

Exchange Fund Results ⁽¹⁾

(HK\$ bn)	2025 (unaudited)			2024 (unaudited)	2024 (audited)
	1H	Q2	Q1	1H	Full year
Bonds	75.3	34.7	40.6	57.9	135.9
Hong Kong equities ⁽²⁾	22.9	6.5	16.4	6.6	21.8
Other equities	27.4	30.2	(2.8)	47.8	69.1
Foreign exchange ⁽³⁾	56.8	43.8	13.0	(16.3)	(35.6)
Other investments ⁽⁴⁾	<u>12.0</u>	<u>-</u>	<u>12.0</u>	<u>14.1</u>	<u>27.6</u>
Investment income	194.4	115.2	79.2	110.1	218.8
Other income	0.1	0.1	-	0.1	0.2
Interest and other expenses	<u>(25.0)</u>	<u>(11.7)</u>	<u>(13.3)</u>	<u>(31.3)</u>	<u>(63.1)</u>
Net income	169.5	103.6	65.9	78.9	155.9
Fee payment to Fiscal Reserves					
- Operating and Capital Reserves ⁽⁵⁾	(8.5)	(4.0)	(4.5)	(7.0)	(13.2)
- Future Fund	(Note 6)	(Note 6)	(Note 6)	(Note 6)	(16.2)
Fee payment to HKSAR Government funds and statutory bodies ⁽⁵⁾	(8.3)	(4.1)	(4.2)	(8.4)	(15.7)

Note 1: Except for other investments, the above figures represent the Exchange Fund's own income and expenditure. The income and expenditure of the Exchange Fund's subsidiaries, associates and joint ventures have not been consolidated.

Note 2: Excluding valuation changes of the Strategic Portfolio.

Note 3: This is primarily the effect of translating foreign currency assets into Hong Kong dollar after deducting the portion for currency hedging.

Note 4: Including valuation changes of private equity and real asset investments held under the LTGP. This figure reflects the valuations at the end of March 2025. Valuation changes of these investments from April to June are not yet available.

Note 5: The rate of fee payment is 4.4% for 2025 and 3.7% for 2024.

Note 6: The 2025 fee payment to the Future Fund will be disclosed when the composite rate for 2025 is available. (For 2024, the composite rate was 3.9%.)

Exchange Fund Abridged Balance Sheet ⁽¹⁾
(Expressed in billions of Hong Kong dollars)

	At 30 June 2025 (unaudited)	At 30 June 2024 (unaudited)	At 31 December 2024 (audited)
ASSETS			
Deposits	389.4	330.9	332.9
Debt securities	2,954.8	2,836.7	2,825.0
Hong Kong equities ⁽²⁾	162.3	128.4	133.0
Other equities	420.5	429.7	441.0
Other assets ⁽³⁾	370.1	252.9	349.1
Total assets	<u>4,297.1</u>	<u>3,978.6</u>	<u>4,081.0</u>
LIABILITIES AND EQUITY			
Certificates of Indebtedness	623.0	597.9	598.9
Government-issued currency notes and coins in circulation	13.0	12.9	13.0
Balance of the banking system	164.1	45.0	44.8
Exchange Fund Bills and Notes issued	1,416.6	1,270.7	1,383.7
Placements by banks and other financial institutions	73.2	114.9	72.1
Placements by Fiscal Reserves ⁽⁴⁾	567.9	620.5	669.7
Placements by HKSAR Government funds and statutory bodies	375.1	429.8	391.1
Placements by subsidiaries	59.6	31.4	45.7
Other liabilities	125.8	166.3	127.1
Total liabilities	<u>3,418.3</u>	<u>3,289.4</u>	<u>3,346.1</u>
Accumulated surplus	877.9	688.3	734.0
Revaluation reserve	0.9	0.9	0.9
Total equity	<u>878.8</u>	<u>689.2</u>	<u>734.9</u>
Total liabilities and equity	<u>4,297.1</u>	<u>3,978.6</u>	<u>4,081.0</u>

Note 1: The above figures represent the Exchange Fund's own balance sheet. The balance sheets of the Exchange Fund's subsidiaries, associates and joint ventures have not been consolidated.

Note 2: Including shares of the Hong Kong Exchanges and Clearing Limited in the Strategic Portfolio.

Note 3: Including fund injection to Exchange Fund's investment holding subsidiaries at a carrying amount of HK\$203.5 billion at 30 June 2025 (HK\$202.7 billion at 31 December 2024 and HK\$203.3 billion at 30 June 2024).

Note 4: Including placements by the Future Fund of HK\$240.9 billion at 30 June 2025 (HK\$245.8 billion at 31 December 2024 and HK\$255.6 billion at 30 June 2024).