of the first term of office and qualification of each of the Non-Executive Members is identified in the following table, with December 31, 2025, as the reference date:

Composition of the Board of Directors (Non-Executive Members)	First Term of Office Starting Date	Qualification
Pan Guangtao	Nov-15	Non-Independent
Zhang Xinjun (Jeff Zhang)	Jan-18	Non-Independent
Maria do Rosário Ventura	Jan-18	Independent*
António Domingues	Jan-18	Independent*
Martina García	Jul-20	Independent*
Chen Xuemei (Michelle Chen)	Dec-23	Independent*
% of Non-independent Members		**33.33%**
% of Independent Members		**66.67%**

** Without prejudice to the other criteria for assessing the quality of "Independent", particularly those arising from joint recommendations of the ESMA (European Securities and Markets Authority) (ESMA35-36-2319) and EBA (European Banking Authority) (EBA/GL/2021/06) on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU and those resulting from the "Guide to fit and proper assessments" published by the ECB (European Central Bank) in December 2021, the qualification indicated in the table reflects the internal judgment of the Board of Directors of Haitong Bank, S.A..*

Pursuant to Annex I (18.1) of the CMVM Regulation 4/2013, a member of the Board of Directors is considered to be independent if he or she is not associated with any specific interest group and is not in any circumstance likely to affect his or her exemption from analysis or decision, particularly by virtue of:
a) Having been an employee of the company or of a company controlled by it or with which there has been a group relationship in the preceding three years;
b) Having, in the preceding three years, rendered services or established a significant commercial relationship with the company or a company controlled by it or with which there has been a group relationship, whether directly or as member, administrator, director or officer of a corporate entity;
c) Being a beneficiary of remuneration paid by the company or by a company controlled by it or with which there has been a group relationship, besides the remuneration derived from the exercise of directorship functions;
d) Living under a common law union or being the spouse, relative or direct relative up to the 3rd degree of lineage, inclusive, of directors or natural persons who are the direct or indirect holders of a qualified holding;
e) Being the holder of a qualified holding or the representative of a shareholder with a qualified holding.

The Directors concerned are not covered by any of the situations referred to in sub-paragraphs a) to e) which constitute the norm in question.

The professional qualifications and other curricular details of each member of the Board of Directors are presented in Annex I to this Report.

There is no family relationship between the members of the Board of Directors.

As of December 31, 2025, the Board of Directors was composed as follows:

Board of Directors		**2025 Attendance**
Chair	Pan Guangtao	12/12
Executive Members		
	Wu Min	12/12
	Alan Fernandes	12/12
	Lu Xiaoli (Nick Lu)	12/12
	Miguel Guiomar	0/12
	Nuno Carvalho	12/12
	Vasco Câmara Martins	12/12
Non-Executive Members		
	António Domingues	12/12
	Chen Xuemei (Michel Chen)	12/12
	Maria do Rosário Ventura	12/12
	Martina García	12/12
	Zhang Xinjun (Jeff Zhang)	12/12

The Board of Directors met 12 (twelve) times in 2025, including 7 (seven) electronic meetings. Attendance includes the use of the meeting representation mechanism, as foreseen in the Board of Directors' internal regulations.

The organisational chart at the beginning of Part II of this report presents the composition of the Board of Directors as of December 31, 2025.

9.3 Executive Committee

The organisational chart at the beginning of Part II of this report indicates the members who make up the Executive Committee within the composition of the Board of Directors as of December 31, 2025.

The distribution of responsibilities among the members of the Executive Committee is as follows.

Executive Committee		Main areas of responsibility
Chair		
	Wu Min[1]	Subsidiary and Branch Management CEO Office Human Resources Finance Cross-Border Business
Members		
	Alan Fernandes	Haitong Banco de Investimento do Brasil, S.A.
	Lu Xiaoli (Nick Lu)	Macau Branch Headquarter Business Coordination
	Miguel Guiomar	Portugal Branch[2] Fixed Income Treasury
	Nuno Carvalho	Compliance & AML-FT CISO Office Special Portfolio Management IT Development and Application Support IT Infrastructure Online Banking Legal
	Vasco Câmara Martins	Risk Management Rating Operations

[1] Mr. Wu Min's main areas of responsibility were transferred to the new CEO, Mr. Lu Xiaoli, with effect as of February 01, 2026
[2] Does not correspond formally to a legal entity and it was established for internal organisation purposes only

The members of the Executive Committee play an active role in the day-to-day management of the Bank's business, having under their stewardship one or more specific areas, in accordance with the respective profile and with individual expertise, and corresponding to the distribution of responsibilities that at any moment best contributes to that body's effective and balanced functioning.

The Executive Committee normally meets every week to deal with matters of general interest relating to the Bank and its subsidiaries.

The Executive Committee met a total of 87 (eighty-seven) times in 2025, including 47 (forty-seven) electronic meetings.

As of December 31, 2025, the Executive Committee was composed as follows:

Executive Committee		2025 Attendance
CEO		
	Wu Min	87/87
Members		
	Alan Fernandes	87/87
	Lu Xiaoli (Nick Lu)	83/87
	Miguel Guiomar	0/87
	Nuno Carvalho	85/87
	Vasco Câmara Martins	85/87

The professional qualifications and other curricular details of each member of the Executive Committee and the list of positions occupied in other companies and other important functions are presented in Annex I of this Report.

9.4 Committees of the Board of Directors

Risk Committee

The purpose of the Risk Committee is to continuously monitor the development and implementation of the Bank's risk strategy and appetite and verify whether these are compatible with a sustainable strategy in the medium and long term, while advising the Executive Committee in these areas.

Among the competences of the Risk Committee, the following should be noted:

- Advising the Board of Directors on the Bank's risk appetite and strategy, both current and future, taking into account all categories of risk, as well as ensuring its alignment with the business strategy, objectives, corporate culture and values;
- Assisting the Board of Directors in supervising the execution of the risk strategy of the Bank and in the fulfilment of its respective limits;
- Periodically reviewing the risk profile, policies, and strategies of the Bank;
- Assessing the consistency between the business model, strategy, recovery plan, remuneration policies, and budget, as well as the efficiency and effectiveness of the structure, procedures and instruments associated with the implementation and execution of the strategies regarding risk;
- Issuing recommendations or adjustments to the risk strategy resulting from changes in the business model, market developments or business context where the Bank operates;
- Analysing and evaluating the methodology and its results to support the process of risk identification, evaluation and measurement;

- Examining scenarios, including stress tests, in order to determine their impact on the Bank's risk profile and to assess the resilience of the changes within the institution caused by idiosyncratic, systemic or mixed factors;
- Analysing whether the conditions of the products offered and services provided to clients take into consideration the Bank's transaction model and risk strategy, and, if necessary, submitting a correction plan to the Board of Directors whenever, as a result of such analysis, it is established that said conditions do not appropriately reflect the risks;
- Establishing if the incentives set forth in the remuneration policy of the Bank take into consideration risk, capital, liquidity and the expectations regarding results, including revenue dates;
- Establishing the framework for reporting on risk matters to the Board of Directors;
- Ensuring the existence of effective procedures for monitoring risk and internal control deficiencies related to the risk management framework;
- Specifying and reviewing the conditions of authority and independence to support the exercise of responsibilities for risk management, including the adoption of the work plan of the risk management function;
- Reviewing and periodically monitoring the scope and nature of the activities carried out by the Haitong Bank Group, related to risk management; and
- Ensuring that the risk management function has adequate resources for the adequate performance of its duties.

The Risk Committee is composed of 3 (three) non-executive members of the Board of Directors who are appointed by the Board of Directors. The majority of these members is independent.

During 2025, the Risk Committee met a total of 9 (nine) times, having received logistical and technical support from the CEO Office, with secretarial services being administered by this office.

During 2025, the Risk Committee was composed as follows:

Risk Committee		2025 Attendance
Chair		
	António Domingues	9/9
Members		
	Martina García	8/9
	Pan Guangtao	9/9

Remuneration Committee

The purpose of the Remuneration Committee is (i) to provide informed and independent judgements concerning the remuneration policy and practices of the Bank and its affiliates, as well as the incentives created for risk, capital and liquidity management purposes; and (ii) to prepare decisions pertaining to remuneration, including those with implications in terms of the Bank's risks and risk management in which must be approved by the Shareholders' General Meeting Board and by the Board of Directors. Among the competences of the Remuneration Committee, the following should be noted:

- Drawing up proposals and recommendations to the Shareholders' General Meeting on the setting of the remuneration of the members of the Management and Audit Committee and of the officers with the highest total remuneration in the Bank, in addition to overseeing directly the remuneration of the senior officers heading the independent control functions (Internal Audit, Risk Management, and Compliance);
- Assessing the compliance of members of the Board of Directors who perform executive functions with the criteria set out in the Remuneration Policy, such as approved by the Shareholder's General Meeting Board;
- Providing all necessary assistance and issuing recommendations to support the approval process by the Board of Directors of the general remuneration policy of the Bank and its affiliates, promoting its revision whenever needed;
- Assessing the mechanisms adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels and that the overall Remuneration Policy is in line with the business strategy, objectives, corporate culture and values, and the long-term interest of the Bank;
- Testing the capacity of the remuneration system implemented to react to external and internal events, using various possible scenarios and back-testing the model used for such purpose;
- Carrying out an annual assessment of the impact of the remuneration practices of branches and offshore establishments (subsidiaries), with the support of the Risk and Compliance functions, in particular regarding risk management issues, with special emphasis on the Bank's capital and liquidity risks;
- Ensuring that a revision of the Remuneration Policy of the Bank and its subsidiaries is conducted at least once a year, with the support of the Bank's Human Resources, Legal, and Control Functions Teams, to guarantee that: (i) the policy is effectively implemented; (ii) the remuneration payments are adequate and consistent with the Bank's risk profile and long-term objectives; and (iii) the policy complies with the legislation and regulations in force as well as with the relevant national and international principles and recommendations;
- Issuing an annual report on the Remuneration Policy, including all the measures needed to correct eventual deficiencies detected, whose implementation responsibility lies on the Management and Audit Committee. This report must be submitted to the Board of Directors, to the Audit Committee, and to the Shareholders' General Meeting;
- Reporting to the Shareholders' General Meeting Board concerning the exercise of its functions once a year, including the delivery of a reasoned opinion on the adequacy of the Remuneration Policy and any amendments thereto which it may deem necessary; and
- Attending the Shareholders' General Meetings in which the Remuneration Policy is on the agenda, and providing any information requested by the General Meeting Board.

For the majority of 2025, the Remuneration Committee was composed of 4 (four) non-executive members of the Board of Directors and who were appointed by the Board of Directors. The majority of these members is independent.

During 2025, the Remuneration Committee met a total of 5 (five) times, including 2 (two) electronic meetings, having received logistical and technical support from the CEO Office, with secretarial services being administered by this office.

During 2025, the Remuneration Committee was composed as follows:

Remuneration Committee		2025 Attendance
Chair		
	Martina García	5/5
Members		
	António Domingues	3/4*
	Maria do Rosário Ventura	5/5
	Pan Guangtao	5/5

**Mr. António Domingues stepped down from the Remuneration Committee on November 10, 2025.*

Corporate Governance Committee

The purpose of the Corporate Governance Committee is to follow up on the application and ensure the full enforcement of: (i) the Policy on the Selection and Assessment of Members of the Management and Supervisory Bodies and Key Function Holders, the "Selection and Assessment Policy"; (ii) the Internal Succession Policy for Members of the Management and Supervisory Bodies and Key Function Holders, the "Succession Policy"; (iii) the Conflicts of Interest Prevention and Management Regulation; (iv) the Related Parties Regulation; and (v) the Governance System and the Bank's Internal Controls.

Among the competences of the Corporate Governance Committee, the following are highlighted and summarised:

- Within the scope of the Selection and Assessment Policy, the Corporate Governance Committee is particularly responsible for:

  a) Identifying and recommending the candidates for officers in the Bank's Management and Audit Committee, evaluating the composition of the Board of Directors in terms of reputation, knowledge, expertise, diversity and experience, preparing a description of the functions and qualifications for the offices under consideration and evaluating the time to be dedicated to the exercise of the relevant functions;

  b) Making the initial assessment of the suitability of the candidates for members of the Bank's Management and Audit Committee, of the candidates for Branch Managers and of the candidates for key function holders, taking into account the following criteria: reputation, professional skills, independence and availability;

  c) Preparing the initial assessment report on the suitability of the respective candidate, designated the "Initial Assessment Report", with the minimum content set out in the Selection and Assessment Policy;

  d) Annually, and whenever new facts or events determining the need for a suitability reassessment come to the knowledge of the Corporate Governance Committee or of the Board of Directors, carrying out an ongoing assessment of the individual suitability of the members of the Board of Directors, as provided in the Selection and Assessment Policy;

  e) Annually carrying out an ongoing assessment of the collective suitability of the members of the Board of Directors, as provided in the Selection and Assessment Policy;

g) Reviewing and endorsing the report on the individual and the collective suitability of the members of the Board of Directors, which is prepared by an external consultant;

h) Regularly updating the Selection and Assessment Policy and submitting recommendations for its improvement – in particular, reviewing the rules with respect to the diversity in the management functions and submitting a proposal to the Bank's General Meeting Board for the maintenance, modification or elimination of such rules;

i) Identifying and recommending, in its Initial Assessment Report on the management staff, the candidates for management positions and assessing the composition of said staff, namely in terms of diversity.

- Within the scope of the Succession Policy, the Corporate Governance Committee appraises and reviews:

  a) the execution of the Bank's Succession Plan;

  b) the report on the individual evaluation of each of the candidates to successors to key function holders identified within the Succession Plan.

- Within the scope of the Conflicts of Interest Regulation, the Corporate Governance Committee is responsible for regularly assessing the Regulation and monitoring its implementation, as well as for proposing any updates thereto;

- Within the scope of the Related Parties Regulation, the Corporate Governance Committee is particularly responsible for:

  a) Assessing the Related Parties List before approval from the Board of Directors;

- Within the scope of the Conflicts of Interest Regulation, the Corporate Governance Committee is responsible for regularly assessing the Regulation and monitoring its implementation, as well as for proposing any updates thereto.

- Within the exercise of its functions regarding the corporate governance and internal control systems, the Corporate Governance Committee should, on an annual basis:

  a) Assess the suitability of the Bank's Corporate Governance to develop the defined business strategy and to support the implementation of an efficient internal control system;

  b) Propose measures to improve the Bank's Corporate Governance to the Board of Directors, namely, its structures, distribution of competences among the executive board members, reporting lines and functioning of the corporate bodies, taking into account the relevant laws and regulations, as well as the relevant guidelines and best practices in the banking industry.

- Within the exercise of its functions, the Corporate Governance Committee seeks to prevent the collective composition of the Management and Audit Committee from leading to the decision-making process being controlled by these bodies, to the detriment of the interests of the Bank as a whole.

During 2025, the Corporate Governance Committee met a total of 9 (nine) times, including 2 (two) electronic meetings. The committee received logistical and technical support from the CEO Office, with secretarial services being administered by this office.

During 2025, the Corporate Governance Committee was composed as follows:

Corporate Governance Committee		2025 Attendance
Chair		
	Chen Xuemei (Michelle Chen)	9/9
Members		
	António Domingues	9/9
	Zhang Xinjun (Jeff Zhang)	9/9

Board Credit Review Committee

The purpose of the Board Credit Review Committee is to review and approve certain credit transactions that fall outside the Risk Appetite Framework ("RAF"), as approved by the Board of Directors. These transactions are only submitted to the Board Credit Review Committee after having been approved by the Bank's Executive Committee. Nevertheless, any credit transactions that fall under Article 19.2(g) of the Articles of Association of the Bank shall be submitted directly to the Board of Directors for approval after the endorsement by the Executive Committee.

During 2025, the Board Credit Review Committee held a total of 7 (seven) electronic meetings and received logistical and technical support from the CEO Office, with secretarial services being administered by the Company Secretary.

During 2025, the Board Credit Review Committee was composed as follows:

Board Credit Review Committee		2025 Attendance
Chair		
	Pan Guangtao	7/7
Members		
	António Domingues	7/7
	Zhang Xinjun (Jeff Zhang)	7/7

9.5 Other Committees (at the Executive Committee level)

Impairment Committee

The Impairment Committee was established by the Executive Committee with the authorization of the Board of Directors and is responsible for analysing the individual impairment of financial instruments and other assets subject to individual impairment, accounted at the amortized costs and/ or the Fair Value through Other Comprehensive Income ("FVOCI") and with impairment triggers (i.e., Under Performing and Non-Performing exposures). In addition, the Impairment Committee shall analyse the adequacy of the impairment of the most significant exposures of the Bank.

This Committee is also responsible for analysing cashflow scenarios to be used on financial instruments valuation accounted at Fair Value through P/L when the cashflows are not certain according to its contractual terms.

This Committee has consultative powers and issues, in relation to the above-mentioned analysis, recommendations for consideration and approval by the Executive Committee. The duties of the Impairment Committee cover all entities of the Haitong Bank Group.

The Impairment Committee is composed of voting members (including the Chair), all of them appointed by the Executive Committee, and non-voting members to be designated by the Chair of the Committee.

During 2025, the Impairment Committee held 11 (eleven) meetings and 1 (one) electronic meeting, with secretarial services being administered by the Legal Department.

Investment Banking Global Adoption Committee

The purpose of the Investment Banking Global Adoption Committee ("IBK Global Adoption Committee") is to approve all prospective Investment Banking mandates in relation to proposed transactions or new clients that do not involve credit or market risks.

The IBK Global Adoption Committee was established by the Executive Committee with the authorisation of the Board of Directors.

Among the competences of the IBK Global Adoption Committee, the following should be noted:

- Serving as a discussion forum on the overall direction of the investment banking business, cross-border matters and prospective transactions;
- Approving all prospective Investment Banking mandates in relation to proposed transactions or new clients that do not involve credit or market risk, but can involve settlement risks. This includes all Merger & Acquisitions ("M&A"), Equity Capital Markets ("ECM"), Debt Capital Markets ("DCM"), and Corporate Derivatives transactions in which the Bank is involved. Some exceptions are made when the Chair of the Committee may consider that the transaction is not suitable for this forum, such as mandates involving Privileged Information (e.g. Public Takeover Bids);
- Approving other advisory mandates and agency agreements, such as part of Corporate and Project Financing;
- Approving proposals where the Bank has reputational risk or settlement risk for the areas and desks identified above;
- Approval of Capital Markets (ECM and DCM) transactions in which the Bank may be liable in case of default by the other managers involved in the transaction; and
- Identifying restrictions to be implemented throughout the Bank and its subsidiaries.

The IBK Global Adoption Committee is composed of: the Executive Board Member with the responsibility for Investment Banking, who chairs the Committee (the "Chair"); the Executive Board Member with the responsibility for the Brazilian subsidiary; the Manager of the Spain Branch; the Head of Capital Markets; the Manager of the Warsaw Branch; a Haitong Banco de Investimento do Brasil, S.A. representative with the responsibility of China Business Development; the Head of the Risk Management Function; the Head of the Compliance Function; and a Secretary.

During 2025, the IBK Global Adoption Committee held 10 (ten) meetings with an additional 41 (forty-one) electronic approvals, with secretarial services being administered by the Legal Department.

New Business Committee

The purpose of the New Business Committee is to be a forum where different people from the organization can contribute ideas to innovate processes, new business lines, products, markets and clients. The New Business Committee aims to promote the discussion of new ideas that will be collectively evaluated, planned and implemented by the Bank. This committee also aims to contribute to developing a more collaborative environment within the Bank with a "can-do" attitude, where contributions and new initiatives are properly considered and valued.

Amongst the competencies of the New Business Committee, which was established by the Executive Committee with the authorisation of the Board of Directors, the following should be noted:

- Encouraging, promoting and analysing new ideas, new business or support initiatives and new products, providing the necessary means and support for the development of such ideas and initiatives; and
- Advising the Bank's Executive Committee on any proposals or matters brought to the New Business Committee, as per the New Product Approval Policy and Procedure.

The New Business Committee is chaired by the Board Member responsible for Risk Management. Other members include the Deputy Head of the CEO Office, the Head of Finance, the Head of Legal, the Head of the CISO Office, the Head of Operations, the Head of IT Infrastructure, the Head of the IT Development and Application Support, the Head of the Risk Management Function, and the Head of the Compliance Function/ the Data Protection Officer. External persons can be called to attend the meetings if deemed necessary and suitable.

During 2025, no meetings of the New Business Committee have occurred.

Assets and Liabilities Committee

The purpose of the Assets and Liabilities Committee ("ALCO") is to oversee the management of the Bank's assets and liabilities with the goal of meeting the balance sheet planning and ensuring compliance with the risk parameters established by the Risk Appetite Framework ("RAF"), following the respective limits. The ALCO has no decision-making powers, with the exception of matters related to interest rate risk and/or FX position hedging.

The ALCO, which was established by the Executive Committee with the authorisation of the Board of Directors, has the following responsibilities:

- Monitoring the balance sheet growth (Assets and Liabilities) *vis-à-vis* the budget and reviewing the adequacy of the funding profile;
- Monitoring the liquidity profile, to evaluate the 12 months' liquidity gap and assess the adequacy of the liquidity contingency plan to face stress scenarios;
- Discussing the interest rate trend based on the economic outlook and market data and the impact of changes in interest rates on the Bank's economic value ("EVE") and on net interest income ("NII");
- Approving FX position hedging proposals and matters related with interest rate risk;
- Monitoring the global FX consolidated exposure;
- Overseeing the banking book bonds investments and trading activity;
- Reviewing retail and corporate deposits pricing;
- Reviewing the funds' internal transfer pricing;

- Monitoring the Bank's capital adequacy and its compliance with the internal approved limits;
- Monitoring the credit spread risk;
- Meeting the requirements of the financial regulators, by analysing the regulatory reports including the FCP, ICAAP, ILAAP, and Recovery Plan; and
- Monitoring the Pension Fund Risk

The Assets and Liabilities Committee is chaired by the Executive Board Member responsible for Treasury. Other members include the Chief Executive Officer (CEO), the Executive Board Member responsible for Risk Management, the Executive Board Member responsible for Brazil, and the Heads of the Treasury Department, the Risk Management Department, the Finance Department, and the CEO Office.

During 2025, the Assets and Liabilities Committee held 13 (thirteen) meetings, with secretarial services being administered by the CEO Office.

9.6 Supervisory Body

Audit Committee

Under the terms of Article 26 of the Bank's Articles of Association, Section 7 and following Subsections of the Audit Committee Regulation, and Article 423-F of the Portuguese Commercial Companies Code, the Audit Committee is responsible for:

- General
  - Supervising the management of the Bank;
  - Monitoring that the applicable legal and regulatory provisions and the Bank's Articles of Association are complied with;
  - Prepare an annual activity plan with respect to its control activities, as foreseen in Section 13 of this Regulation;
  - Preparing and drawing up an annual report on its supervisory activities;
  - Convening the General Meeting when the Chair of the General Meeting Board is under an obligation to convene it, but fails to do so;
  - Assessing the needs in terms of the composition and organisation of the AUDCO as well as implementing supporting committees required for the efficient performance of its competencies, if deemed necessary;
- Financial Accounts
  - Verifying whether the accounting policies and valuation criteria adopted by the Bank lead to an accurate valuation of its assets and results;
  - Monitoring the correctness of the accounting books and records and their supporting documentation;
  - Monitoring, whenever it may deem convenient and as it may deem appropriate, the size of cash and stocks of goods or valuables of any description belonging to the Bank or received by the latter by way of security, deposit or otherwise;

- Monitoring and supervising the process of preparation and disclosure of financial information;
- Giving an opinion on the report, accounts and proposals presented by the management, expressing its agreement or disagreement with the annual report and accounts, as well as supervising the audit of the Company's accounting documents.

- Statutory Auditor
  - Proposing the appointment of the Statutory Auditor or firm of Statutory Auditors to the General Meeting, duly substantiating its proposal;
  - Assessing, annually, the Statutory Auditor's plan of activities and supervising its execution;
  - Verifying and monitoring, on an annual basis, the independence and performance of the Statutory Auditor, namely with regard to the provision by the Statutory Auditor of (non-prohibited) non-audit services;
  - Carry out a prior and reasoned assessment on the contracting of (non-prohibited) non-audit services to be provided by the Statutory Auditor (or companies belonging to the same network) to the Bank (or to entities of the Bank's group);
  - Issuing a prior opinion on the Policy on the selection and appointment of the Statutory Auditor and on the hiring of non-audit services of the Bank and ensuring its implementation and that it is subject to periodic reviews;
- Governance, Organization and Internal Control
  - Supervising the effectiveness of the risk management system, the internal control system and the internal audit system, if existing;
  - Promoting periodic and independent evaluations, to be carried out by an external entity, on the conduct and values of the AUDCO, which may be developed in conjunction with the evaluations promoted by the Board of Directors in relation to the conduct and values of the Bank, the Board of Directors and its Committees;
  - Monitoring the implementation of the results, and of the remediation measures of possible identified deficiencies, of the report on the evaluation and impact of the remuneration practices;
  - Taking note of and monitoring the conclusions of all inspections, specific determinations or recommendations or other measures issued by any competent authority or entity, when applicable;
  - Participating in the irregularities (whistleblowing) process in accordance with the Reporting of Wrongdoings (Whistleblowing) Regulation;
- Internal Control Functions
  - Issuing a prior opinion of the internal control functions' activity plans, herein included the training plans;
  - Periodically monitoring the execution of the activity plans of the control functions and other periodic reports and assessing the conclusions of the respective actions and deficiencies identified;
  - Issuing annually opinions on the annual self-assessment reports of the internal control functions;
  - Issuing a prior opinion regarding internal control functions' material internal rules (specifically, policies and regulations);
  - Issuing a prior opinion on the implementation and effectiveness of the policies and procedures related to the risk management system;

- Participating in the annual performance assessments of internal control functions, including those responsible for them;
- Issuing prior consent on the subcontracting of internal audit functions and on the subcontracting (outsourcing) of operational tasks specific to the other internal control functions, if applicable and permitted by existing regulations;
- Issuing a binding prior opinion on the decision by the management of the Bank to proceed with the replacement of those responsible for the internal control functions;

- Opinions on Internal Rules
  - Issuing a prior opinion on the code of conduct and all other internal rules that develop and implement the same;
  - Issuing a prior opinion on the Reporting of Irregularities / Wrongdoings (Whistleblowing) Regulation of the Bank;
  - Issuing a prior opinion on the Related Parties' Regulation of the Bank;
  - Issuing a prior opinion on the Conflicts of Interest Prevention and Management Regulation of the Bank;
- Other Opinions, Reports, Assessments
  - Issuing a self-assessment report annually as to the adequacy and effectiveness of the organisational culture of the Banks and its governance and internal control systems and all other ancillary declarations, opinions and summaries;
  - Issuing a binding prior opinion on all matters relating to the structural organisation of the AUDCO itself;
  - Issuing an assessment of the decision of exclusion of certain risk categories identified in applicable legislation, regulations and guidelines;
  - Acknowledging the Bank's related parties list, on a quarterly basis;
  - Issuing a prior opinion on transactions involving the Bank and related parties;
  - Issuing an opinion, in a positive, clear, detailed, and well-founded manner, on the internal control system for combating and preventing money laundering and terrorist financing;
  - Performing any other responsibilities assigned to it by applicable legal or regulatory provisions, by the Articles of Association or by the internal policies of the Bank.

The Audit Committee is composed of 3 (three) members of the Board of Directors of the Bank with non-executive functions, which is considered appropriate in light of the Bank's dimension, complexity and inherent risk to cope efficiently with its functions. The members of the Audit Committee are appointed by the General Meeting, at the same time as the other members of the Board of Directors.

During 2025, the Audit Committee met a total of 26 (twenty-six) times and received secretarial support from the Legal Department.

During 2025, the Audit Committee was composed as follows:

Audit Committee		2025 Attendance
Chair		
	Maria do Rosário Ventura	26/26
Members		
	Martina García	26/26
	Chen Xuemei (Michelle Chen)	26/26

The following table identifies the Audit Committee members who, not being associated with any group of specific interests of the company as of December 31, 2025, comply or do not comply with the independence criteria of Article 414(5) of the Portuguese Commercial Companies Code, whereby independent within the meaning of a company means a person who is not associated with any group of specific interests of the company, nor are there any circumstances capable of affecting his / her impartiality of analysis or decision, namely by virtue of:

a) Being the holder or acting in the name or on behalf of the holders of qualified holdings of 2% or more of the company's capital; or
b) Having been re-elected for more than two terms of office, continuous or interspersed.

Satisfaction of the independence criteria of the members of the Audit Committee		(a)	(b)
Chair			
	Maria do Rosário Ventura	Complies	Complies
Members			
	Martina García	Complies	Complies
	Chen Xuemei (Michelle Chen)	Complies	Complies

9.7 Statutory Auditor and External Auditor

The entity responsible for auditing the accounts is appointed pursuant to the Policy on the Selection and Appointment of the Statutory Auditor. Pricewaterhousecoopers & Associados – Sociedade de Revisores Oficiais de Contas, LDA. ("PWC SROC" or "PwC"), registered at the CMVM under no. 183, was appointed as the Bank's Statutory Auditor via Resolution by the Bank's Shareholder on May 18, 2023, for the 2023-2025 period. PWC SROC is represented by Ms. Cláudia Sofia Gonçalves Parente de Palma.

Consolidated

The details of the remunerations attributed to PwC auditors and their network, according to the nature and company through which the services were provided, during the 2025 and 2024 financial years, are as follows:

(thousand euros)

	31.12.2025	31.12.2024
PwC SROC	**463**	**463**
Audit	242	253
Other assurance services	221	201
Other non-reliability assurance services	-	9
Companies in the PwC network (1)	**382**	**545**
Audit	313	440
Other assurance services	48	53
Other non-reliability assurance services	21	52
Total value of agreed services	**845**	**1 008**

(1) In accordance with the definition of "network" established by the European Commission in its Recommendation no. C (2002) 1873, of May 16, 2002

Individual

The details of the remunerations attributed to PwC auditors and their network, according to the nature and company through which the services were provided, during the 2025 and 2024 financial years are as follows:

(thousand euros)

	31.12.2025	31.12.2024
PwC SROC	**463**	**463**
Audit	242	253
Other assurance services	221	201
Other non-reliability assurance services	-	9
Companies in the PwC network (1)	**166**	**192**
Audit	145	142
Other non-reliability assurance services	21	50
Total value of agreed services	**629**	**655**

(1) In accordance with the definition of "network" established by the European Commission in its Recommendation no. C (2002) 1873, of May 16, 2002

Values shown do not take into consideration the value-added tax (VAT). The fees related to the statutory audit of annual accounts correspond to those agreed for the years 2025 and 2024. The fees presented for the remaining services relate to amounts agreed during the 2025 and 2024 financial years.

PART III - Internal Organisation

10. Articles of Association

The Articles of Association of Haitong Bank, S.A. were approved by the Shareholder on December 29, 2023.

11. Reporting of Irregularities

The Audit Committee is responsible, according to the terms of Article 420(1)(j) of the Portuguese Companies Code, for receiving the communications of irregularities presented by employees, customers, shareholders and any other entities, as further operationalised in the Whistleblowing Regulation of the Bank, which was lastly approved by the Board of Directors on May 27, 2025.

According to the Regulation, employees shall report wilful or negligent events or behaviours which may indicate that any legal obligation impending upon themselves and/or the Bank itself have been breached. The irregularity can be reported, including the identification of the whistleblower or anonymously. Employees may also inform their line manager of any wrongdoing or irregular behaviour which might come to their knowledge.

The communication of an irregularity shall be made orally (in which case, a written report shall be prepared and signed by those who are physically present) or in writing and, in either case, be treated with confidentiality. The report must contain the maximum extent possible of details and information that the employee has available, including the identification of the individual(s) accused or involved; the wrongdoing(s) observed; a description of the event(s) or indication(s) subject to reporting; whether it is possible to obtain evidence or not; and the date of the report.

The communications of irregularities are received and processed by the Compliance Department, which conducts the relevant analysis (including, if necessary, via external assistance) with all the support of the Audit Committee.

12. Internal control

The Bank has in place an effective internal control system that is structured in accordance with the requirements set out in the Banco de Portugal Notice 3/2020 and other auxiliary regulations.

The Bank's internal control system is based on the objectives and guidelines defined by the Board of Directors and underpinned by a structure that includes a Risk Management Function (including Operational Risk and a Rating Department), an Internal Audit Function, and a Compliance Function.

The Head of the Internal Audit Function is directly dependent on the Board of Directors, reporting functionally to the Board of Directors and to the Audit Committee, and operationally to the Executive Board Member responsible for the Function. All the Internal Audit Function activities carried out by the entities constituting the Haitong Bank Group were coordinated and supervised by the Internal Audit Function of Haitong Bank, so as to guarantee the consistency of the internal audit practices and supporting norms, compliance with the professional and regulatory requirements of the Function and a consolidated and global evaluation of the Internal Control system of the Haitong Bank Group. The only structure of the Haitong Bank Group outside Portugal with its own internal audit team is Haitong Banco de Investimento do Brasil, S.A. ("Haitong Brazil"). This team, which is based in São Paulo, serves the conglomerate of Haitong Brazil and reports functionally and

directly to the Head of the Internal Audit Function in Lisbon, notwithstanding any reporting to the local Board of Directors and Internal Controls Committee.

The reporting line of the Risk Management Function is the Board of Directors and the Audit Committee. The Head of the Risk Management Function and the Head of the Rating Department report hierarchically and functionally to the Executive Director responsible for risk control. The Risk team in Lisbon has direct risk management responsibilities in the branches in Spain, the UK, and Macau, while the Branch in Poland has a local risk management team acting with Lisbon oversight. Haitong Brazil also has a local risk management team that is overseen by Lisbon.

The Compliance Function reports hierarchically to the Executive Director with this responsibility and functionally to the Board of Directors of the Bank, as well as to the Audit Committee. Local heads of branches and subsidiaries of the respective units located in the geographies where the Bank is present report functionally to the Head of the Compliance Function. As at the date of this report, there are compliance officers in Portugal as well as in the branches in Spain, the UK, Poland, and Macau, and in the affiliate in Brazil.

The Bank's Supervisory Body is the Audit Committee (*vide* section 9.6), which, *inter alia*, supervises and evaluates the effectiveness of the internal control system, the risk management system, and the internal audit systems, notably with regard to the process of preparation and disclosure of financial information, without breaching its independence.

The CEO Office and the Finance Department are responsible for preparing the Bank's interim and annual financial reports and accounts. The process takes place in a continuous dialogue with the Executive Committee and persons with leading responsibilities in the departments involved. The documents to be disclosed and their timing – depending on the specific document – require the express approval of: the Board of Directors, in case of the interim report and accounts; and the Board of Directors and the Shareholder, in case of the annual report and accounts. The Representative for Investor Relations is responsible for the release of the financial information.

13. Risk Control

The Board of Directors is ultimately responsible for the Bank's Risk Management Framework.

The Risk Committee (*vide* section 9.4) is responsible for monitoring the development and implementation of the risk strategy and the risk appetite of the Bank and verifying whether they are compatible with a sustainable strategy in the medium and long term.

As an independent control function, the Risk Management Department supports the Bank in making informed decisions. It ensures the implementation of and compliance with the risk policies approved by the management body.

14. Investor relations

The main functions of the Representative for Investor Relations are assuring authorities and the market that the Bank is compliant with legal and regulatory reporting obligations and responding to requests for information from investors, bondholders, financial analysts, and other agents.

The Bank's Representative for Investor Relations has been Mr. Pedro Alexandre Martins Costa since 2018.

Within the scope of regulatory reporting obligations, the dissemination of information within the framework of "privileged information" and the preparation of annual and semi-annual financial reports and accounts should be emphasised.

All public information about the Bank can be requested from the Representative for Investor Relations through the contact indicated on the Bank's website.

15. Website

The Bank's website is as follows: www.haitongib.com

The information about the firm, its status as a public limited company, the registered office and the other details referred to in Article 171 of the Portuguese Commercial Companies Code is provided in the following website section: http://www.haitongib.com/en/about-haitong/legal-information

The information on the identity of members of the corporate bodies and the representative for investor relations is provided in the following website sections:

http://www.haitongib.com/en/about-haitong/corporate-information

http://www.haitongib.com/en/contacts/

The financial statements of at least the previous five years are made available on:

https://www.haitongib.com/en/investor-relations/financial-reports/

PART IV - Remuneration

The following information is provided in order to ensure compliance with the provisions of Article 47 of Notice 3/2020 of the Banco de Portugal.

The full version of the Bank's Remuneration Policy may be consulted on Haitong Bank's website, which was approved by the Bank's Shareholder on April 30, 2025.

a) Aggregate quantitative information on remuneration paid in 2025 to senior management and members of staff whose functions have a material impact on the Bank's risk profile:

(euros)

	Total	Non-Executive	Executive	Business Areas	Support Functions	Control Functions
Number of members	75	6	6	17	26	20
Fixed Remuneration	9,947,903	390,000	1,915,002	2,513,244	3,063,682	2,065,975
Variable Remuneration	2,007,014	0	731,786	273,947	721,536	279,745
Total Remuneration	**11,954,917**	**390,000**	**2,646,788**	**2,787,191**	**3,785,218**	**2,345,720**

b) Amounts of variable remuneration paid in 2025, separated by upfront payments and deferred parts:

(euros)

	Total	Non-Executive	Executive	Business Areas	Support Functions	Control Functions
Number of members	75	6	6	17	26	20
Variable Remuneration paid in 2025 - Upfront	1,214,101	0	278,115	129,206	562,807	243,973
Variable Remuneration paid in 2025 - Deferred Parts	792,913	0	453,671	144,741	158,729	35,772

c) Amounts of outstanding deferred remuneration, separated by "due to vest in the current (2026) financial year" and "due to vest in future financial years":

(euros)

	Total	Non-Executive	Executive	Business Areas	Support Functions	Control Functions
Number of members	75	6	6	17	26	20
Due to vest in the current financial year [1]	552,509	0	335,655	81,434	114,138	21,282
Due to vest in future financial years [1]	1,017,549	0	613,184	134,167	218,026	52,172

(1) The payment of deferred parts of variable remuneration is not vested and might be subject to post-risk adjustments, i.e., malus and/or clawback, as per the Bank's Remuneration Policy.

d) Amounts of deferred remuneration paid during the 2025 financial year, reduced through performance adjustments:

There was no reduction in the amounts of deferred remuneration paid during the 2025 financial year through performance adjustments.

e) Paid guaranteed variable remuneration during the 2025 financial year, and the number of beneficiaries of those awards:

No guaranteed variable remuneration was paid during the 2025 financial year.

f) Amounts of severance payments awarded during the 2025 financial year, number of beneficiaries and the highest such award to a single person:
The total amount of severance payments made in 2025 was EUR 215,060, for a total of 11 beneficiaries. The highest amount awarded to a single person was EUR 49,022.

g) Number of Employees remunerated with EUR 1 million or more in the 2025 financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and for remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million.

In 2025, there was no employee with a total remuneration above EUR 1 million.

PART V - Transactions with Related Parties

The Related Parties Regulation of Haitong Bank, S.A. lays down the internal procedures and limitations for approval of transactions between the Bank or/and companies in a parent-subsidiary or/and group relationship with the Bank and a related party.

In line with Article 33 of the Banco de Portugal Notice 3/2020, the Bank set out a Related Parties List that is submitted to the Corporate Governance Committee for quarterly review and for subsequent Board of Directors' approval.

For this purpose, according to the Bank's Related Parties Regulation, as well as in line with the above mentioned legislation and with IAS 24, "related parties" means any person or entity that is identified as follows: (i) Qualified participants of the institution and other persons or entities covered by the regime provided for in Article 109 of the RGICSF; (ii) Members of the Management and Audit Committee; (iii) Relatives of members of the Management and Audit Committee, such as: spouse, civil partner, parents, step-parents; parents-in-law; children; stepchildren; and children-in-law; (iv) Companies in which a member of the Board of Directors and Audit Committee, and/or the Relatives of members of the Board of Directors and Audit Committee: a) holds a qualified participation equal to or greater than 10% of the capital or voting rights; or in which, b) these people have significant influence; or/and c) hold management positions and or/and supervisory functions; (v) Entities having an economic interdependence relationship with the Bank, due to cross-linked relationship of stakes or due to a close connection that would cause contamination in case of one entity facing financial problems; (vi) Persons and/or entities (including depositors, debtors, creditors, group entities, staff of the Bank or of other group entities) having the ability to influence the Bank's management and engage in transactions or commercial relationships in favourable conditions and/or in any way different from the market standards; and, (vii) Pension funds of the Bank's staff.

The latest version of the Bank's Related Parties Regulation was approved by the Board of Directors on June 23, 2025.

Transactions involving Related Parties should be processed as per the procedure applicable to the given type of transaction, by the internal units responsible for its review, approval, control and execution, with the following additional requirements:

- Opinion from the Risk Function and from the Compliance Function.
- Endorsement of the IBK Global Adoption Committee[1] or favourable proposal coming from the Credit Process. [2]
- Endorsement by the Executive Committee.
- Opinion from the Audit Committee.
- Approval by a majority of 2/3 of the Members of the Board of Directors.

[1] The IBK Global Adoption Committee shall occur whenever the transactions have no credit nature as per IBK01.PM371 - The Investment Banking Global Adoption Committee Procedure.
[2] The Credit Process shall be initiated whenever the transactions have credit risk as per CEO08.PM389 - Credit Process – I.

The Board of Directors approval must always be the last sign-off for a Related Party Transaction and will take into consideration the endorsements of the above-mentioned Corporate Bodies as well as the Control Functions' Opinions.

Less Relevant Transactions may be approved by the Board of Directors on an aggregated basis, provided that:

- Such Less Relevant Transactions meet the criteria defined by the Board of Directors;
- Such Less Relevant Transactions and the respective conditions are reviewed quarterly by the Board of Directors.

All transactions with Related Parties, including the Less Relevant Transactions, must be carried out under market conditions. When it is not possible to determine the market conditions applicable to a given transaction with a Related Party, the Bank will apply the methodology defined in CEO05.PM341 – Assessment of Related Party Transactions Market Conditions to assess market conditions. The goal is to make sure that the Bank does not apply more favourable conditions to Related Parties than those that would be granted to Non-Related Parties in similar transactions. These rules ensure stringent control over compliance with the legal rules set out in the RGICSF, including the arm's-length rule and prevention of conflicts of interest.

Throughout 2025, the Bank completed three (3) related-party transactions. Two (2) of these transactions consisted of financial advisory services without credit or market risk for the Bank, resulting in fees of circa EUR 22 thousand. The remaining transaction approved in 2025 bore only credit risk.

These transactions observed the rules set out in the Related Parties' Regulation.

PART VI - Corporate Governance Assessment

During 2025, the Bank enrolled with the Portuguese Corporate Governance Institute ("IPCG").

Under this section, the Bank shall conduct a self-assessment with respect to its corporate governance practices, following the methodology laid down in the IPCG Corporate Governance Code.

The following table describes the Bank's assessment towards the adoption of the Recommendations and Sub-Recommendations of the IPCG Corporate Governance Code.

Recommendations	**Adoption**	**References Annual report, Corporate Governance Report, Internal rules and other documents**
Chapter I. Company's relationship with shareholders, interested parties and the community at large		
I.1. The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives and what the main contributions resulting herefrom are for the community at large.	Complies	Annual report: Refer to "*Strategy*" section
I.2. The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental and social objectives**.**	Complies	Annual report: Refer to "*ESG risk*" section
Chapter II. Composition and functioning of the corporate bodies		
II.1. Information		
II.1.1. The company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary, shareholders, investors, financial analysts, other stakeholders and the market at large.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" and "*Part III - Internal Organisation*" [1] sections. Market Discipline Report [2]
II.2. Diversity in the composition and functioning of the corporate bodies		
II.2.1. Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section Policy on the Selection and Assessment of Management and Supervisory Body Members and Key Function Holders available at the Bank's website [3]

[1] *Refer to subsection 14. "Investors Relations"*
[2] *Refer to section 4.6 "Information flow on risk to the management body"*
[3] *Refer to section 6 "Scope and Competencies for application"*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
II.2.2. The management and supervisory bodies and their internal committees are governed by regulations – notably regarding the exercise of their powers, chairmanship, the frequency of meetings, operation and the duties framework of their members – fully disclosed on the website of the company, whereby minutes of the respective meetings shall be drawn up.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section Relevant corporate bodies and committees' regulations available at the Bank's website
II.2.3. The composition and number of meetings for each year of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section
II.2.4. The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication and an internal reporting channel that also includes access for nonemployees, as set forth in the applicable law.	Complies	Corporate Governance Report: Refer to "*Part III – Internal Organisation*" section[1] Reporting of Wrongdoings (Whistleblowing) Regulation is available at the Bank's website[2]
II.2.5. The companies have specialised committees for matters of corporate governance, remuneration, appointments of members of the corporate bodies and performance assessment, separately or cumulatively. If the Remuneration Committee provided for in Article 399 of the Portuguese Commercial Companies Code has been set up, the present Recommendation can be complied with by assigning to said committee, if not prohibited by law, powers in the above matters.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section [3]
II.3. Relationship between corporate bodies		
II.3.1. The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable laws, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section
II.3.2. Each body and committee of the company ensures, in a timely and adequate manner, the interorganic flow of information required for the exercise of the legal and statutory powers of each of the other bodies and committees.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section Relevant corporate bodies and committees' regulations available at the Bank's website

[1] *Refer to subsection 11. "Reporting of Irregularities"*
[2] *Refer to sections 6. "Internal report procedure"; & "7. External report procedure"*
[3] *Refer to subsection 9.4 "Committees of the Board of Directors"*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
II.4. Conflicts of interest		
II.4.1. By internal regulation or an equivalent thereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interests of the company.	Complies	Conflicts of Interest Prevention and Management Regulation is available at the Bank's website [1]
II.4.2. The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.	Complies	Conflicts of Interest Prevention and Management Regulation is available at the Bank's website [2]
II.5. Transactions with related parties		
II.5.1. The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.	Complies	Corporate Governance Report: Refer to "*Part V - Transactions with Related Parties*" section
Chapter III. Shareholders and general meeting		
III.1. The company does not set an excessively large number of shares to be entitled to one vote and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Complies	Corporate Governance Report: Refer to "*Part I - Shareholder Structure and Corporate Practices*" section[3]
III.2. The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company's Articles of Association, are excluded from the scope of plural voting.	Not applicable	Corporate Governance Report: Refer to "*Part I - Shareholder Structure and Corporate Practices*" section[4]
III.3. The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that foreseen by law.	Complies	Corporate Governance Report: Refer to "*Part II - Corporate Bodies and Committees*" section[5] Bylaws
III.4. The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	Complies	Refer to Article 11 of the Bylaws
III.5. The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.	Complies	Refer to Article 20(3) and (4) of the Bylaws

[1] *Refer to subsection 7. "Bank's approach to conflicts of interest"*
[2] *Refer to subsection "14. Conflicts of interest mitigation/management measures"*
[3] *Refer to subsection 3. "Possible restrictions on voting rights, such as limitations on the voting rights dependent on holding a certain number or percentage of shares, deadlines imposed on the right to vote, or key rights of patrimonial content"*
[4] *Refer to subsection 3. "Possible restrictions on voting rights, such as limitations on the voting rights dependent on holding a certain number or percentage of shares, deadlines imposed on the right to vote, or key rights of patrimonial content"*
[5] *Refer to subsection 8. "Shareholders' General Meeting"*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
III.6. The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision – without quorum requirements greater than that provided for by law – and that in said resolution, all votes issued are to be counted, without applying said restriction.	Not applicable	Refer to Article 12 of the Bylaws
III.7. The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.	Not applicable	
Chapter IV. Management		
IV.1. Management Body and Executive Directors		
IV.1.1. The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company; ii) organisation and coordination of the corporate structure; iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved**.**	Complies	Board of Directors Regulation is available at the Bank's website
IV.1.2. The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group.	Complies	Procedure No. COM03.PM0004 Accumulation of Directorships - Management and Supervisory Board[1]
IV.2. Management Body and Non-Executive Directors		
IV.2.1. Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors – or, if there are not enough independent directors, the non-executive directors – shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination.	Complies[2]	

[1] Such internal rule sets procedures for any member of a management or supervisory body who wishes to take any management or supervisory position in another entity, including addressing an application to the Executive Committee or to the Shareholders' Meeting, if the entity in question is a competitor of the Bank.

[2] While the chairman of the Board of Directors is not independent, three out of four Board's committees, in which he participates, are chaired by independent Board Members, thereby promoting and ensuring the necessary coordination.

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
IV.2.2. The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgement shall be included in the corporate governance report.	Complies	Corporate Governance Report: Refer to "*PART II: Corporate Bodies and Committees*" section[1]
IV.2.3. The number of non-executive directors is greater than the number of executive directors.	Non-compliant	The number of non-executive directors is equal to the number of executive directors.
IV.2.4. The number of non-executive directors that meet the independence requirements is plural and is not less than one-third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any circumstances liable to affect his/her impartiality of analysis or decision, in particular in virtue of: i. Having carried out, continuously or intermittently, functions in any corporate body of the company for more than twelve years, with this period being counted regardless of whether or not it coincides with the end of the mandate; ii. Having been an employee of the company or of a company that is controlled by or in a group relationship with the company in the last three years; iii. Having, in the last three years, provided services or established a significant business relationship with the company or with a company that is controlled by or in a group relationship with the company, either directly or as a partner, director, manager or officer of a legal person; iv. Being the beneficiary of remuneration paid by the company or by a company that is controlled by or in a group relationship with the company, in addition to remuneration stemming from the performance of the functions of director; v. Living in a non-marital partnership or being a spouse, relative or kin in a direct line and up to and including the 3rd degree, in a collateral line, of directors of the company, of directors of a legal person owning a qualifying stake in the company or of natural persons owning, directly or indirectly, a qualifying stake; vi. Being a holder of a qualifying stake or a representative of a shareholder that is a holder of a qualifying stake.	Complies	Corporate Governance Report: Refer to "*PART II: Corporate Bodies and Committees*" section[2]

[1] *Refer to subsection 9.2. "Board of Directors"*
[2] *Refer to subsection 9.2. "Board of Directors"*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
IV.2.5. The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (cooling-off period).	Not applicable	Corporate Governance Report: Refer to "*PART II: Corporate Bodies and Committees*" section[1]
Chapter V. Supervision		
V.1. With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines and evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body.	Complies	Corporate Governance Report: Refer to "*PART II - Corporate Bodies and Committees*" section[2]
V.2. The number of members of the supervisory body and of the financial matters committee should be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement should be included in the corporate governance report.	Complies	Corporate Governance Report: Refer to "*PART II - Corporate Bodies and Committees*" section[3]
Chapter VI. Performance assessment, remuneration and appointments		
VI.1. Annual performance assessment		
VI.1.1. The management body – or committee with relevant powers, composed of a majority of non-executive members – evaluates its performance on an annual basis, as well as the performance of the executive committee, of the executive directors and of the company committees, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.	Complies	Corporate Governance Committee Regulation[4] Remuneration Committee Regulation[5]
VI.2. Remunerations		
VI.2.1. The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to Article 399 of the Portuguese Commercial Companies Code.	Complies	Remuneration Committee Regulation[6]

[1] *Refer to subsection 9.2. "Board of Directors"*
[2] *Refer to subsection 9.6. "Supervisory Body"*
[3] *Refer to subsection 9.6. "Supervisory Body"*
[4] *Refer to section 6.f.2.f)*
[5] *Refer to section 6.a.2.b)*
[6] *Refer to section 5.a./5.b.3/5.b.4)*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
VI.2.2. The remuneration of the members of the management and supervisory bodies and of the company committees is established by the remuneration committee or by the general meeting, upon proposal of such committee.	Complies	Remuneration Committee Regulation[1]
VI.2.3. The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amounts of all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	Complies	Corporate Governance Report: Refer to "*PART IV – Remuneration*" section
VI.2.4. In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting and at any other general meeting at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by shareholders.	Complies	Remuneration Committee Regulation[2]
VI.2.5. Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	Complies	Remuneration Committee Regulation[3]
VI.2.6. The remuneration committee ensures that such services are provided independently.	Complies	Remuneration Committee Regulation[4]
VI.2.7. The providers of said services are not hired by the company itself or by any company controlled by or in a group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express authorisation of the committee.	Complies	Remuneration Committee Regulation[5]
VI.2.8. In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking.	Complies	Corporate Governance Report: Refer to "*PART IV: Remuneration*" section
VI.2.9. A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company.	Complies	Corporate Governance Report: Refer to " PART IV: Remuneration" section

[1] *Refer to section 6.a.2.a)*
[2] *Refer to section 6.a.2.j)*
[3] *Refer to section 6.a.2.j)*
[4] *Refer to section 6.b)*
[5] *Refer to section 6.b)*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
VI.2.10. When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years.	Not applicable	
VI.2.11. The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	Complies	Corporate Governance Report: Refer to "PART IV: Remuneration" section
VI.3. Appointments		
VI.3.1. The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed.	Complies	Policy on the Selection and Assessment of Management and Supervisory Body Members and Key Function Holders[1]
VI.3.2. The committee for the appointment of members of corporate bodies includes a majority of independent directors.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VI.3.3. Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.	Not applicable	
VI.3.4. The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality.	Not applicable	
Chapter VII. Internal Control		
VII.1. The management body discusses and approves the strategic plan and risk policy of the company, which includes setting limits in matters of risk-taking.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VII.2. The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VII.3. The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the administration body.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section

[1] *Refer to subsection 4. "Selection and assessment Process"*

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
VII.4. The internal control system, comprising the risk management, compliance, and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risks inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.	Complies	Corporate Governance Report: Refer to "PART III: Internal Organisation" section
VII.5. The company establishes procedures of supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework.	Complies	Corporate Governance Report: Refer to "PART III: Internal Organisation" section
VII.6. Based on its risk policy, the company sets up a risk management function, identifying (i) the main risks to which it is subject in the operation of its business, (ii) the probability of their occurrence and respective impact, (iii) the instruments and measures to be adopted in order to mitigate such risks, and (iv) the monitoring procedures, aimed at following them up.	Complies	Annual report: Refer to "Risk Management" section
VII.7. The company establishes processes to collect and process data related to environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation.	Complies	Annual report: Refer to "ESG risk" section
VII.8. The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes.	Complies	Annual report: Refer to "ESG risk" section
VII.9. The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.	Not applicable	
VII.10. The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance, and internal audit functions, and may propose adjustments as deemed necessary.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VII.11. The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance, and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section

Recommendations	Adoption	References Annual report, Corporate Governance Report, Internal rules and other documents
Chapter VIII. Information and statutory audit of accounts		
VIII.1. Information		
VIII.1.1. The regulation of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported manner.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VIII.2. Statutory audit and supervision		
VIII.2.1. By means of regulation, the supervisory body defines, in accordance with the applicable legal regime, the supervisory procedures to ensure the independence of the statutory auditor.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VIII.2.2. The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports, and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section
VIII.2.3. The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.	Complies	Corporate Governance Report: Refer to "PART II - Corporate Bodies and Committees" section

ANNEX I

Board of Directors

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **Pan Guangtao** Chair	Mr. Pan Guangtao has over 30 years of experience in the securities industry, including 4 years in information system development and management and nearly 30 years in equity and derivatives investment. Mr. Pan Guangtao was appointed Deputy CEO of Guotai Haitong Securities in April 2025. He originally joined the company in 2002 and has had management roles in the Equity Investment Department and the Asset Management Department. Mr. Pan Guangtao is a Non-Executive Board Member of Haitong Bank and became Chairman on December 29, 2023.	Mr. Pan Guangtao graduated in 1994 with a degree in Mechatronics and Engineering from the Shanghai University of Engineering Science and obtained an MBA in China Commerce from the Macau University of Science and Technology.	• Deputy CEO of Guotai Haitong Securities Co. Ltd. • Board Member of the Haitong Innovation Securities Investment Company Limited • Chairman of Equity Business Committee of Guotai Haitong Securities Co. Ltd. • General Manager of the Securities Derivatives Investment Department • Chairman of Haitong Banco de Investimento do Brasil, S.A.	• Member of the Trading Committee of CFFEX (China Financial Futures Exchange)
 **Wu Min** Chief Executive Officer (CEO)	Mr. Wu Min has substantial experience in management functions in the financial services industry, having started his career as an equity analyst, followed by a fixed income investment manager role. He was a founding member of Haitong Securities' DCM Department in 2005, which, under his leadership, became one of the most competitive teams in the sector and a core strategic business line for the Haitong Securities Group in terms of revenue contribution, through innovation such as the "tenor-extendable bonds", a Chinese version of perpetual bonds. As a result of his Chinese and English educational background and consistent good performance, Mr. Wu Min was appointed the CEO of Haitong Bank, S.A. in 2017. As the CEO, he implemented the successful and comprehensive turnaround of the Haitong Bank Group. Under his leadership, the Bank achieved positive operational performance in 2018, the first year of his mandate, and has since embarked on the journey of sustainable development.	Mr. Wu Min has a strong European academic background, with degrees from top-tier UK universities. He obtained his bachelor's degree in International Trade & Finance from Sichuan University in 2000. Subsequently, he completed a master's degree in Investment & Finance from Middlesex University in 2001, followed by another master's degree in Mathematical Trading & Finance from the London City University in 2003.	• Non-Executive Board Member of Haitong Banco de Investimento do Brasil, S.A. • Chair of Haitong Investment Ireland p.l.c.	n.a.

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **Alan Fernandes** Executive Director	Mr. Alan Fernandes has over 32 years of professional experience in the financial sector, namely in Structured Finance involving all infrastructure sectors, and has had an active role in the privatisation of companies in the electricity, telecommunications, mining, and natural gas distribution sectors in Brazil, including the privatisation process of natural gas services in the State of São Paulo. Mr. Alan Fernandes also has deep experience in M&A and Capital Markets, covering different sectors in Brazil and abroad. Mr. Alan Fernandes has been an Executive Board Member of Haitong Bank since March 2013 and he was an Executive Board Member of Haitong Banco de Investimento do Brasil, S.A. from March 2014 up to April 2025. He was also the Chief Executive Officer of Haitong Brazil from April 2016 up to April 2025. Currently is Haitong Bank Brazil Operations Monitor. Previously, Mr. Alan Fernandes worked for Banco Itaú S.A., Banco Itaú BBA S.A., Unibanco S.A., Algar Telecom S.A., Deloitte & Touche Tohmatsu and the BNDES.	Mr. Alan Fernandes obtained a degree in mechanical engineering from the Federal University of Rio de Janeiro and Aeronautical Engineering from ITA, the Technological Institute of Aeronautics, with a specialisation in finance from IBMEC.	• Operations Monitor of Haitong Banco de Investimento do Brasil S.A..	
 **Nuno Carvalho** Executive Director	Mr. Nuno Carvalho has over 25 years of professional experience in the Legal and Financial sectors, particularly in Investment Banking, as an Executive Board Member, Lawyer, MLRO and Head of Compliance, having also held several other relevant corporate roles such as Investor Relations and Representative with CMVM. Mr. Nuno Carvalho rejoined the Bank in 2017, from Barclays Capital Investment Banking.	Mr. Nuno Carvalho has a law degree from the University of Lisbon, Faculty of Law and a Post-Graduate degree in Accounting and Finance from ISCTE Business School, Lisbon, complemented with several executive education training in Portuguese and International institutions, such as HEC Paris, where he recently obtained a Certification in Strategic Finance.	• Non-Executive Board Member of Haitong Banco de Investimento do Brasil, S.A. • Director of Haitong Investment Ireland p.l.c	n.a.

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **Vasco Câmara Martins** Executive Director	Mr. Vasco Câmara Martins has over 25 years of experience working in Financial Institutions. A significant part of the roles held (from the past 16 years) were senior managerial positions in Risk Management with leading functions. Mr. Vasco Câmara Martins has served as an Executive Board Member and Group Chief Risk Officer at Haitong Bank since 2018.	Mr. Vasco Câmara Martins holds an Inter-Alpha Banking Program degree from INSEAD, a Master of Science in Finance from Instituto Superior de Ciências do Trabalho e da Empresa (ISCTE), a Post-Graduate qualification in Financial Institutions from Centro de Investigação de Activos e Mercados Financeiros (CEMAF) and a degree in Management, from Lusíada University.	• n.a.	n.a.
 **Miguel Guiomar** Executive Director	Mr. Miguel Guiomar has over 35 years of experience in the investment banking industry and has been an Executive Board Member of Haitong Bank since 2020. Mr. Miguel Guiomar was previously responsible for implementing Haitong Bank's Capital Markets strategy for Portugal, Spain, Poland, Brazil, and China Cross-Border. Between 2010 and 2017, he was based in Brazil and responsible for implementing Haitong Bank's Debt and Equity Capital Markets strategy for Brazil and the Americas (New York), in addition to being a member of the Executive Committee of Haitong Banco de Investimento do Brasil, S.A. Before joining Haitong Bank in 2008, Mr. Miguel Guiomar was Managing Director at Banco Finantia, where he headed the bank's Debt Capital Markets operations for Emerging Markets (LatAm and CIS), performing various roles throughout his 17 years at Finantia, ranging from Fixed Income Sales, Emerging Markets Trading and Syndication to Head of the bank's Private Banking Division.	Mr. Miguel Guiomar holds a Business Administration Degree from the Catholic University of Portugal (Lisbon) and a Post-Graduate Program (IEP) from INSEAD (Fontainebleau).	n.a.	• Board Member of the Portugal - China Chamber of Commerce • Board Member of the Proteger Grândola Association • Manager of Dunas Campestres Lda.

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **Lu Xiaoli (Nick Lu)** Executive Director	Mr. Lu Xiaoli is General Manager of Haitong Bank's Macau Branch since 2021. He joined Haitong Securities in 2008 and worked as the Assistant General Manager of the Institutional & International Business Dept. since 2015. He was responsible for the overall management of Haitong's international institutional business development, helping to advance the firm's strategy to grow the institutional business in the global market. He worked earlier at Accenture Consulting as a consultant before he joined Haitong Securities. Mr. Lu Xiaoli was appointed to the Board of Directors of Haitong Bank as an Executive Board Member in December 2023.	Mr. Lu Xiaoli has a bachelor's degree in Electrical Engineering from the University of Toronto and an MBA from Shanghai Advanced Institute of Finance of the Jiaotong University.	• Non-Executive Board Member of Haitong Global Asset Management, SGOIC, S.A.	n.a.
 **Zhang Xinjun (Jeff Zhang)** Non-Executive Director	Mr. Zhang Xinjun is currently the Vice President and Chief Financial Officer of Guotai Haitong Securities Company Limited and has 24 years of experience in the Financial, Treasury and Risk departments of Haitong Group. He joined Haitong Securities Co. Ltd. in 2001, and he moved first to Haitong International Holdings Limited as CFO in 2007 and then to Haitong International Securities Group Limited in 2010. He has been serving as Vice President and CFO of Guotai Haitong Securities Co. Ltd. since April 2025. He was the Deputy CEO of Haitong International Holdings Limited from 2015 until he moved back to Haitong Securities in 2018. Mr. Zhang Xinjun is a Non-Executive Board Member of Haitong Bank since 2018.	Mr. Zhang Xinjun has a degree in Economics (Accounting) and a Master's in Management (Accounting) from Nankai University, in China.	• Vice President and CFO of Guotai Haitong Securities Company Limited (P.R. China) • Non-Executive Board Member of Haitong International Limited • Board Member of Haitong International Holdings Limited (Hong Kong) • Board Member of Haitong UT Capital Group Co. Limited • Non-Executive Board Member of Haitong Unitrust International Finance Leasing Co., Ltd. • Director of Haitong Investment Ireland p.l.c.	n.a.

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **António Domingues** Non-Executive Director	Mr. António Domingues has extensive experience in the banking sector. Over the past 31 years, he has held Senior Management roles in different institutions such as CGD (Chairman of the Board of Directors and the Executive Committee), BPI (Deputy CEO and CFO), and Companhia de Seguros Allianz Portugal, S.A. (Board Member). Mr. António Domingues was also Vice-Chairman of BFA - Banco de Fomento de Angola and of BCI - Banco Comercial e de Investimentos, S.A., Deputy General Director of the BPA - Banco Português do Atlântico in France, Adviser in the Department of Foreign Affairs of Banco de Portugal, Economist at the Ministry of Industry and Energy, and a member of the Board of Directors of NOS, S.A.. Currently, Mr. António Domingues is a Non-Executive Board Member of Banco Ctt, Jerónimo Martins, SGPS, S.A and of UniCredit S.p.A. Mr. António Domingues has been a Non-Executive Board Member of Haitong Bank since 2018.	Mr. António Domingues has a degree in Economics from the Instituto Superior de Economia in Lisbon.	• n.a.	• Non-Executive Board Member and member of the audit committee of Banco Ctt • Non-Executive Board-Member of UniCredit S.p.A. (Italy) • Non-Executive Board-Member of Jerónimo Martins, SGPS, S.A.
 **Maria do Rosário Ventura** Non-Executive Director	Ms. Maria do Rosário Ventura has extensive experience in the financial sector, having worked at Banco Mello and later Millennium BCP from 1982 to 2002. From 2002 to 2004, she was a Senior member of the Portuguese Government – Secretary of State for Commerce, Services, and Industry. From 2004 to 2005, Ms. Ventura was Chairman of the Board of EMPORDEF Group, State Owned Defense Contractor, and held several CFO and Board of Directors' positions in large Portuguese companies between 2005 to 2016, namely in EFACEC Group and EPAL. Ms. Maria do Rosário Ventura joined the Haitong Bank as Member and Chair of the former Supervisory Board, and in December 2023, was appointed a Non-Executive Board Member of Haitong Bank.	Ms. Maria do Rosário Ventura obtained her degree in Management from the Universidade Católica in 1982 and her AMP – Advanced Management Program from IESE in 2006.	.n.a.	• Chair of the Supervisory Board of Bondalti Capital, S.A.

Board of Directors of Haitong Bank, S.A.	Professional Experience	Academic Background	Positions in Guotai Haitong Group companies	Positions in companies outside the Guotai Haitong Group
 **Chen Xuemei (Michelle Chen)** Non-Executive Director	Dr. Chen Xuemei is a dual PR China and UK qualified lawyer with over 30 years of professional experience, including advising financial sector clients on cross-border regulatory compliance matters and debt and equity market-related matters. Dr. Chen Xuemei has been a partner of numerous top global law firms based in London before joining Haitong Bank as a Non-Executive Board Member in December 2023.	Dr. Chen Xuemei holds a Bachelor's, a Master's Degree and a PhD in Law from Peking University, a Bachelor of Arts with Honours in Law, a Master's in Law, and a Master's in Business Administration degree from the University of Cambridge.	n.a.	• Partner of Gunnercooke llp • Director (Executive) of MC Cambridge Limited • Director (Non-Executive) of Cambridge MK Limited • Director of MC Alpine Limited
 **Martina García** Non-Executive Director	Ms. Martina García has over 25 years of experience in international economic policy. Ms. Martina García was CEO of CSFI, a London-based think tank for financial services innovation. Before this post, she was heading the international markets strategy team at the London Stock Exchange Group (LSEG) where she developed, jointly with the Shanghai Stock Exchange, the Shanghai-London Stock Connect launched in 2019. Before joining LSEG, she was Deputy Director for Banking and Financial Sector Analysis at Her Majesty's Treasury, the UK finance minister, where she led the negotiation and implementation of the post-crisis banking regulatory framework. In June 2024, she joined the Cost Benefit Analyses Panel at the Bank of England.	Ms. Martina García has a PhD in agricultural economics from Imperial College (formerly Wye College). Her first degree in Economics was obtained at the Universitat Autónoma de Barcelona.	n.a.	• Member of the Cost Benefit Analyses Panel of the Prudential Regulation Authority of the Bank of England

ANNEXES

Non-Financial and Diversity Information

Haitong Bank's Statement

Haitong Bank is committed to supporting the transition towards a more sustainable and resilient world, by encouraging the preservation of a cleaner and healthier environment, contributing to sustainable economic growth, and fostering a cohesive, equal, diverse and high-quality social environment.

In this context, the Bank has progressively incorporated Environmental, Social and Governance (ESG) principles into its daily activities and governance practices - not only by supporting client initiatives that promote sustainable solutions, but also by assessing how sustainability-related risks may affect the Bank's own financial performance. Haitong Bank also promotes diversity and inclusion, supports the communities in which it operates and, with the support of its shareholder, upholds high governance standards based on robust risk management, effective internal controls, and a culture of checks and balances and independence across corporate bodies.

Aligned with these commitments, the Bank integrates ESG considerations into its risk management practices and decision-making processes, in a manner proportionate to its size, business model and risk profile. The ESG Risk Management Framework was strengthened following the publication of the ECB's Guide on climate-related and environmental risks (November 2020) and more recently the EBA guidelines on managing ESG risks (January 2025).

In the broader context of international and European climate and sustainability commitments - including the Paris Agreement, the UN 2030 Sustainable Development Agenda and the EU Green Deal, all of which call for reduced greenhouse-gas emissions, greater climate resilience and the alignment of financial flows with sustainability objectives - Haitong Bank is also developing its transition plan towards decarbonisation. This plan supports a consistent medium- to long-term approach to managing transition-related risks and opportunities, further strengthening the Bank's alignment with the global sustainability agenda.

On a Global Scale

In 2015, the Paris Agreement was adopted by 196 parties at the UN Climate Change Conference (COP21), entering into force in November 2016. This legally binding international treaty aimed to tackle climate change and its negative impacts and established the following goals:

- Substantially reducing global greenhouse gas emissions to hold global temperature increase to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C;
- Enhancing resilience to climate impacts; and
- Aligning global financial flows with these goals.

The Paris Agreement works on a five-year cycle of increasingly ambitious climate action carried out by countries. Since 2020, national climate action plans, also known as nationally determined contributions (NDCs), have been submitted, representing higher degrees of ambition.

Another example of a step taken on a global scale was the adoption of the 2030 Agenda for Sustainable Development. This Agenda was adopted by all United Nations Member States in 2015 and provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

At its heart are the 17 Sustainable Development Goals (SDGs), which represent an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forest. Haitong Bank is deeply inspired by these Goals and aims to incorporate them more avidly in its daily activities.



Source: United Nations

On a European level, the main growth strategy is defined in the Green Deal, which establishes the plan of action for the transition to a sustainable European economic model. The EU Green Deal was presented in December 2019 and aims to make the EU the world's first "climate-neutral bloc" by 2050, as well as make economic growth decouple from resource use. In terms of financing, the European Commission has pledged to mobilize at least EUR 1 trillion in sustainable investments over the next decade, with 30% of the EU's multiannual budget (2021-2028) being allocated for green investments.

ESG Risk Management Framework

Haitong Bank establishes ESG risk as a distinct category within its internal risk taxonomy, forming the foundation of a structured and methodical approach to assessing how environmental, social and governance factors may influence the Bank's prudential risk profile. The framework begins with a comprehensive identification exercise that maps the transmission channels through which climate-related drivers - both transition and physical - may affect the Bank's core risk categories. This analysis is undertaken at the level of each business line, reflecting the Bank's specific business model and geographical footprint, and is carried out across clearly defined time horizons. Acute physical risks are assessed over the short term, chronic physical risks are considered over the long term, and transition risks are evaluated across short, medium and long-term horizons.

Building on this mapping, Haitong Bank conducts quantitative and qualitative measurement of ESG risks in accordance with methodologies encouraged by the EBA, namely exposure-based, sector-based and scenario-based approaches. To ensure systematic assessment, the Bank applies two internal models to all credit operations: the Transition Risk Score and the Physical Risk Score. These models incorporate sectoral characteristics, geographic dispersion, financial robustness, vulnerability to climate hazards and the mitigation mechanisms implemented by clients. The measurement framework is complemented by climate stress tests for Credit Risk and Market Risk, as well as enhanced monitoring for counterparties presenting heightened ESG risk profiles.

The combined results of the identification and measurement phases inform the ESG materiality assessment. This assessment concludes that transition risk represents the most material transmission channel to Credit Risk, particularly over the medium to long term. Acute physical risks may affect both Credit and Market Risk in the short term, while chronic physical risks are assessed as non-material given the relatively short maturities of the Bank's credit portfolio, which typically does not exceed ten years. The Bank recognises that ESG-related events may also give rise to Legal and Reputational risks, though these are deemed limited and context-specific. Liquidity Risk is considered not material, despite the consideration of climate-related reputational events within ILAAP, and Operational Risk coming from climate-related events is mitigated by the Bank's presence in resilient metropolitan areas and the existence of dedicated contingency measures.

These conclusions anchor Haitong Bank's ESG Risk Vision, which articulates a coherent strategic interpretation of how ESG risks are expected to evolve and how they should be managed across the institution. In this vision, transition risk constitutes the primary driver requiring intensified monitoring and management attention in the medium to long term, while acute physical risks warrant short-term attention for specific geographies. Chronic physical risks remain non-material given portfolio tenor. The Bank's ESG vision also incorporates its exclusion policies: Haitong Bank does not engage with companies involved in human rights violations, forced or child labour, nor with entities heavily dependent on thermal-coal-related activities. These exclusions define clear boundaries for acceptable ESG exposures and reflect the Bank's responsible risk posture.

ESG Risk Processes

The implementation of Haitong Bank's ESG Risk Management Framework is supported by a set of operational tools, processes and governance arrangements that ensure the consistent and institution-wide integration of ESG risks. The Transition and Physical ESG scoring models constitute the core analytical mechanisms for ESG risk assessment. When a counterparty is identified as potential high ESG risk, a dedicated ESG due-diligence questionnaire is initiated to collect additional information on environmental penalties, internal environmental management structures, greenhouse gas emissions and other relevant data. ESG classifications, assigned by the Rating Department, are recorded in the internal client database, ensuring centralised storage, traceability and full accessibility for the teams involved in risk management and decision-making processes. In line with this classification, the Bank's pricing framework incorporates a risk-sensitive adjustment for clients assessed as *High ESG Risk*, ensuring that ESG-related vulnerabilities are also reflected in the financial terms applied to credit exposures.

ESG considerations are systematically embedded into the Bank's risk governance processes, including risk advice for new transactions and the deliberations of the Executive Committee, the Risk Committee, the New Business Committee, and the Adoption Committee, which evaluate ESG implications prior to transaction approval or strategic decisions. In addition, two members of the Board of Directors — the Chief Risk Officer and the Chair of the Audit Committee - have been formally appointed as ESG focal points, ensuring direct Board-level oversight of environmental and climate-related risks and maintaining structured interaction with Banco de Portugal on these matters. The Bank also conducts climate stress tests for Credit Risk and Market Risk and operates an Early Warning System containing ESG-specific triggers, enabling the timely identification and escalation of emerging vulnerabilities.

ESG risks are explicitly embedded in the Risk Appetite Framework, which includes quantitative strategic limits for the proportion of exposures classified as High ESG Risk, based on the outputs of the ESG scoring models. Compliance with these limits and the evolution of ESG exposures is monitored on a monthly basis through the Risk Monitoring Report, prepared by the Risk Management Department and submitted to both the Executive Committee and the Risk Committee. Counterparties presenting heightened ESG risk may be subject to more frequent and granular monitoring, supported by due-diligence reviews and enhanced early warning signals (EWS) mechanisms.

The ESG Risk Management Framework is supported by comprehensive internal documentation, including the ESG Risk Regulation, ESG Risk Procedure, ESG Risk Management Framework Presentation and the ESG Technical Manual describing the methodologies for the Transition and Physical scoring models. ESG considerations are integrated into ICAAP and ILAAP, and the Bank is committed to continuously enhancing its framework and incorporating these elements systematically into ICAAP to reinforce transparency, auditability and alignment with supervisory expectations. All documentation is made available on the Bank's intranet.

Overall, Haitong Bank's ESG Risk Framework provides a coherent, formal and proportionate integration of climate-related and environmental risks into its governance, strategic planning, risk appetite, assessment, monitoring and reporting processes.

Haitong Bank Sustainability Approach

As previously noted, in response to evolving supervisory expectations, the Bank is committed to developing its own transition plan toward decarbonisation, enhancing its awareness of community impact, and supporting management through robust governance arrangement.

Environmental

Despite Haitong Bank's limited environmental footprint, the Bank is committed to operating based on sustainable and environmentally friendly practices, both internally and within its business activity, in alignment with Sustainable Development Goal 13, on Climate Action.

Minimizing its environmental footprint is of utmost importance for the Bank, both in terms of reducing the environmental impact and costs. It is with this purpose that the Bank continuously seeks to implement new measures related to the reduction of energy, water, and materials consumption, such as:

- Recycling paper, thereby reducing its ecological footprint while safely and confidentially disposing of documents (1.9 tons were recycled in 2025);

- Replacing the fossil fuel car fleet with hybrid or electric cars (currently, the Bank has 5 charging stations on its premises);
- Replacing plastic cups and stirrers with paper cups and wooden stirrers;
- Relying more on renewable energy sources;
- Replacing common lighting with LED lamps.

In addition to these measures, the Bank is also committed to participate in several initiatives, in cooperation with local entities. In Macau, Haitong Bank's Branch approved the participation in several "green" activities, at the invitation of the Macau Association of Banks (ABM) and some with the involvement of Macau's Environmental Protection Bureau (DSPA):

- Lunar New Year Red Packet Recycling: participation in the campaign "Recycling the red packets is very easy", organised by the Macau Environmental Protection Bureau, encouraging employees to deposit used red packets for recycling, helping to reduce paper waste.
- "Light Off" Event: participation in the global Earth Hour initiative by switching off non-essential lights for one hour, reinforcing awareness of energy conservation and climate change.
- Printer Ink Cartridge Recycling: continuation of the program for collecting and recycling used printer cartridges, contributing to the reduction of electronic waste and the promotion of a circular economy.
- "Easy to Recycle Mooncake Boxes" campaign: participation in the campaign promoted by the ABM in partnership with the Environmental Protection Bureau, through the establishment of a collection point at the Bank's premises to encourage the recycling of mooncake boxes among employees.

Social

Haitong Bank develops its activity in accordance with international principles and best practices in the field of Social Responsibility, respecting and fulfilling management commitments regarding the contribution to more sustainable development – from an ESG point of view. The Bank is committed to respecting internationally recognized human rights in the development of its relationships with its Clients, suppliers, partners and communities where it operates, seeking to avoid or mitigate the direct or indirect adverse impacts of its activity.

Haitong Bank is strongly committed to complying with social and environmental regulations and best practices for the industry. The Bank also supports and encourages all Employees to become involved with charitable work; however, charitable contributions shall not be awarded in cases where they could influence a business decision.

In 2025, Haitong Bank remained committed to its social responsibilities and continued to participate in such types of initiatives and encourage its Employees and other Stakeholders to be active and fully engaged, as part of its commitment to incorporate ESG principles in all of its activities.

In Portugal, and in alignment with Sustainable Development Goal 3, on Good Health and Well-Being, Haitong Bank continued to support the Portuguese League Against Cancer (LPCC) through financial contributions from itself and its employees, reflecting a strong internal spirit of solidarity and the Bank's commitment to causes with significant social and human impact. The Bank also made a financial contribution to the social solidarity institution Comunidade Vida e Paz, in alignment with Sustainable Development Goal 10, on Reduced Inequalities, supporting a solidarity initiative dedicated to promoting dignity, care, and inclusion for

people experiencing homelessness, thereby contributing to social well-being and support for vulnerable populations.

In Poland, Haitong Bank supported the 9th edition of the "Competition for the Best Thesis on the Contemporary Economic Cooperation between the Republic of Poland and the People's Republic of China", organised by the Polish-Chinese Business Council, by donating an award to the author of the winning thesis. This initiative aims to foster academic research and strengthen economic relations between the two countries.

In Macau, the Bank promoted the employee participation in an educational visit - the National Security Education Visit - focused on national security, aimed at enhancing knowledge of security-related topics and fostering a stronger sense of civic responsibility. The Macau Banking Association (ABM) and the Macau Panda Sports Club co-hosted the “Double Celebration Cup,” a race aimed at the financial sector that promoted team spirit and well-being through sports. The Bank’s team in Macau was represented by two athletes who demonstrated excellent performance and strong sportsmanship.

Governance

In managing its workplace environment, Haitong Bank promotes mutual respect and equal treatment and opportunities among all Employees, valuing diversity within the organization. The Bank implements internal policies, regulations and procedures to prevent and combat harassment in the workplace. No type of discrimination, based on criteria such as ethnicity, gender identity, sexual orientation, religion, creed, culture, nationality, disability, political or ideological orientation, education, marital status or others is accepted, and all Employees are encouraged to accept and respect the right to difference.

The Bank’s Employees must act with the highest ethical standards and refrain from any behaviour that may be considered offensive to others, as per the Bank’s Code of Conduct. They must reject any abusive behaviour whose purpose or effect is to disturb or embarrass a person, thereby affecting their dignity or creating an intimidating, hostile, degrading, humiliating or destabilizing environment. Employees must also reject any unwanted sexual behaviour, whether verbal, non-verbal or physical, with the purpose or effect referred to above.

Moreover, all Employees are encouraged to report any wrongdoings of which they may become aware and/or have a well-founded suspicion. The reception and treatment of any wrongdoing reports are made in accordance with the Bank’s internal policies, regulations, and procedures.

The Bank has in place an Anti-Bribery Policy aimed at establishing specific internal guidance for the prevention of bribery. This is based on national and international legal provisions including, but not limited to, the Portuguese Laws on bribery prevention and the Organisation for Economic Cooperation and Development’s (OECD) Convention on Bribery of Foreign Public Officials in International Business Transactions.

Given the Bank's presence and/or operations in different geographies, this Anti-Bribery Policy also encompasses a set of anti-bribery rules and principles in force in the jurisdictions in which the Bank is present, notwithstanding the obligation of each Employee to acknowledge the anti-bribery laws applicable in each case and take the necessary steps to comply with such laws.

Haitong Bank is committed to ensuring diversity in skills, geography, and age in the composition of its corporate bodies. The Bank prioritizes gender diversity in its management bodies composition in order to promote equal opportunities and socially responsible behaviour within the Bank. Diversity in general fosters efficiency and a climate of constructive challenge and discussion among senior management.

In Haitong Bank's "Policy on the Selection and Assessment of Members of the Management and Supervisory Bodies and Key Function Holders" (abbr. Selection and Assessment Policy), the Bank establishes as its objective the increase of the number of people from the sub-represented gender group.

Currently, the Board of Directors comprises twelve members, with an equal representation of Executive and Non-Executive Directors, including three women, two of which took office in 2024. By the end of 2025, around 25% of the Bank's management bodies and key function positions were held by women. On this date, women represented 41% of the total workforce (see detailed information in the "People" chapter of the Management Report) and there was also a considerable number of female employees in senior leadership roles at the Bank.

Overall Assessment

Haitong Bank recognizes that a firm commitment to environmental, social and governance (ESG) matters is crucial to its success and is thus striving to incorporate them into its overall business strategy. In 2025, the Bank fully implemented various initiatives to achieve these goals, in line with its size, exposure and limited footprint. The Bank's commitment to sustainable growth will remain a priority, as it integrates it into its internal policies, principles, and processes.

Earnings Distribution Proposal

Considering that, as of 31 December 2025, the Bank recorded a consolidated net loss of EUR 29,668,100.11 (twenty-nine million, six hundred and sixty-eight thousand, one hundred euros and eleven cents) and an individual net loss of EUR -29,022,770.96 (twenty-nine million, twenty-two thousand, seven hundred and seventy euros and ninety-six cents), the Board of Directors proposes to the Annual General Meeting that the net loss shown showed in the individual accounts be allocated to:

Other Reserves and Retained Earnings: EUR -29,022,770.96 (twenty-nine million, twenty-two thousand, seven hundred and seventy euros and ninety-six cents);

Total: EUR -29,022,770.96 (twenty-nine million, twenty-two thousand, seven hundred and seventy euros and ninety-six cents).

Declaration of Conformity

In accordance with Article 29 - G (1-c) of the Portuguese Securities Code, the Members of the Board of Directors of Haitong Bank, S.A. hereby declare that, to the best of their knowledge:

a) The consolidated financial statements of Haitong Bank, S.A. for the year ended on 31 December 2025 were prepared in accordance with the legally applicable accounting standards and with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, of July 19th, as set forth in Article 29 - G (3) of the Portuguese Securities Code;

b) The financial statements referred to in paragraph a) above give a true and fair view of Haitong Bank, S.A. and consolidated companies' assets, liabilities, equity and earnings;

c) The Management Report describes faithfully Haitong Bank, S.A. and consolidated companies' business evolution, performance and financial position for the year of 2025, and includes a description of the main risks and uncertainties that could affect the business.

Lisbon, March 12, 2026

Pan Guangtao
(Chairman of the Board of Directors)

Lu Xiaoli
(Chief Executive Officer)

Alan do Amaral Fernandes
(Executive Board Member)

Nuno Miguel Sousa Figueiredo Carvalho
(Executive Board Member)

José Miguel Aleixo Nunes Guiomar
(Executive Board Member)

Vasco Câmara Pires dos Santos Martins
(Executive Board Member)

António Domingues
(Non-Executive Board Member)

Ana Martina Garcia Raoul-Jourde
(Non-Executive Board Member)

Chen Xuemei
(Non-Executive Board Member)

Maria do Rosário Mayoral Robles Machado Simões Ventura
(Non-Executive Board Member)

Xinjun Zhang
(Non-Executive Board Member)

Audit Committee of Haitong Bank, S.A.

Summary of the Self-Assessment Report

Pursuant to Article 60 (1) of Notice of Banco de Portugal no. 3/2020, of 15 July 2020 (as amended by Notice of Banco de Portugal no. 2/2025) (the "**Notice**"), the Supervisory Body (Audit Committee) must prepare a summary of the annual self-assessment report (the "Report"), which is disclosed as an annex to the annual financial statements of Haitong Bank, S.A. (the "Bank"). As required by the Notice, the report assesses the adequacy and effectiveness of the Bank's organisational culture and governance, and of the internal control systems, between 1 December 2024 and 30 September 2025 (the "**Reference Period**"). This assessment was carried out to the Bank on a standalone basis and at group level, including the Bank's Branches in Poland, Spain, United Kingdom and Macau and as well as its affiliate Haitong Banco de Investimento do Brasil S.A..

In its assessment, as described in its Report, the Supervisory Body adopted the following methodology and carried out the following tasks:

a) Regular participation of the Supervisory Body in meetings of the Bank's corporate bodies and internal committees, such as the Risk Committee and the Corporate Governance Committee. During the Reference Period of 10 months – excluding meetings held at the invitation of other bodies, as per the understanding of Banco de Portugal –, 23 (twenty-three) meetings of the Audit Committee were held, of which 6 (six) were electronic meetings (via email). Of the aforementioned meetings, 4 (four) were with the Head of the Internal Audit function, 9 (nine) with the Head of the Compliance function, 4 (four) with the Head of the Risk Control function, 2 (two) with the Head of the Finance Department, 2 (two) with Haitong Brasil, 3 (three) with representatives of the External Auditor, 2 (two) with the Head of the Human Resources Department and 1 (one) with the Heads of the IT Infrastructure and IT Application Development and Support areas. In addition, the Audit Committee members participated in 6 (six) meetings of the Corporate Governance Committee and 6 (six) meetings of the Risk Committee. Therefore, the majority of Supervisory Body meetings during the Reference Period were held with Bank representatives and Committees, who are directly involved in promoting an organizational culture and implementing governance and internal control systems, which demonstrates the significant involvement of the Supervisory Body in the matters covered by the Notice.
b) Participation of the Audit Committee members in 12 (twelve) training sessions promoted by the Bank.

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c) Consultation of the Bank's internal control procedures manual, to the extent necessary to carry out the assessment under the terms of the Notice;
d) Analysis of the Continuous Improvement Database (BDMC), as at 30 September 2025, which includes all deficiencies (of all the Group) still outstanding from previous years, as well as those arisen in the Reference Period (solved or otherwise);
e) Meetings with the heads of the Compliance, Internal Audit and Risk Control Functions, as well as with representatives from Haitong Banco de Investimento do Brasil, S.A.;
f) Review of the reports issued by the internal control functions concerning the Bank and Haitong Banco de Investimento do Brasil, S.A., and discussion of the conclusions with the persons responsible for these reports;
g) Identification and monitoring of the status of deficiencies identified in previous control reports and respective corrective measures;
h) Review of the External Auditor's assessment of the internal control system and discussion of its conclusions with the representatives of the external auditor;
i) At the request of the Supervisory Body, analysis and discussion of the External Auditor's assessment of the processes of preparation of the prudential and financial reports, the processes of preparation of information disclosed to the public and of the adequacy of compliance with the duties of disclosing information to the public;
j) In 2025 the Bank, through the Compliance Department, also conducted a gap analysis regarding the implementation of the changes resulting from Notice No. 2/2025 and Instruction 4/2025 of Banco de Portugal. This analysis was reviewed by PwC in the context of identifying the impact of the changes introduced by the mentioned regulations. In this respect, the Audit Committee considers that procedures applicable to the Group and appropriate for compliance with the Notice were almost fully implemented (from an initial set of 41 identified shortcomings / improvement opportunities, 2 have not yet been addressed), thus contributing to strengthen the internal control system of the Bank in particular and of the Group in general.

Regarding the Bank's internal control system, the Supervisory Body considered aspects related to each control function, such as responsibilities, organisational chart, resources, independence, and other matters that have been raised internally and externally.

As to the Bank's organisational culture, the Supervisory Body draws attention to the work developed by the internal control functions in order to promote a solid and transparent organisational culture, accessible to all the Bank employees, adequate to the size of the Bank's structure and successful in increasing the robustness and effectiveness of controls in risk mitigation, as well as in the identification of potential opportunities for improvement.

During the Reference Period, the Supervisory Body stresses the proactive approach to risk assessment, to the planning of activities with a view to finding the best corrective measures for the situations identified as deficiencies or opportunities for improvement, such approach being a common feature in the actions developed by the internal control functions.

The Supervisory Body issued its Report, dated 14 November 2025, relative to the Reference Period, having issued a clear, detailed and substantiated opinion on the adequacy and effectiveness of the Bank's organisational culture and governance and internal control systems, in accordance with the Notice.

In its Report, the Supervisory Body came to a satisfactory assessment of the adequacy and effectiveness of the Bank's internal control and governance systems and of its organisational culture. The situations detected, although naturally requiring regular monitoring by the internal control functions, do not, in general, call into question the adequacy and effectiveness of the Bank's corporate governance and internal control systems or its organisational culture.

In the Bank's assessment reports, the Board of Directors concluded that the internal control functions have the resources, authority and skills required to perform their duties independently and effectively. In relation to the heads of the control functions, the Board of Directors noted that they participate in the various internal committees, such as the Risk Committee and the Corporate Governance Committee, which allows for regular dialogue with the Bank's non-executive directors.
Regarding the Remuneration Policies, the Board of Directors concluded that these are consistent across the Haitong Bank, S.A. group.

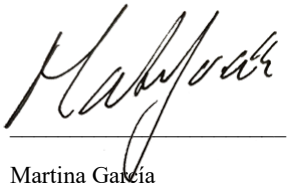
In what concerns the organisational culture of the Bank, the Board of Directors highlighted the support provided to the internal activities with a view to promoting an organisational culture of compliance with the applicable regulatory requirements. In particular, the Board of Directors drew attention to the Code of Conduct approved by the Bank, as well as to the existence of internal regulations that promote a culture of professionalism, transparency and integrity.

Lisbon, 09 March 2026

AUDIT COMMITTEE

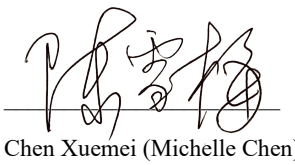
Maria do Rosário Ventura

(Chair)



Martina García

(Member)



Chen Xuemei (Michelle Chen)

(Member)

Report and Opinion of the Audit Committee

Haitong Bank, S.A.

for financial year 2025

To the Shareholder of Haitong Bank, S.A.,

In accordance with the applicable legislation, we hereby present our report on the audit performed by the Supervisory Body (Audit Committee) to the Management Report, the individual and the consolidated financial statements and the proposal for the distribution of the year's results presented by the Board of Directors of Haitong Bank, S.A. (hereinafter, "Haitong" and / or "Bank") for the year ended 31 December 2025.

Haitong's Supervisory Body, as part of its designated functions, monitored, in accordance with the law and the company's articles of association, the development of Haitong's management and business activity, namely:

(i) assessed the adequacy and effectiveness of the risk management, internal control and internal audit systems, as well as the Bank's organisational culture;

(ii) attended Board of Directors meetings, of which the members of the Audit Committee are also part, as non-executive Directors;

(iii) took part in the meetings of the Risk and Corporate Governance Committees;

(iv) reviewed management information documents submitted by the Bank;

(v) monitored the verification of the accounting records and underlying support documents to the extent considered necessary;

(vi) assessed the accounting policies and valuation criteria adopted by Haitong; and

(vii) held meetings with the Statutory Auditor, whenever necessary, on the assessment of the accounting policies and valuation criteria adopted by Haitong, which always provided the information required.

In accordance with the applicable legislation, the Supervisory Body also assessed the Auditor's Report and Statutory Audit Certification ("*Certificação Legal de Contas*") prepared by the Statutory Auditor (PRICEWATERHOUSECOOPERS & ASSOCIADOS - SOCIEDADE DE REVISORES OFICIAIS DE CONTAS, LDA.) on the individual and consolidated financial statements for financial year 2025 and took note of the Additional Report on said financial statements submitted by the Statutory Auditor to the Supervisory Body, with which the Supervisory Body agrees. The Supervisory Body also analysed the Management Report submitted by the Board of Directors, and considers that the report complies with the applicable legal and statutory requirements and duly mentions the main aspects of Haitong's activity in 2025, both in individual and in consolidated terms.

The Supervisory Body highlights the following:

- On September 5, 2024, a cooperation agreement was signed between Guotai Junan Securities Co., Ltd. and Haitong Securities Co. Ltd. in relation to a proposed merger by way of absorption and participation by exchange of securities. In March 2025, Guotai Junan Securities Co., Ltd. announced to the market the completion of the merger process between the two entities, subsequently changing its name to Guotai Haitong Securities Co., Ltd., the current indirect shareholder of Haitong Bank. Throughout 2025, the necessary authorizations were obtained from the competent regulators of the Haitong Bank Group, including the Bank of Portugal (in December 2025), the Portuguese Securities Market Commission (CMVM), the Central Bank of Brazil, and the Monetary Authority of the Cayman Islands;

- The disclosures made by the Bank in Note 32 to the consolidated financial statements, concerning the Deferred Tax Assets as well as the impacts arising from the tax policy, and the interactions with the Portuguese Tax and Customs Authority;

- On 14 November 2025 the Supervisory Body issued its Report, including a clear, detailed and reasoned opinion on the adequacy and effectiveness of the organisational culture and the governance and internal control systems of Haitong in the period of 01 December

2024 to 30 September 2025, in accordance with the Bank of Portugal Notice no. 3/2020, of 15 July (as amended by Bank of Portugal Notice no. 2/2025, of 20 March). A summary of this report is attached to Haitong's 2025 Annual Report.

- The description of relevant audit issues and other issues at both individual and consolidated level that are reported in the Statutory Audit Certification and Audit Report.

In light of the above, it is the opinion of the Supervisory Body that the following should be approved:

- The Management Report and remaining individual and consolidated reporting documents relative to the financial year ended on 31 December 2025;

- The proposal submitted by the Board of Directors on the allocation of the negative net profit for the year 2025, in the amount of 29,022,770.96 euros (twenty-nine million, twenty-two thousand, seven hundred seventy euros and ninety-six cents), to other reserves and retained earnings.

Lisbon, 16 March 2026

THE AUDIT COMMITTEE

Maria do Rosário Mayoral Robles Machado Simões Ventura
(Chair)

Ana Martina Garcia Raoul-Jourde
(Member)

Xuemei Chen (Michelle Chen)
(Member)

Declaration of Conformity with the Financial Information Reported

The present declaration is submitted under the terms of subparagraph c) of no. 1 and no. 3 of Article 29-G of the Portuguese Securities Code (*Código dos Valores Mobiliários*, "CVM")

The Audit Committee hereby declares that, to the best of its knowledge:

- The information referred to in subparagraph a) of no. 1 and no. 3 of Article 29-G of the CVM as at 31 December 2025 was prepared in accordance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial situation and the results of Haitong and the companies included within its consolidated scope; and

- The management report faithfully details the evolution of the business and the performance and position of Haitong and the companies included within its consolidation scope, and contains a description of the main risks and uncertainties faced within the framework of ongoing activities.

Lisbon, 16 March 2026

THE AUDIT COMMITTEE

Maria do Rosário Mayoral Robles Machado Simões Ventura
(Chair)

Ana Martina Garcia Raoul-Jourde
(Member)

Xuemei Chen (Michelle Chen)
(Member)

Annual report on the activity of the Supervisory Body in 2025

Pursuant to the provisions of subparagraph g) of no. 1 of Article 423-F of the Portuguese Commercial Companies Code (*Código das Sociedades Comerciais*, "CSC") and Paragraph 7.1.4. of the Regulation of the Supervisory Body of Haitong, the Audit Committee hereby presents its report on the supervisory works carried out in 2025.

1. Introduction

The following are some of the main powers and responsibilities of the Supervisory Body, in accordance with its Regulations:

i. Monitoring the activity of Haitong, watching over compliance with the Law and the company's Articles of Association, and supervising the management of the company;

ii. Supervising compliance with accounting policies and with the process of preparing and disclosing financial information, as well as reviewing Haitong's accounting books and records;

iii. Monitoring and supervising the effectiveness of the governance and internal control and risk management systems, as well as the organisational culture;

iv. Proposing the appointment of a Statutory Auditor or firm of Statutory Auditors to the General Meeting; and

v. Supervising the independence of the Statutory Auditor, namely regarding the provision of non-audit services.

2. Activities carried out by the Supervisory Body in 2025

i. Monitoring Haitong's activity, ensuring compliance with the law and the company's Articles of Association, and supervising the company's management.

In 2025 the Supervisory Body held 26 (twenty-six) meetings, of which 8 (eight) were electronic meetings (via e-mail). Of these meetings, 4 (four) were held with the head and team members of the Internal Audit function, 9 (nine) with the head and team members of the Compliance function, 4 (four) with the head and team members of the Risk Control function, 3 (three) with the head and team members of the Finance Department, 2 (two) with the head of the Human Resources department 2 (two) with the Management of Haitong Brazil, 1 (one) with the Head of Treasury, 1 (one) with the Heads of the IT Infrastructure and IT Application Development and Support areas and 4 (four) with representatives of the statutory auditor, PRICEWATERHOUSECOOPERS & ASSOCIADOS - SOCIEDADE DE REVISORES OFICIAIS DE CONTAS, LDA. In addition, the members of the Supervisory Body also participated in 9 (nine) meetings of the Corporate Governance Committee, 9 (nine) meetings of the Risk Committee and 5 (five) meetings of the Remuneration Committee.

The Supervisory Body had access to all the information requested and obtained all the documents and clarifications from all the persons from which this was requested.

ii. Supervising compliance with accounting policies and with the process of preparing and disclosing financial information and the statutory audit

The Supervisory Body monitored compliance with accounting policies and the reliability of financial information via the financial information provided by the Finance Division and by the Statutory Auditor (PRICEWATERHOUSECOOPERS & ASSOCIADOS - SOCIEDADE DE REVISORES OFICIAIS DE CONTAS, LDA.). Several meetings were held with the auditors, in which the reports were analysed and the audit procedures and conclusions were assessed.

The Supervisory Body analysed the accounting documents and the statutory audit certification for financial year 2025, having issued a favourable opinion on these documents.

iii. Monitoring and supervising the effectiveness of the internal control and risk management systems

The Supervisory Body monitored and assessed the adequacy of the internal control, risk management, internal audit and compliance systems, within the scope of its responsibilities, via meetings and information reporting by the heads of said functions in Haitong. The

Supervisory Body also monitored and assessed the work carried out by the Bank's Statutory Auditor (PRICEWATERHOUSECOOPERS & ASSOCIADOS - SOCIEDADE DE REVISORES OFICIAIS DE CONTAS, LDA.) within the assessment of the Governance and Internal Control Systems, and organisational culture, and on 14 November 2025 issued its opinion on the adequacy of the internal control system, based on the terms of Article 56 of the Bank of Portugal Notice 3/2020, of 15 July.

iv. Monitoring the activity of the Internal Audit Function

Throughout 2025, the Supervisory Body supervised the activity of the Internal Audit Function, which reports functionally to the Supervisory Body and hierarchically to the Executive Director responsible for the Function. The Supervisory Body approved the budget and activity plan and regularly monitored the execution of the Internal Audit Function activity plan, having received the information deemed necessary for carrying out its duties.

v. Monitoring the activity of Haitong's Statutory Auditor

The Supervisory Body regularly monitored throughout 2025 the activities developed by the Statutory Auditor, via the critical assessment of the documents drafted within the scope of its functions. The Statutory Auditor confirmed its independence to the Supervisory Body and that it had found no irregularities concerning the performance of its duties and that it had no obstacles in pursuing those duties.

During financial year 2025 the Supervisory Body assessed the provision of non-audit services and confirmed that the independence of the Statutory Auditor had been safeguarded.

vi. Monitoring of Haitong's business with related parties

The Supervisory Body monitored the enforcement of the related-party transactions policy during 2025.

vii. Whistleblowing

The Supervisory Body is responsible for receiving wrongdoing reports submitted by employees, clients, shareholders, or any other entity, as provided for in the Law. During the financial year 2025 the Supervisory Body did not receive any wrongdoing reports.

To conclude, the Supervisory Body expresses its recognition to all the employees of Haitong and to its Statutory Auditor for the cooperation provided throughout the performance of its functions.

Lisbon, 16 March 2026

THE AUDIT COMMITTEE

Maria do Rosário Mayoral Robles Machado Simões Ventura
(Chair)

Ana Martina Garcia Raoul-Jourde
(Member)

Xuemei Chen (Michelle Chen)
(Member)

Statutory Audit Report and Auditors' Report

[Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail]

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Haitong Bank, S.A. (the Group), which comprise the consolidated statement of financial position as at 31 December 2025 (which shows total assets of Euros 3.429.499 thousand and total equity of Euros 612.245 thousand including a net loss attributable to shareholders of the parent company of Euros 29.668 thousand), the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of Haitong Bank, S.A. as at 31 December 2025, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. In accordance with the law we are independent of the entities that are included in the Group and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Summary of the audit approach
Impairment losses on financial assets at amortised cost – loans and advances to customers and securities, securities at fair value through other comprehensive income and provisions for guarantees and other commitments (notes 2.4.1, 3.1, 22, 24, 31 and 39 attached to the consolidated financial statements of the Group)	
The significant expression of the balances related to loans and advances to customers and securities measured at amortised cost and at fair value through other comprehensive income as well as off-balance sheet exposures represented by guarantees and other commitments, together with the corresponding impairment losses and provisions, whose determination requires the processing of a significant volume of data and the application of complex assumptions and judgments by the Group's management, justify that these constituted a key audit matter for the purpose of our audit. As at 31 December 2025, the gross carrying amount of (i) loans and advances to customers amounts to Euros 745.032 thousand with corresponding impairment losses of Euros 18.472 thousand; and (ii) securities amounts to Euros 889.091 thousand (of which Euros 571.709 thousand relate to securities measured at amortized cost and Euros 317.382 thousand to securities measured at fair value through other comprehensive income), with corresponding impairment losses of Euros 3.726 thousand. The off-balance sheet exposures represented by guarantees and other commitments amounts to Euros 188.254 thousand, with related provisions recognized of Euros 2.892 thousand. In accordance with IFRS 9 – Financial Instruments and the accounting policy disclosed in note 2.4.1 of the Group's consolidated financial statements as at 31 December 2025, the Group applies a loss quantification process for its most significant exposures, evaluated in terms of the total amount of responsibilities within the Group and the possible existence of triggers of default, which includes and individual assessment comprising (i) a staging analysis; and (ii) an impairment quantification. In the latter, the amount of impairment is determined through a detailed analysis of the economic and financial position of each customer, having as consideration (i) the estimated cash flows that may be generated in the future for the fulfilment of their responsibilities (going concern approach); and/or (ii) the valuation of the collateral received in the scope of the loans granted, whenever recovery is expected via collateral enforcement, foreclosure, and/or sale (gone concern approach). For exposures not subject to individual impairment assessment, the Group develops collective models to	The audit procedures performed included the identification, understanding and evaluation of policies and procedures established by the Group for impairment losses quantification of the loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income and provisions for guarantees and other commitments, as well of the key controls related to the approval, recording and monitoring of credit risk, and to the timely identification, measurement and recognition of impairment losses and provisions. On a sample basis, we reviewed a selection of customers included by the Group in the individual analysis perimeter as at 31 December 2025 in order to: (i) reviewing the conclusions and results obtained by the Group in its individual staging analysis and impairment quantification analysis; and (ii) perform our own judgment over the existence of significant increase in credit risk or default situations, the customer's economic and financial condition, the predictability of expected future cash flows from their businesses, and the recoverability prospects of the loans. For the exposures whose impairment is determined through the collective model, we developed specific procedures in order to (i) review the application of the criteria used by the Group to identify significant increases in credit risk or default events, and (ii) evaluate the extent to which the assumptions considered by management include all the risk variables by comparing them with historical information on the performance and recoveries related to loans and advances to customers as well as securities measured at amortized cost and fair value through other comprehensive income, as well as the forward-looking information. Our audit procedures also included the review of the disclosures regarding loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income, off-balance sheet exposures and corresponding impairment losses and provisions, presented on the Group's accompanying notes to the consolidated

Key audit matter	Summary of the audit approach
determine expected impairment losses, based on (i) a set of triggers to identify significant increases in credit risk or default events, (ii) historical default and recovery data provided by external suppliers, namely rating agencies, and (iii) forward-looking information incorporating a range of weighted macroeconomic and financial scenarios. In this context, any changes in the assumptions or methodologies used by the Group in the analysis and quantification of impairment losses of loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income portfolios, as well as provisions for guarantees and other commitments, as well as different recovering strategies, may have an effect on the recovery flows estimation and on the timing of their receipt and may have a material impact on the impairment losses amount and provisions recognised in each reporting date.	financial statements, considering the applicable accounting standards.
Recoverability of deferred tax assets (notes 2.12, 3.2, and 32 attached to the consolidated financial statements of the Group) As at 31 December 2025, the deferred tax assets amount to Euros 88.334 thousand, of which Euros 84.050 thousand are dependent on the Group's ability to generate future taxable profits (deferred tax assets not eligible under the special scheme applicable to deferred tax assets, enacted by Law No. 61/2014 of 26 August), which primarily include (i) Euros 9.655 thousand related to impairment losses on loans and advances to costumers, guarantees and other exposures; (ii) Euros 15.728 thousand related to financial instruments, provisions, and other taxable items; (iii) Euros 4.030 thousand related to pension fund and long-term employee benefits; and (iv) Euros 58.921 thousand related to reportable tax losses carried forward of the activity of the Bank and its subsidiary Haitong – Banco de Investimento do Brasil, S.A.. According to IAS 12 – Income Taxes, the recognition of deferred tax assets is contingent upon the existence of future taxable profits to allow its recoverability. Management performed an analysis of the recoverability of the deferred tax assets based on the Group's projected activities and financial results. This assessment required the application by management of a series of complex judgments, namely: (i) estimation of future taxable profits, depending on the Group's future strategy and markets developments; (ii) long-term growth rates; (iii) investments' rates of return; and (iv) discount rates, among others, as well as management's interpretation of the tax legislation, including what concerns deferred tax assets in the	The audit procedures performed included the identification and understanding of key controls established by the Group for estimating the recoverability of deferred tax assets, regarding: (i) the identification of deductible temporary differences in accordance with applicable tax legislation; (ii) the analysis of the recoverability of deferred tax assets recognised in its consolidated financial statements; and (iii) the identification of the main assumptions considered by management to estimate the generation of future taxable profits that allow the recovery of deferred tax assets recognised in the consolidated balance sheet. We also performed an understanding and analysis of the management's key assumptions deemed relevant in estimating the future evolution of pre-tax profits, including the analysis of their consistency with the projections of the Group's business plan, taking into considerations the current macroeconomic environment, as well as a review of the interpretation of tax legislation with the involvement of internal tax specialists. Our audit procedures also included the review of the disclosures related to the deferred tax assets accompanying notes to the consolidated financial statements, considering the applicable accounting standards.

Key audit matter	Summary of the audit approach
scope of the Special Scheme Applicable to Deferred Tax Assets, enacted by Law No. 61/2014 of 26 August, and the tax deductibility of certain expenses. Any deviations in the assumptions used in the estimation of future taxable profits or in the interpretation of tax legislation could have a material relevant impact on the recoverability of deferred tax assets recognised in the Group's consolidated financial statements as at 31 December 2025. As a result, these constituted a key matter a key audit matter for the purpose of our audit.	

Responsibilities of management and supervisory board for the consolidated financial statements

Management is responsible for:

a) the preparation of the consolidated financial statements, which present fairly the consolidated financial position, the consolidated financial performance and the cash flows of the Group in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;

b) the preparation of the Management Report and the corporate governance report in accordance with the applicable law and regulations;

c) the creation and maintenance of an appropriate system of internal control to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;

d) the adoption of appropriate accounting policies and criteria; and

e) the assessment of the Group's ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Group's ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Group's financial information.

Auditor's responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

a) identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

e) evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

f) plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion;

g) communicate with those charged with governance, including the supervisory board, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

h) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the consolidated financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and

i) confirm to the supervisory board that we comply with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the Management Report is consistent with the consolidated financial statements and the verification set forth in paragraphs 4 and 5 of article No. 451 of the Portuguese Company Law on corporate governance matters.

Report on other legal and regulatory requirements

Management Report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the Management Report has been prepared in accordance with applicable requirements of the law and regulation, that

the information included in the Management Report is consistent with the audited consolidated financial statements and, taking into account the knowledge and assessment about the Group, no material misstatements were identified.

Corporate governance report

In compliance with paragraph 4 of article No. 451 of the Portuguese Company Law, it is our understanding that the corporate governance report includes the information required under article No. 29-H of the Portuguese Securities Market Code, that no material misstatements were identified in the information disclosed in this report and that it complies with paragraphs 1 c), d), f), h), i) and l) of that article.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014, and in addition to the key audit matters referred to above, we also provide the following information:

a) We were first appointed auditors of Haitong Bank, S.A. in the Shareholders' General Meeting of 18 May 2023 for the period from 2023 to 2025;

b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the consolidated financial statements. Based on the work performed, we have not identified any material misstatement in the consolidated financial statements due to fraud;

c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Group's supervisory board on 13 March 2026;

d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014 and that we remain independent of the Group in conducting our audit.

13 March 2026

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

[Original in Portuguese signed by]

Cláudia Sofia Parente Gonçalves da Palma, ROC no. 1853
Registered with the Portuguese Securities Market Commission under no. 20180003

[This is a translation, not to be signed]

Statutory Audit Report and Auditors' Report

[Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail]

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Haitong Bank, S.A. (the Bank), which comprise the statement of financial position as at 31 December 2025 (which shows total assets of Euros 2.293.132 thousand and total equity of Euros 619.280 thousand including a net loss of Euros 29.023 thousand), the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Haitong Bank, S.A. as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section below. In accordance with the law we are independent of the Bank and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Summary of the audit approach
Impairment losses on financial assets at amortised cost – loans and advances to customers and securities, securities at fair value through other comprehensive income and provisions for guarantees and other commitments (notes 2.3.1, 3.1, 22, 24, 32 and 40 attached to the financial statements of the Bank)	
The significant expression of the balances related to loans and advances to customers and securities measured at amortised cost and at fair value through other comprehensive income as well as off-balance sheet exposures represented by guarantees and other commitments, together with the corresponding impairment losses and provisions, whose determination requires the processing of a significant volume of data and the application of complex assumptions and judgments by the Bank's management, justify that these constituted a key audit matter for the purpose of our audit. As at 31 December 2025, the gross carrying amount of (i) loans and advances to customers amounts to Euros 708.583 thousand with corresponding impairment losses of Euros 14.283 thousand; and (ii) securities amounts to Euros 641.726 thousand (of which Euros 397.955 thousand relate to securities measured at amortized cost and Euros 243.771 thousand to securities measured at fair value through other comprehensive income), with corresponding impairment losses of Euros 1.145 thousand. The off-balance sheet exposures represented by guarantees and other commitments amounts to Euros 182.156 thousand, with related provisions recognized of Euros 678 thousand. In accordance with IFRS 9 – Financial Instruments and the accounting policy disclosed in note 2.3.1 of the Bank's financial statements as at 31 December 2025, the Bank applies a loss quantification process for its most significant exposures, evaluated in terms of the total amount of responsibilities within the Bank and the possible existence of triggers of default, which includes and individual assessment comprising (i) a staging analysis; and (ii) an impairment quantification. In the latter, the amount of impairment is determined through a detailed analysis of the economic and financial position of each customer, having as consideration (i) the estimated cash flows that may be generated in the future for the fulfilment of their responsibilities (going concern approach); and/or (ii) the valuation of the collateral received in the scope of the loans granted, whenever recovery is expected via collateral enforcement, foreclosure, and/or sale (gone concern approach). For exposures not subject to individual impairment assessment, the Bank develops collective models to determine expected impairment losses, based on (i)	The audit procedures performed included the identification, understanding and evaluation of policies and procedures established by the Bank for impairment losses quantification of the loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income and provisions for guarantees and other commitments, as well of the key controls related to the approval, recording and monitoring of credit risk, and to the timely identification, measurement and recognition of impairment losses and provisions. On a sample basis, we reviewed a selection of customers included by the Bank in the individual analysis perimeter as at 31 December 2025 in order to: (i) reviewing the conclusions and results obtained by the Bank in its individual staging analysis and impairment quantification analysis; and (ii) perform our own judgment over the existence of significant increase in credit risk or default situations, the customer's economic and financial condition, the predictability of expected future cash flows from their businesses, and the recoverability prospects of the loans. For the exposures whose impairment is determined through the collective model, we developed specific procedures in order to (i) review the application of the criteria used by the Bank to identify significant increases in credit risk or default events, and (ii) evaluate the extent to which the assumptions considered by management include all the risk variables by comparing them with historical information on the performance and recoveries related to loans and advances to customers as well as securities measured at amortized cost and fair value through other comprehensive income, as well as the forward-looking information. Our audit procedures also included the review of the disclosures regarding loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income, off-balance sheet exposures and corresponding impairment losses and provisions, presented on the Bank's accompanying notes to the financial statements, considering the applicable accounting standards.

Key audit matter	Summary of the audit approach
a set of triggers to identify significant increases in credit risk or default events, (ii) historical default and recovery data provided by external suppliers, namely rating agencies, and (iii) forward-looking information incorporating a range of weighted macroeconomic and financial scenarios. In this context, any changes in the assumptions or methodologies used by the Bank in the analysis and quantification of impairment losses of loans and advances to customers, securities at amortised cost and at fair value through other comprehensive income portfolios, as well as provisions for guarantees and other commitments, as well as different recovering strategies, may have an effect on the recovery flows estimation and on the timing of their receipt and may have a material impact on the impairment losses amount and provisions recognised in each reporting date.	
Recoverability of deferred tax assets (notes 2.11, 3.2, and 33 attached to the financial statements of the Bank) As at 31 December 2025, the deferred tax assets amount to Euros 30.344 thousand, of which Euros 26.060 thousand are dependent on the Bank's ability to generate future taxable profits (deferred tax assets not eligible under the special scheme applicable to deferred tax assets, enacted by Law No. 61/2014 of 26 August), which primarily include (i) Euros 5.221 thousand related to impairment losses on loans and advances to costumers, guarantees and other exposures; (ii) Euros 1.072 thousand related to financial instruments, provisions, and other taxable items; (iii) Euros 4.015 thousand related to pension fund and long-term employee benefits; and (iv) Euros 20.036 thousand related to reportable tax losses carried forward of the activity of the Bank. According to IAS 12 – Income Taxes, the recognition of deferred tax assets is contingent upon the existence of future taxable profits to allow its recoverability. Management performed an analysis of the recoverability of the deferred tax assets based on the Bank's projected activities and financial results. This assessment required the application by management of a series of complex judgments, namely: (i) estimation of future taxable profits, depending on the Bank's future strategy and markets developments; (ii) long-term growth rates; (iii) investments' rates of return; and (iv) discount rates, among others, as well as management's interpretation of the tax legislation, including what concerns deferred tax assets in the scope of the Special Scheme Applicable to Deferred Tax Assets, enacted by Law No. 61/2014 of 26 August, and	The audit procedures performed included the identification and understanding of key controls established by the Bank for estimating the recoverability of deferred tax assets, regarding: (i) the identification of deductible temporary differences in accordance with applicable tax legislation; (ii) the analysis of the recoverability of deferred tax assets recognised in its financial statements; and (iii) the identification of the main assumptions considered by management to estimate the generation of future taxable profits that allow the recovery of deferred tax assets recognised in the balance sheet. We also performed an understanding and analysis of the management's key assumptions deemed relevant in estimating the future evolution of pre-tax profits, including the analysis of their consistency with the projections of the Bank's business plan, taking into considerations the current macroeconomic environment, as well as a review of the interpretation of tax legislation with the involvement of internal tax specialists. Our audit procedures also included the review of the disclosures related to the deferred tax assets accompanying notes to the financial statements, considering the applicable accounting standards.

Key audit matter	Summary of the audit approach
the tax deductibility of certain expenses. Any deviations in the assumptions used in the estimation of future taxable profits or in the interpretation of tax legislation could have a material relevant impact on the recoverability of deferred tax assets recognised in the Bank's financial statements as at 31 December 2025. As a result, these constituted a key matter a key audit matter for the purpose of our audit.	

Responsibilities of management and supervisory board for the financial statements

Management is responsible for:

a) the preparation of the financial statements, which present fairly the financial position, the financial performance and the cash flows of the Bank in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;

b) the preparation of the Management Report and the corporate governance report in accordance with the applicable law and regulations;

c) the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;

d) the adoption of appropriate accounting policies and criteria; and

e) the assessment of the Bank's ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Bank's ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Bank's financial information.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;

c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern;

e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

f) communicate with those charged with governance, including the supervisory board, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

g) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and

h) confirm to the supervisory board that we comply with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the Management Report is consistent with the financial statements and the verification set forth in paragraphs 4 and 5 of article No. 451 of the Portuguese Company Law on corporate governance matters.

Report on other legal and regulatory requirements

Management Report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the Management Report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Management Report is consistent with the audited financial statements and, taking into account the knowledge and assessment about the Bank, no material misstatements were identified.

Corporate governance report

In compliance with paragraph 4 of article No. 451 of the Portuguese Company Law, it is our understanding that the corporate governance report includes the information required under article No. 29-H of the Portuguese Securities Market Code, that no material misstatements were identified in the information disclosed in this report and that it complies with paragraphs 1 c), d), f), h), i) and l) of that article.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014, and in addition to the key audit matters referred to above, we also provide the following information:

a) We were first appointed auditors of Haitong Bank, S.A. in the Shareholders' General Meeting of 18 May 2023 for the period from 2023 to 2025;

b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the financial statements. Based on the work performed, we have not identified any material misstatement in the financial statements due to fraud;

c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Bank's supervisory board on 13 March 2026;

d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014 and that we remain independent of the Bank in conducting our audit.

13 March 2026

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

[Original in Portuguese signed by]

Cláudia Sofia Parente Gonçalves da Palma, ROC no. 1853
Registered with the Portuguese Securities Market Commission under no. 20180003

[This is a translation, not to be signed]

