九江银行
BANK OF JIUJIANG

九江銀行股份有限公司
Bank of Jiujiang Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 6190

2025
ANNUAL REPORT

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Company Profile

1. BASICS

Legal name in Chinese	:	九江銀行股份有限公司*
Legal name in English	:	Bank of Jiujiang Co., Ltd.*
Legal representative	:	ZHOU Shixin (周時辛)
Company secretary	:	WONG Wai Chiu (黃偉超)
Authorized representative	:	XIAO Jing (肖璟)
H-share exchange	:	The Stock Exchange of Hong Kong Limited
Stock short name	:	BANK OF JIUJIANG
Stock code	:	6190
Unified social credit code	:	9136040070552834XQ
License number for financial business operations	:	B0348H336040001
Registered capital	:	RMB2,847,367,200
Registered address and office address	:	No. 619 Changhong Avenue, Lianxi District, Jiujiang, Jiangxi Province, China (Postal code: 332000)
Principal place of business in Hong Kong	:	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong
Contact details	:	Tel: +86(792)7783000-1101 Fax: +86(792)8325019 Email: dshbgs6190@jjccb.com Website: www.jjccb.com Customer service hotline: +86 95316
PRC auditor	:	KPMG Huazhen LLP
International auditor	:	KPMG
PRC legal advisor	:	JunHe LLP (北京市君合律師事務所)
Hong Kong (PRC) legal advisor	:	Clifford Chance
H-share registrar and transfer office	:	Computershare Hong Kong Investor Services Limited
Domestic share depository	:	China Securities Depository and Clearing Corporation Limited (CSDC)
HKEXnews website of the Hong Kong Stock Exchange for publication of this report	:	www.hkexnews.hk

* The Bank is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the laws of Hong Kong), is not subject to the supervision of the Hong Kong Monetary Authority, and is not authorized to carry on banking and/or deposit-taking business in Hong Kong.

2. ABOUT US

Approved by Wuhan Branch of the People's Bank of China for the establishment, Bank of Jiujiang Co., Ltd. ("**Bank of Jiujiang**" or the "**Bank**") is a regional commercial bank incorporated in November 2000 from eight urban credit cooperatives in Jiujiang City. In October 2008, the Bank officially changed its name to Bank of Jiujiang Co., Ltd. On July 10, 2018, Bank of Jiujiang was listed on the Main Board of the Hong Kong Stock Exchange (stock code: 6190).

Since its establishment, the staff of Bank of Jiujiang, with unwavering faith, persistent pursuit, selfless dedication, and the mindset that success only comes through hard work, have endured great hardships in order to realize the achievements that Bank of Jiujiang has today. Meanwhile, the Bank consistently optimized its shareholder structure and successively introduced strategic investors such as Industrial Bank and Beijing Automotive Group to enhance its brand image. In addition, the Bank has successively received numerous recognitions including "National Advanced Grassroots Party Organization" and "National May Day Labour Award".

As of the end of the reporting period, Bank of Jiujiang (including controlled county banks) has 6,055 employees, with an average age of 31.24. Among them, 5,241 had undergraduate degrees or graduated from junior colleges, accounting for 86.56%, while 805 had master's degrees (and above), accounting for 13.29%. The Bank operates its business through the head office, 13 branches and 272 sub-branches. As a city commercial bank, the Bank was the first to realize the full coverage of cities with districts in Jiangxi Province.

3. MAJOR AWARDS FOR 2025 AND UP TO THE DATE OF THIS ANNUAL REPORT

In January 2025, China Central Depository & Clearing Co., Ltd. announced the 2024 CCDC member business development quality evaluation results, and the Bank was awarded the title of the "2024 Top 100 Proprietary Dealers", marking the seventh consecutive year it has won such awards since 2018.

In January 2025, the Export-Import Bank of China announced the list of 2024 excellent organizations and individuals of domestic RMB financial bond underwriting and market-making groups, and the Bank was awarded two institutional awards including "Excellent Underwriter" and "Excellent Market Maker" of the 2024 RMB financial bond underwriting and market-making groups, marking the sixth consecutive year it has won such awards since 2019.

In January 2025, the 2nd Meeting of the 8th Membership Representative Conference and 2024 Annual Meeting of the Jiangxi Enterprise Federation (江西省企業聯合會) and Jiangxi Entrepreneurs Association (江西省企業家協會) was held in Nanchang. The Bank was honored with the title of "2023 Outstanding Enterprise of Jiangxi Province (2023年度江西省優秀企業)" in recognition of its significant contributions to leveraging high-quality finance for high-quality development.

In January 2025, the Shanghai Commercial Paper Exchange (SHCPE) released the Notice on the 2024 Annual Evaluation Results (Institutional Awards) (《上海票據交易所關於發佈2024年度評優結果(機構獎項)的通知》). The Bank was honored as an "Outstanding Integrated Business Institution (優秀綜合業務機構)".

In February 2025, the China Foreign Exchange Trade System & National Interbank Funding Center issued the Announcement on the Results of Selected Outstanding High-quality Development of Business of the Interbank RMB Market Members for 2024 (《2024 年度銀行間本幣市場成員業務高質量發展評價結果的公告》). The Bank was awarded two awards including "Annual Market Influence Institution" and "Market Innovation Business Institution". The Bank has won such recognition related to the interbank market for seven consecutive years since 2018.

In February 2025, the Bank was awarded "2024 Jiujiang Role Model for Green Finance" ("九江市2024年度綠色金融工作先進單位") by the Jiujiang Branch of the People's Bank of China.

In March 2025, the project "Intelligent Risk Control Decision-making Application for Dynamic Financial Scenarios" declared by the Bank was successfully selected as the 5th "NIFD-DCITS Financial Technology Innovation Case (NIFD-DCITS金融科技創新案例)", guided by FinTech Research Center of National Institution for Finance & Development. The project was recognized as one of China's 20 outstanding cases, and was included in the book Digital Innovation and Financial Power: Practice of Fintech Innovation (《數智創新+金融強國: 金融科技創新實踐》), published by People's Daily Press.

In March 2025, the Bank was awarded the "Outstanding Financial Institution for 'Targeted Financial Support to Boost Industry' in 2025 China Supply Chain Service Ecosystem (2025中國供應鏈服務生態'精準滴灌•以融促產'傑出金融機構)" issued by 10000link.com and China Supply Chain Strategy Management Research Center of Renmin University of China.

In March 2025, the Bank received the "Excellent Organization Award" at the "Finance for the People, Convergence in Jiangxi" 3•15 Financial Education Themed Performance Event ("金融為民 匯聚贛鄱"3•15金融教育主題匯演活動) in 2025, which was organized by the Jiangxi Banking Association.

In April 2025, the Bank won the Second Prize in the team category of the 2024 "Safeguarding Jiangxi" Financial Intelligence Clue Analysis Competition organized by the Jiangxi Branch of the People's Bank of China and co-organized by the Jiangxi Provincial Public Security Department, Jiangxi Provincial High People's Court and other supporting institutions.

In April 2025, the 2024 Citywide Comprehensive Assessment Summary and Commendation Conference & Mobilization and Deployment Assembly for 2025 (2024年度全市綜合考核總結表揚暨2025年度動員部署大會) was conducted smoothly. During the meeting, the results of the 2024 citywide comprehensive assessment were announced, and the Bank received a "First-Class Rating in the 2024 Comprehensive Evaluation of Municipal State-Owned Enterprises (2024年度市屬國有企業綜合考核第一等次)".

In April 2025, the Digital Confirmation Service Specification of Bank of Jiujiang (《九江銀行數字函證服務規範》) and Rarely-used Character Handling Specification of Bank of Jiujiang (《九江銀行生僻字處理規範》) won the "Forerunner Title" under the enterprise standards category for 2024. The Bank is among the first group of banks nationwide to achieve this distinction for digital confirmation service and rarely-used character handling capabilities, and is also the only local bank in Jiangxi Province currently included in the list of forerunners of financial standards.

In May 2025, the Bank was awarded the title of "2025 Regional Economy Service Star" in the "2025 Financial Stars" case collection campaign initiated by The Economic Observer.

In May 2025, at the 10th Annual Conference of China Supply Chain Finance, the following cases submitted by our bank were selected as outstanding cases and included in the Yearbook of China Supply Chain Finance (2024): Bank of Jiujiang: "Smart Loan for Logistics" – A One-Stop Integrated Service Solution for the Imported Beef Cattle Industry, Bank of Jiujiang: Building a Comprehensive Digital Financial Service for the Automotive Industry Chain, and Bank of Jiujiang: Pioneering "New Copper-Chain Finance" on Red Soil to Propel the "World Copper Capital" Industrial Cluster.

In June 2025, the Bank was awarded the title of "Outstanding Unit in Internal Security and Guard Work Across the Province for 2024" issued by the Jiangxi Province Public Security Department.

In June 2025, at the 2025 Jiangxi Province Short Video Competition on Preventing Illegal Financial Activities – jointly organized by the Jiangxi Provincial Local Financial Regulatory Bureau, Jiangxi Provincial Department of Public Security, Jiangxi Provincial Department of Civil Affairs, Jiangxi Provincial Communist Youth League Committee, The People's Bank of China Jiangxi Provincial Branch, Jiangxi Financial Regulatory Bureau and Jiangxi Securities Regulatory Bureau, the Bank's entry "Too Late to Regret" won the non-professional category Second Prize.

In June 2025, the Bank was awarded the title of "Bank with Excellent Operation and Management Capability (卓越運營管理能力銀行)" at the fifth "Golden Reputation Award" hosted by PYSTANDARD.

In September 2025, in recognition of its practices and achievements in talent development, the Bank received two awards presented by the China Enterprise Evaluation Association: "Top 100 Advanced Enterprises in Corporate Education (21st Session)" and "Demonstration Learning Program for Corporate Training (21st Session)".

In September 2025, the Bank's green finance research project was awarded the First Prize in the Financial Services Track at the Jiangxi Division of the 2025 "Data Element×" Competition, which was held under the guidance of the National Data Administration and the People's Government of Jiangxi Province and jointly organized by the Jiangxi Provincial Development and Reform Commission (Jiangxi Data Administration) and 20 other provincial-level authorities.

In October 2025, the "Specialized Industry Loan (特色產業貸)" financial case submitted by the Bank was awarded the Second Prize in the Inclusive Finance Product category at the "Gan Chu Jin Cai" — 2025 Jiangxi Provincial "Tiangong Cup" Financial System Business Skills Competition (贛出"金"彩——2025 年江西省"天工杯"金融系統業務技能競賽), jointly organized by the Jiangxi Provincial Branch of the People's Bank of China, the Jiangxi Provincial Federation of Trade Unions, and the Jiangxi Provincial Local Financial Administration.

In October 2025, the Bank won the Third Prize in the Comprehensive Team Category and the Third Prize in the Payment and Settlement Team Category at the "Gan Chu Jin Cai" — 2025 Jiangxi Provincial "Tiangong Cup" Financial System Business Skills Competition (贛出"金"彩——2025 年江西省"天工杯"金融系統業務技能競賽), jointly organized by the Jiangxi Provincial Branch of the People's Bank of China, the Jiangxi Provincial Federation of Trade Unions, and the Jiangxi Provincial Local Financial Administration.

In October 2025, two of the Bank's green finance cases were awarded the "Outstanding Case Award" at the "Guangdong-Hong Kong-Macao Greater Bay Area Green Finance Skills Competition (粵港澳大灣區綠色金融技能大賽)" organized under the leadership of the China Financial Trade Union. The Bank was the only city commercial bank among the 70 participating institutions to have two cases selected.

In November 2025, at the Jiangxi Financial System Business Competition themed "Deepening Research on Five Priorities and Showcasing New Achievements in Statistics (精研五篇大文章競展統計新作為)" organized by the Jiangxi Provincial Branch of the People's Bank of China, the Bank was awarded the Second Prize in the Green Finance Business Capability Team Category.

In November 2025, at the 5th "Guard Your Money Bag and Protect Your Happy Family" Short Video Competition on Preventing Illegal Financial Activities – guided by the Office of the Inter-Ministerial Joint Conference on Preventing and Combating Illegal Financial Activities and hosted by China Financial Media – and upon recommendation by the Jiangxi Provincial Office for Preventing and Combating Illegal Financial Activities, the Bank's entry "Too Late to Regret" was successfully selected as an "Outstanding Work".

In November 2025, at the 6th Yangtze River Delta Global FinTech Innovation and Application Competition, the Bank was awarded the "2025 Best Development Award for FinTech Financial Institutions".

In December 2025, at the 19th Huaxia Institutional Investors Annual Conference & Huaxia Financial (Insurance) Technology Forum, the Bank's "Tech-Innovation Credit Enhancement Project ("科創力增信工程"項目)" was recognized as an "Exemplary Case of Tech-Innovation Financial Services 2025".

In December 2025, the Bank's submission, "Bank of Jiujiang 'Smart Ranch Loan' — Technology Empowering Ranches, Finance Supporting Breeding (《九江銀行"智慧牧場貸"——科技賦能牧場 金融助力養殖》)", was shortlisted for and awarded the "2025 Excellent Case of Dual-Chain Integrated Industrial Supply Chain Finance" by the 2025 Yangcai Media News List & Central Enterprises Centralized Procurement Supply Chain Sharing Service Platform.

In December 2025, the Bank won two awards in the 2025 Enterprise Benchmark Learning Platform selection campaign: the organizational award of "Enterprise Benchmark Learning Platform" and the project award of "Enterprise Innovative Learning Benchmark Practice".

In January 2026, the Bank was awarded the title of the "2025 Top 100 Proprietary Dealers" by China Central Depository & Clearing Co., Ltd.

In January 2026, the Bank was awarded the "Excellent Market Maker" award of the 2025 RMB Financial Bond Underwriting and Market-Making Group (2025年度人民幣金融債券承銷做市團) by the Export-Import Bank of China.

In January 2026, the Bank received the "Collaborative Innovation Award" under the "Outstanding Contribution to ADBC Financial Bond Cooperation (農發合作突出貢獻)" award for 2025 presented by the Agricultural Development Bank of China.

Accounting Data and Financial Indicator Highlights

The financial information of the Bank and its subsidiaries (hereinafter collectively referred to as the "**Group**") set forth in this annual report is prepared on a consolidated basis in accordance with International Financial Reporting Standards ("**IFRS**") and expressed in Renminbi (RMB) unless otherwise stated.

	For the year ended December 31,				
	2025	2024	2023	2022	2021
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)				
Results of operations					
Net interest income	**8,598.5**	9,170.6	8,289.0	8,593.6	8,456.5
Net fee and commission income	**578.2**	847.1	972.2	841.7	692.8
Operating income	**10,477.0**	10,388.4	10,358.4	10,869.9	10,347.5
Operating expenses	**(3,729.4)**	(3,634.3)	(3,407.1)	(3,275.2)	(3,091.5)
Impairment losses on assets	**(5,798.0)**	(6,040.3)	(6,105.7)	(5,601.5)	(5,264.9)
Profit before taxation	**952.8**	715.7	855.1	2,001.5	1,998.4
Net profit for the year	**841.0**	761.5	745.4	1,680.4	1,784.8
Net profit for the year attributable to shareholders of the Bank	**827.5**	744.4	723.6	1,615.1	1,728.6
Calculated on a per share basis (RMB)					
Net assets per share attributable to the Bank's shareholders[1]	**11.93**	12.20	11.65	11.89	11.50
Basic earnings per share[2]	**0.17**	0.14	0.15	0.53	0.72
Diluted earnings per share[2]	**0.17**	0.14	0.15	0.53	0.72

	For the year ended December 31,				
	2025	2024	2023	2022	2021
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)				
Profitability indicators (%)					
Return on average total assets[3]	**0.16**	0.15	0.15	0.36	0.41
Return on average equity[4]	**1.40**	1.22	1.28	4.52	6.48
Net interest spread[5]	**1.71**	1.85	1.72	1.93	1.92
Net interest margin[6]	**1.75**	1.92	1.76	1.91	2.00
Net fee and commission income to operating income	**5.52**	8.15	9.39	7.74	6.70
Cost-to-income ratio[7]	**34.14**	33.68	31.56	28.91	28.57
Capital adequacy indicators (%)					
Core tier-one capital adequacy ratio[8]	**8.87**	9.44	8.64	7.93	8.28
Tier-one capital adequacy ratio[8]	**13.46**	11.97	11.07	10.61	11.08
Capital adequacy ratio[8]	**13.49**	13.17	12.01	12.62	13.21
Total equity to total assets	**9.29**	8.24	8.13	7.59	7.67

Accounting Data and Financial Indicator Highlights

	As of December 31,				
	2025	2024	2023	2022	2021
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)				
Asset quality indicators (%)					
Non-performing loan ratio[9]	**1.93**	2.19	2.09	1.82	1.41
Provision coverage ratio[10]	**152.21**	154.25	153.82	173.01	214.66
Allowance-to-loan ratio[11]	**2.93**	3.37	3.21	3.14	3.02
Volume indicators					
Total assets	**523,434.6**	516,458.6	503,849.2	479,703.5	461,503.0
Including: Net loans and advances to customers	**321,286.3**	311,947.8	293,410.2	271,535.2	242,938.4
Total liabilities	**474,811.8**	473,925.7	462,892.7	443,287.3	426,089.8
Including: Customer deposits	**405,067.1**	386,963.5	370,733.0	377,340.0	344,851.1
Share capital	**2,847.4**	2,847.4	2,847.4	2,407.4	2,407.4
Equity attributable to equity holders of the Bank	**47,970.2**	41,747.1	40,156.5	35,627.6	34,683.9
Non-controlling interests	**652.6**	785.8	800.0	788.6	729.3
Total equity	**48,622.8**	42,532.9	40,956.5	36,416.2	35,413.2
Net capital base[8]	**47,130.3**	47,075.0	44,579.4	42,594.0	42,530.5

	As of December 31,				
	2025	2024	2023	2022	2021
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)				
Other financial indicators (%)					
Leverage ratio[12]	**7.87**	7.06	7.12	6.53	6.75
Liquidity ratio[13]	**86.38**	67.57	56.40	63.69	81.42
Liquidity coverage ratio[14]	**388.10**	394.39	448.64	267.97	426.31
Loan to deposit ratio	**81.18**	82.91	81.36	73.98	72.41
Ratio of loans and advances to single top customer[15]	**0.82**	0.89	0.99	0.64	0.88
Ratio of loans and advances to top 10 single customers[15]	**4.17**	4.14	4.55	4.24	4.82

Notes:

(1) Shareholders' equity attributable to the Bank after deducting other equity instruments at the end of the year, divided by total number of ordinary share capital at the end of the year.

(2) Represents the ratio of net profit attributable to the Bank's shareholders, after deduction of the dividend on perpetual bonds paid during the year, to the weighted average ordinary share capital.

(3) Represents the ratio of net profit for the year to the average balance of total assets at the beginning and end of the period.

(4) Calculated in accordance with the requirements of the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision) (《公開發行證券公司信息披露編製規則第9號 – 淨資產收益率和每股收益的計算和披露》(2010年修訂)) issued by the CSRC; represents the ratio of net profit attributable to the Bank's shareholders, after deduction of the dividend on perpetual bonds paid during the year, to the weighted average balance attributable to the Bank's shareholders' equity after deducting other equity instruments during the year.

(5) Calculated as the difference between the average yield on total interest-earning assets and the average cost rate of total interest-bearing liabilities, and based on daily average interest-earning assets and interest-bearing liabilities.

(6) Calculated by dividing net interest income by average interest-earning assets, and based on daily average interest-earning assets.

(7) Calculated by dividing operating expenses, excluding tax and surcharges, by operating income.

(8) Calculated in accordance with the relevant regulations of the national financial regulatory institution.

(9) Calculated by dividing total non-performing loans by gross loans to customers.

(10) Calculated by dividing allowance for impairment losses on loans (excluding accrued interest) by total non-performing loans.

(11) Calculated by dividing allowance for impairment losses on loans (excluding accrued interest) by gross loans to customers.

(12) Calculated by dividing tier-one net capital by in-sheet balance and off-sheet balance of capital (after adjustment) based on the audited data according to the regulatory standards.

(13) Calculated by dividing liquid assets by liquid liabilities according to the regulatory standards.

(14) Calculated by dividing qualified high-quality liquid assets by net cash outflows in the next 30 days according to the regulatory standards.

(15) Ratio of loans and advances to single top customer and ratio of loans and advances to top 10 single customers were recalculated according to the regulatory standards and based on the audited data.

Board's Statement

In 2025, Bank of Jiujiang thoroughly implemented General Secretary Xi Jinping's key discourses on financial work and the spirit of his important speeches during his inspection of Jiangxi. We actively practiced the political and people-centered nature of financial work, adhered to the general principle of seeking progress while maintaining stability, remained committed to our "Three Services" ("三服務") positioning, and strengthened internal control management, taking firmer steps on the path of high-quality development.

During the year, we enforced full and strict internal governance, further highlighting the Bank's distinctive "red hallmark" of Party leadership. We profoundly grasped the general requirements for Party building in the new era and promoted the deep integration of Party building with business operations. **We consistently upheld the political identity of "state-owned enterprises under the Party's leadership",** integrating Party leadership into the entire process of corporate governance and business development to fully leverage the Party Committee's leading role in "setting the direction, managing the overall situation, and ensuring the implementation". **We meticulously developed the "Jiu Jiu Red Bank" ("九久紅銀") Party building brand** and created a "1+N" brand matrix. One Party building innovation case was recognized as a municipal featured case, and another was selected as an outstanding case within the provincial financial system. **We continued to deepen the integration of Party building and business development**. We innovated the model of the "party building chain leading the industrial chain" ("黨建鏈引領產業鏈"), launched the "Secretary Leadership" ("書記領航") Initiative, and established a collaborative mechanism featuring supervision by Party committee members, leadership by branch secretaries, and the vanguard role played by key Party members, so as to translate the strengths of Party building into our development advantages.

During the year, we deepened business transformation, making the results of "optimization" even more prominent. At the end of the reporting period, the Bank's assets and liabilities grew steadily, operating efficiency improved while remaining stable, net profit maintained positive growth, and major regulatory indicators met regulatory requirements. **Our commitment to the "Three Services" positioning has become firmer**, with credit extension in the province and city growing steadily at rates exceeding 3%, resonating with local economic development. The depth and breadth of industrial financial services both improved, with steady growth in loan balances for private enterprises and inclusive small and micro-businesses. Notably, 90.4% of corporate loans were directed toward small, medium, and micro-enterprises. **The "Five Priorities" were advanced in an orderly manner**, with technology finance and green finance showing remarkable results – loan balances increased by 11.40% and 18.49% year-on-year, respectively. During the year, we successfully issued the first interbank market technology innovation bond for financial institutions in Jiangxi Province, the first technology innovation bond for private enterprises in Jiangxi, and a RMB4 billion green financial bonds, injecting a continuous stream of financial "vitality" into the real economy.

During the year, we strengthened internal control governance, making "refined" management more detailed. We cultivated a deep culture of compliance, continued to implement the "Five Musts and Five Must-Nots" Three-Year Action Plan for financial culture with Chinese characteristics, and solidified full-process compliance management. We strengthened the promotion of compliance concepts, formulated a three-year strategic plan for compliance construction, and promoted the orderly implementation of new compliance regulations. We enhanced system development by benchmarking against external regulations, comprehensively improving the process of "repealing, revising, and establishing" bank-wide rules and regulations to achieve organic unification of internal management rules with national laws, industry regulatory standards, and the Bank's actual management conditions. Adhering to a problem-oriented approach, we strictly and effectively implemented problem rectification and suggestions, continuously refining the Bank's internal control mechanisms and improving compliance management levels.

During the year, we adhered to the risk bottom line, making the foundation of "stability" more solid. We balanced development and security, maintained a prudent and steady risk appetite, and established a tiered management mechanism for credit customers, enhancing the forward-looking nature, effectiveness, and penetration of risk management. We continued to strengthen comprehensive risk management, utilizing digital risk control tools to create a comprehensive risk management model featuring precise identification, efficient early warning, and timely disposal. The full-staff, full-process risk management system has become more robust, with further refinements in the precision and digitalization of risk management. At the end of the reporting period, the Bank's non-performing loan ratio decreased by 0.26 percentage points compared to the end of the previous year.

During the year, we upheld integrity in operations, making the reputation for "excellence" even more distinguished. Many aspects of our work gained recognition from external institutions. During the year, we received honors such as "Jiangxi Social Responsibility (Leader) Enterprise" ("江西社會責任(領軍)企業)" and "Leading Bank for Supporting Real Economy Development" ("年度支持實體經濟發展領航銀行"). And, for consecutive years, we have been listed among the "Top 500 Global Banks"("全球銀行500強") and the "Top 100 Enterprises in Jiangxi" ("江西企業100強"). We successfully implemented several "firsts," including Jiangxi Province's first "3+N" mode financing for ships under construction, the first livestock transformation finance business, and the first supply chain note business. Additionally, we were the only corporate financial institution in Jiangxi invited to participate in the "2025 China International Financial Exhibition," leading to a continuous increase in brand value and social recognition.

In 2026, Bank of Jiujiang will continue to be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We will focus on our main business, improve governance, and pursue differentiated development. We will strive to demonstrate new achievements in serving the real economy and preventing financial risks, and contribute the strength of Bank of Jiujiang to a successful start for the "15th Five-Year Plan".

1. PAST ECONOMIC AND POLITICAL SCENARIOS

In 2025, facing increasing external pressures and growing internal difficulties in a complex and severe situation, under the strong leadership of the Party Central Committee with Comrade Xi Jinping at its core, the people of all ethnic groups in China forged ahead and overcame challenges. The national economy maintained overall stability with steady progress, key economic and social development goals for the year were successfully achieved, high-quality development was solidly advanced, new quality productive forces developed steadily, and new strides were made in Chinese modernization. The national GDP reached RMB140.19 trillion for the year, representing a year-on-year increase of 5.0%.

In 2025, Jiangxi Province, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the spirit of the 20th CPC National Congress, all plenary sessions of the 20th CPC Central Committee, and General Secretary Xi Jinping's important speeches during his inspection of Jiangxi. The province fully implemented the decisions and deployments of the Party Central Committee and the State Council, as well as the work requirements of the Provincial Party Committee. Driven by the in-depth education campaign to thoroughly implement the spirit of the Party's eight-point frugality code, the province faced difficulties head-on, strove arduously, and focused on stabilizing employment, enterprises, markets, and expectations. Key economic and social development goals for the year were successfully met, and solid strides were made in the construction of a modernized Jiangxi.

In 2025, the National Financial Regulatory Administration and its regional offices closely focused on the main task of preventing risks, strengthening regulation, and promoting high-quality development. It firmly held the bottom line of preventing systemic financial risks, and achieved positive progress in various aspects of its work. Firstly, it unswervingly promoted comprehensive strict governance of the Party. Secondly, it took effective and orderly measures to prevent and mitigate key risks, making significant progress in the reform and risk resolution of small and medium-sized financial institutions, expanding the scope and effectiveness of urban real estate financing coordination mechanisms, and actively supporting the rollover, replacement, and restructuring of operating financial debts of financing platforms. Thirdly, an atmosphere of stronger and stricter regulation has gradually taken shape. In collaboration with public security and other departments, it resolutely cracked down on "black and gray" industries in the financial sector. Fourthly, it implemented comprehensive measures to guide industry reform and transformation. Fifthly, it provided precise and effective support for the stable and positive economic development. Policies related to ultra-long-term loans were issued to serve the implementation of "major national strategies and capacity building in key security areas." Support for mechanisms that are intended to coordinate financing for small and micro enterprises was deepened and solidified. The "four pilot programs" for technology finance were advanced steadily. The functions of insurance as an economic shock absorber and stabilizer of social stability were further enhanced.

In 2025, the People's Bank of China resolutely implemented the decisions and deployments of the Party Central Committee and the State Council. Building upon the effective execution of existing monetary policies, the Bank introduced a new set of monetary policy measures, which effectively supported the stable growth of the real economy and the smooth operation of financial markets. The Bank continued to deepen structural reforms on the supply side of finance, prudently managed financial risks in key areas, and actively promoted the reform and improvement of global financial governance. Furthermore, it advanced the comprehensive strict governance of the Party, achieving new progress in various aspects of its work. The Bank accelerated the construction of a macroprudential management system, enhanced governance mechanisms, and strengthened the standardization, institutionalization, and practical capacity of macroprudential monitoring and assessment. Emphasis was placed on key areas such as systemically important financial institutions, financial markets, and cross-border capital flows. Significant strides were made in advancing the "Five Priorities", supporting the expansion of consumption, and resolving the debt risks of local government financing platforms. Positive results were achieved in these efforts. The operational mechanisms for the "Five Priorities" became more efficient, the debt risks of financing platforms were significantly mitigated, and the quality and effectiveness of financial support for the high-quality development of the real economy continued to improve.

2. OPERATION OVERVIEW

In 2025, the Group actively practiced the political and people-oriented nature of financial work, adhered to the general tone of seeking progress while maintaining stability, adhered to its market positioning of "serving the local economy, small and medium-sized enterprises, and urban and rural residents" and deeply embedded the philosophy of "compliance by all, compliance in all matters", thus taking even more solid strides on the path to high-quality development. The Group realized annual operating income of RMB10.477 billion and net profit of RMB841 million.

3. INCOME STATEMENT ANALYSIS

During the reporting period, the Group achieved a net profit of RMB841 million, representing a year-on-year increase of RMB79 million or 10.4%. During the reporting period, the Group adhered to the fundamental purpose of serving the real economy, continued to implement the national decisions and arrangements on reducing fees and making interest concessions, actively introduced measures to benefit enterprises and the people, further reduced the operating costs of the real economy and the burden on financial consumers, and actively broadened the sources of income.

	For the year ended December 31,	
	2025	2024
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)	
Interest income	**17,139.8**	19,211.8
Interest expense	**(8,541.3)**	(10,041.2)
Net interest income	**8,598.5**	9,170.6
Fee and commission income	**733.1**	1,005.2
Fee and commission expense	**(154.9)**	(158.1)
Net fee and commission income	**578.2**	847.1
Net gains arising from financial investments	**1,322.8**	341.2
Other operating income	**(22.5)**	29.5
Operating income	**10,477.0**	10,388.4
Operating expenses	**(3,729.4)**	(3,634.3)
Impairment losses on assets	**(5,798.0)**	(6,040.3)
Share of profits of associates	**3.2**	1.9
Profit before taxation	**952.8**	715.7
Income tax	**(111.8)**	45.8
Net profit for the year	**841.0**	761.5
Net profit for the year attributable to:		
Equity shareholders of the Bank	**827.5**	744.4
Non-controlling interests	**13.5**	17.1

3.1 Net interest income, net interest spread and net interest margin

During the reporting period, the Group achieved a net interest income of RMB8,599 million.

During the reporting period, the average balance of interest-earning assets and interest-bearing liabilities, the interest income and expenses of these assets and liabilities, and the average yield of interest-earning assets and the average interest rate of interest-bearing liabilities of the Group are as follows:

	For the year ended December 31,					
	2025			2024		
	Average balance	Interest income/ expense	Average yield/ interest rate (%)[1]	Average balance	Interest income/ expense	Average yield/ interest rate (%)[1]
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)					
Interest-earning assets						
Loans and advances to customers	**317,128.4**	**13,057.0**	**4.12**	305,270.1	14,328.6	4.69
Financial investments[2]	**126,733.6**	**3,319.2**	**2.62**	123,417.6	4,068.0	3.30
Financial assets held under resale agreements	**16,142.0**	**251.6**	**1.56**	20,906.3	381.0	1.82
Balances with the central bank[3]	**24,210.0**	**363.1**	**1.50**	26,104.0	389.6	1.49
Deposits with banks and other financial institutions[4]	**7,067.2**	**148.9**	**2.11**	2,895.2	44.6	1.54
Total interest-earning assets	**491,281.2**	**17,139.8**	**3.49**	478,593.2	19,211.8	4.01
Interest-bearing liabilities						
Customer deposits	**382,164.4**	**6,796.4**	**1.78**	363,356.7	7,803.7	2.15
Deposits from banks and other financial institutions[5]	**9,416.1**	**184.2**	**1.96**	12,241.9	309.8	2.53
Financial assets sold under repurchase agreements	**19,730.7**	**289.6**	**1.47**	21,528.5	366.0	1.70
Debt securities issued[6]	**48,916.5**	**909.6**	**1.86**	42,517.5	992.5	2.33
Borrowings from the central bank	**19,778.5**	**353.5**	**1.79**	25,575.2	559.9	2.19
Lease liabilities	**273.9**	**8.0**	**2.92**	292.2	9.3	3.18
Total interest-bearing liabilities	**480,280.1**	**8,541.3**	**1.78**	465,512.0	10,041.2	2.16
Net interest income		**8,598.5**			9,170.6	
Net interest spread (%)[7]		**1.71**			1.85	
Net interest margin (%)[8]		**1.75**			1.92	

Notes:

(1) Calculated by dividing interest income/expense by average balance.

(2) Consists of the financial investments measured at amortised cost and at fair value through other comprehensive income.

(3) Consists primarily of mandatory reserve deposits and surplus reserve deposits.

(4) Consists of deposits with banks and other financial institutions and placements with banks and other financial institutions.

(5) Consists of deposits from banks and other financial institutions and placements from banks and other financial institutions.

(6) Consists of issued financial bonds and interbank negotiable certificates of deposit.

(7) Calculated as the difference between the average yield on total interest-earning assets and the average interest rate of total interest-bearing liabilities.

(8) Calculated by dividing net interest income by the daily average balance of total interest-earning assets.

The following table sets forth the changes in interest income and interest expenses of the Group due to changes in scale and interest rates during the period indicated. The change in scale is measured by the change in the average balance of interest-earning assets and interest-bearing liabilities, while the change in interest rates is measured by the change in the average interest rates of interest-earning assets and interest-bearing liabilities. The combined effect of changes in scale and interest rates is included in interest rate changes.

	For the year ended December 31, Changes in 2025 vs. 2024 Reasons of increase/(decrease)		
	Scale[1]	Rate[2]	Net increase/ decrease[3]
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)		
Interest-earning assets			
Loans and advances to customers	536.0	(1,807.6)	(1,271.6)
Financial investments	113.0	(861.8)	(748.8)
Financial assets held under resale agreements	(87.4)	(42.0)	(129.4)
Balances with the central bank[4]	(28.9)	2.4	(26.5)
Deposits with banks and other financial institutions[5]	64.0	40.3	104.3
Change in interest income	596.7	(2,668.7)	(2,072.0)
Interest-bearing liabilities			
Customer deposits	406.7	(1,414.0)	(1,007.3)
Deposits from banks and other financial institutions[6]	(71.9)	(53.7)	(125.6)
Financial assets sold under repurchase agreements	(31.0)	(45.4)	(76.4)
Debt securities issued[7]	147.0	(229.9)	(82.9)
Borrowings from the central bank	(127.3)	(79.1)	(206.4)
Lease liabilities	(0.6)	(0.7)	(1.3)
Change in interest expense	322.9	(1,822.8)	(1,499.9)
Change in net interest income	273.8	(845.9)	(572.1)

Notes:

(1) Represents the average balance of the reporting period deducting the average balance of the previous period, multiplied by the average yield/interest rate of the previous period.

(2) Represents the average yield/interest rate of the reporting period deducting the average yield/interest rate of the previous period multiplied by the average balance for the reporting period.

(3) Represents interest income/expense during the reporting period deducting interest income/expense from the previous period.

(4) Consists primarily of mandatory reserve deposits and surplus reserve deposits.

(5) Consists of deposits with banks and other financial institutions and placements with banks and other financial institutions.

(6) Consists of deposits from banks and other financial institutions and placements from banks and other financial institutions.

(7) Consists of issued financial bonds and interbank negotiable certificates of deposit.

3.2 Interest income

In 2025, the Group continued to carry out and implement the national decisions and arrangements on reducing fees and making interest concessions, actively introduced measures to benefit enterprises and the people, further reduced the operating costs of the real economy and the burden on financial consumers and strived to improve the quality and efficiency of financial services. During the reporting period, the Group achieved interest income of RMB17,140 million, representing a year-on-year decrease of RMB2,072 million or 10.8%. The decrease in interest income was mainly due to the decrease in the average yield of interest-earning assets, partially offset by an increase in the average balances. During the reporting period, the increase in the average balance of interest-earning assets was mainly due to the increase in the loans originated by the Group in line with the business development; the decrease in the average yield was mainly due to the decreased profitability of loans and advances to customers and financial investment business as a result of the advancement of interest rate marketization and the downward trend of the macro market interest rate, and the fact that the Group actively implemented various national policies on reducing fees and making interest concessions.

3.2.1 Interest income from loans and advances to customers

During the reporting period, interest income from the Group's loans and advances to customers was RMB13,057 million, representing a year-on-year decrease of RMB1,272 million or 8.9%.

The following table sets forth the average balance, interest income and average yield of various components of loans and advances to customers of the Group in the periods indicated.

	For the year ended December 31,					
	2025			2024		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)					
Corporate loans and advances	**206,412.3**	**9,272.5**	**4.49**	190,842.9	9,559.6	5.01
Retail loans and advances	**79,766.9**	**3,444.0**	**4.32**	89,777.1	4,395.4	4.90
Discounted bills	**30,949.2**	**340.5**	**1.10**	24,650.1	373.6	1.52
Total	**317,128.4**	**13,057.0**	**4.12**	305,270.1	14,328.6	4.69

3.2.2 Interest income from financial investments

During the reporting period, the interest income from financial investments of the Group amounted to RMB3,319 million, representing a year-on-year decrease of RMB749 million or 18.4%, mainly due to the decrease in the average yield of financial investment, which was partially offset by the increase in average balance.

3.2.3 Interest income from financial assets held under resale agreements

During the reporting period, interest income from financial assets purchased under agreements to resell of the Group amounted to RMB252 million, representing a year-on-year decrease of RMB129 million or 34.0%, mainly due to a decrease in both the average balance and the average yield of financial assets purchased under agreements to resell.

3.2.4 Interest income from balances with the central bank

During the reporting period, interest income from balances with the central bank of the Group was RMB363 million, representing a year-on-year decrease of RMB27 million or 6.8%, mainly due to the decrease in the average balance of the Group's reserves in the central bank.

3.2.5 Interest income from deposits with banks and other financial institutions

During the reporting period, the interest income from deposits with banks and other financial institutions of the Group was RMB149 million, an increase of RMB104 million compared to the same period last year. This increase was mainly attributable to rises in both the average balance and the average yield of deposits placed with other banks and financial institutions.

3.3 Interest expense

During the reporting period, the interest expense of the Group was RMB8,541 million, representing a year-on-year decrease of RMB1,500 million or 14.9%, mainly due to a decrease in the interest expense on customer deposits as a result of the decreased average interest rate of customer deposits.

3.3.1 Interest expense on customer deposits

During the reporting period, interest expense on customer deposits of the Group amounted to RMB6,796 million, representing a year-on-year decrease of RMB1,007 million or 12.9%, mainly due to the decrease in the average interest rate of customer deposits, partially offset by the increase in the average balance of customer deposits. The decrease in the average interest rate of customer deposits was mainly because the Group reduced the nominal interest rate for deposits and the interest rate for deposit products according to the market conditions of banks; the increase in the average balance of customer deposits was mainly due to the overall growth in the scale of the deposit business as a result of progressive customer expansion by the Group.

The following table sets forth the average balance, interest expense and average interest rate for each component of the Group's customer deposits in the periods indicated.

	For the year ended December 31,					
	2025			2024		
	Average balance	Interest expense	Average interest rate (%)	Average balance	Interest expense	Average interest rate (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)					
Corporate deposits						
Demand	**71,500.3**	**517.5**	**0.72**	87,622.1	1,009.7	1.15
Time	**61,669.3**	**1,218.0**	**1.98**	61,967.5	1,526.1	2.46
Pledged deposits	**31,834.7**	**343.2**	**1.08**	31,408.4	442.2	1.41
Subtotal	**165,004.3**	**2,078.7**	**1.26**	180,998.0	2,978.0	1.65
Personal deposits						
Demand	**25,927.8**	**44.7**	**0.17**	25,388.5	46.5	0.18
Time	**189,134.6**	**4,609.4**	**2.44**	154,919.7	4,716.2	3.04
Subtotal	**215,062.4**	**4,654.1**	**2.16**	180,308.2	4,762.7	2.64
Convertible negotiated deposits	**2,000.0**	**63.6**	**3.18**	2,000.0	63.0	3.15
Others	**97.7**	**0.0**	**0.00**	50.5	0.0	0.00
Total customer deposits	**382,164.4**	**6,796.4**	**1.78**	363,356.7	7,803.7	2.15

3.3.2 Interest expense on deposits from banks and other financial institutions

During the reporting period, the interest expense on deposits from other banks and financial institutions of the Group was RMB184 million, representing a year-on-year decrease of RMB126 million or 40.5%, mainly due to the combined effect of a reduction in both the average balance and the average interest rate of deposits from other banks and financial institutions.

3.3.3 Interest expense on financial assets sold under repurchase agreements

During the reporting period, the interest expense on financial assets sold under repurchase agreements of the Group was RMB290 million, representing a year-on-year decrease of RMB76 million or 20.9%, mainly due to the combined effect of a decrease in both the average balance and the average interest rate of financial assets sold under repurchase agreements.

3.3.4 Interest expense from debt securities issued

During the reporting period, the interest expense from debt securities issued of the Group was RMB910 million, representing a year-on-year decrease of RMB83 million or 8.4%, mainly due to a decline in the average interest rate of the Group's debt securities issued.

3.3.5 Interest expense on borrowings from the central bank

During the reporting period, the interest expense on borrowings from the central bank of the Group was RMB354 million, representing a year-on-year decrease of RMB206 million or 36.9%, mainly due to the combined effect of a decrease in both the average balance and the average interest rate of borrowings from the central bank of the Group.

3.4 Non-interest income

3.4.1 Net fee and commission income

During the reporting period, the net fee and commission income of the Group amounted to RMB578 million.

The following table sets forth the amount, amount of change and percentage of change in each component of net fee and commission income of the Group in the period indicated.

	For the year ended December 31,			
	2025	2024	Amount of change	Percentage of change (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Fee and commission income				
Settlement and clearing fees	**301.5**	290.2	11.3	3.9
Credit commitments and financial guarantees fees	**175.2**	257.9	(82.7)	(32.1)
Agency service fees	**138.5**	197.7	(59.2)	(29.9)
Others	**117.9**	259.4	(141.5)	(54.5)
Subtotal	**733.1**	1,005.2	(272.1)	(27.1)
Fee and commission expense				
Transaction fees	**(74.9)**	(81.5)	6.6	(8.1)
Settlement fees	**(64.7)**	(65.8)	1.1	(1.7)
Others	**(15.3)**	(10.8)	(4.5)	41.7
Subtotal	**(154.9)**	(158.1)	3.2	(2.0)
Net fee and commission income	**578.2**	847.1	(268.9)	(31.7)

3.4.2 Net gains arising from financial investments

During the reporting period, net gains arising from financial investments of the Group amounted to RMB1,323 million. The year-on-year increase was primarily attributable to the Group's proactive optimization of its investment portfolio and its active efforts to capture investment returns.

3.5 Operating expenses

During the reporting period, operating expenses of the Group amounted to RMB3,729 million, representing a year-on-year increase of RMB95 million or 2.6%, which was in line with the overall growth in the business scale of the Group.

The following table sets forth the amount, amount of change and percentage of changes for each component of operating expenses of the Group in the period indicated.

	For the year ended December 31,			
	2025	2024	Amount of change	Percentage of change (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Staff costs	**2,129.0**	2,092.3	36.7	1.8
General and administrative expenses	**878.2**	834.6	43.6	5.2
Depreciation and amortization (excluding investment properties)	**467.8**	466.5	1.3	0.3
Tax and surcharges	**152.1**	135.9	16.2	11.9
Depreciation on right-of-use assets	**102.3**	105.0	(2.7)	(2.6)
Total operating expenses	**3,729.4**	3,634.3	95.1	2.6

3.6 Impairment losses on assets

During the reporting period, the impairment loss on assets of the Group amounted to RMB5,798 million.

The following table sets forth the amount and their changes for each component of impairment losses on assets of the Group in the period indicated.

	For the year ended December 31,		
	2025	2024	Amount of change
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)		
Loans and advances to customers at amortised cost	**5,125.6**	4,992.6	133.0
Loans and advances to customers at FVOCI	**(8.5)**	(7.8)	(0.7)
Financial investments measured at amortised cost	**568.5**	866.2	(297.7)
Financial investments measured at FVOCI	**0.5**	(0.3)	0.8
Other[(1)]	**111.9**	189.6	(77.7)
Total impairment losses on assets	**5,798.0**	6,040.3	(242.3)

Note:

(1) Consists of placements with banks and other financial institutions, deposits with banks and other financial institutions, financial assets held under resale agreements, interest receivable, other receivables, repossessed assets, credit commitments and financial guarantees.

3.7 Income tax

The following table sets forth the amount and amount of change for each component of income tax of the Group in the period indicated.

	For the year ended December 31,		
	2025	2024	Amount of change
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)		
Current income tax	**280.5**	375.6	(95.1)
Tax filing differences	**147.5**	192.9	(45.4)
Deferred tax	**(316.2)**	(614.3)	298.1
Total income tax	**111.8**	(45.8)	157.6

4. ANALYSIS OF MAJOR FINANCIAL POSITION ITEMS

4.1 Assets

As of the end of the reporting period, total assets of the Group were RMB523,435 million, representing an increase of RMB6,976 million or 1.4% as compared to the end of last year, mainly due to the increases in loans and advances to customers.

The following table sets forth, as at the dates indicated, the amount of each component of assets of the Group and the percentage of total assets.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Gross loans and advances to customers	**328,842.7**	**62.8**	320,834.7	62.2
Accrued interest on loans and advances to customers	**2,087.2**	**0.4**	1,921.2	0.4
Less: Allowances for impairment losses	**(9,643.6)**	**(1.8)**	(10,808.1)	(2.1)
Net loans and advances to customers	**321,286.3**	**61.4**	311,947.8	60.5
Financial investments, net	**150,943.4**	**28.8**	150,796.4	29.2
Cash and balances with the central bank	**26,521.8**	**5.1**	26,580.4	5.1
Deposits with banks and other financial institutions	**4,674.5**	**0.9**	1,191.8	0.2
Placements with banks and other financial institutions	**1,060.3**	**0.2**	1,044.5	0.2
Financial assets held under resale agreements	**3,279.4**	**0.6**	9,456.3	1.8
Interests in associates	**145.2**	**0.0**	142.4	0.0
Other assets[1]	**15,523.4**	**3.0**	15,299.0	3.0
Total assets	**523,434.6**	**100.0**	516,458.6	100.0

Note:

(1) Consists of property and equipment, right-of-use assets, deferred tax assets and others.

4.1.1 Loans and advances to customers

As of the end of the reporting period, the gross loans and advances to customers of the Group amounted to RMB328,843 million, representing an increase of RMB8,008 million or 2.5%, compared to the end of the last year, primarily due to the stable growth in our corporate loans.

The following table sets forth, as at the dates indicated, the distribution of loans and advances to customers of the Group by business type.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Corporate loans and advances	**218,420.9**	**66.4**	199,244.3	62.1
Retail loans and advances	**80,089.8**	**24.4**	89,391.0	27.9
Discounted bills	**30,332.0**	**9.2**	32,199.4	10.0
Gross loans and advances to customers	**328,842.7**	**100.0**	320,834.7	100.0

(1) Corporate loans and advances

As of the end of the reporting period, the total corporate loans and advances of the Group amounted to RMB218,421 million, an increase of RMB19,177 million, or 9.6%, compared to the end of the previous year, primarily driven by the Group's proactive efforts to expand its corporate credit issuance, thereby supporting the real economy.

The following table sets forth, as at the dates indicated, the distribution of corporate loans and advances of the Group by product type.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Working capital loans	**124,611.5**	**57.0**	**109,807.8**	55.2
Fixed asset loans	**66,094.6**	**30.3**	**62,059.6**	31.1
Trade finance loans	**24,384.4**	**11.2**	**21,359.8**	10.7
Others	**3,330.4**	**1.5**	**6,017.1**	3.0
Total corporate loans and advances	**218,420.9**	**100.0**	**199,244.3**	100.0

The following table sets forth, as at the dates indicated, the distribution of corporate loans and advances of the Group by size of corporate banking customers.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Large enterprise[1]	**20,152.0**	**9.2**	22,116.7	11.1
Medium enterprise[1]	**56,037.5**	**25.7**	49,420.0	24.8
Small enterprise[1]	**108,702.8**	**49.8**	98,490.1	49.4
Micro enterprise[1]	**32,556.5**	**14.9**	27,870.0	14.0
Others[2]	**972.1**	**0.4**	1,347.5	0.7
Total corporate loans and advances	**218,420.9**	**100.0**	199,244.3	100.0

Notes:

(1) Classified in accordance with the classification criteria stipulated in the Classification Standards of Small and Medium Enterprises.

(2) Primarily includes the public institutions in the PRC.

(2) Retail loans and advances

As of the end of the reporting period, the total retail loans and advances of the Group amounted to RMB80,090 million.

The following table sets forth, as at the dates indicated, the distribution of retail loans and advances of the Group by product type.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Residential mortgage loans	**25,622.2**	**32.0**	29,472.6	33.0
Personal loans for business	**32,220.3**	**40.2**	35,139.5	39.3
Personal loans for consumption	**17,158.0**	**21.4**	18,858.3	21.1
Credit card	**5,089.3**	**6.4**	5,920.6	6.6
Total retail loans and advances	**80,089.8**	**100.0**	89,391.0	100.0

(3) Discounted bills

As of the end of the reporting period, discounted bills of the Group amounted to RMB30,332 million, representing a decrease of RMB1,867 million or 5.8% as compared to the end of last year, mainly attributable to the Group's proactive adjustment of its strategy regarding the scale of bills held.

4.1.2 Financial investments

As of the end of the reporting period, the total financial investments of the Group amounted to RMB153,745 million.

The following table sets out the distribution of the Group's financial investments by investment intention as at the dates indicated.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Financial investments at fair value through profit or loss	**32,869.1**	**21.4**	36,725.4	23.5
Financial investments at fair value through other comprehensive income	**54,376.2**	**35.4**	45,414.1	29.0
Financial investments measured at amortised cost	**66,499.4**	**43.2**	74,223.7	47.5
Total financial investments	**153,744.7**	**100.0**	156,363.2	100.0

The following table sets forth, as at the dates indicated, the distribution of financial investments of the Group.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Debt securities				
Debt securities issued by government	**58,992.5**	**38.4**	64,879.0	41.5
Debt securities issued by policy banks	**43,074.1**	**28.0**	31,101.4	19.9
Debt securities issued by general corporates	**11,277.8**	**7.3**	12,600.1	8.1
Debt securities issued by commercial banks	**8,940.2**	**5.8**	9,150.6	5.9
Subtotal	**122,284.6**	**79.5**	117,731.1	75.4
Non-standard investment				
Trust beneficiary rights and asset management plans	**10,514.5**	**6.8**	15,916.7	10.2
Other investments at fair value through profit or loss	**3,906.1**	**2.5**	2,771.6	1.8
Subtotal	**14,420.6**	**9.3**	18,688.3	12.0
Other financial investments				
Fund investments	**13,766.5**	**9.0**	16,110.8	10.3
Equity investments	**1,878.4**	**1.2**	1,917.4	1.2
Subtotal	**15,644.9**	**10.2**	18,028.2	11.5
Accrued interest	**1,394.6**	**1.0**	1,915.6	1.1
Total financial investments	**153,744.7**	**100.0**	156,363.2	100.0
Less: Allowances for impairment losses	**(2,801.3)**		(5,566.8)	
Financial investments, net	**150,943.4**		150,796.4	

4.1.3 Other Components of the Group's Assets

Other components of the Group's assets mainly include: (i) cash and balances with the central bank; (ii) deposits with banks and other financial institutions; (iii) placements with banks and other financial institutions; and (iv) financial assets held under resale agreements.

As of the end of the reporting period, the total amount of cash and balances with the central bank was RMB26,522 million, remaining largely stable compared to the end of last year.

As of the end of the reporting period, the total amount of deposits with banks and other financial institutions was RMB4,675 million, representing an increase of RMB3,483 million as compared to the end of last year. This increase was primarily driven by the Group's strategic adjustments to its asset structure and interbank placements in alignment with its asset-liability allocation strategy.

As of the end of the reporting period, the total amount of placements with banks and other financial institutions was RMB1,060 million, remaining largely stable compared to the end of last year.

As of the end of the reporting period, the total amount of financial assets held under resale agreements of the Group was RMB3,279 million, representing a decrease of RMB6,177 million compared to the end of last year. This reduction was mainly due to the Group's optimization of fund utilization and asset portfolio structure, leading to the decrease in financial assets held under resale agreements.

4.2 Liabilities

As of the end of the reporting period, the total liabilities of the Group amounted to RMB474,812 million, remaining largely stable compared to the end of last year.

The following table sets forth, as at the dates indicated, the amount of each component of total liabilities of the Group and the percentage of total liabilities.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Borrowings from the central bank	**18,031.5**	**3.8**	22,443.6	4.7
Customer deposits	**405,067.1**	**85.3**	386,963.5	81.6
Deposits from banks and other financial institutions	**1,985.3**	**0.4**	8,973.2	1.9
Placements from banks and other financial institutions	**2,257.2**	**0.5**	2,301.4	0.5
Financial assets sold under repurchase agreements	**939.4**	**0.2**	1,734.4	0.4
Debt securities issued	**42,544.2**	**9.0**	47,336.6	10.0
Other liabilities[1]	**3,987.1**	**0.8**	4,173.0	0.9
Total liabilities	**474,811.8**	**100.0**	473,925.7	100.0

Note:

(1) Consisted of income tax payable, lease liabilities, deferred tax liabilities, provisions, salaries payable, other tax payables, payables to external companies, etc.

4.2.1 Customer deposits

As of the end of the reporting period, the total customer deposits of the Group amounted to RMB405,067 million, representing an increase of RMB18,104 million, or 4.7%, compared to the end of the previous year.

The following table sets forth, as at the dates indicated, the distribution of the customer deposits by product type of the Group.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Demand deposits				
Corporate customers	**72,448.2**	**17.9**	86,070.5	22.2
Individual customers	**27,864.1**	**6.9**	26,754.9	6.9
Subtotal	**100,312.3**	**24.8**	112,825.4	29.1
Time deposits				
Corporate customers	**60,691.7**	**15.0**	66,779.0	17.3
Individual customers	**200,951.2**	**49.6**	165,848.1	42.9
Subtotal	**261,642.9**	**64.6**	232,627.1	60.2
Pledged deposits	**33,907.8**	**8.3**	30,644.3	7.9
Convertible negotiated deposits	**2,000.0**	**0.5**	2,000.0	0.5
Other deposits[1]	**265.0**	**0.1**	50.6	0.0
Accrued interest	**6,939.2**	**1.7**	8,816.1	2.3
Total customer deposits	**405,067.1**	**100.0**	386,963.5	100.0

Note:

(1) Consists primarily of funds deposited with us for remittance and temporary deposits.

4.2.2 Deposits from banks and other financial institutions

As of the end of the reporting period, the deposits from other banks and financial institutions of the Group amounted to RMB1,985 million, a decrease of RMB6,988 million compared to the end of the previous year. This reduction was primarily due to the Group's strategic adjustment of its interbank liability portfolio, which involved an appropriate reduction in deposits from other banks and financial institutions.

4.2.3 Borrowings from the central bank

As of the end of the reporting period, the borrowings from the central bank of the Group amounted to RMB18,032 million, a decrease of RMB4,412 million compared to the end of the previous year. This reduction was primarily due to the Group's enhanced liability management and optimization of its liability structure, which included an appropriate reduction in borrowings from the central bank.

4.2.4 Placements from banks and other financial institutions

As of the end of the reporting period, the funds borrowed of the Group amounted to RMB2,257 million, remaining largely stable compared to the end of the previous year.

4.2.5 Financial assets sold under repurchase agreements

As of the end of the reporting period, the financial assets sold under repurchase agreements of the Group amounted to RMB939 million, a decrease of RMB795 million compared to the end of the previous year. This reduction was primarily due to the Group's enhanced liability management and optimization of its liability structure, which included adjustments to the sale of bonds and bills under repurchase agreements.

4.2.6 Debt securities issued

As of the end of the reporting period, the issued debt securities of the Group amounted to RMB42,544 million, a decrease of RMB4,792 million compared to the end of the previous year. This reduction was primarily due to the Group's strengthened proactive management of interbank liabilities, which involved scaling down the issuance of interbank certificates of deposit.

4.3 Equity

As of the end of the reporting period, the total equity of the Group amounted to RMB48,623 million, representing an increase of RMB6,090 million, or 14.3%, compared to the end of the previous year. The equity attributable to the Bank's shareholders amounted to RMB47,970 million, an increase of RMB6,223 million, or 14.9%, compared to the end of the previous year. This growth was primarily due to the Group's issuance of perpetual capital bonds at the end of 2025.

The following table sets forth the amounts of the various components of the Group's equity and their percentages of total amounts as of the dates indicated.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Share capital	**2,847.4**	**5.9**	2,847.4	6.7
Other equity instruments	**13,997.8**	**28.8**	6,997.8	16.5
Share premium	**11,649.1**	**24.0**	11,646.7	27.4
Surplus reserve	**4,615.0**	**9.5**	4,615.0	10.9
General reserve	**6,112.3**	**12.6**	5,838.5	13.7
Investment revaluation reserve	**753.9**	**1.6**	1,862.4	4.4
Retained earnings	**7,994.7**	**16.3**	7,939.3	18.6
Equity attributable to equity holders of the Bank	**47,970.2**	**98.7**	41,747.1	98.2
Non-controlling interests	**652.6**	**1.3**	785.8	1.8
Total equity	**48,622.8**	**100.0**	42,532.9	100.0

5. OFF-BALANCE SHEET COMMITMENTS

The following table sets forth, as at the dates indicated, the distribution of the amounts of the Group's off-balance sheet commitments.

	As of December 31, 2025	As of December 31, 2024
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)	
Credit commitments		
Acceptances	**56,898.4**	55,850.0
Letters of credit	**21,121.4**	21,289.9
Guarantees and letters of guarantees	**9,313.7**	34,604.0
Unused credit card commitments	**6,653.9**	6,601.6
Total	**93,987.4**	118,345.5

As of the end of the reporting period, the Group's off-balance sheet commitments amounted to RMB93,987 million, representing a decrease of RMB24,358 million or 20.6% as compared to the end of last year, which was mainly due to the decrease in guarantees and letters of guarantees. For details on off-balance sheet commitments, please refer to "Contingent liabilities and commitments" set out in Note 42 to the financial statements of this annual report.

6. LOAN QUALITY ANALYSIS

As of the end of the reporting period, the total customer loans and advances of the Group amounted to RMB328,843 million, representing an increase of RMB8,008 million, or 2.5%, compared to the end of the previous year.

6.1 Distribution of loans by five-category loan classification

The following table sets forth, as at the dates indicated, the distribution of loans and advances to customers of the Group categorized by five-category loan classification.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Normal	**303,489.1**	**92.30**	294,466.0	91.78
Special mention	**19,018.2**	**5.77**	19,356.7	6.03
Substandard	**2,435.5**	**0.74**	2,188.1	0.68
Doubtful	**1,337.1**	**0.41**	1,730.5	0.54
Loss	**2,562.8**	**0.78**	3,093.4	0.97
Gross loans and advances to customers	**328,842.7**	**100.00**	320,834.7	100.00
Non-performing loan ratio (%)[1]		**1.93**		2.19

Note:

(1) Non-performing loan ratio is calculated by dividing the total non-performing loans by the gross loans and advances to customers.

Based on the five-category loan classification system, the Group's non-performing loans are classified into substandard loans, doubtful loans and loss loans.

As of the end of the reporting period, the Group's total normal and special mention loans amounted to RMB322,507 million, accounting for 98.07%; the total non-performing loans amounted to RMB6,335 million, the non-performing loan ratio was 1.93% , representing a decrease of 0.26 percentage points from the end of the previous year.

6.2 Distribution of loans and non-performing loans classified by business type

The following table sets forth, as at the dates indicated, the distribution of loans and non-performing loans of the Group by business type.

	As of December 31, 2025			As of December 31, 2024		
	Amount	% of total amount (%)	Non – performing loan amount	Amount	% of total amount (%)	Non – performing loan amount
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)					
Corporate loans and advances	**218,420.9**	**66.4**	**4,010.6**	199,244.3	62.1	4,348.4
Retail loans and advances	**80,089.8**	**24.4**	**2,324.8**	89,391.0	27.9	2,663.6
Discounted bills	**30,332.0**	**9.2**	**–**	32,199.4	10.0	–
Gross loans and advances to customers	**328,842.7**	**100.0**	**6,335.4**	320,834.7	100.0	7,012.0

6.3 Distribution of loans classified by industry

The following table sets forth, as at the dates indicated, the distribution of loans of the Group by industry.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Manufacturing	**53,182.8**	**16.2**	51,792.5	16.1
Wholesale and retail	**46,066.5**	**13.9**	33,838.3	10.6
Leasing and commercial services	**30,424.4**	**9.3**	27,297.1	8.5
Construction	**25,222.9**	**7.7**	20,988.3	6.5
Real estate	**21,043.3**	**6.4**	22,206.1	6.9
Water conservancy, environment and public utility management	**9,800.0**	**3.0**	11,086.2	3.5
Agriculture, forestry, animal husbandry and fishery	**8,264.0**	**2.5**	6,935.4	2.2
Education	**3,954.6**	**1.2**	5,646.0	1.8
Electricity, thermal power, gas, and water production and supply industry	**3,881.9**	**1.2**	2,593.2	0.8
Mining	**3,682.5**	**1.1**	3,264.6	1.0
Other	**12,898.0**	**3.9**	13,596.6	4.2
Total corporate loans and advances	**218,420.9**	**66.4**	199,244.3	62.1
Total retail loans and advances	**80,089.8**	**24.4**	89,391.0	27.9
Discounted bills	**30,332.0**	**9.2**	32,199.4	10.0
Gross loans and advances to customers	**328,842.7**	**100.0**	320,834.7	100.0

As of the end of the reporting period, the top three industries in terms of the composition of the Group's corporate loans and advances were: manufacturing, wholesale and retail, leasing and commercial services. Among them, the amount of loans and advances to the manufacturing sector increased by RMB1,390 million, or 2.7%, compared to the end of the previous year. The amount of loans and advances to the wholesale and retail trade sector increased by RMB12,228 million, or 36.1%, compared to the end of the previous year. The amount of loans and advances to the leasing and business services sector increased by RMB3,127 million, or 11.5%, compared to the end of the previous year.

6.4 Distribution of loans and non-performing loans classified by guarantee type

The following table sets forth, as at the dates indicated, the distribution of loans and non-performing loans of the Group by guarantee type.

	As of December 31, 2025			As of December 31, 2024		
	Amount	% of total amount (%)	Non – performing loan amount	Amount	% of total amount (%)	Non – performing loan amount
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)					
Guaranteed loans	**120,295.6**	**36.6**	**1,597.8**	107,801.2	33.6	1,222.1
Collateralized loans	**88,026.6**	**26.8**	**3,090.8**	94,000.2	29.3	3,822.4
Pledged loans	**70,501.4**	**21.4**	**415.7**	69,742.0	21.7	645.7
Unsecured loans	**50,019.1**	**15.2**	**1,231.1**	49,291.3	15.4	1,321.8
Total	**328,842.7**	**100.0**	**6,335.4**	320,834.7	100.0	7,012.0

6.5 Distribution of loans classified by region

The following table sets forth, as at the dates indicated, the distribution of loans of the Group by region.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Jiangxi Province	**279,524.0**	**85.0**	270,745.3	84.4
Including: Jiujiang City	**107,948.2**	**32.8**	103,895.3	32.4
Guangdong Province	**23,977.0**	**7.3**	23,474.3	7.3
Anhui Province	**17,450.4**	**5.3**	16,682.0	5.2
Others[1]	**7,891.3**	**2.4**	9,933.1	3.1
Total	**328,842.7**	**100.0**	320,834.7	100.0

Note:

(1) Mainly includes the provinces and cities where the controlled county banks of the Group are located, such as Beijing, Shandong Province and Jiangsu Province.

As of the end of the reporting period, the Group's loans outstanding in Jiangxi Province amounted to RMB279,524 million, representing an increase of RMB8,779 million, or 3.2%, compared to the end of the previous year, and accounting for 85.0% of the Group's total customer loans and advances. Within this total, loans outstanding in Jiujiang City amounted to RMB107,948 million, an increase of RMB4,053 million, or 3.9%, compared to the end of the previous year.

6.6 Borrower concentration

As of the end of the reporting period, the Group's loan balance to any single borrower did not exceed 10% of the Group's net capital.

As of the end of the reporting period, the Group's loan balance to the largest single borrower amounted to RMB2,682 million, representing 0.82% of the Group's total loans and accounting for 5.69% of the Group's net capital; the Group's loan balances to the ten largest single borrowers amounted to RMB13,667 million, representing 4.17% of the Group's total loans and accounting for 29.00% of the Group's net capital, all of which met the regulatory requirements.

The following table sets forth, as at the dates indicated, the Group's loan balances to the ten largest single borrowers (excluding group borrowers).

	Industry	As of December 31, 2025 Loan balance	% of total loans (%)	% of net capital (%)
		(All amounts expressed in millions of RMB except percentages, unless otherwise stated)		
Borrower A	Manufacturing	**2,682.0**	**0.82**	**5.69**
Borrower B	Real estate	**1,997.5**	**0.61**	**4.24**
Borrower C	Health and social work	**1,498.3**	**0.46**	**3.18**
Borrower D	Manufacturing	**1,458.0**	**0.44**	**3.09**
Borrower E	Real estate	**1,436.5**	**0.44**	**3.05**
Borrower F	Real estate	**1,077.0**	**0.33**	**2.29**
Borrower G	Real estate	**930.7**	**0.28**	**1.97**
Borrower H	Real estate	**895.4**	**0.27**	**1.90**
Borrower I	Real estate	**846.0**	**0.26**	**1.80**
Borrower J	Real estate	**845.8**	**0.26**	**1.79**
Total		**13,667.2**	**4.17**	**29.00**

6.7 Large risk exposure management

In accordance with the Administrative Measures for the Large Risk Exposure of Commercial Banks and other relevant regulatory requirements, the Group carried out various work on the management of large risk exposure in an orderly manner, further improved the management system of large risk exposure, and regularly reported large risk exposure indicators and relevant management work to regulatory authorities, strengthened the limit management of large risk exposure, and continuously enhanced the management on large risk exposure. Throughout the year 2025, the Group adhered to a prudent and steady risk appetite, continuing to effectively prevent and control the risk of customer concentration. As of the end of the reporting period, all regulatory indicators for large exposure risks of the Group were in compliance with regulatory requirements.

6.8 Overdue loans

The following table sets forth, as at the dates indicated, the distribution of the Group's loans and advances to customers by overdue period.

	As of December 31, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Current loans	**319,908.7**	**97.3**	311,438.5	97.1
Overdue loans[1]				
Up to 3 months (inclusive)	**4,314.2**	**1.3**	3,495.4	1.1
3 months to 1 year (inclusive)	**2,939.3**	**0.9**	3,105.6	1.0
1 to 3 years (inclusive)	**1,360.4**	**0.4**	2,537.4	0.7
Over 3 years	**320.1**	**0.1**	257.8	0.1
Subtotal	**8,934.0**	**2.7**	9,396.2	2.9
Gross loans and advances to customers	**328,842.7**	**100.0**	320,834.7	100.0

Note:

(1) Represents the gross principal amount of the loans on which principal or interest is overdue.

As of the end of the reporting period, the total overdue loans of the Group amounted to RMB8,934 million, representing 2.7% of the total customer loans and advances.

6.9 Changes in allowance for impairment losses on loans

The Group has performed impairment accounting and recognised loss allowance based on expected credit losses. If the credit risk of a financial instrument, is low at the end of the reporting period or has not increased significantly since initial recognition, the Group measures its loss allowance based on the amount of the next 12-month expected credit losses. For other financial instruments, the Group measures its loss allowance based on amounts of lifetime expected credit losses.

The Group re-measures expected credit losses at the end of each reporting period. In addition, the Group regularly reviews a number of key parameters and assumptions involved in the process of determining impairment allowance based on the expected credit loss model, including division of loss stages, probability of default, loss given default, default risk exposure, discount rate, forward-looking adjustment and other adjustment factors.

The following table sets forth, as at the dates indicated, the movements in the allowance for impairment losses on loans of the Group.

	As of December 31, 2025	As of December 31, 2024
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)	
Opening balance	**10,808.1**	9,680.2
Provision for the year	**5,125.6**	4,992.6
Write-offs and transfer out for the year	**(7,352.8)**	(4,179.0)
Recoveries of write-offs for the year	**1,062.7**	314.3
Closing balance	**9,643.6**	10,808.1

As of the end of the reporting period, the Group's allowance for impairment losses on loans amounted to RMB9,644 million.

7. SEGMENT REPORTING

The following table sets forth, for the periods indicated, the operating income of the Group by business segments and shares in the total operating income.

	For the year ended December 31,			
	2025		2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Corporate banking	**6,822.9**	**65.1**	6,427.8	61.9
Retail banking	**2,490.2**	**23.8**	2,651.4	25.5
Financial market business	**1,986.6**	**19.0**	1,729.1	16.6
Unallocated[1]	**(822.7)**	**(7.9)**	(419.9)	(4.0)
Total operating income	**10,477.0**	**100.0**	10,388.4	100.0

Note:

(1) Consists primarily of income and expenses that are not directly attributable to any specific business segment.

8. ANALYSIS OF CAPITAL ADEQUACY RATIO AND LEVERAGE RATIO

8.1 Capital adequacy ratio

The Group continued to optimise its business structure and strengthen its capital management. As of the end of the reporting period, the Group's capital adequacy ratio, tier-one capital adequacy ratio and core tier-one capital adequacy ratio were 13.49%, 13.46% and 8.87%, respectively, which met the requirements of Capital Management Measures for Commercial Banks.

The capital adequacy ratio calculated by the Group in accordance with Capital Management Measures for Commercial Banks is as follows:

	As of December 31, 2025	As of December 31, 2024
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)	
Core tier-one capital	**34,408.1**	35,276.2
Deductions of core tier-one capital	**(3,432.7)**	(1,543.5)
Net core tier-one capital	**30,975.4**	33,732.7
Other tier-one capital	**16,050.2**	9,062.7
Net tier-one capital	**47,025.6**	42,795.4
Tier-two capital	**104.7**	4,279.6
Net capital base	**47,130.3**	47,075.0
Total risk-weighted assets	**349,385.3**	357,514.5
Core tier-one capital adequacy ratio (%)	**8.87**	9.44
Tier-one capital adequacy ratio (%)	**13.46**	11.97
Capital adequacy ratio (%)	**13.49**	13.17

8.2 Leverage ratio

The leverage ratio of commercial banks shall not be lower than 4% in accordance with the requirements in Capital Management Measures for Commercial Banks. During the reporting period, the Group's leverage ratio, calculated in accordance with Capital Management Measures for Commercial Banks, was 7.87%, which meets the regulatory requirement.

Item	As of December 31, 2025 *(All amounts expressed in millions of RMB except percentages, unless otherwise stated)*	As of December 31, 2024
Net tier-one capital	**47,025.6**	42,795.4
Adjusted balance of on-balance and off-balance sheet assets	**597,653.4**	606,233.4
Leverage ratio	**7.87%**	7.06%

9. BUSINESS OPERATIONS

9.1 Corporate financing business

Adhering to the gist of macro policies, the Bank proactively aligned with the "Five Priorities" for sound financial stewardship, held fast to the market positioning of "serving the local economy, small and medium enterprises, and urban and rural residents", gave full play to the driving role of financial institutions, and increased lending for key areas to serve the high-quality development of the real economy. Following the operation philosophy of "customer first", the Bank worked diligently to expand its customer base, enhance customer quality, and continuously consolidate the foundation for serving corporate customers.

Strengthening accountability, deepening and refining the "Five Priorities", and persisting in serving the real economy without slackness. In 2025, the Bank deeply implemented the decisions and arrangements of the CPC Central Committee on financial work, the spirit of General Secretary Xi Jinping's remarks during his inspection of Jiangxi, and the spirit of the Central Financial Work Conference, and continued to excel in the "Five Priorities" for sound financial stewardship. As of the end of the reporting period, the balance of the Bank's technology finance loans was RMB44.568 billion, representing an increase of 11.40% over the previous year; the balance of green finance loans was RMB45.605 billion, representing an increase of 18.49% over the previous year; the balance of inclusive finance loans was RMB65.099 billion, representing an increase of 8.30% over the previous year; the balance of pension finance loans was RMB138 million, representing an increase of 298.61% over the previous year; and the balance of digital finance loans was RMB11.501 billion, representing an increase of 2.03% over the previous year. Meanwhile, the Bank continued to increase credit issuance to small and micro enterprises through strengthening assessment and guidance, implementing preferential policies for internal funds transfer pricing (FTP), and optimizing business processes. As at the end of the reporting period, the Bank's balance of corporate inclusive loans for small and micro enterprises amounted to RMB39.064 billion, representing an increase of RMB4.822 billion or 14.08% from the beginning of the year; the cumulative number of borrowers was 9,227, representing an increase of 941 or 11.36% from the beginning of the year.

Cultivating strong customer relationships and continuing to consolidate the foundation of corporate customers. As at the end of the reporting period, the number of corporate customers and corporate credit exposure customers of the Bank were 127,700 and 13,600, respectively, representing increases of 21,700 and 1,832, or 20.46% and 15.56%, respectively, as compared to the end of last year. Firstly, the Bank enhanced its foundational management structure for the corporate business line by establishing four systems, namely customer marketing, customer operations, risk management, and team building. Secondly, the Bank adopted a tiered operating strategy to enhance service performance for strategic customers. To deliver the intended results, the Bank established a leadership group for marketing coordination of major projects and strategic customers, which strengthened resource coordination, deepened customer collaboration, optimized business processes, and dynamically tracked the progress of business implementation. Additionally, the Bank improved its operational capabilities for small and medium-sized corporate customers and developed strategies to list the target customers based on both internal and external data. As of the end of the reporting period, the Bank has supported 1,148 first-time small and micro corporate borrowers with cumulative disbursements of RMB4.874 billion. Thirdly, the Bank innovated its corporate business model and workflow by launching a new workflow for SME working capital loans of up to RMB10 million in October 2024. This workflow leverages external data (such as transaction records, invoices, and electricity bills) to assist in evaluating borrowers' operating conditions, addressing SMEs' absence of audited financials and non-standardized data, and reducing information asymmetry. In 2025, the standardized small and micro business facilities were disbursed to 2,238 SMEs, resulting in cumulative loans of RMB5.725 billion.

Driven by digital intelligence, the Bank advanced the digital transformation of its corporate banking services. Firstly, adhering to a customer experience-centric approach, the Bank comprehensively integrated the customer and account systems of the corporate e-banking and treasury platforms, enabling one-stop online processing for high-frequency transactions. By unifying the login portal and optimizing transaction functions, the Bank has introduced innovative services such as digital electronic invoices, online reconciliation for non-online banking corporate customers, multi-channel third-party payments, and fully automated bill signing. These enhancements have effectively reduced the frequency of in-branch visits, enhanced operational convenience and intelligence levels, and significantly improved the customer experience. Secondly, the Bank digitally upgraded the marketing process, entering a new model of digital operation and management for corporate customers. The customer manager workstation and the customer relationship management system have been seamlessly integrated. And in doing so, the Bank can build multi-dimensional corporate customer labels and customer portraits to deepen customer insights and improve accessibility, as well as offer digital advertising platforms, which enhanced management visualization for both the head office and local branches.

Investment Banking Business

The Bank took capital saving as the transformation strategy and made use of the tool of investment banking to improve quality, reduce cost, and increase efficiency, and laid a solid foundation for the development of asset-light business.

Deepening lead underwriting of bonds to support strong innovation in technology finance. Against the backdrop of the national policy vigorously advancing technology finance to support the real economy, the Bank took the lead in implementing Jiangxi Province's first interbank market fintech innovation bond and the province's first technology innovation bond issued by a private enterprise. The Bank also innovatively introduced Credit Risk Mitigation Warrants (CRMWs) and, under a "bond issuance + credit protection" model, successfully issued the province's first medium – to long-term technology innovation bond for a private enterprise, setting a new benchmark for serving technology companies and the private economy.

Expanding special bond consultancy services to drive new breakthroughs in regional penetration. In line with the strategic layout of "focus on key regions + expansion across the province", the Bank, on one hand, continued to consolidate its core service advantages in Jiujiang by establishing special service teams to achieve closed-loop management throughout the lifecycle of special bond projects; on the other hand, the Bank comprehensively strengthened service empowerment for branches within the province to help build differentiated competitiveness. The Bank achieved breakthroughs in obtaining consultancy service bank qualifications in Ganzhou and Pingxiang, driving continuous upgrades in head office-branch collaborative service capabilities.

9.2 Retail banking business

In 2025, the Bank embraced a development concept focused on "putting people at the center" and aligned its strategies with the market positioning of a city commercial bank: "serving the local economy, small and medium enterprises, and urban and rural residents." Focusing on livelihood consumption and optimizing customer experience, the Bank leveraged financial tools to boost consumption in the livelihood sector. It also deepened inclusive finance, adhered to the commitment of "serving small and micro enterprises", flexibly deployed financial resources, and implemented multiple measures to enhance the quality and efficiency of its financial services. **First, consolidating the customer base.** By deeply exploring the local market, leveraging regional advantages, and enriching customer service channels and scenarios, the Bank achieved steady growth in its total customer base, with deposit scale and strengths in customer-base operations continuing to expand. **Second, deepening digital technology.** Adhering to a "customer-focused" service philosophy, the Bank continuously enhanced service efficiency and customer satisfaction. To meet evolving customer needs, it deepened its understanding of customers' diversified financial needs and steadily enhanced its capacity for digital-based precision operations. **Third, serving people's well-being.** The Bank earnestly fulfilled its social responsibilities by adopting a model of "government funding, platform support, and enterprise participation", effectively pooling the collective strengths of various market players to stimulate consumption recovery and unlock potential. Meanwhile, the Bank actively responded to the government's call, fully supported the provincial efforts for social security card issuance and application, launched the "Bank of Jiujiang Happy Time Club", and built a "15-minute elderly-care service circle", making elderly care financial services more quality-oriented and caring.

Consumer Finance Business

In 2025, the Bank's consumer finance business actively responded to the national policy guidance of "expanding domestic demand and promoting consumption". By building a diversified marketing system and deepening regional financial services, the Bank fully supported the upgrading of resident consumption.

Looking ahead to 2026, the Bank will focus on three major directions: optimizing business structure, deepening the scenario ecosystem, and strengthening technological risk control, to further promote the deep integration of consumer finance with people's livelihood needs, and effectively enhance service efficiency and risk control capabilities.

9.3 Financial market business

In 2025, the financial market business followed macro policies, complied with regulatory requirements, and gathered strength to achieve high-quality and stable development.

Accolades multiply, evidencing enhanced institutional credentials. The Bank was approved as a primary participating institution for inter-bank deposits by CFETS. It successively won multiple honors, such as the "Top 100 Proprietary Dealer" by China Central Depository & Clearing Co., Ltd., "Excellent Market Maker" in the underwriting of financial bonds by The Export-Import Bank of China, and "Outstanding Contribution Award for Agricultural Development Cooperation" and "Collaborative Innovation Award" for financial bond underwriting and market-making institutions by the Agricultural Development Bank of China.

9.4 Industrial finance business

The Bank takes empowering the real economy as its core, focuses on industrial integration and in-depth exploration of customer groups, and makes every effort to promote business expansion and mechanism building. The Bank has taken proactive actions in key industrial docking and expanding the customer base, achieving remarkable results. At the same time, the Bank actively embraces the transformation of financial technology, promotes the in-depth integration of digital transformation and industrial finance, and continuously strengthens the foundation for risk control and digitalization. As of the end of the reporting period, the Bank served over 4,200 enterprises in the key industrial chains of Jiangxi Province's "1269" action plan, with credit granted of RMB54.779 billion.

Precise positioning of customer group management. Centered on the core idea of "deepening industry penetration, solidifying customer groups, and strengthening scenarios", the Bank deepened full-process management across "acquiring customers – activating customers – retaining customers", and built a customer group operations system featuring "industry research – scenario development – process management". Overall customer growth remained sound, with significant growth in the high-value customer segment.

Breakthroughs were achieved in county-level pilot programs. The Bank deepened its footprint in county-level areas and anchored its operations in county-level industrial clusters to serve regional economic development. The Bank continued to implement "one county, one policy" and "one industry, one plan", and took the lead in implementing and promoting financial solutions, such as "Mold Industry Loan", "Silicone Industry Loan", "Shipping Industry Loan", and "Textile Industry Loan", so as to support the development of county-level industrial clusters.

Continuous optimization of business processes. In terms of basic systems, combined with the characteristics of the three major business scenarios, the key points of control operations are refined. In terms of system construction, the connection between the integrated industrial financial service platform and the channels of chain leader enterprises has been completed, and a full-process closed-loop system for bank acceptance, bill credit enhancement, and Kuai Huo Discount business has been built. The construction of a supply chain bill platform was completed, and the upgrade of the new international business system was advanced. In terms of process optimization, functions, such as automatic loan disbursement for tax-related scenarios of intelligent logistics loans, one-click automatic ticket issuance, and automatic settlement of bill credit enhancement business upon maturity, have been achieved. In terms of risk prevention and control, the transformation of cooperative warehouses from private ones to state-owned ones or self-operated warehouses of cooperative platforms has been promoted. Risk early-warning push for the third-party channels has been realized. The Bank strengthened the correlation verification between bills and trade contracts and the early warning for invoice red-letter reversals (issuing a red-letter invoice/credit note to reverse and cancel an original invoice), implemented intelligent verification of the source of deposit margins, launched a forfaiting fund-repatriation early-warning model, embedded invoice-control rules into bill operations, and accelerated the restructuring of low-risk bank-acceptance business processes.

Quantum-leap advancements in training empowerment. Focusing on the development of financial talents in the industry and taking "practicality and effectiveness" as the guiding principle, the Bank implemented two sessions of the "Benchmark Leadership Program" to train key personnel; created 11 lightweight micro-courses to accelerate onboarding and role fit for new staff; and launched 22 essential courses covering industry-finance integration, trade finance, and bills, comprehensively incorporating professional key points. Through a closed-loop optimization mechanism, the Bank dynamically aligned training with business needs, strengthened talent development, and provided solid support for the development of the industrial finance business.

Brand image achieved multi-dimensional penetration. Closely aligned with the core theme of "making the new voice of Bank of Jiujiang heard and telling stories of industry-finance integration well", the Bank carried out systematic publicity under a "one theme per month" approach. Representative cases were included in the Supply Chain Finance Yearbook, and multiple professional articles were published by mainstream media, such as Xinhua Finance and People's Daily Online, continuously shaping the image of a "specialist bank in industry finance". At the China International Financial Exhibition, the Bank showcased its industry-finance capabilities and proven results in a 360-degree presentation, continuously burnishing the distinctive brand card of "having a good command of industry and finance".

9.5 Specialty business

Inclusive Financial Business

The Bank's inclusive-finance program is anchored in the overarching goals of "maintaining volume, improving quality, stabilizing pricing, and optimizing structure", while focusing on excelling in the "Five Priorities" for sound financial stewardship. By leveraging our professional strengths and strengthening internal support mechanisms, the Bank is actively involved in every stage of the small and micro-enterprise financing coordination process, ensuring that loans are "delivered directly to the grassroots level, processed quickly and conveniently, and priced appropriately". As of the end of the reporting period, the Bank had established 830 inclusive financial service stations in township-seat villages. The balance of the Bank's inclusive loans for small and micro enterprises stood at RMB63.452 billion, serving 57,843 customers at a weighted-average interest rate of 4.13%.

To support rural revitalization, the Bank has continuously refined its inclusive finance credit products, focusing on planters, farmers, township mom-and-pop stores, and agricultural products processing traders. By integrating multi-dimensional data from industrial and commercial records, credit reporting systems, and agricultural insurance, the products provide credit services for the entire agricultural industry chain, steadily improving the quality and efficiency of inclusive finance.

Green Financial Business

Increasing the release of green credit to drive the development of the green economy. Focusing on key green industries and important green projects, thorough research was conducted, and the Bank has introduced the Green Credit Policy of Bank of Jiujiang 2025, which promotes the steady growth of the Bank's green loans. The Bank raised special funds to increase green credit placement and successfully issued the 2025 Green Financial Bond with an issuance scale of RMB4.0 billion to support key areas of green development. As of the end of the reporting period, the balance of green loans of the Bank amounted to RMB45.605 billion, with year-on-year growth of 18.49%. This effectively served the real economy and promoted green transformation.

Aiming towards the carbon peak and carbon neutrality goals and supports the green and low-carbon transformation of entities. The Bank issued the Action Plan of Bank of Jiujiang for Comprehensively Advancing Transformational Finance Business, clarifying key support areas and measures for transformational finance. The Bank launched special financial products for transformation, namely "Carbon-Efficient Loan", "Digital and Carbon Integration" and "Copper Loan", in Jiujiang, Pingxiang and Yingtan, pilot cities of transformation finance in Jiangxi. This innovatively linked loan pricing with the carbon emission performance of enterprises, supporting small and medium-sized industrial enterprises in reducing carbon emissions in their production structures. Aiming at industrial and commercial distributed photovoltaic, the Bank launched a special green financial product "Photovoltaic Loan" to support the construction of distributed photovoltaic power stations and to promote carbon reduction in energy consumption structure. Serving key areas of carbon emission reduction, the Bank has cumulatively disbursed RMB419 million in carbon reduction loans, driving an estimated annual emission reduction of 84,800 tonnes of carbon dioxide equivalent.

Harnessing collective efforts from multiple parties to serve sustainable development. As the only financial institution in the province to support the "Jiangxi Seminar on Advancing Integrated Development of the 'New Energy + Energy Storage' Industry", the Bank has actively deepened industry-finance integration. The Bank participated in a series of industry-finance matchmaking activities, including the promotion of green technologies in the province's new wall materials and brewing industries, thereby establishing a collaborative platform among government, industry and financial institutions. The Bank has also strengthened international cooperation by participating in thematic events such as the 2025 China Sustainable Investment Forum (China SIF) Summer Summit and the International Zero Carbon Cities and Villages and Zero Carbon Buildings Conference, where we shared and exchanged practices in green finance to jointly promote regional green, low-carbon and sustainable development.

Automobile Finance Business

Focusing on high-frequency scenarios to empower real-economy development. Targeting domestic automobile brands and focusing on segmented markets in vehicle circulation, the Bank customized supporting financial services for high-frequency transaction scenarios, such as auto dealership, centralized procurement, and exports. Over the year, the Bank served more than 1,000 automobile industry customers in total, supporting the efficient online processing of vehicle inbound and outbound operations, and effectively helping improve quality and efficiency in the real economy of the automotive industry.

Deepening chain-based services and extending scenario penetration. Collaborating with its branches, the Bank promoted a chain-based marketing model, deeply explored local automobile industry resources, and implemented segmented customer-group management along the automotive industry chain. The Bank provided comprehensive financial services to full-chain customer groups, including suppliers, OEMs, dealers, centralized purchasers, and operators, effectively addressing operational pain points, such as vehicle purchase payment, goods settlement, freight advance funding, and vehicle operations.

Strengthening the risk-control defense line and improving asset quality. The Bank routinely tracked business operation trends and risk early-warning indicators and established an efficient risk early-warning response mechanism to achieve early identification, early assessment, and early disposal of risks. The Bank comprehensively sorted out our business and customer base, completed profiling of five major customer groups, and developed a supporting business-oriented strategy map for customer groups. The Bank clearly defined four major strategies - “proactive marketing”, “retention of existing customers”, “gradual reduction”, and “strict entry restrictions”, which set the direction for compliant and prudent business development, reinforced the risk management firewall, and continuously improved asset quality.

Strengthening technology enablement to enhance service effectiveness. The Bank built an automated loan-disbursement scenario for auto finance and established an intelligent approval system. It formulated differentiated risk-control approval strategies by customer group and enabled system-based automatic approval for customers meeting preset rules, compressing traditional manual approval time from hours to minutes and significantly improving approval efficiency. The Bank continuously optimized system direct-connection functions with OEMs and third-party supervision companies, moving from online information sharing toward deeper simplification of business processes, precisely responding to the needs of all parties, and iteratively optimizing direct-connection services to achieve improvement in both business processing and risk-management effectiveness.

Trading and Financial Business

The Bank’s trading and financial business focused on “three excellence and one enhancement (三優一強化)”: excellent products, excellent services and excellent efficiency, and enhanced policy execution, comprehensively targeting the real economy with sustained growth and resilience.

“Practical” policy execution and key areas focus. In 2025, the cross-border RMB settlement scale of the Bank in Jiangxi Province reached RMB5.171 billion. Current account and direct investment cross-border RMB settlement volume reached RMB5.169 billion, accounting for 68.82% of the total RMB and foreign currency volume. As of the end of the reporting period, the completion rate for first-time customers for exchange rate risk hedging reached 104%.

Bill Business

Innovating and developing supply chain bills to excel in the "Five Priorities" for sound financial stewardship. In 2025, the Bank seized opportunities from Jiangxi Province's industrial development policies, fully expanded the development space for industrial chain and supply chain business, proactively integrated into the broader local development agenda, and actively explored new models for supply chain bill business. The Bank launched the "Bank of Jiujiang Digital Chain" supply chain platform, became the first incorporated banking institution in Jiangxi Province to connect to the Shanghai Commercial Paper Exchange's supply chain platform, and successfully implemented the first supply chain bill business transaction by a local incorporated financial institution, unblocking financing channels for small, medium, and micro enterprises along upstream and downstream segments of industrial chains via the supply chain bill platform.

Improving theoretical research on bills and reinforcing our brand image of the bill business. The Bank held the Seminar on the Development of China's Bill Market During the 15th Five-Year Plan Period, which, at the critical juncture linking the conclusion of the 14th Five-Year Plan and the launch of the 15th Five-Year Plan, systematically summarized the achievements in bill market development, conducted in-depth discussions on the market's development pathways, focused on stimulating market innovation vitality, and looked toward future development directions, with the aim of enhancing the bill market's capability to serve the real economy.

Deepening the construction of intelligent risk control and solidify the foundation for compliant operations. The Bank remains committed to building a robust, normalized intelligent risk control framework, approaching risk control with a "constant-vigilant" sense of responsibility and driving the shift from "human defense" to "technology defense" and "intelligent control". Intelligent risk warnings and dynamic capture capabilities are continuously enhanced.

9.6 Construction of Digital Bank of Jiujiang

During the reporting period, the Bank accelerated the construction of digital Bank of Jiujiang, focusing on "consolidating basic capabilities for digital operations" and "empowering high-quality business development." The Bank continued to enhance our financial technology capabilities, deepen the integration of technology, data, and business, accelerate the application of new technologies such as AI large models, and further strengthen technological empowerment to improve the quality and efficiency of business development.

Deepening technological empowerment

In terms of deepening the integration of industry and technology, the Bank continued to increase investment in technology resources, comprehensively promote digital transformation, improve the agile organizational system, and foster deep integration between business and technology. In 2025, the Bank continuously empowered our business by focusing on the following three aspects: **Firstly, the Bank constantly improved the construction of the three systems for digital marketing, operations, and risk control.** The Bank improved the customer marketing system to enhance customer marketing conversion efficiency; optimized the integrated customer operation system to improve the customer reach; established a full-cycle intelligent risk control system covering "pre-loan, during-loan, and post-loan" controls, to comprehensively enhance risk prevention and control capabilities. **Secondly, the Bank promoted the bank-wide process management to enhance operational efficiency.** The Bank propelled the streamlining and efficiency improvement of the bank-wide management processes and business processes, improved the process management mechanism, strengthened operational efficiency management, and effectively implemented the objective of "three reductions in processes." **Thirdly, the Bank steadily expanded the construction of financial ecosystem scenarios to effectively expand the customer base.** Through innovative applications in scenarios such as smart canteens and smart housing and urban-rural development, the Bank broke through traditional boundaries and integrated GBC resources to form a scenario-based financial ecosystem covering high-frequency consumption and people's livelihood services, effectively expanding the customer base.

In terms of the application of new technologies, the Bank began deploying AI large model ecosystem construction in 2023. Based on domestic open-source large models and combining cutting-edge technology frameworks, the Bank built a full-stack independently innovative technology platform "Bank of Jiujiang Brain." Based on "Bank of Jiujiang Brain," the Bank dynamically integrated large models of different types, fields, and vendors. While ensuring controllable risks, the Bank steadily advanced the phased application exploration and scenario development of AI large models. In 2025, the Bank developed multiple application scenarios, including customer marketing strategy recommendation, AI compliance review, auxiliary writing of credit review reports, and AI risk screening, proactively sought innovative breakthroughs, and continuously iterated to enhance the support capabilities of financial technology for business. The platform's average daily call volume increased by 183% year-on-year. The project won multiple awards, including the 2023 Financial Technology Development Award from the People's Bank of China, providing new ideas for digital transformation and AI innovative applications for small and medium-sized banks.

Enhancing technological support

In 2025, the Bank continued to improve the active-active transformation of key systems, accelerated the implementation of active-active access for key system applications to production for business service delivery, reduced failover time, and improved emergency response efficiency. The Bank constantly explored technology innovation based on business scenarios, and was granted 18 software copyright registration certificates and 1 invention patent. The Bank continuously enhanced the all-round security defense system and actively participated in various cybersecurity capture-defense competitions. In the Jiangxi Province "Ganyin Cup" Financial Industry Cybersecurity Attack-Defense Competition, the Bank won the second prize individually and the third prize as a team, and was awarded the "Excellent Organization Award." The Bank further strengthened data security management, built a data security responsibility system, regularly cleaned up sensitive information, standardized email outbound practices, and improved risk monitoring and emergency mechanisms to build a strong security defense line.

9.7 Subsidiary business

In 2025, the Bank completed the absorption and merger by restructuring Nanchang Changdong Jiuyin County Bank, Lushan Jiuyin Yishu County Bank, and Jinggangshan Jiuyin County Bank into its branches. As of the end of 2025, the Bank has established a total of 17 Jiuyin County Banks, of which 15 were merged and controlled. For details about Jiuyin County Banks, see "Information on Directors, Senior Management, Staff, and Institution — 7. BASIC INFORMATION OF INSTITUTIONS UNDER THE BANK" and Note 47 of the financial statements in the annual report. Since 2025, the Jiuyin county bank system has consistently adhered to the operational and management philosophy of "promoting reform, stabilizing development, addressing shortcomings, and controlling risks" and has deeply practiced the market positioning of "supporting small enterprises and agriculture." By comprehensively implementing the rural revitalization development strategy and actively contributing to "inclusive finance," it strives to promote the high-quality and sustainable development of county banks.

As at the end of the reporting period, the total assets of county banks controlled by the Bank were RMB14.967 billion, with total loans (including discount) of RMB7.844 billion and the balance of deposits of RMB13.222 billion; the total assets of the county banks in which the Bank has shareholdings were RMB4.988 billion, with total loans (including discount) of RMB3.421 billion and the balance of deposits of RMB4.266 billion.

As the principal initiating bank of Jiuyin County Banks, the Bank will continue to guide each county bank to remain true to its original aspiration and forge ahead with determination. The Bank will actively fulfill its responsibilities as the principal initiating bank, and fully support Jiuyin County Banks in forging a distinctive and differentiated path towards high-quality development.

10. DEVELOPMENT STRATEGY

The year 2026 marks the beginning of the "15th Five-Year Plan" and a critical starting period for a new journey to comprehensively build a modern socialist China. The Bank's overarching theme for work in 2026 is: Anchoring strategy to strengthen execution, consolidating systems to solidify foundations, and writing a new chapter of high-quality development.

Party building will always guide the development of the Bank. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank will thoroughly implement the spirit of the 20th CPC National Congress, all plenary sessions of the 20th CPC Central Committee, and General Secretary Xi Jinping's important speeches during his inspection of Jiangxi, and fully implement the spirit of the Central Economic Work Conference and the Central Financial Work Conference. The Bank will earnestly implement the decisions, deployments, and work requirements of the Provincial Party Committee and Municipal Party Committee. The Bank will continue to invest efforts in the "Five Priorities", provide in-depth services for the construction of a modernized industrial system in Jiangxi and the high-standard and high-quality construction of Jiujiang as an important node city of the Yangtze River Economic Belt.

The Bank, as an urban commercial bank, will always adhere to the market positioning of "three services". It will further promote the strategy of "optimizing structure, saving capital, promoting compliance, controlling nonperforming loans and stabilizing growth", adhere to the concept of industrial finance based on economic cycles, and implement the strategy of inclusive finance with downward expansion in lower tier markets and the strategy of industrial finance with differentiated characteristics. The Bank will proactively integrate its business development into regional development and take initiative to support the development of the regional economy, so as to align its development with local development. The Bank will strengthen the construction of the customer marketing system, comprehensive customer operation system, and risk management system, continuously improve operational efficiency, personnel efficiency, and financial efficiency, and strive to develop a mechanism featuring "customers driving frontline staff, frontline staff driving front office, and front office driving middle office and back office", so as to comprehensively enhance the Bank of Jiujiang's ability to serve customers.

11. RISK MANAGEMENT

11.1 Risk management structure

The risk management organization structure of the Bank consists of the Board and its sub-committees, senior management and its sub-committees, significant risk sector composed of functional departments, risk directors, and risk managers, establishing a top-to-bottom and bank-wide risk management structure.

The Board is the Bank's highest decision-making body for risk management. It is responsible for establishing and maintaining an effective risk management system and bears the ultimate responsibilities in respect of the Bank's comprehensive risk management. The Risk Management Committee under the Board assists the Board in reviewing and approving the Bank's risk strategy, risk appetite, risk limits, risk management policies, and major risk management regulations and reports. The Audit Committee of the Board bears the supervisory responsibility for the Bank's comprehensive risk management, and is responsible for overseeing and inspecting the performance of the Board and senior management in risk management, and urging corrective actions. Senior management and its sub-committees formulate and implement corresponding risk management strategies in accordance with the risk management objectives of the Board, and provide and secure resources to implement specific risk management work. The Risk Management Department of the Bank is the lead department for the management of credit risk, market risk, and information technology risk. The Planning and Finance Department, Legal and Compliance Department, and General Management Department are the lead departments for management of other risks.

11.2 Credit risk management

Credit risk refers to the risk of losses arising from the default of debtors or counterparties or the reduction in their credit ratings or performance capabilities. The Bank's credit risks mainly arise from loans, investments, guarantees, commitments, and other on – and off-balance sheet credit exposures. The credit risk management organization system of the Bank is composed of the Board, senior management, Risk Management Department, and other credit risk-taking departments, forming a credit risk management structure characterized by centralized and unified management and hierarchical authorization and implementation.

1. Standardizing the credit risk control logic and improving the management mechanism for the full credit process. The Bank prioritized asset quality control, strove to optimize the business structure, strengthened credit allocation to the real economy, and steadily advanced the "Five Priorities". It standardized the credit risk control logic, established a framework covering pre-loan due diligence, loan approval, and post-loan management, created a tiered management mechanism for credit customers, and strengthened capabilities in pre-loan risk identification, loan approval, and post-loan management, to make risk management more forward-looking, effective, and penetrating.

2. Optimizing the institutional system and building a full-process "precision" monitoring system. The Bank enhanced its credit risk monitoring and reporting management system to track and collect significant risk events in a timely manner; implemented the management of the gap between overdue loans and non-performing loans (NPLs), enforced the responsibility of potential risk management, and strengthened the management of overdue risk mitigation; established a closed-loop management mechanism for retail credit risk monitoring to enhance the supervision and management of retail loans that are approaching maturity, and continued to carry out asset quality planning.

3. Deepening digital and intelligent empowerment and bringing system construction to a new level of "intelligence." The Bank continuously optimized risk management systems, utilized digital risk control tools and methods to enhance credit risk control, and improved the mobile risk information integration broadcasting platform ("Wind Bell") and the one-stop risk management platform ("Wind Eye"); deepened full-process risk management for collaterals, enhanced the accuracy of credit risk early warnings, and established a comprehensive risk management model featuring precise identification, efficient warning, and timely disposal.

11.3 Market risk management

Market risk refers to the risk of losses to the commercial bank's on – and off-balance sheet activities arising from adverse movements in market prices (interest rates, exchange rates, stock prices, and commodity prices). Market risk exists in both the trading and non-trading activities of banks. The Bank's market risks primarily stem from the trading book and banking book. Interest rate risk and exchange rate risk are the major market risks faced by the Bank.

Based on the asset scale, business nature, and business complexity, the Bank has established an appropriate market risk management system and book classification rules, clarified the responsibilities of the Board, senior management, and relevant departments under the market risk governance framework, and effectively monitored and managed market risks by means of core market risk measurement indicators and stress testing.

Trading book risk management. The Bank measured the interest rate risk in the trading book using market risk indicators such as the overall position limits, value at risk (VaR), price value of a basis point (PVBP), interest rate sensitivity, and single-bond stop-loss limits, supplemented by stress testing and other auxiliary methods to monitor and manage the interest rate risk in the trading book. In terms of daily management, the Bank sets market risk limits in accordance with the Bank's defined risk appetite and business plans. The market risk management department is responsible for daily monitoring and continuous reporting. During the reporting period, the Bank generally adopted a cautious trading strategy and prudent risk control measures, ensuring that all interest rate risk indicators for the trading book remained within the target range.

Banking book foreign exchange risk management. The Bank strictly implemented its foreign exchange risk appetite and exposure limits, conducted regular stress testing, and dynamically monitors changes in risk. During the reporting period, the Bank's foreign currency business mainly involved the U.S. dollar, euro, Hong Kong dollar and Japanese yen. As the Bank has not yet obtained the qualification to trade foreign exchange derivatives, it primarily hedges exchange rate risks by cooperating with counterparties to conduct forward foreign exchange settlement and sales, and effectively manages its foreign exchange risk exposure by optimizing the currency structure of its assets and liabilities. As of the end of the reporting period, the banking book foreign exchange risk remained under control, and all relevant indicators were in compliance with regulatory requirements.

11.4 Interest rate risk management in the banking book

Interest rate risk in the banking book (IRRBB) refers to the risks that changes in interest rate levels, term structures, and other factors lead to losses in the economic value and overall earnings of the banking book. It mainly includes gap risk, basis risk, and option risk.

The Bank has established an IRRBB management system that is commensurate with its risk appetite and business complexity, and is consistent with the Bank's overall development strategy and comprehensive risk management system. The Bank's IRRBB management system primarily includes the following basic elements: a sound risk management policy system; an effective risk governance structure; comprehensive risk management strategies, policies, and processes; comprehensive risk identification, measurement, monitoring, control, and mitigation; a sound internal control and audit mechanism; and sufficient information disclosure and reporting. The Bank strictly adhered to regulatory requirements related to IRRBB management, implemented IRRBB management, and established an IRRBB governance structure featuring well-defined roles and responsibilities, clear hierarchical levels, and a comprehensive framework. The Board bears the ultimate responsibility for IRRBB management; the senior management bears the responsibility for implementing IRRBB management; the Head Office's Planning and Finance Department is responsible for leading the IRRBB management, the Head Office's Risk Management Department is responsible for incorporating the IRRBB management into the Bank's comprehensive risk management system; and other departments and institutions implement the IRRBB management policies and standards according to their allocation of responsibilities; the Audit Department, Legal and Compliance Department, and other departments are responsible for the review and assessment of IRRBB management.

The goals of IRRBB management are to formulate and implement corresponding management policies according to the Bank's overall development strategy, interest rate trend forecasts, and measured changes in overall earnings and economic value, and coordinate the use of interest rate risk management tools for risk mitigation and control, to ensure that the actual interest rate risk level borne by the Bank is consistent with its risk tolerance and appetite. The Bank formulated IRRBB management policies based on management strategies and goals, clarifying management methods and management tools. By formulating or adjusting interest rate risk management methods, the Bank flexibly used asset-liability quantitative and pricing tools for management and control. It also comprehensively employed capital assessment, operational planning, performance appraisal, limit management system, and other methods to assess interest rate risk management, thereby achieving effective control over interest rate risk levels across business lines, branches, and products and portfolios significantly impacted by interest rate risk.

During the reporting period, the Bank adhered to a prudent and sound interest rate risk appetite for the banking book, closely monitored interest rate trends in deposits, loans, and financial market, and maintained a balance between volume and price to keep stable and sustainable asset-liability growth; adopted a balanced and prudent interest rate risk management strategy, proactively and flexibly adjusted pricing strategies through posted interest rate adjustment, customer pricing authorization, funds transfer pricing, and other means; measured and analyzed IRRBB using methods such as repricing gap analysis, net interest income and economic value sensitivity analysis, duration analysis, and stress testing, and regularly monitored compliance with risk limits. During the reporting period, the Bank's overall IRRBB level was controllable.

11.5 Country risk management

Country risk refers to the risks that make debtors of a country or region unable or refuse to pay debts of banking financial institutions, that make the commercial presence of the banking financial institutions in that country or region suffer losses, or that make banking financial institutions suffer other losses due to political, economic and social changes and events in the country or region.

In strict compliance with the regulatory requirements, the Bank has established a country risk management system that is compatible with the strategic goals of the Bank, the scale of exposure and complexity of the country risks, specified the responsibilities of the Board, senior management, and relevant departments, and strictly integrated country risk management into the comprehensive risk management system, so as to regularly monitor the operation of country risk limits as well as business management.

During the reporting period, the Bank strengthened its country risk management mainly through the following measures:

1. Establishing a list of high-risk countries and regions. The Bank standardized business operations involving high-risk countries and regions and prevented money laundering risks associated with cross-border transactions. According to the development of trade finance business, industry research findings, and changes in the international and domestic anti-money laundering trend, the Bank regularly reviewed high-risk country and region classifications, and updated its list of high-risk countries and regions.

2. Strictly granting credits and understanding customers. International and domestic credit activities are governed by the same principles. The Bank strictly adhered to the principle of "know your customer," and conducted thorough due diligence on customers to ensure that they have sufficient assets or income sources to fulfill their obligations; carefully verified customers' identities and ultimate ownership to avoid excessive risk concentration; diligently checked the actual purpose of funds to prevent misuse of loans; prudently assessed the legality and enforceability of overseas collateral and established a sound post-loan management system.

3. Conducting due diligence. When conducting due diligence on customers or counterparties, the Bank strictly adhered to anti-money laundering and counter-terrorist financing laws and regulations; maintained a high degree of vigilance regarding business and transactions involving sensitive countries or regions; promptly updated information regarding high-risk and suspicious transaction customers to prevent particular organizations or individuals from using the Bank to engage in activities supporting terrorism, money laundering, or other illegal activities.

As of the end of the reporting period, the Bank's country risk exposure indicator was 0.15%, which is below the threshold for the country risk exposure indicator.

11.6 Operational risk management

Operational risk refers to the risk of losses caused by problems existing in internal procedures, employees, or information technology systems, or from external incidents.

The Bank has set up a good operational risk governance organizational structure composed of the Board, senior management, and three lines of defense. The Board is our Bank's highest decision-making body regarding operational risk management. The Audit Committee under the Board undertakes the supervisory functions previously performed by the Board of Supervisors, and is responsible for overseeing the performance of duties by the Board and senior management. The senior management is responsible for implementing operational risk management strategies and overall policies and systems approved by the Board, as well as continuously establishing and improving the three lines of defense against operational risk, and improving the operational risk management system that is appropriate for the business scope, risk characteristics, scale of operation, and regulatory requirements.

During the reporting period, the Bank strengthened its operational risk management mainly through the following measures:

1. Improving the operational risk governance and control system. The Bank incorporated operational risk management into the comprehensive risk management system, constantly promoted the building of the operational risk management system, endeavored to improve the operational risk management structure, clearly defined the roles and responsibilities of the Board, senior management, and the three lines of defense, and established a closed-loop governance framework; improved the operational risk identification, assessment, monitoring, and mitigation processes, and issued a series of risk management documents, such as operational risk appetite statements, to improve the risk appetite and its transmission mechanism and control the operational risk within a tolerable range; promoted the cascading and full implementation of risk responsibilities across all levels.

2. Strengthening the application of management tools and methodologies. The Bank optimized the key risk indicator (KRI) system for operational risks and enhanced KRI monitoring. The Bank conducted annual re-inspections and regularly monitored key operational risk indicators, focusing on high-risk areas such as internal fraud, external fraud, system operation, and outsourcing management, accurately identified the changes in operational risks in various areas based on the areas and frequency of indicator abnormality, to achieve timely screening and rapid push of abnormal indicators. The Bank strengthened the identification and management of loss data collection (LDC). The Bank optimized the operational risk loss event management process, improved operational risk loss event collection channels, continuously updated the operational risk loss event database, and carried out identification, collection, confirmation, and dynamic management of operational risk loss data on a regular basis, to achieve early identification, early warning, and early resolution, strictly preventing the spread of risks.

3. Continuously optimizing management processes and mechanism construction. Through the risk-weighted assets (RWA) measurement system, the Bank realized the functions of the operational risk capital measurement system, and optimized the functionality of internal control, compliance and operational risk management system, strengthening system application. The Bank consolidated the key process control, continuously embedded compliance key points into processes, and strengthened the rigid control of risks; reinforced compliance as a top priority and conducted comprehensive risk assessment and management, with a focus on pre-approval compliance review for key credit exposure businesses; carried out remediation in key areas, and strengthened on-site inspection and troubleshooting of operational risks. It improved various management mechanisms, and strengthened oversight, inspection, and rectification efforts to consolidate the defense line against risks. The Bank carried out routine special inspections of operational risks to expand the inspection coverage and depth; established a list-based management and closure mechanism for rectification, with clear responsibilities, measures, and deadlines, reinforced the review of rectification effectiveness, thoroughly investigated the root causes of problems and improved long-term control mechanisms to prevent recurrence of similar problems; established a sound mechanism for information communication, regularly coordinated and shared information on internal control, compliance, law, employee misconduct risk control, outsourcing, auditing, disciplinary inspection, etc., to achieve joint prevention and control.

4. Strengthening risk culture cultivation and assessment mechanisms. The Bank conducted tiered and targeted special training on operational risks and case-based warning education, covering pre-service training for new employees, regular training for on-duty employees, and thematic learning for the management, thereby enhancing risk awareness among all employees. It improved the operational risk appraisal mechanism by integrating both process-oriented and result-oriented operational risk appraisal into the comprehensive risk management appraisal system, thereby consolidating risk control responsibilities and enhancing control improvement.

11.7 Liquidity risk management

Liquidity risk refers to the risk of failure of commercial banks to acquire sufficient funds in a timely manner at a reasonable cost to pay off debts due or meet liquidity demands in line with the expansion of business operations.

The organizational structure for liquidity risk management of the Bank consists of a decision-making system, an executive system, and a supervision system. The decision-making system includes the Board of Directors and the Risk Management Committee under the Board of Directors. The executive system includes the senior management and its Asset and Liability Management Committee, Risk Management Department, Planning and Finance Department, Operation Management Department, and other relevant business management departments. The supervision system includes the Board Audit Committee, Audit Department, and the Legal and Compliance Department. The Board is the Bank's highest decision-making body for liquidity risk management and bears the ultimate responsibility for liquidity risk management. The senior management is fully responsible for organizing and implementing the Bank's liquidity risk management. The Board Audit Committee oversees and appraises the performance of the Board and senior management in the execution of their liquidity risk management duties. The Head Office's Risk Management Department, as the comprehensive risk management function department, is responsible for incorporating liquidity risk strategies, policies, and procedures into the Bank's risk strategy implementation key points, integrating liquidity risk appetite and limits into the Bank's risk appetite statement and risk limit management plan, and submitting them to the senior management and Board for review and approval. The Head Office's Planning and Finance Department serves as the centralized management department for liquidity risk, managing liquidity risk through risk appetite, limit management, fund position management, asset-liability structure adjustment, stress testing, and emergency drills. The Capital Operation Center and other departments (lines) in the Head Office are the executive departments for the Bank's liquidity risk management, and are responsible for coordinating the implementation of liquidity risk management. The Audit Department performs independent audits and supervision on the Bank's liquidity risk management activities.

During the reporting period, the Bank managed liquidity risk mainly through the following measures. Firstly, the Bank improved its liquidity risk management system, and adopted a "sound and prudent" liquidity risk management strategy. On the basis of meeting regulatory requirements, the Bank formulated liquidity risk management policies based on the external macro-operating environment and the Bank's business development conditions, so as to retain adequate liquidity, maintain normal operational order and the sustainable development of all business lines, and achieve a balance between liquidity and profitability. Secondly, the Bank strengthened the intraday fund position management, optimized the requirements for intraday fund position control, and improved the experience of customer clearing with liquidity risk control considered so as to enhance the effectiveness of liquidity management. Thirdly, the Bank strengthened liquidity risk monitoring and control, enhanced the monitoring and early warning of abnormal deposit and withdrawal activities and liquidity risk limit indicators, effectively implemented liquidity emergency drills, conducted liquidity stress testing and assessment on a quarterly basis, and strengthened the application of stress test results in the balance sheet plans. Fourthly, the Bank optimized the allocation of assets and liabilities, strengthened the balanced management of the balance sheet plans and liquidity risk, and controlled the overall maturity mismatch level within a reasonable range. Fifthly, the Bank continuously optimized liquidity risk management-related systems and reports to improve the precision of liquidity management. During the reporting period, the Bank maintained stable development in its asset and liability operations, held sufficient high-quality liquid asset reserves, and had adequate funding sources to meet the needs of sustainable and sound business development. All liquidity risk indicators remained sound.

As of the end of the reporting period, the Group's liquidity ratio was 86.38%, the net stable funding ratio was 141.07%, and the liquidity coverage ratio was 388.10%. Among them, the balance of high-quality liquid assets was RMB76.189 billion, and the net cash outflow in the next 30 days was RMB19.631 billion.

Item	As of December 31, 2025	As of September 30, 2025	As of June 30, 2025
	(Unless otherwise stated, all amounts expressed in millions of RMB except percentages)		
Net stable funding ratio	**141.07%**	**133.42%**	**129.36%**
Available stable funding	**404,527.42**	**392,234.57**	**379,859.47**
Required stable funding	**286,756.43**	**293,974.94**	**293,634.61**

11.8 Compliance risk management

Compliance risk refers to the potential that a financial institution or its employees could bear criminal, administrative, or civil liability, as well as property damage, reputational harm, and other negative consequences due to violations of compliance regulations in the financial institution's business operational and management practices or the employees' performance of duties.

The Bank has established a compliance management organizational structure consisting of the Board, senior management, Legal and Compliance Department, Audit Department, business line departments and branches. The Board bears the ultimate responsibility for the effectiveness of compliance management. The Compliance Management Committee under the Board performs compliance management duties as authorized by the Board. The senior management is responsible for implementing compliance management objectives and assumes leadership responsibility for the compliance of their respective areas of business, and continuously establishing and improving a compliance risk management system suitable for the operational scope, organizational structure, and business scale.

During the reporting period, the Bank managed compliance risk through the following measures:

1. Implementing regulatory opinions. Adhering to the business policy of "promoting compliance," the Bank continuously improved the long-term mechanism for implementing regulatory opinions, and effectively implemented the four-process management workflow, namely, decomposition and transmission, process supervision, result verification, and evaluation and handling. The Bank consolidated management responsibilities through continuous follow-up, rolling issue closure, appraisal and supervision, and effectively improved the Bank's internal control and compliance as well as the operation management capability and level.

2. Enhancing the quality and effectiveness of compliance management. The Bank formulated plans and defined implementation strategies to systematically implement the "Measures for the Compliance Management of Financial Institutions" (《金融機構合規管理辦法》) across its organizational structure, management systems, and institutional mechanisms. Adopting a risk-based policy, the Bank developed annual bank-wide compliance management plans, specifying the objectives for compliance inspections, compliance training, and key compliance tasks at all organizational levels. The Bank organized comprehensive compliance self-inspections to thoroughly review the compliance of the Bank's operations and management as well as the effectiveness of internal controls in recent years. Focusing on key areas and core businesses, the Bank proactively managed compliance risks by fully utilizing off-site monitoring and compliance alert mechanisms, and promoted the timely and effective remediation of compliance vulnerabilities and internal control weaknesses. It optimized the compliance risk monitoring indicator system, assessed the probability and impact of compliance risk occurrence using a risk matrix methodology, and regularly conducted compliance risk assessments to strengthen the Bank's capabilities of identifying, monitoring, and addressing compliance risks.

3. Improving the institutional management mechanism. The Bank revised the "Bank of Jiujiang Policy Management Measures" (《九江銀行制度管理辦法》), improved the policy management mechanism, standardized the policy management process, enhanced the policy management effectiveness, and optimized relevant provisions of the institutional framework. The Bank formulated the "Guidelines for the Internalization of External Regulations of Bank of Jiujiang (Trial)" (《九江銀行外規內化工作指引(試行)》), established and promoted the implementation of an internalization mechanism for external regulations, ensuring that external regulatory requirements were promptly translated into internal management policies, thereby achieving the organic integration of internal management regulations with national laws and regulations, industry regulatory standards, and the Bank's actual management situation. The Bank conducted a comprehensive assessment and review of internalization regulations, thoroughly examined the mapping relationship between regulatory provisions and internal bank policies, systematically sorted out compliance requirements, and enhanced the effectiveness and operability of policies.

4. Enhancing the whole-process compliance management level. In pre-event controls, the Bank established a legal and compliance review mechanism for pre-approval review of the seal use, external information release, non-standard form contracts, large-value investment business, related party transactions, and new products. In terms of ongoing controls, the Bank improved the internal control compliance and operational risk management system, optimized the employee behavior monitoring model, and implemented ongoing monitoring and early warning. In terms of post-event controls, with the aim of root cause management and systematic hard control, the Bank conducted traceability analysis of major risk events such as identified cases, administrative penalty matters, and consumer protection complaints from the whole chain, whole process, and all aspects including policies, systems, processes, and operations, and product evaluation, and put forward improvement suggestions and promoted rectification, thereby strengthening the whole-process compliance management.

11.9 Money laundering risk management

Money laundering risk refers to the likelihood or probability of an act or process where the criminals or lawbreakers use various means to cover up or conceal the source and nature of illegal funds and turn them into legitimate funds in the process of establishing business relationships with customers, selling financial products and providing financial services by commercial banks.

The Bank has established and improved the anti-money laundering organizational structure in which the Board, senior management, business departments, functional departments, and branches assume their own responsibilities and conduct management at different levels. The Head Office's Special Committee of Anti-Money Laundering is the leading and decision-making body of the Bank's anti-money laundering work. The President serves as the chairperson of the committee, the bank leaders in charge of anti-money laundering and major business lines serve as the vice chairpersons, and the heads of the Head Office's relevant departments (offices) are members of the Special Committee. The Special Committee of Anti-Money Laundering has an Anti-Money Laundering Work Office, and the Head Office's Legal and Compliance Department (Anti-Money Laundering Center) under the Anti-Money Laundering Work Office takes the lead in handling specific affairs.

During the reporting period, the Bank reinforced its capability to manage money laundering risk mainly through the following measures:

1. Strengthening risk early warning and actively fulfilling anti-money laundering reporting obligations. In 2025, the Bank continuously submitted 1,050,848 large-value transaction reports and 638 suspicious transaction reports in total through the "Data Receiving Platform for High-Value Transaction and Suspicious Transaction Reports from Banking Industry (銀行業大額交易和可疑交易報告數據接收平台)" of China Anti-money Laundering Monitoring and Analyzing Center. In April 2025, the Bank was awarded the Second Prize (Group) in Jiangxi Province's 2024 Financial Intelligence Analysis Competition ("Safeguarding Jiangxi"), organized by Jiangxi Branch of the People's Bank of China and co-organized by Jiangxi Provincial Public Security Department, Jiangxi Provincial High People's Court, Jiangxi Provincial People's Procuratorate, and other institutions.

2. Promoting the comprehensive filing of beneficial owner information for existing market entities. To effectively enhance market transparency, maintain the market and financial order, and prevent and curb money laundering and terrorist financing activities, the Bank, under the coordinated guidance of the local People's Bank of China, has continuously communicated the new requirements of the Administrative Measures for Beneficial Owner Information (《受益所有人信息管理辦法》) to primary account customers and actively carried out the filing of beneficial owner information.

3. Upgrading system functions and strengthening the system support capabilities for anti-money laundering and anti-fraud operations. In 2025, the Bank continuously optimized the suspicious transaction monitoring model of the anti-money laundering system, improved the early warning accuracy of the monitoring model, and improved the anti-fraud protective blocking rules, achieving technical defense capability improvement and further reducing the risk of money laundering and fraud.

4. Safeguarding the interests of the public, and firmly improving the quality and effectiveness of anti-telecommunications network fraud efforts. Firmly focusing on the fundamental interests of the people, the Bank steadily conducted and promoted the governance of the "funding chain" for telecommunications network fraud and cross-border gambling to cut off the transfer chain of criminals' fraudulent funds, and carried out police-bank cooperation to intercept fraudulent funds by blocking abnormal account openings, comprehensively improving the effectiveness of anti-crime and administration efforts. In 2025, the Bank intercepted 209 cases of abnormal account openings through counter persuasion, blocked 184 cases of telecommunications fraud, and handled 303 cases through police-bank collaboration, directly averting losses of fraudulent funds totaling RMB15.4277 million. In addition, the Bank intercepted 1,535 abnormal accounts, blocking RMB68.1300 million.

5. Focusing on enhancing public financial security awareness and promoting the construction of the "Dual-Network Integration" Jiangxi Illegal Financial Activity Prevention Service Stations. In line with the spirit of the Central Financial Work Conference, the Bank issued the Bank of Jiujiang Measures for the Construction and Management of "Dual-Network Integration" Illegal Financial Activity Prevention Service Stations (Trial) (《九江銀行"雙網融合"防非服務站建設管理辦法(試行)》) and established a publicity framework encompassing "branch-based promotion + community outreach + targeted customer segments." A total of 67 illegal financial activity prevention service stations were built throughout the year, achieving full coverage in provincial branches and county-level sub-branches in Jiujiang. Three were built in the urban area of Jiujiang, among which the service stations at the Development Zone Sub-branch and Lianxi Sub-branch are the first illegal financial activity prevention service stations in the urban area of Jiujiang.

6. Strengthening publicity and training, enhancing employees' job performance capabilities, and strengthening the public's awareness of anti-money laundering. Focusing on the key points of the anti-money laundering, the Bank has developed a detailed and accurate anti-money laundering training program, continuously optimized and enriched teaching courseware, expanded the lecturer team, and made anti-money laundering courses mandatory for various positions such as senior management, new employees, tellers, and account managers, to ensure full coverage of anti-money laundering requirements across all business operations and all employees, thereby ensure the steady improvement in the Bank's anti-money laundering awareness. The Bank mobilized the outlets of the Bank to continuously innovate publicity forms through a combination of regular publicity and special centralized publicity. The promotional short video "Regret for Illegal Fundraising" (《追悔莫"集"》) produced by the Bank was selected as an "Outstanding Works" in the 5th Short Video Competition on Preventing Illegal Financial Activities, themed "Guard Your Money, Protect Your Happiness", guided by the Office of the Inter-Ministerial Joint Conference on Preventing and Combating Illegal Financial Activities and hosted by China Financial Media, and won the second prize (social group category) in the 2025 Short Video Competition on Preventing Illegal Financial Activities in Jiangxi Province.

11.10 Information technology risk management

Information technology risk refers to any operational, legal, and reputational risk arising from natural factors, human factors, technical vulnerabilities, and management deficiencies in connection with the application of information technologies by the banks.

The Bank has set up an information technology risk management organizational structure composed of the Board, senior management and the Information Technology Management Committee under it, and the implementation level. The Bank's information technology risk management framework, under the leadership of the Board and senior management, is built upon the three lines of defense, jointly establishing an effective risk prevention system covering pre-event, ongoing, and post-event controls.

1. Optimizing the policy framework and standardizing the information technology risk management across the Bank. The Bank improved policies related to information technology risk management and business continuity, defined bank-wide requirements for information technology data reporting, disaster recovery resource planning, and drill evaluation, and reinforced accountability across all departments to improve the Bank's overall information technology risk management capabilities.

2. Strengthening the closed-loop mechanism for information technology risk monitoring and disposal. In accordance with regulatory requirements, the Bank dynamically updated the information technology risk monitoring indicator library, developed clear operational procedures for graded early warning of routine monitoring signals and closed-loop disposal, strengthened the linkage mechanism between the first and second lines of defense departments to achieve "early identification, early warning, and early disposal" of risks.

3. Continuously improving the business continuity management framework. The Bank optimized the development of the dedicated contingency plan framework for business and information technology systems, enhanced the effectiveness of coordination among contingency plans, clarified the decision-making processes for the activation of emergency response and disaster recovery switchover, and institutionalized the emergency response mechanism. The Bank fully leveraged the results of business impact analysis, and based on various business impact analysis results, took the lead in coordinating with the Information Technology Department, business departments, and support departments to implement updates in areas such as business assurance and resource allocation, thereby progressively achieving business recovery objectives.

11.11 Reputational risk management

Reputational risk refers to the risk that stakeholders, the public, or the media have a negative evaluation of the Bank due to the Bank's institutional behaviors, employee behaviors or external events, which damages the Bank's brand value, is harmful to the Bank's normal operation and even affects market and social stability.

The Bank attaches great importance to reputational risk management. We continuously improve our political stance, enhance risk awareness, and incorporate reputational risk management into our comprehensive risk management system. The Bank conducts 365 days x 24 hours continuous reputational risk monitoring and regularly carries out reputational risk hazard inspections, while formulating emergency plans for reputational risk events based on identified risks and hazards, pushing the reputational risk management defense line forward, with the aim to prevent public opinion incidents from the source, continuously reduce potential reputational risks, and promote the Bank's sustained and steady operation.

In the next stage of reputational risk management, the Bank will continue to improve various reputational risk management policies and processes, implement 24/7 dynamic monitoring for public opinions, intensify reputation risk screening, strengthen reputational risk training, and improve the "all-staff, full-process, grid-based" management system to continuously enhance the Bank's reputational risk management capabilities. In addition, the Bank will strengthen positive publicity and guidance, build a more harmonious and stable external public opinion environment, and consolidate, maintain and enhance the Bank's good brand image.

11.12 Strategic risk management

Strategic risk refers to the risk caused by improper operation policies of a commercial bank or changes in the external operating environment.

The Bank's strategic risk management goals are to set up and improve the strategic risk management system to systematically identify and evaluate potential risks in the Bank's existing strategic plans, and adopt scientific decision-making approaches and risk management measures to minimize or avoid substantial losses.

The Bank has established a well-rounded strategic risk management organizational structure composed of the Board and its Strategy Committee, senior management, the Head Office's strategy management functional department and other related functional departments. During the reporting period, the Bank proactively strengthened strategic risk management: Firstly, the Bank established and improved regulations and implemented strategic risk policies. It strictly executed the Management Measures for Strategy and Operation Planning of Bank of Jiujiang (《九江銀行戰略與經營規劃管理辦法》), and proactively launched strategic risk management to identify strategic management risks. Secondly, the Bank improved systems and carried out strategic closed-loop management. It balanced short-term financial goals and long-term sustainable development goals, strengthened the integration of strategy with daily operation and management, built a strategic management system that includes goal setting – measure implementation – implementation evaluation – feedback and improvement, and played a role in the strategic adjustment. In addition, the Bank conducted strategic research, promoted strategy implementation, and improved the strategic leadership. Thirdly, the Bank strengthened performance of duties and the strategic risk management. The Bank designated full-time strategic management personnel, continuously strengthened the performance of functions such as strategic planning, strategic monitoring, and strategic execution, further improved the design of strategic policies and processes, and improved the strategy implementation efficiency. Fourthly, the Bank broke down tasks and promoted strategy implementation. It formulated and decomposed its strategic goals in the form of three-year medium-term and long-term plans and annual business plans. The Bank strengthened the overall strategic deployment, formulated practical step-by-step implementation plans, and accelerated the establishment and improvement of effective strategy implementation management mechanisms to effectively guarantee the smooth achievement of development strategy goals.

As of the end of the reporting period, the Bank's strategic risk level remained generally stable and controllable, and strategic risks were effectively managed.

Next, in terms of strategy formulation, the Bank plans to further strengthen the retrospective analysis to accurately estimate its own competitiveness, the strength of its competitors, and various opportunities and threats presented in the external environment. The Bank will emphasize differentiation and the development of distinctive features to enhance its core competitiveness. In terms of strategy implementation, the Bank will refine the breakdown of strategic goals, transforming the strategy into controllable objectives, measurable indicators, and implementable plans. This will be achieved through measures such as task decomposition, timeline phasing, and allocation by department or position to ensure that the plans are implemented on time and with the required quality. In terms of strategy supervision, the Bank will strengthen the monitoring of the implementation process, closely track and oversee the progress of strategy implementation, and continuously improve the incentive mechanism closely linked to the achievement of strategic goals to encourage high performers and motivate those who lag behind. In terms of guarantee mechanisms, the Bank will enhance strategy publicity, strengthen resource support, and further elevate the professional capabilities of personnel in strategic planning positions, uniting efforts to advance the orderly progression of all strategy management tasks.

Changes in Share Capital and Information on Shareholders

1. CHANGES IN SHARE CAPITAL

As of December 31, 2025, the Bank's total number of issued shares was 2,847,367,200, including 2,365,000,000 Domestic Shares and 482,367,200 H Shares.

During the reporting period, there were no changes in share capital of the Bank.

Class of shares	As at December 31, 2025		Changes in shares during the reporting period (share)	As at December 31, 2024	
	Number of shares (share)	Proportions (%)		Number of shares (share)	Proportions (%)
Domestic state-owned shares	**1,389,528,436**	**48.80**	0	1,389,528,436	48.80
Domestic social legal person shares	**949,976,983**	**33.36**	141,400	949,835,583	33.36
Domestic natural person shares	**25,494,581**	**0.90**	-141,400	25,635,981	0.90
Overseas listed shares (H Shares)	**482,367,200**	**16.94**	0	482,367,200	16.94
Total number of ordinary shares	**2,847,367,200**	**100.00**	0	2,847,367,200	100.00

2. PARTICULARS OF SHAREHOLDERS

2.1 Total number of shareholders of Domestic Shares as at the end of the reporting period

As at December 31, 2025, the Bank had 699 domestic shareholders in total, including 44 state-owned shareholders, 55 social legal person shareholders and 600 natural person shareholders.

2.2 Top 10 shareholders of non-overseas listed Domestic Shares

As at December 31, 2025, the shareholdings of the top 10 shareholders who directly held non-overseas listed Domestic Shares of the Bank are as follows:

Name of shareholders	Class of shares	Number of shares held as at the end of the reporting period (share)	Approximate percentage of total issued share capital of the Bank by the end of the reporting period (%)
Jiujiang Finance Bureau	Domestic Shares	366,020,000	12.85
Beijing Automotive Group Co., Ltd.	Domestic Shares	366,020,000	12.85
Industrial Bank Co., Ltd.	Domestic Shares	294,400,000	10.34
Fangda Carbon New Material Co., Ltd.	Domestic Shares	136,070,000	4.78
Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.	Domestic Shares	95,840,000	3.37
Ruichang State-Owned Investment Holding Group Co., Ltd.	Domestic Shares	89,760,000	3.15
Junhe (Xiamen) Holdings Co., Ltd.	Domestic Shares	86,653,080	3.04
Jiangxi Baoshen Industrial Co., Ltd. (2)	Domestic Shares	68,892,010	2.42
Nanchang County Cultural Tourism Investment Co., Ltd.	Domestic Shares	57,040,000	2.00
Wuning Urban Investment Group Co., Ltd.	Domestic Shares	56,392,500	1.98
Total		1,617,087,590	56.79(1)

Notes:

(1) The inconsistency between the sum of the numbers in this table and the total figures is due to rounding.

(2) During the reporting period, Jiangxi Baoshen Industrial Co., Ltd. transferred 15,900,000 Domestic Shares, accounting for 0.56% of the Bank's total issued share capital.

2.3 Interests and short positions of substantial shareholders in shares and underlying shares under Hong Kong laws and regulations

As at December 31, 2025, so far as is known to the Bank and the Directors, and taking into account the disclosed interests of shareholders on the HKEXnews website of Hong Kong Stock Exchange, substantial shareholders of the Bank and other persons (other than Directors, former Supervisors and chief executive officers of the Bank) who had interests and short positions in the Shares and underlying Shares of the Bank which were required to notify the Bank or the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Bank under Section 336 of the SFO were as follows:

Name of shareholders	Class of shares	Number of shares (share)	Nature of interest	Approximate percentage of shareholding in the relevant class of share (%)	Approximate percentage of total share capital of the Bank (%)
Jiujiang Finance Bureau [2]	Domestic Shares	366,020,000(L)[1]	Beneficial Owner	15.48	12.85
Beijing Automotive Group Co., Ltd. [3]	Domestic Shares	366,020,000(L)[1]	Beneficial Owner	15.48	12.85
Industrial Bank Co., Ltd. [4]	Domestic Shares	294,400,000(L)[1]	Beneficial Owner	12.45	10.34
Foresea Life Insurance Co., Ltd.	H Shares	104,666,400(L)[1]	Beneficial Owner	21.70	3.68
Taiping Assets Management (HK) Company Limited	H Shares	104,666,400(L)[1]	Investment Manager	21.70	3.68
Hopson Development International Limited[5]	H Shares	20,000,000(L)[1]	Beneficial Owner	4.15	0.70
Hopeson Holdings Limited[5]	H Shares	46,037,600(L)[1]	Beneficial Owner	9.54	1.62
R&F Properties (HK) Company Limited[6]	H Shares	63,591,000(L)[1]	Beneficial Owner	13.18	2.23
Harbor Sure (HK) Investments Limited[7]	H Shares	63,591,000(L)[1]	Security interest in shares	13.18	2.23
Success Cypress Limited[8]	H Shares	43,998,600(L)[1]	Beneficial Owner	9.12	1.55
Rong De Investments Limited[9]	H Shares	33,308,200(L)[1]	Beneficial Owner	6.91	1.17
CHINA INTERNATIONAL MINERALS PTE. LTD.	H Shares	29,620,000(L)[1]	Beneficial Owner	6.14	1.04
China International Mining United Co., Limited	H Shares	29,620,000(L)[1]	Beneficial Owner	6.14	1.04
East System Investments Limited	H Shares	28,603,000(L)[1]	Beneficial Owner	5.93	1.00

Notes:

(1) The letter "L" denotes the person's long position in the shares.

(2) Jiujiang Finance Bureau, an official organ as legal person, holds a total of 366.02 million Domestic Shares of the Bank, accounting for 12.85% of the Bank's total issued share capital as at the end of the reporting period. The bureau's legal representative is Pan Guang. In addition, the Bank's Domestic Shares indirectly held by Jiujiang Finance Bureau through Jiujiang City Financial Enterprise Financial Services Co., Ltd. amounted to 40,000,000 shares. In accordance with the forms for filing disclosure of interests submitted on August 20, 2019, Jiujiang Finance Bureau and Jiujiang State-owned Assets Management Co., Ltd. have acted in concert or without contradictory since January 1, 2016, the Bank's Domestic Shares held by Jiujiang State-owned Assets Management Co., Ltd. amounted to 43,454,831 shares. Therefore, Jiujiang Finance Bureau controls an aggregate of approximately 15.78% of the total issued share capital of the Bank.

(3) Beijing Automotive Group Co., Ltd. ("**BAIC Group**") holds 366.02 million Domestic Shares of the Bank, accounting for 12.85% of the Bank's total issued share capital as at the end of the reporting period. BAIC Group was founded in 1958, the legal representative of which is Zhang Jianyong, the controlling shareholder is Beijing State-owned Capital Operation and Management Company Limited, the actual controller and ultimate beneficiary is the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality, and there are no parties acting in concert. BAIC Group is headquartered in Beijing and is one of leading automotive groups in China and a Fortune 500 Company.

(4) Industrial Bank Co., Ltd. ("**Industrial Bank**") holds 294.40 million Domestic Shares of the Bank, accounting for 10.34% of the Bank's total issued share capital as at the end of the reporting period. Industrial Bank was founded in August 1988, with Lu Jiajin as its legal representative, no controlling shareholders, parties acting in concert or actual controllers, and the ultimate beneficiary is the Industrial Bank. Industrial Bank is headquartered in Fuzhou City, Fujian province, which is one of the first joint-stock commercial banks approved by the State Council and the central bank. Industrial Bank was officially listed on Shanghai Stock Exchange on February 5, 2007 (stock code: 601166) and ranks among the Top 20 banks in the world.

(5) Hopeson Holdings Limited is a company incorporated in Hong Kong and a wholly-owned subsidiary of Hopson Development International Limited (a company incorporated in the British Virgin Islands). Hopson Development International Limited is a wholly-owned subsidiary of Hopson Development Holdings Limited (a company incorporated in the Bermuda Islands), which is held by Sounda Properties Limited (a company incorporated in the British Virgin Islands) as to 53.75%. Sounda Properties Limited is wholly owned by Chu Mang Yee. Chu Mang Yee holds equity interests in 66.0376 million H Shares of the Bank through Hopeson Holdings Limited and Hopson Development International Limited, of which 46.0376 million H shares are held through Hopeson Holdings Limited and the remaining 20.00 million H shares are held through Hopson Development International Limited.

(6) R&F Properties (HK) Company Limited is a company incorporated in Hong Kong and a wholly-owned subsidiary of Guangzhou R&F Properties Co., Ltd. (stock code: 2777). It is principally engaged in investment holding business.

(7) Harbor Sure (HK) Investments Limited is a company incorporated in Hong Kong and is wholly owned by ABCI Investment Management Limited (a company incorporated in the British Virgin Islands); ABCI Investment Management Limited is wholly owned by ABC International Holdings Limited (a company incorporated in Hong Kong); ABC International Holdings Limited is wholly owned by Agricultural Bank of China Limited (a company incorporated in the PRC), which is owned as to 35.29% and 40.14% by Ministry of Finance of the People's Republic of China and Central Huijin Investment Ltd., respectively.

(8) Success Cypress Limited is a company incorporated in the British Virgin Islands and is ultimately held by Tan Huichuan, Tan Mei, Tan Haocheng and Tan Yuehua as to 43%, 7%, 25% and 25%, respectively. It is principally engaged in investment holding business. Guangzhou Jinxiu Dadi Property Development Company Limited ("**Guangzhou Jinxiu Dadi**") is held by Tan Huichuan as to 90%; Guangdong Nimble Real Estate (Group) Co., Ltd. ("**Guangzhou Nimble**") is a wholly-owned subsidiary of Guangzhou Jinxiu Dadi; Guangzhou Nimble held 90% of Guangzhou Jinxiu Investment Company Limited ("**Guangzhou Jinxiu Investment**") which is held by Tan Huichuan as to 10%; Guangzhou Jinxiu Investment held 50% of Zhaoqing Tiancheng Property Co., Ltd. ("**Zhaoqing Tiancheng**"); Faithful Edge Limited is a wholly-owned subsidiary of Zhaoqing Tiancheng; and Success Cypress Limited is a wholly-owned subsidiary of Faithful Edge Limited and the beneficial owner of the Bank.

(9) Rong De Investments Limited is a company incorporated in the British Virgin Islands and is owned as to 36%, 34.06% and 29.94% by Liao Tengjia, Chu Hing Tsung and Zhu Muzhi, respectively. It is principally engaged in investment holding business.

2.4 The controlling shareholders of the Bank

As of the end of the reporting period, the Bank had no controlling shareholders.

2.5 Shareholders holding 5% (inclusive) or more of the Bank's shares

For details, please refer to the section 2.3 "Interests and short positions of substantial shareholders in shares and underlying shares under Hong Kong laws and regulations" in this chapter.

2.6 Other substantial domestic shareholders

According to the Interim Measures for the Equity Management of Commercial Banks, substantial shareholders of a commercial bank mean shareholders who hold or control 5% or more shares or voting rights of the commercial bank, or who hold less than 5% of total capital or total shares of the commercial bank but have significant influence on the business management of the commercial bank. The significant influence mentioned above includes but not limited to dispatching directors, supervisors or senior management of a commercial bank.

As of the end of the reporting period, other than Jiujiang Finance Bureau, Beijing Automotive Group Co., Ltd. and Industrial Bank Co., Ltd., Fangda Carbon New Material Co., Ltd. ("**Fangda Carbon**") together with its related company, Jiangxi PXSteel Industrial Co. Ltd. hold more than 5% of total shares of the Bank and Fangda Carbon has dispatched director to the Bank, and is therefore a substantial domestic shareholder of the Bank.

In addition, Foshan Gaoming Jindun Hengye Computer Special Printing Co.,Ltd. ("**Foshan Gaoming Jindun**") holds less than 5% of total shares of the Bank but appointed supervisors to the Bank during the reporting period. In accordance with the Interim Measures for the Equity Management of Commercial Banks, it was a substantial domestic shareholder of the Bank during the reporting period. Given that the Bank has ceased to establish its Board of Supervisors and Supervisors with effect from December 31, 2025, Foshan Gaoming Jindun is no longer a substantial domestic shareholder of the Bank as of the end of the reporting period.

Fangda Carbon New Material Co., Ltd.

Fangda Carbon holds approximately 136.07 million Domestic Shares of the Bank, which are social legal person shares, accounting for 4.78% of the Bank's total issued share capital as of the end of the reporting period. In addition, Jiangxi PXSteel Industrial Co. Ltd., a related company of Fangda Carbon holds 35.00 million Domestic Shares of the Bank. Therefore, Fangda Carbon controls an aggregate of 6.01% of the ordinary shares of the total issued share capital of the Bank. As of the end of the reporting period, Fangda Carbon and its related party did not pledge the equity of the Bank.

Founded in January 1999, Fangda Carbon, with a registration place in Lanzhou City, Gansu Province and a total of RMB4,026 million registered capital, is mainly engaged in research and development and sale of carbon products and is a leading enterprise of the National Science and Technology Development and Innovation Base. Fangda Carbon's legal representative is Zhang Tianjun and its controlling shareholder is Liaoning Fangda Group Industrial Co., Ltd. The actual controller and ultimate beneficiary is Fang Wei. Fangda Carbon was officially listed on Shanghai Stock Exchange on August 30, 2002 (stock code: 600516).

2.7 Related parties of substantial domestic shareholders at the end of the reporting period

No.	Name of substantial shareholders	Related parties of substantial shareholders and their concert parties (if any)
1	Jiujiang Finance Bureau	Jiujiang Financing Guarantee Group Co., Ltd., Jiujiang State-owned Financing Guarantee Co., Ltd., Jiujiang Industrial Finance Guarantee Co., Ltd., Jiujiang Dingxin Industrial Co., Ltd., etc.
2	Beijing Automotive Group Co., Ltd.	Jiangxi Changhe Automobile Co., Ltd., Beijing Automobile Sales Co., Ltd., Beijing Beiqi Pengyuan Automobile Sales & Service Co., Ltd., Wuhan Penglong Xingyuan Car Sales & Service Co., Ltd., Shenzhen Penglong Xingyuan Car Sales & Service Co., Ltd.,etc.
3	Industrial Bank Co., Ltd.	CIB Fund Management Co., Ltd., China Industrial Asset Management Co., Ltd., China Industrial International Trust Limited, Industrial Consumer Finance Co., Ltd., CIB Wealth Management Co., Ltd.,etc.
4	Fangda Carbon New Material Co., Ltd.	Liaoning Fangda Group Industrial Co., Ltd., Jiangxi Fangda Steel Group Co., Ltd., Pingxiang Fangda Renewable Resources Development Co., Ltd. (萍鄉方大再生資源開發有限責任公司), Pingxiang Pinggang Anyuan Steel Co., Ltd., Jiujiang Ping Gang Steel Co., Ltd., etc.
5	Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd. (1)	Foshan Gaoming Hengye Real Estate Co., Ltd., and Guigang Hengfu Real Estate Co., Ltd., etc.

Notes:

(1) Foshan Gaoming Jindun holds less than 5% of the Bank's total shares but appointed supervisors to the Bank during the reporting period. In accordance with the Interim Measures for the Equity Management of Commercial Banks, it was a substantial domestic shareholder of the Bank during the reporting period. Given that the Bank has ceased to establish its Board of Supervisors and Supervisors with effect from December 31, 2025, Foshan Gaoming Jindun is no longer a substantial domestic shareholder of the Bank as of the end of the reporting period. Adhering to the principle of substance over form, the Bank has listed Foshan Gaoming Jindun and its related parties in accordance with the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions.

2.8 Overall situation of related party transactions by the Bank in the reporting period

The Bank carried out the related party transactions in strict compliance with the relevant requirements of the regulatory authorities and the Administrative Measures on Related Transactions of Bank of Jiujiang Co., Ltd. promulgated by the Bank.

In accordance with the relevant requirements of the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions, the Bank approved the related party transactions on commercial principles with terms no more favourable than those offered to non-related parties for similar transactions. The terms of such transactions are fair and reasonable, and are in the interests of all shareholders and the Bank as a whole, which have no adverse impact on the operating results and financial position of the Bank.

(I) Credit related party transactions

As of the end of the reporting period, the balance of the credit related party transactions with legal persons related to the Bank was RMB5,104 million; the balance of credit related party transactions with related natural persons was RMB210 million; the total balance of credit related party transactions was RMB5,314 million, accounting for 11.28% of the Bank's audited net capital as at the end of the reporting period, which met the regulatory requirements.

Details of the credit related party transactions with related legal persons of the Bank are as follows:

Unit: in millions of RMB

No.	Name of shareholders	Credit balance	The controlling shareholders of the corporation	Credit balance	Actual controllers	Credit balance	Parties acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party with related transaction(s)	Credit balance	Total
1	Jiujiang Finance Bureau	-	-	-	-	-	Jiujiang State-owned Assets Management Co., Ltd.	-	-	-	Jiujiang Dingxin Industrial Co., Ltd.	10.00	10.00
2	Beijing Automotive Group Co., Ltd.	-	Beijing State-owned Capital Operation and Management Company Limited	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	-	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	Jiangxi Changhe Automobile Co., Ltd.,	400.00	656.53
											AVIC Fund Management Co., Ltd.	200.19	
											Beijing Zhenhaotai Automobile Sales Co., Ltd.(北京真浩泰汽車銷售有限公司)	30.39	
											Cangzhou Economic Development Zone Xingye Industrial Park Co., Ltd. (滄州經濟開發區興業產業園有限責任公司)	25.95	

No.	Name of shareholders	Credit balance	The controlling shareholders of the corporation	Credit balance	Actual controllers	Credit balance	Parties acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party with related transaction(s)	Credit balance	Total
3	Industrial Bank Co., Ltd.	180.02	-	-	-	-	-	-	Industrial Bank Co., Ltd.	-	-	-	180.02
4	Fangda Carbon New Material Co., Ltd.	-	Liaoning Fangda Group Industrial Co., Ltd.	580.00	Fang Wei	-	-	-	Fang Wei	-	Jiangxi Fangda Steel Group Co., Ltd.	2,047.50	4,257.08
											Pingxiang Pinggang Anyuan Steel Co., Ltd.	1,000.00	
											Jiujiang Ping Gang Steel Co., Ltd.	499.98	
											Hukou County Jiugang International Trade Co., Ltd.	90.00	
											Pingxiang Fangda Renewable Resources Development Co., Ltd.	19.60	
											Jiangxi Jinfang Industry and Trade Co., Ltd.	10.00	
											Jiangxi Seagull Trading Co., Ltd.	10.00	
5	Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.[2]	-	Wu Jialing	-	Wu Jialing	-	-	-	Wu Jialing	-	-	-	-
	Total	180.02		580.00		-		-		-	-	4,343.61	5,103.63

Note:

(1) The data of credit related party transactions is the balance as at the end of December 2025 (after deducting the amount of pledged deposits provided by the related party at the time of credit granting and the amount of pledged bank certificates of deposit and treasury bonds).

(2) Foshan Gaoming Jindun holds less than 5% of the Bank's total shares but appointed supervisors to the Bank during the reporting period. Given that the Bank has ceased to establish its Board of Supervisors and Supervisors with effect from December 31, 2025, Foshan Gaoming Jindun is no longer a substantial domestic shareholder of the Bank as of the end of the reporting period. Adhering to the principle of substance over form, the Bank has listed Foshan Gaoming Jindun and its related parties in accordance with the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions.

(II) Related party transactions regarding transfer of assets

None.

(III) Related party transactions regarding services

During the reporting period, the total amount of service-related related party transactions of the Bank amounted to RMB210 million.

(IV) Related party transactions regarding deposits and other categories

During the reporting period, the total amount of deposits and other types of related party transactions of the Bank was RMB18,637 million, of which the amount of deposits and other types of related party transactions with related corporate parties was RMB18,574 million, and that with related natural persons was RMB63 million.

Details of deposits and other types of related party transactions with related corporate parties are set out below:

Unit: in millions of RMB

No.	Name of shareholders	Amount	The controlling shareholders of the corporation	Amount	Actual controllers	Amount	Parties acting in concert	Amount	Ultimate beneficiary	Amount	Related party with related transaction(s)	Amount	Total
1	Jiujiang Finance Bureau	600.00	-	-	-	-	Jiujiang State-owned Assets Management Co., Ltd.	-	-	-	Jiujiang Industrial Finance Guarantee Co., Ltd.	35.90	786.00
											Jiujiang State-owned Financing Guarantee Co., Ltd.	50.00	
											Jiujiang Financing Guarantee Group Co., Ltd.	100.10	
2	Beijing Automotive Group Co., Ltd.	-	Beijing State-owned Capital Operation and Management Company Limited	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	-	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	BAIC Motor Corporation Limited	200.00	840.00
											Beijing Rural Commercial Bank Co., Ltd.	640.00	

No.	Name of shareholders	Amount	The controlling shareholders of the corporation	Amount	Actual controllers	Amount	Parties acting in concert	Amount	Ultimate beneficiary	Amount	Related party with related transaction(s)	Amount	Total
3	Industrial Bank Co., Ltd.	6,740.00	-	-	-	-	-	-	Industrial Bank Co., Ltd.	-	CIB Wealth Management Co., Ltd.	100.00	6,840.00
4	Fangda Carbon New Material Co., Ltd.	-	Liaoning Fangda Group Industrial Co., Ltd.	-	Fang Wei	-	-	-	Fang Wei	-	Jiangxi Fangda Iron and Steel Group Enterprise Investment Co., Ltd. (江西方大鋼鐵集團企業投資有限公司)	8,500.00	10,108.38
											Jiangxi Fangda Steel Group Co., Ltd.	121.07	
											Jiujiang Ping Gang Steel Co., Ltd.	451.50	
											Pingxiang Fangda Building Materials Distribution Co., Ltd.(萍鄉方大建材配送有限責任公司)	530.00	
											Pingxiang Pinggang Anyuan Steel Co., Ltd.	505.81	
5	Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.[3]	-	Wu Jialing	-	Wu Jialing	-	-	-	Wu Jialing	-	-	-	-
	Total	7,340.00		-		-		-		-	-	11,234.38	18,574.38

Note:

(1) The amounts of asset transfer-related, service-related, deposit and other related party transactions represent the total transaction amounts for 2025, excluding related party transactions exempted from consideration and disclosure as stipulated in Article 57 of the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions.

(2) The above related party transactions arose from the Bank's normal deposit-taking and interbank businesses and have not had any material impact on the Bank's normal operations or financial condition.

(3) Foshan Gaoming Jindun holds less than 5% of the Bank's total shares but appointed supervisors to the Bank during the reporting period. Given that the Bank has ceased to establish its Board of Supervisors and Supervisors with effect from December 31, 2025, Foshan Gaoming Jindun is no longer a substantial domestic shareholder of the Bank as of the end of the reporting period. Adhering to the principle of substance over form, the Bank has listed Foshan Gaoming Jindun and its related parties in accordance with the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions.

2.9 Pledge of equity in the Bank by substantial domestic shareholders

As of the end of the reporting period, the substantial shareholders (including the largest shareholder) of the Bank did not pledge equity in the Bank.

2.10 Nomination of Directors and former Supervisors by the shareholders

(1) Jiujiang Finance Bureau nominated Mr. LUO Feng as a Director of the Bank;

(2) Beijing Automotive Group Co., Ltd. nominated Mr. SHI Zhishan as a Director of the Bank;

(3) Industrial Bank Co., Ltd. nominated Ms. ZHOU Miao[1] as a Director of the Bank;

(4) Fangda Carbon New Material Co., Ltd. nominated Mr. LIU Yinan as a Director of the Bank; and

(5) Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd. nominated Ms. CHEN Zhiying[2] as a former Supervisor of the Bank.

2.11 The number of pledged shares of the Bank reaching or exceeding 20% of the issued share capital

As of the end of the reporting period, the number of pledged shares of the Bank did not exceed 20% of the issued share capital.

2.12 The Bank's pledged shares being frozen, judicially auctioned, restricted from voting or other rights

(1) As of December 31, 2025, the Bank has 115,929,518 pledged shares that were involved in frozen; no pledged shares were involved in judicial auctions.

(2) According to the Articles of Association of the Bank, when the number of shares pledged by a shareholder reaches or exceeds 50% of the total shares held by him/her in the Bank, the voting rights of such shareholder at the Shareholders' General Meeting and the voting rights of the Directors nominated by such shareholder at the meetings of the Board of Directors shall be restricted. As of the end of the reporting period, the voting rights represented by total 125,635,508 shares of which the voting rights were restricted, accounting for 4.41% of the total shares of the Bank.

2.13 Purchase, sale or redemption of listed securities of the Bank

During the reporting period, the Bank or any of its subsidiaries has not purchased, sold or redeemed any listed securities of the Bank (including any sale of treasury shares). As at the end of the reporting period, the Bank did not hold any treasury shares.

[1] For details of changes in the positions of directors nominated by Industrial Bank, please refer to the section headed "Information on Directors, Senior Management, Staff and Institution" in this annual report.

[2] As the Bank has ceased to establish its Board of Supervisors with effect from December 31, 2025, Ms. CHEN Zhiying is no longer a supervisor of the Bank from December 31, 2025.

Information on Directors, Senior Management, Staff and Institution

1. CURRENT DIRECTORS AND SENIOR MANAGEMENT

Directors

Name (former name, if any)	Gender	Age	Position	Terms of the seventh session of the Board	Number of shares held as at December 31, 2025 (share)	Class of shares
ZHOU Shixin	Male	54	Executive Director and Chairman of the Board of Directors	September 2023-June 2026	Nil	
XIAO Jing	Male	49	Executive Director, Vice Chairman of the Board of Directors, President and Chief Compliance Officer	June 2023-June 2026	70,000	Domestic Shares
YUAN Delei	Male	47	Executive Director, Vice President and Risk Director	June 2023-June 2026	Nil	
LUO Feng	Male	54	Non-executive Director	September 2023-June 2026	Nil	
SHI Zhishan	Male	47	Non-executive Director	June 2023-June 2026	Nil	
ZHOU Miao	Female	54	Non-executive Director	September 2023-June 2026	Nil	
LIU Yinan	Male	48	Non-executive Director	September 2023-June 2026	Nil	
WANG Wanqiu	Female	54	Independent Non-executive Director	September 2023-June 2026	Nil	
ZHANG Yonghong	Male	58	Independent Non-executive Director	September 2023-June 2026	Nil	
TIAN Li	Male	57	Independent Non-executive Director	September 2023-June 2026	Nil	
GUO Jiequn	Male	55	Independent Non-executive Director	September 2023-June 2026	Nil	

Senior Management

Name (former name, if any)	Gender	Age	Position	Number of shares held as at December 31, 2025 (share)	Class of shares
XIAO Jing	Male	49	Executive Director, Vice Chairman, President and Chief Compliance Officer	70,000	Domestic Shares
XIE Haiyang	Male	42	Vice President	Nil	
YUAN Delei	Male	47	Executive Director, Vice President and Risk Director	Nil	
DU Zhongwen	Male	48	Vice President	88,410	Domestic Shares
LAN Jinwei	Male	48	Vice President	Nil	
QI Yongwen	Male	55	Director of Retail Banking	249,900	Domestic Shares
CHENG Zhong	Male	50	Chief Information Officer	Nil	

2. CHANGES IN DIRECTORS, FORMER SUPERVISORS AND SENIOR MANAGEMENT

Directors

On April 28, 2025, the Bank received the retirement report from Ms. ZHOU Miao, a non-executive Director, who will cease to be the non-executive Director of the Bank and the chairman of the Compliance Management Committee of the Board due to her mandatory age for retirement. Upon consideration and approval at the 19th Meeting of the Seventh Session of the Board of Directors held on April 28, 2025, and the 2024 Annual General Meeting held on June 27, 2025, Ms. Wu Haiming was elected as a non-executive Director of the Bank. Her appointment is subject to the approval of the national financial regulatory authorities. Prior to the approval of Ms. Wu Haiming's director qualification, Ms. Zhou Miao will continue to perform her duties as a non-executive Director and the chairman of the Compliance Management Committee of the Board of the Bank.

Former Supervisors

The Jiangxi Bureau of the National Financial Regulatory Administration approved the amendments to the Bank's Articles of Association on December 31, 2025. From the date of approval of the revised Articles of Association, the Bank will no longer establish a Board of Supervisors. The functions and powers of the Board of Supervisors as stipulated under the Company Law and relevant regulatory requirements shall be exercised by the Audit Committee of the Board, and the specialized committees under the Board of Supervisors shall be simultaneously abolished. Accordingly, Mr. Cai Qingfu, Mr. Tang Xiaofeng, Ms. Chen Zhiying, Ms. Yu Menglin and Ms. Liao Jingwen, members of the seventh session of the Board of Supervisors, ceased to hold positions in the Board of Supervisors and its specialized committees.

Senior Management

Upon the consideration and approval at the eighteenth meeting of the seventh session of the Board held on March 31, 2025, the Board resolved to terminate Mr. Cai Jianhong's position as Compliance Director due to early retirement.

Upon the consideration and approval at the twenty-second meeting of the seventh session of the Board held on August 29, 2025, the Board resolved to terminate Mr. Li Guoquan's position as Chief Accountant due to early retirement.

Upon the consideration and approval at the twenty-fourth meeting of the seventh session of the Board held on December 11, 2025, and the approval from the Jiangxi Regulatory Bureau of the National Financial Regulatory Administration on March 4, 2026 (Gan Jin Jian Fu〔2026〕No. 40), Mr. LAN Jinwei was appointed as a Vice President of the Bank.

Upon the consideration and approval at the twenty-fifth meeting of the seventh session of the Board held on February 28, 2026, Mr. XIAO Jing also serves as the Chief Compliance Officer of the Bank.

Upon the consideration and approval at the twenty-sixth meeting of the seventh session of the Board held on March 31, 2026, the Board resolved to terminate Mr. HUANG Chaoyang's position as Assistant to President due to internal retirement.

During the reporting period and up to the date of this annual report, except for the above-mentioned, there were no other changes in Directors and Senior Management of the Bank.

3. BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

3.1 Directors

Executive Directors

Mr. ZHOU Shixin (周時辛), aged 54, is the secretary of the Party committee and Chairman of the Bank.

Mr. ZHOU started his career in July 1995. He has held various positions in Agricultural Bank of China (whose H shares and A shares are listed on the Hong Kong Stock Exchange (stock code: 01288) and Shanghai Stock Exchange (stock code: 601288) respectively), and successively served as associate chief officer of personnel division (Organization Department of the Party committee) of Jiangxi Branch; the Party committee member and vice president of Zhangshu Sub-branch; the Secretary of the Party committee and president of Jing'an Sub-branch; the chief officer of personnel division (Organization Department of the Party committee), the deputy general manager of E-banking Department, general manager of the credit management department and general manager of the corporate business department of Jiangxi Branch; and Secretary of the Party committee and president of Shangrao Branch. Mr. ZHOU joined the Bank in May 2023, and has served as the Secretary of the Party committee and Chairman of the Bank since May 2023 and September 2023, respectively.

Mr. ZHOU is a senior economist. He received a bachelor's degree in economics.

Mr. XIAO Jing (肖璟), aged 49, is the deputy secretary of the Party committee, vice chairman, president and Chief Compliance Officer of the Bank.

Mr. XIAO started his career in July 1999. He has held various positions in the software development center of Industrial and Commercial Bank of China Limited (whose H shares and A shares are listed on the Hong Kong Stock Exchange (stock code: 01398) and Shanghai Stock Exchange (stock code: 601398) respectively), and successively served as the deputy manager of the second division of the technology department; the deputy manager of the second division of the system department; the manager of the second division of the system department; the senior technical deputy manager of the system department; the senior technical deputy manager of the technology department; the senior technical manager, the deputy general manager, the deputy general manager (person-in – charge) and the general manager of the Guangzhou first development division, respectively. Mr. XIAO joined the Bank in April 2014, and has successively served as the chief information officer, a Party committee member, vice president and a deputy secretary of the Party committee, the president (in an acting capacity) of the Bank. He is a deputy secretary of the Party committee, vice chairman, president and Chief Compliance Officer of the Bank.

Mr. XIAO is a senior engineer, a senior economist, and is qualified as an internal auditor. He is also accredited as a Financial Risk Manager by the Global Association of Risk Professionals. Mr. XIAO obtained a bachelor's degree in engineering and an MBA degree.

Mr. YUAN Delei (袁德磊), aged 47, is a member of the Party Committee, executive Director, the vice president and the risk director of the Bank.

Mr. YUAN started his career in July 2003. He has held various positions in Industrial and Commercial Bank of China Limited, and successively served as the deputy chief, chief and the deputy general manager of Legal Affairs Department of Anhui Branch; a member of the Party Committee and Vice President of the Anhui Chizhou Branch; the deputy general manager of Legal Affairs Department and the deputy general manager of Credit and Investment Management Department of the Anhui Branch. Mr. YUAN joined the Bank in November 2019, and has served as the general manager of Risk Management Department and the risk director of the Bank. He is a member of the Party Committee, executive Director, the vice president and the risk director of the Bank.

Mr. YUAN is an intermediate economist. He obtained a bachelor's degree in economics, a master's degree in law and a doctoral degree in management.

Non-executive Directors

Mr. LUO Feng (羅峰), aged 54, is a non-executive Director of the Bank.

Mr. LUO started his career in December 1991. He has served as a cadre of Jiujiang Finance Bureau; deputy chief of the State-owned Assets Foundation Division; chief of the State-owned Assets Foundation Division, chief of Social Security Division; and chief accountant and deputy director of Jiujiang Finance Bureau. He is currently a party member of Jiujiang Finance Bureau; a party secretary and director of the Municipal Investment and Financing Promotion Center; and part-time vice chairman of the Municipal Federation of Trade Unions. Mr. LUO has been a non-executive Director of the Bank since September 2023.

Mr. LUO graduated from the Logistical Engineering University of the Chinese People's Liberation Army (currently known as the PLA Army Service Academy) in July 2000, majoring in accounting computerization.

Mr. SHI Zhishan (史志山), aged 47, is a non-executive Director of the Bank.

Mr. SHI started his career in June 2005. He has successively served as a project manager, appraisal manager and other roles in China Consultants of Accounting and Financial Management Co., Ltd. (中華財務會計諮詢有限公司), Beijing Zhongxing Xinshiji Accountant Office (北京中興新世紀會計事務所有限公司) and Beijing Zhongtianhua Asset Appraisal Co., Ltd. (北京中天華資產評估有限責任公司). Mr. SHI joined BAIC Group (北汽集團) in November 2008, and successively served as a senior manager, an assistant to the head, the deputy head of the Capital Operation Department of BAIC Group; and the deputy general manager, general manager, the party committee secretary and executive director of BAIC Group Industrial Investment Co., Ltd. (北京汽車集團產業投資有限公司). He is the vice general manager of BAIC Group. Mr. SHI has served as the non-executive Director of the Bank since November 2021.

Mr. SHI is a registered asset valuer. He graduated from Central University of Finance and Economics in 2010 and obtained an MBA degree.

Ms. ZHOU Miao (周苗), aged 54, is a non-executive Director of the Bank.

Ms. ZHOU started her career in July 1993, working at the Fuzhou Branch of Xiamen International Bank Co., Ltd. Ms. ZHOU joined Industrial Bank Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 601166) in June 1995, and successively served as the staff member of the International Business Department; the deputy director and director of International Settlement Division of Business Department of the Head Office; the general manager of the International Business Department of Fuzhou Branch; the director of Accounting and Settlement Department of the Head Office; the director of Legal and Compliance Department of the Head Office; the assistant general manager and deputy general manager of Trade Finance Department of the Head Office; the deputy general manager of Corporate Financial Risk Management Department of the Head Office; the deputy general manager of the Special Assets Operation Department of the Head Office; the deputy general manager of the Interbank Finance Department of the Head Office; and the general manager of the Bank Cooperation Center of the Head Office. She concurrently served as a director of Industrial Digital Financial Services (Shanghai) Co., Ltd. She is currently an inspector of the Bank Cooperation Center of Industrial Bank Co., Ltd. Ms. ZHOU has served as the non-executive Director of the Bank since September 2023.

Ms. ZHOU is an economist. She graduated from the Central Institute of Finance and Economics (currently known as the Central University of Finance and Economics) with obtaining an undergraduate degree, majoring in international finance, in June 1993.

Mr. LIU Yinan (劉一男), aged 48, is a non-executive Director of the Bank.

Mr. LIU successively worked in Vitek Technology Limited, D&S Media Group, BlueFocus Intelligent Communications Group Co., Ltd. (listed on Shenzhen Stock Exchange, stock code: 300058), China Forestry Exchange, Sun Life Everbright Life Insurance Co., Ltd., China Fortune Financial Group Limited (listed on the Hong Kong Stock Exchange, stock code: 00290) and other companies, serving as the director, the vice president, the president and other positions. Mr. LIU currently serves as the deputy party committee secretary, the executive Director and executive president of Liaoning Fangda Group Industrial Co., Ltd. He also serves as a director of HNA Aviation Group Co., Ltd., Jiangxi Fangda Steel Group Co., Ltd., Tianjin Yishang Group Co., Ltd. (天津一商集團有限公司), and the chairman of Shanghai Fangda Investment Management Co., Ltd. (上海方大投資管理有限責任公司). Mr. LIU has served as the non-executive Director of the Bank since September 2023.

Mr. LIU is a professor-level senior engineer of the People's Republic of China. He obtained a bachelor's degree in engineering from Northeastern University, majoring in computer science and technology, in July 2000. He obtained a doctorate degree in electrical engineering from the University of Rhode Island in May 2004.

Independent non-executive Directors

Ms. WANG Wanqiu (王宛秋), aged 54, is an independent non-executive Director of the Bank.

Ms. WANG has successively served as a lecturer, associate professor and professor at the School of Economics and Management of Beijing University of Technology since July 1997. Ms. WANG has served as an independent non-executive Director of the Bank since September 2023.

Ms. WANG obtained a doctoral degree in management from Beijing University of Technology, majoring in management science and engineering, in June 2009.

Mr. ZHANG Yonghong (張永宏), aged 58, is an independent non-executive Director of the Bank.

Mr. ZHANG has successively worked in China Merchants Bank Co., Ltd. (whose H shares and A shares are listed on the Hong Kong Stock Exchange (stock code: 03968) and Shanghai Stock Exchange (stock code: 600036) respectively), Ping An Bank Co., Ltd. (whose A shares are listed on Shenzhen Stock Exchange, stock code: 000001), China Guangfa Bank Co., Ltd. (formerly known as Guangdong Development Bank Co., Ltd.), Bank of Hunan Corporation Limited (formerly known as Huarong Xiangjiang Bank Corporation Limited), China Huarong Financial Leasing Co., Ltd. and Huarong Qianhai Wealth Management Co., Ltd. and held positions as financial senior management. Mr. ZHANG is currently the president of Shenzhen Qianjinyuan Management Consulting Training Co., Ltd. and deputy director of the Strategy Committee of the Association of National Small and Medium-sized Banks, and has served as an independent director of Bank of Dongguan since February 2025. Mr. ZHANG has more than 30 years of working experience in economic and financial industry, with extensive experience in several fields and multi-level financial business management in banking, financial lease, wealth management and financial training. Mr. ZHANG has served as an independent non-executive Director of the Bank since September 2023.

Mr. ZHANG is a senior banking expert and a senior economist. He obtained a doctoral degree from Wuhan University.

Mr. TIAN Li (田力), aged 57, is an independent non-executive Director of the Bank.

Mr. TIAN has successively served as the senior manager, the executive director, the head and other positions of financial institutions such as J.P. Morgan Chase Bank, N.A., BOC International Holdings Limited and ABN AMRO GROUP N.V., and concurrently served as the director of Deyang Bank, the independent director of Great Wall West China Bank; the independent director of China Industrial International Trust Limited. Mr. TIAN has served as the chairman and president of International Financial Resources and Services Limited, the chairman and president of Niujin International Holdings Inc. (紐金國際控股公司) (New York), the chairman of Windsor School, and concurrently served as a director of Shanghai Tuhong Investment Management Co., Ltd. (上海圖鴻投資管理有限公司), the executive director of Shanghai Huisheng Equity Investment Management Limited (上海惠盛股權投資管理有限公司), the CEO of New York Institute of Finance, the executive director of NYIF Information Technology Development Co., Ltd. In addition, Mr. TIAN has served as the independent non-executive director of China Industrial Securities International Financial Group Limited (listed on the Hong Kong Stock Exchange, stock code: 06058) since July 2016. Mr. TIAN has served as an independent non-executive Director of the Bank since September 2023.

Mr. TIAN obtained a bachelor's degree in engineering from the People's Liberation Army Institute of Engineering Corps (currently known as Army Engineering University of PLA), majoring in civil air defense construction and structure engineering, in July 1990, a master's degree of science from Cleveland State University, the United States, majoring in civil engineering, in August 1996, and a master's degree in business administration from Duke University, the United States, in May 1999.

Mr. GUO Jiequn (郭傑群), aged 55, is an independent non-executive Director of the Bank.

Mr. GUO is currently the director of the China Centre of MIT Global SCALE Network, the president, professor and the doctoral supervisor of Ningbo China Institute for Supply Chain Innovation and served concurrently as a researcher of Center for Green Finance Research of Tsinghua University and a researcher of Center for MIT CTL. Mr. GUO has successively served as an analyst, vice president, director, general manager, managing director and general manager of the Asia Pacific region and other roles in Corning Incorporated in the United States, Fannie Mae in the United States, Credit Suisse Investment Bank in the United States, Saier Asset Management Company (賽爾資產管理公司) in the United States, Interactive Data Corp in the United States and Zais Group (hedge fund) in the United States and other companies. Mr. GUO has served as the external Supervisor of the Bank from May 2017 to June 2023, and has served as an independent non-executive Director of the Bank since September 2023.

Mr. GUO graduated from the Department of Mathematics of Beijing Normal University (北京師範大學) in July 1992 and obtained a bachelor's degree in science from the same university at the same time. He obtained a doctoral degree from Indiana University in the United States, majoring in economics, in May 2001.

3.2 Senior Management

For the biographical details of Mr. XIAO Jing and Mr. YUAN Delei, please refer to "3.1 Directors" in this chapter.

Mr. XIE Haiyang (謝海洋), aged 42, is the Party Committee Member and the Vice President of the Bank.

Mr. XIE started his career and joined the Bank in August 2009. He has successively served as the assistant to the general manager of the Bank's office, the assistant to the general manager and the deputy general manager of the Human Resources Department, the Party Committee Secretary and President of Hefei Branch, the Party Committee Secretary and the President of Nanchang Branch of the Bank. He now serves as the Party Committee Member and the Vice President of the Bank.

Mr. XIE obtained a doctorate's degree in Economy.

Mr. DU Zhongwen (杜中文), aged 48, is a member of the Party Committee and Vice President of the Bank.

Mr. DU started his career in August 1998. He previously served as the deputy director of the office of Gongqing Branch (共青支行) of Agricultural Bank of China. Mr. DU joined the Bank in July 2006 and has successively served as the vice president of Yongxiu Branch (永修支行), general manager of the third department of the key customer center, chairman and president of Guixi Jiuyin County Bank (貴溪九銀村鎮銀行), secretary of the Party Committee and president of Fuzhou Branch, general manager of the retail banking department, general manager of the credit card center and general manager of the direct banking business department, and general manager of the corporate financial management department. Mr. DU is currently a member of the Party Committee and Vice President of the Bank.

Mr. DU obtained a master's degree in International Business Administration.

Mr. LAN Jinwei (藍進偉), aged 48, is a Vice President of the Bank.

Mr. LAN started his career in July 2001. He previously held positions as Party Committee Member, Assistant to the President, and Vice President of Putian Branch at Industrial Bank Co., Ltd. Mr. LAN joined the Bank in December 2025 and currently serves as a Vice President of the Bank.

Mr. LAN holds a master's degree in business administration (MBA).

Mr. QI Yongwen (齊永文), aged 55, is the director of retail banking of the Bank.

Mr. QI started his career in September 1992. He served as the deputy general manager of the computer department of the Jiujiang Branch of China Construction Bank. Mr. QI joined the Bank in January 2001. He has successively served as deputy general manager of the technology department, the general manager of the information technology department, information director, assistant to the president of the Bank and president of the Guangzhou Branch, and the president of Shangrao Branch of the Bank. Mr. QI now serves as the director of retail banking of Bank of Jiujiang.

Mr. QI obtained a bachelor's degree in Science and an MBA degree.

Mr. CHENG Zhong (程中), aged 50, is the chief information officer of the Bank and the general manager of the digital banking department of the head office.

Mr. CHENG started his career in July 1999. He successively served as the assistant to the manager of the second division of the technology department, the deputy manager of the second division of the system department, technical manager of the system department, the senior deputy manager of the Guangzhou first development division, the senior technology manager of the Guangzhou development division, the deputy general manager and general manager of the Guangzhou first development division in the software development center of Industrial and Commercial Bank of China; the general manager of the information technology department and the person in charge of the preparation of a financial technology subsidiary in Bank of Changsha, etc. Mr. CHENG Zhong joined the Bank in June 2022 and served as the general manager of the information technology department of the Bank. He currently serves as the chief information officer of the Bank and the general manager of the digital banking department of the head office.

Mr. CHENG obtained a bachelor's degree in Engineering and a master's degree in Engineering.

4. COMPANY SECRETARY

Mr. WONG Wai Chiu is the company secretary, the authorized representative and service of process agent of the Bank.

Mr. WONG is the associate director of SWCS Corporate Services Group (Hong Kong) Limited. He has over 30 years of professional services and senior management experience including acting as the chief financial officer, company secretary, information technology director and law enforcement officer in the areas of finance, accounting, regulatory compliance and enforcement, internal control, corporate governance, company secretarial work, trust and forensics accounting in multi-national banking, insurance, securities and information technology corporations and listed companies in Hong Kong as well as government departments and the Hong Kong Stock Exchange. He is a fellow member of The Hong Kong Chartered Governance Institute, a fellow member of the Chartered Governance Institute, a member of CPA Australia, an Australian Certified Practising Accountant, a member of the Hong Kong Trustee Association and a certified trust practitioner. Mr. WONG possesses a Bachelor degree of Social Science with Honours in Accounting from the University of Hong Kong, various master's degrees and diploma in law, dispute resolution, corporate governance and information technology from renowned universities of the U.K., Australia and Hong Kong.

5. POSITIONS HELD BY DIRECTORS AND SENIOR MANAGEMENT IN COUNTY BANK

Nil.

6. INFORMATION ON EMPLOYEES

6.1 Composition of personnel

By department/function

	As at December 31, 2025	
	Number of staff	Percentage of total (%)
Corporate banking	1,138	18.79
Retail inclusive banking	2,027	33.48
Financial market business	43	0.71
Finance and accounting	470	7.76
Risk management, internal control and audit	351	5.80
Legal and compliance, human resources and information technology	474	7.83
Customer service manager	837	13.82
Jiuyin county bank	540	8.92
Management	91	1.50
Others	84	1.39
Total	6,055	100.00

By education level

	As at December 31, 2025	
	Number of staff	Percentage of total (%)
Master's degree and above	805	13.29
Undergraduate and junior college	5,241	86.56
Others	9	0.15
Total	6,055	100.00

6.2 Staff training plan

Upholding the good vision of "building a brand bank and establishing a century-aged shop" and adhering to the training concept of "serving strategy, empowering frontlines and driving innovation", the Bank closely aligns with the overall strategic layout and talent development needs. With five key innovation initiatives as key drivers, the Bank has systematically established a comprehensive, multi-level and practical-oriented education and training system, thereby laying a solid talent foundation for its high-quality development.

In advancing the development of its training system, the Bank has pursued focused innovation and breakthroughs across five key dimensions. First, the Bank innovated institutional mechanisms and strengthened the leadership of Party building. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank formally established the Jiujiang Bank Party School, integrating the guiding principles of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China into mandatory executive education programs, with systematic efforts carried out in theoretical education, ideal and belief reinforcement, and Party discipline and regulation training. Second, the Bank innovated training planning and improved system design. The Bank issued its inaugural "2025 Bank-wide Education and Training Work Plan", introducing customised training schemes under the "one program, one design" model, along with"menu-based" empowerment mechanism. Third, the Bank innovated the construction of trainers and activated internal training capabilities. The Bank led pilot initiatives across three core business lines, certifying 240 internal trainers at the head office level, establishing a standardised course system, and recognising outstanding internal trainers. Fourth, the Bank innovated competition forms to enhance business capabilities. The Bank hosted the 23rd Business Skills Competition, which for the first time included a live Q&A session to highlight practical capability assessment, fostering a competitive atmosphere through "offline viewing + online live streaming". Fifth, the Bank innovated brand building and expanded its influence in the industry. Leveraging its comprehensive training system, targeted empowerment services and notable outcome transformation, the Bank successively received multiple industry awards, including the "2025 China Top 100 Corporate Education Advanced Units" and the "Enterprise Benchmark Learning Platform".

During the reporting period, efforts were made to coordinate both online and offline education and training. A total of 53 internal full-time training sessions were conducted, covering 3,019 attendees, with a cumulative training duration of 334 days. The overall post-training evaluation satisfaction rate reached 96.2%. Online learning covered 5,942 attendees, with total learning hours amounting to 433,599 hours and an average of 73 hours per person.

6.3 Employee gender

As of the end of the reporting period, the percentage of male and female employees (including senior management) is 46.57% and 53.43%, respectively. The Bank fully respects the individual differences of talents, created a professional, inclusive and diverse working atmosphere in working space, and is committed to providing equal opportunities for all employees. The Bank considered it kept a balance of the gender ratio of existing employees (including senior management). Therefore, no quantifiable targets have been set to achieve gender diversity among employees. The Bank is expected to continue to maintain the gender diversity at the employee (including senior management) level in a reasonable manner. During the reporting period, the Board was not aware of any factors or circumstances that would make achieving gender diversity among all employees (including senior management) more challenging or less relevant.

6.4 Remuneration policies

(I) Remuneration management structure and decision-making procedures

In order to standardize the remuneration management of the Bank, improve the remuneration management mechanism of the Bank, and establish a scientific remuneration management structure and decision-making procedures, the Bank has established a remuneration management structure formed by the Board of Directors, the Nomination and Remuneration Committee under the Board, and Performance Appraisal Committee.

There is a Nomination and Remuneration Committee under the Board of Directors of the Bank, which is mainly responsible for reviewing the remuneration management system and policies of the Bank; formulating remuneration plans for Directors and the senior management, and provides suggestions to the Board on remuneration plans and supervising the implementation of remuneration plans. The Nomination and Remuneration Committee under the Board of the Bank was composed of a chairman and two members.

There is a Performance Appraisal Committee thereunder internally in the Bank, which is mainly responsible for organizing, promoting and coordinating the performance appraisal work of the Bank. The Performance Appraisal Committee is composed of the chairman, the vice-chairman and the members.

(II) Balance of remuneration and performance, standard of risk adjustment

The Bank followed the guiding ideology of "Performance-driven" to implement a remuneration mechanism as both an incentive and constraint to employees. The remuneration is directly linked to performances and contributions to the Bank and is evaluated by EVA of each branch and net operating income. The remuneration adjustments of the Bank are based on operational performance and other factors, including the completion of risk cost control indicators, including at least capital adequacy ratio, non-performing loan ratio, general allowance ratio, case risk ratio, leverage ratio, etc.

(III) Deferred payment remuneration, non-cash remuneration and deduction system

In order to ensure full effectiveness of remuneration in the banks' risk management and control and to establish a scientific and reasonable incentive and restraint mechanism, in accordance with relevant laws and regulations such as the Supervisory Guidelines on Sound Compensation in Commercial Banks, the Bank established a deferred payment management system of the remuneration for employees, and strictly implemented the remuneration deferred payment system that associated performance remuneration of key employees to business risk exposure. Exposure shall be subject to corresponding recourse and clawback system. During deferred payment period, in case of significant risk losses exposure in respect of the responsibilities, the Bank will cease the deferred payment of the responsible personnel and could recover the performance salary already paid. For any exposed extraordinary risk losses in respect of the responsibilities, the Bank has implemented the recourse and clawback work according to the relevant performance-based remuneration recourse and clawback system.

(IV) Contributions to the defined contribution schemes

The contributions that the Bank contributes to the defined contribution schemes are recognized as expenses when incurred. No forfeited contributions (i.e. contributions processed by the Bank on behalf of employees who withdraw from the scheme before the relevant contributions are vested in them) will be used to reduce the existing level of contributions (as described in paragraph 26(2) of Appendix D2 to the Listing Rules). Therefore, there is no such an issue that forfeited contributions may be used by the Group to reduce the existing level of contributions.

(V) Remuneration policies, formulation and filing of annual remuneration plans and assessment of the completion of economic, risk and social responsibility indicators

In order to enhance our competitive advantages and stimulate the enthusiasm of employees, the remuneration management of the Bank adheres to the principle of efficiency, fairness, performance and business orientation. The remuneration system of the personnel consists of basic salary, post salary, performance salary and allowances and benefits. The basic salary is the Bank's guaranteed compensation to ensure the daily life of the personnel; the post salary is the incentive compensation approved by the Bank based on the performance of the personnel on the post; the performance salary is a reward compensation determined by the Bank based on the performance of personnel; the allowances are the compensatory compensation determined for the personnel's special effort and labor consumption; and the benefits reflect the indirect compensation of the Bank's care for the personnel. The diversified and sound remuneration system effectively meets the needs of personnel's life and career development, enhances staff cohesion and centripetal force, and promotes the Bank's high-quality and sustainable development. The performance appraisal policy of the Bank is aligned with its overall development strategy, and strictly implements national development goals, requirements for serving the real economy and regulatory requirements. The performance appraisal indicators include those for compliant operation, risk management, business performance, development and transformation, and social responsibility, while also giving due consideration to high-quality process management, to comprehensively reflect the current risk status and operating results. The appraisal results are linked to the performance of both the institutions and individuals, motivating the entire Bank to continuously improve its performance level and value creation.

7. BASIC INFORMATION OF INSTITUTIONS UNDER THE BANK

As of the end of the reporting period, the Bank operated the business through the head office, 13 branches and 272 sub-branches which consisted of 189 traditional sub-branches, 76 community subbranches and 7 small and micro sub-branches. The branch network of the Bank is primarily located in Jiangxi Province, and also covers Guangzhou, Guangdong Province and Hefei, Anhui Province. The Bank realized the full coverage of branches in districts and cities within Jiangxi Province, and the coverage rate of outlets in counties within Jiangxi Province reached 100%. During the reporting period, the Bank completed the mergers by absorption of three county banks, namely Jinggangshan Jiuyin, Nan Chang Chang Dong Jiuyin and Lushan Jiuyin Art. The Bank established 17 Jiuyin county banks, among which 15 county banks were consolidated and controlled as of the end of the reporting period.

Status of the branches of the Bank as of the end of the reporting period is set out below:

District	Name of institution	Operating address	Remark	Number
Jiangxi Province	Head Office	Bank of Jiujiang Mansion, No. 619 Changhong Avenue, Jiujiang, Jiangxi Province	1 head office, 42 traditional subbranches, 15 community subbranches	58
	Nanchang Branch	No. 1398 Hongguzhong Avenue, Nanchang, Jiangxi Province	1 branch, 13 traditional subbranches, 19 community subbranches, 1 small and micro enterprises subbranch	34
	Ganjiang New Area Branch	No. 528 Shuanggang West Street, Jingkai District, Nanchang, Jiangxi Province	1 branch, 1 traditional subbranch, 1 community subbranch	3
	Ji'an Branch	New 196 Jinggangshan Avenue, Ji'an, Jiangxi Province	1 branch, 19 traditional subbranches, 4 community subbranches, 3 small and micro enterprises subbranches	27
	Ganzhou Branch	Building 5, Shenghui City Center, Ganxian Road, Zhanggong District, Ganzhou, Jiangxi Province	1 branch, 20 traditional subbranches, 12 community subbranches, 2 small and micro enterprises subbranches	35
	Fuzhou Branch	No. 1250 Gandong Avenue, Fuzhou, Jiangxi Province	1 branch, 12 traditional subbranches, 8 community subbranches	21
	Yichun Branch	No. 587 Luzhou North Road, Yiyang New District, Yichun, Jiangxi Province	1 branch, 18 traditional subbranches, 2 community subbranches, 1 small and micro enterprises subbranch	22
	Shangrao Branch	No. 5, Fenghuang West Avenue, Guangxin District, Shangrao, Jiangxi Province	1 branch, 13 traditional subbranches, 6 community subbranches	20
	Jingdezhen Branch	Bank of Jiujiang Mansion, Zijing Road, Jingdezhen, Jiangxi Province	1 branch, 7 traditional subbranches, 4 community subbranches	12

District	Name of institution	Operating address	Remark	Number
	Pingxiang Branch	Building 1, Financial Complex, No. 619 Xuanhe Road, Pingxiang Economic and Technological Development Zone, Pingxiang, Jiangxi Province	1 branch, 7 traditional subbranches, 2 community subbranches	10
	Xinyu Branch	No. 720 Xianlai East Avenue, Xinyu City, Jiangxi Province	1 branch, 4 traditional subbranches, 2 community subbranches	7
	Yingtan Branch	No. 619, Wangbu Road, Xinjiang New Area, Yingtan, Jiangxi Province	1 branch, 5 traditional subbranches	6
Guangdong Province	Guangzhou Branch	Room 101, Room 201 and 29-38/F, No. 35 Chunxi 2nd Street, Tianhe District, Guangzhou, Guangdong Province	1 branch, 15 traditional subbranches	16
Anhui Province	Hefei Branch	Office Building A, Jiaqiao International Plaza, Intersection of Maanshan Road and South Second Ring Road (Southwest), Baohe District, Hefei, Anhui Province	1 branch, 13 traditional subbranches, 1 community subbranch	15
				286

Status of the controlled county banks of the Bank as of the end of the reporting period is set out below:

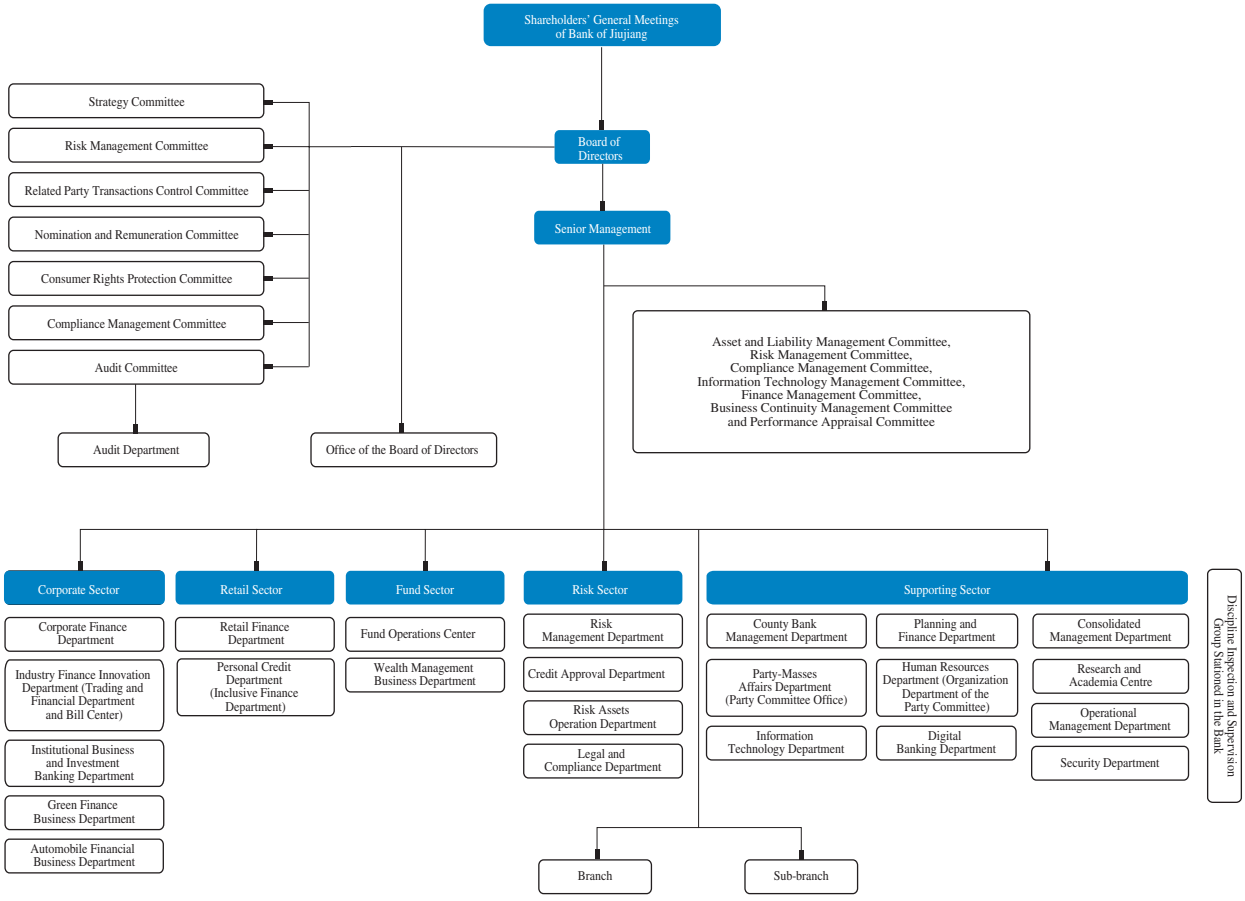
Name	Operating address
Beijing Daxing Jiuyin County Bank Co., Ltd.	No. 3, No. 18 Yard, Xinrong North Street, Xihongmen Town, Daxing District, Beijing
Rizhao Jiuyin County Bank Co., Ltd.	No. 619 Lanshan West Road, Lanshan District, Rizhao, Shandong Province
Nanjing Liuhe Jiuyin County Bank Co., Ltd.	No. 103, 105, Taishan Road, Xiongzhou Street, Liuhe District, Nanjing
Xiushui Jiuyin County Bank LLC.	No. 123 Valley Avenue, Xiushui County, Jiangxi Province
Pengze Jiuyin County Bank Co., Ltd.	No. 1172 Longcheng Avenue, Pengze County, Jiujiang, Jiangxi Province
Ruichang Jiuyin County Bank Co., Ltd.	No. 1-46 Jianshe Road, Ruichang, Jiangxi Province
Zixi Jiuyin County Bank Co., Ltd.	No. 1-18 Bund International, Binjiang Road, Zixi County, Fuzhou, Jiangxi Province
Chongren Jiuyin County Bank Co., Ltd.	No. 8 Xianfu West Road, Chongren County, Fuzhou, Jiangxi Province
Fenyi Jiuyin County Bank Co., Ltd.	No. 83 Qianshan East Road, Fenyi County, Xinyu, Jiangxi Province
Fengxin Jiuyin County Bank Co., Ltd.	No. 619 Yingxing North Avenue, Fengxin County, Yichun, Jiangxi Province
Jing'an Jiuyin County Bank Co., Ltd.	Tower A, Yikun Building, Dongfang West Road, Shuangxi Town, Jing'an County, Yichun, Jiangxi Province
Jingdezhen Changjiang Jiuyin County Bank Co., Ltd.	No. 1268 Porcelain Avenue, Changjiang District, Jingdezhen, Jiangxi Province
Tonggu Jiuyin County Bank Co., Ltd.	No. 2 Dingjiang West Road, Tonggu County, Yichun, Jiangxi Province
Hukou Jiuyin County Bank Co., Ltd.	No. 29 Sanli Avenue, Shuangzhong Town, Hukou County, Jiujiang, Jiangxi Province
Duchang Jiuyin County Bank Co., Ltd.	No. 99 Dongfeng Avenue, Duchang County, Jiujiang, Jiangxi Province

Status of the county banks in which the Bank has shareholdings as of the end of the reporting period is set out below:

Name	Operating address
Zhongshan Xiaolan County Bank Co., Ltd.	Rooms 101, 102, 103, 201, 202, 203, Block 2, No. 10 Shengping Middle Road, Xiaolan Town, Zhongshan, Guangdong Province
Guixi Jiuyin County Bank Co., Ltd.	No. 31 Xinjiang Road, Guixi, Yingtan, Jiangxi Province

Corporate Governance Report

1. ORGANIZATIONAL AND MANAGEMENT CHART



2. OVERVIEW OF CORPORATE GOVERNANCE

The Bank is committed to improving corporate governance in accordance with domestic and overseas laws and regulations and setting up a corporate governance framework with coordination, continuously improving the corporate governance mechanism, and consistently enhancing the effectiveness of corporate governance so as to promote the steady development of the Bank's business with high-quality corporate governance.

During the reporting period, the Bank convened Shareholders' General Meetings, Board of Directors meetings, and meetings of former Board of Supervisors meetings in accordance with the laws, and all corporate governance bodies performed their duties in an earnest manner, effectively safeguarding the interests of all shareholders and stakeholders, and steadily enhancing the level of corporate governance. Firstly, the Bank continuously strengthened the integration of the Party's leadership with corporate governance, always seriously complied with the requirements of the two "Consistencies", integrated the strengthening of the Party's leadership throughout the entire process of reform, development, and management of businesses of the Bank, and incorporated the Party building into all aspects of corporate governance. Secondly, the Bank advanced reforms in the corporate governance structure, completed the dissolution of the Board of Supervisors, amended corporate governance systems, i.e. the Articles of Association, rules of procedure for shareholders' general Meeting and rules of procedure for Board meetings this year. Thirdly, the Bank enhanced the execution of Board resolutions, continued to refine the "deliberation-tracking-reporting" system for meetings based on existing mechanisms such as the follow-up on Directors' opinions and the evaluation of resolution execution. Fourthly, the Bank stimulated directors' motivation to fulfill their duties, established a director performance mechanism encompassing "intention consultation – performance activities – problem identification – reporting and discussion", organized activities that leverage on their own professional expertise and align with the Bank's key priorities by consulting Directors' intentions regarding their duties and the performing Directors reporting on the problems discovered and suggestions for optimization and improvement at the board meeting.

The Bank adopts the principles and code provisions set out in the Corporate Governance Code as our corporate governance code and the benchmark for corporate governance. The Bank has fulfilled the requirements of the Regulations Governing Commercial Banks and Corporate Governance in the PRC and has established a good corporate governance system.

During the reporting period, the Bank strictly complied with the provisions in Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules and, where appropriate, adopted the proposed best practices. To the knowledge of Directors, there is no information showing that the Bank failed to comply with the provisions contained in Part 2 of the Corporate Governance Code during the reporting period.

3. HOLDING OF SHAREHOLDERS' GENERAL MEETINGS DURING THE REPORTING PERIOD

In 2025, the Bank held a total of three general meetings. Details are set out as follows:

1. On May 6, 2025, the Bank held the 2025 first extraordinary general meeting, which considered and approved the proposals including the Overall Plan for Reform of County Banks and the issuance of perpetual capital bonds.

2. On June 27, 2025, the Bank held the 2024 annual general meeting, which considered and approved the 2024 Report of the Board of Directors, 2024 Report of the Board of Supervisors, 2024 Annual Report, 2024 Final Financial Accounts, 2025 Financial Budget Plan and other proposals.

3. On September 29, 2025, the Bank held the 2025 second extraordinary general meeting, which considered and approved the proposals including adjustment of corporate governance structure, amendments to the Articles of Association and amendments to the rules of procedures for the shareholders' general meeting.

The above shareholders' general meetings were convened in accordance with the procedures required by the relevant laws and regulations. For the attendance, major agenda and voting details of above shareholders' general meetings, please refer to the announcements of the voting results respectively dated May 6, 2025, June 27, 2025 and September 29, 2025 published by the Bank on the websites of the Hong Kong Stock Exchange and the Bank.

For the attendance rates of Directors at shareholders' general meetings, please refer to section 4.9 in this chapter.

4. BOARD OF DIRECTORS

4.1 Operation of Board of Directors

The Board meetings of the Bank can be divided into regular meetings and interim meetings and take the forms of on-site meetings and written signature. Meetings such as conference calls and video conferences that feature real-time discussions and full exchanges are deemed as on-site meetings. The Board holds at least one regular meeting every quarter and at least four meetings every year. Pursuant to the Bank's Articles of Association, the Bank would notify all Directors in writing at least 14 days before the regular meeting. For interim Board meetings, the Bank would notify all Directors 5 days before the meeting.

A sound communication and reporting mechanism has been set up between Directors and senior management. The senior management is responsible for providing sufficient, complete and reliable data to the Board and each relevant special committee of the Board. All Directors have the right to access the documents and relevant data regarding the Board. Directors can seek professional advice when appropriate under reasonable requests at the expense of the Bank. At Board meetings, all Directors are free to voice their opinions, and important decisions shall be made after in-depth discussions. If any Director who has material interests in a proposal to be considered by the Board he or she should recuse and abstain from discussion and voting on the relevant proposal, and will not be counted in the quorum of the relevant proposal.

The Board of Directors shall make minutes of the decisions on the matters discussed at the on-site meeting and the Directors attending the meeting shall have the right to require that an explanatory record be made in the minutes of the speeches made by them at such meetings. If a director has different opinions on the minutes of the meeting, he/she may attach an explanation when signing. Minutes of the Board meetings shall be kept in the Bank's archives for a permanent period.

The Board is also responsible for formulating corporate governance policies of the Bank, and performing its duties in accordance with Code A.2.1 set out in Part 2 of the Corporate Governance Code. The Board takes charge of formulate and review the Bank's policies and corporate governance practices, review and monitor the training and continuous professional development of Directors and the senior management, review and monitor the Bank's compliance with the policies and practices as stipulated in laws and regulatory provisions, and review the Bank's compliance with the Code and disclosures within the Corporate Governance Report.

4.2 Members of Board of Directors

As at the end of the reporting period, the Board consisted of 11 Directors, including 3 executive Directors, namely Mr. ZHOU Shixin (Chairman), Mr. XIAO Jing (Vice Chairman) and Mr. YUAN Delei, 4 non-executive Directors, namely Mr. LUO Feng, Mr. SHI Zhishan, Ms. ZHOU Miao and Mr. LIU Yinan, as well as 4 independent non-executive Directors, namely Ms. WANG Wanqiu, Mr. ZHANG Yonghong, Mr. TIAN Li and Mr. GUO Jiequn.

Directors of the Bank (including non-executive Directors) are elected for a three-year term and can be re-elected upon expiry of term. Independent non-executive Directors can serve for a term of not more than six years on an accumulative basis in the same commercial bank.

4.3 Changes in and Remuneration of Members of Board of Directors

Please refer to the section headed "Information on Directors, Senior Management, Staff and Institution", and Note 14 to the Financial Statements of this annual report for changes in members and remuneration of Directors.

4.4 Board Diversity Policy

The Bank seeks diversity of members from multiple perspectives during establishment of the Board, and selects candidates for the Board based on a range of diverse criteria, including but not limited to gender, age, location, expertise, skill, knowledge and education background. The Bank treats the increasing diversity at the Board level as a key contributor to sustainable development and fulfilment of our strategic goals as well as maintaining a sound corporate governance level.

The Nomination and Remuneration Committee of the Board of Directors of the Bank will review this policy when appropriate to ensure its effectiveness. The Nomination and Remuneration Committee of the Board of Directors will discuss any required revisions and then put forward the opinions on revisions to the Board for approval. During the reporting period, the Board has reviewed the implementation of the Board diversity policy, and considered such policy is appropriate and effective.

As at the publish date of this annual report, the Board consists of 11 Directors, of whom two are female; four are aged 40 to 49, seven are aged 50 to 59. Directors are with an extensive background in fields such as finance, accounting, audit, economics and management, while some of them have multiple professional backgrounds. The Board believes that it has a balanced and diverse composition and has therefore not established any quantifiable targets for implementing its diversity policy.

Since there are two female members of the Board of Directors, the Nomination and Remuneration Committee has one female member, the composition of the Board of Directors satisfies the requirement regarding the gender diversity policy as set out in the Listing Rules as well as the Board diversity policy of the Bank. The Bank recognizes the importance and benefits of the gender diversity of members of the Board of Directors. The Board diversity policy of the Bank ensures that the Board of Directors has alternative potential successors to maintain the existing gender diversity of the Board of Directors.

For details of the staff composition of the Bank, please refer to the section headed "Information on Directors, Senior Management, Staff and Institution" in this annual report.

4.5 Mechanism to Ensure Independent Views and Opinions are Available to the Board of Directors

Directors are free to express their views at the Board meetings, and major decisions are made only after detailed discussion. Directors may also engage independent professional institutions at the Bank's expense after going through due procedures, if they think it necessary to get independent professional opinions. If any Director has interests in a proposal to be considered by the Board, he or she should recuse and abstain from discussion and voting on the relevant proposal, and will not be counted in the quorum of the relevant proposal. In addition, independent non-executive Directors shall give objective, fair and independent opinions on the matters discussed by the Bank. Independent non-executive Directors of the Bank do not hold any position in the Bank other than Directors, and neither does they have relationship with the Bank and its substantial shareholders that may affect their independent and objective judgment, nor any business or financial interests in the Bank and its subsidiaries. Therefore, the participation of independent non-executive Directors also constitutes a strong and sufficient independent element on the Board.

During the reporting period, the Board has reviewed the implementation of the aforesaid mechanism, and considered such mechanism is appropriate and effective.

4.6 Duties and Powers of the Board of Directors

As the Bank's decision-making body, the Board is accountable to the Shareholders' General Meetings and shall perform the following duties and powers:

(I) to be responsible for convening shareholders' meeting and to report on its work to the shareholders' meeting;

(II) to implement resolutions passed at shareholders' meetings;

(III) to listen to and consider the work report of the president of the Bank;

(IV) to resolve on the Bank's business plans and investment plans;

(V) to consider and approve the Bank's annual budgets, final accounting schemes;

(VI) to formulate the Bank's profit distribution plans and loss recovery plans, to formulate the plan for material acquisitions, acquisition of shares of the Bank, the merger, division, dissolution, liquidation or transformation of the Bank;

(VII) to formulate the proposals for increase or decrease of the Bank's registered capital, for issue of bonds or other securities, for listing and for use of funds raised, and to supervise the implementation thereof;

(VIII) to determine the setup of internal management organizations of the Bank;

(IX) to appoint or dismiss the Bank's senior management officers and determine their remunerations, rewards and punishments; and to supervise the duty performance of the senior management;

(X) to formulate the Bank's basic management system;

(XI) to formulate proposals for the amendments to the Articles of Association, formulate rules of procedures for shareholders' meetings and the rules of procedures for Board Meetings and to consider and approve the work rules of the special committees under the Board;

(XII) to review the Bank's compliance policies and supervise the implementation thereof, and to bear ultimate responsibility for compliance of the Bank's operating activities;

(XIII) when the bank's capital adequacy ratio is below statutory standard, to take measures to increase capital adequacy ratio;

(XIV) to decide on the investment, acquisition of assets, asset disposal and write-off, asset mortgage, external guarantee, consigned financial management, related party transactions, data governance, etc. of the Bank within the authority granted by the shareholders' meeting;

(XV) to be responsible for the Bank's information disclosure and bear the ultimate responsibility for the integrity and accuracy of the Bank's accounting and financial reporting system; and to formulate relevant procedures and systems to ensure that the Bank's statistical information meets regulatory requirements;

(XVI) propose to the shareholders' meeting the engagement or dismissal of an accounting firm responsible for conducting the regular statutory audit of the Bank's financial reports, and to make explanations to the shareholders' meeting in relation to the nonstandard audit opinions produced by certified public accountants on the financial reports of the Bank;

(XVII) to exercise other functions and powers specified by laws, administrative regulations, rules, rules governing securities of the place where the shares of the Bank are listed and the Articles of Association and conferred by the shareholders' meeting.

In addition to the above-mentioned duties and powers, the Board shall also pay particular attention to the following matters:

(I) to formulate the Bank's business development strategies and supervise the implementation thereof;

(II) to formulate the risk tolerance, risk management and internal control policies of the Bank and to assume ultimate responsibility for overall risk management;

(III) to formulate internal control policies and establish & implement a fully effective internal control system to ensure that the Bank operates prudently within the framework of laws and policies;

(IV) to formulate capital plans and assume ultimate responsibility for capital management or solvency management;

(V) to regularly assess and improve the Bank's corporate governance structure, internal control system and risk management system;

(VI) to be responsible for the Bank's information disclosure and bear ultimate responsibility for the integrity, accuracy, completeness and timeliness of the Bank's accounting and financial reports;

(VII) to supervise and ensure that the senior management officers effectively fulfill their management responsibilities, in particular in compliance management, risk management and internal control management;

(VIII) to protect the legitimate rights and interests of financial consumers and other interested parties;

(IX) to establish a mechanism for identifying, reviewing and managing the conflicts of interest between the Bank and its shareholders, especially substantial shareholders;

(X) to undertake the management responsibility of shareholders' affairs;

(XI) to formulate the Bank's data strategy, approve or authorize the approval of major issues in relation to data governance, urge senior management to improve the effectiveness of data governance, and assume ultimate responsibility for data governance;

(XII) to be responsible for considering and reviewing the Bank's anti-money laundering and counter terrorist financing policies, supervise the implementation of anti-money laundering and counter terrorist financing policies, and be ultimately responsible for the Bank's anti-money laundering and counter terrorist financing work;

(XIII) to take the ultimate responsibility for Internet loan risk management;

(XIV) to undertake the major responsibility for green finance, determine the Bank's green finance development strategy, approve the green finance targets set by senior management and the green finance reports submitted, designate a special committee to be responsible for green finance and supervise and evaluate the implementation of the Bank's green finance development strategy.

4.7 Responsibilities of Directors

During the reporting period, the Directors of the Bank continuously focused on the Bank's operational management, attended Board meetings on time, thoroughly reviewed the matters considered by the Board of Directors, expressed opinions independently, professionally, and objectively, and made independent votes based on prudent judgment; effectively supervised the senior management's implementation of resolutions from the Shareholders' General Meeting and the Board of Directors, actively participated in duty performance activities, understood the rights and obligations of Directors, familiarized themselves with relevant laws, regulations, and regulatory requirements, and maintained the professional knowledge and capabilities necessary to fulfill their responsibilities. When performing their duties, the Directors complied with laws, regulations, regulatory requirements, and the Bank's Articles of Association, adhered to high standards of professional ethics, considered the legitimate rights and interests of stakeholders, acted responsibly towards the Bank and all shareholders, and treated all shareholders fairly, and ensured that they dedicated sufficient time and efforts to their responsibilities. The number of days for duty performance by independent Directors met regulatory requirements.

Directors have confirmed that they are responsible for the Bank's financial statements for the year ended December 31, 2025. Directors are responsible for overseeing the financial reports for each accounting period so that the financial reports truly and fairly reflect the Bank's operation conditions. In preparing the financial statements for the year ended December 31, 2025, Directors have selected the applicable accounting policies and applied them consistently, and have made prudent and reasonable judgments. With the assistance of accounting and finance personnel, Directors ensure that the Bank prepares financial statements in accordance with statutory requirements and applicable financial reporting standards.

4.8 Board Meetings and Attendance of Directors

During the reporting period, the Bank held a total of 7 Board meetings which considered and approved 96 resolutions.

Particulars of convening of Board meetings

Meeting	Date	Form
The 18th Meeting of the seventh session of the Board	March 31, 2025	On-site meeting
The 19th Meeting of the seventh session of the Board	April 28, 2025	On-site meeting
The 20th Meeting of the seventh session of the Board	June 6, 2025	Written signature
The 21st Meeting of the seventh session of the Board	June 27, 2025	On-site meeting
The 22nd Meeting of the seventh session of the Board	August 29, 2025	On-site meeting
The 23rd Meeting of the seventh session of the Board	October 31, 2025	On-site meeting
The 24th Meeting of the seventh session of the Board	December 11, 2025	On-site meeting

Particulars of attendance of Directors at Board meetings

Members of Board of Directors	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person of Board meetings	Rate of attendance of Board meetings
ZHOU Shixin	7	7	0	100%	100%
XIAO Jing	7	7	0	100%	100%
YUAN Delei	7	7	0	100%	100%
LUO Feng	7	7	0	100%	100%
SHI Zhishan	7	7	0	100%	100%
ZHOU Miao	7	7	0	100%	100%
LIU Yinan	7	7	0	100%	100%
WANG Wanqiu	7	7	0	100%	100%
ZHANG Yonghong	7	7	0	100%	100%
TIAN Li	7	7	0	100%	100%
GUO Jiequn	7	7	0	100%	100%

4.9 Attendance at General Meetings by Directors during the Reporting Period

During the reporting period, the Bank held a total of three general meetings. The specific participation details are as follows:

At the first extraordinary general meeting in 2025, Mr. ZHOU Shixin, Mr. XIAO Jing, Mr. YUAN Delei and Mr. LUO Feng attended the meeting, while the remaining Directors were unable to attend due to other official business.

At the 2024 annual general meeting, Mr. ZHOU Shixin, Mr. XIAO Jing, Mr. YUAN Delei, Mr. LUO Feng, Ms. WANG Wanqiu, Mr. ZHANG Yonghong and Mr. TIAN Li attended the meeting, while the remaining Directors were unable to attend due to other official business.

At the second extraordinary general meeting in 2025, Mr. ZHOU Shixin, Mr. XIAO Jing, Mr. LUO Feng, Ms. WANG Wanqiu, Mr. ZHANG Yonghong, Mr. TIAN Li and Mr. GUO Jiequn attended the meeting, while the remaining Directors were unable to attend due to other official business.

4.10 Performance of Independent Non-executive Directors

The Board currently has four independent non-executive Directors, and the qualification, number and proportion of independent non-executive Directors comply with the relevant provisions set forth by the National Financial Regulatory Administration and the Listing Rules. None of our independent non-executive Directors are involved in any circumstances incurring questionable independence as stipulated in Rule 3.13 of the Listing Rules. The Bank has received the annual letters of confirmation from each independent non-executive Director with regard to their independence as stipulated in Rule 3.13 of the Listing Rules. Therefore, the Bank considered that all independent non-executive Directors are in compliance with the independence requirements as set out in the Listing Rules. The Audit Committee, Nomination and Remuneration Committee under the Board of the Bank are all composed of independent non-executive Directors. Independent non-executive Directors are dominant in number and act as the chairperson in the Related Party Transactions Control Committee.

During the reporting period, the Bank's independent non-executive Directors adhered to objective, independent, and prudent procedural principles, effectively leveraged their expertise and extensive industry experience in areas such as financial analysis and banking management, and actively participated in various duty fulfillment activities from the perspective of safeguarding the interests of investors and all relevant stakeholders. They positively offered recommendations and suggestions regarding the matters discussed by the Board of Directors, especially the review of significant issues, and provided independent opinions on important matters such as profit distribution plans, appointment and dismissal of senior management, and significant related transactions, thereby enhancing the level of scientific decision-making by the Board of Directors.

5. SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

There were seven special committees under the Board of the Bank, namely Audit Committee, Related Party Transactions Control Committee, Risk Management Committee, Nomination and Remuneration Committee, Strategy Committee, Consumer Rights Protection Committee and Compliance Management Committee.

5.1 Audit Committee

During the reporting period, the Audit Committee under the Board of the Bank was composed of three independent non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Audit Committee under the Board	GUO Jiequn	WANG Wanqiu TIAN Li

The primary responsibilities of the Audit Committee are:

(I) to check the Bank's financial matters, including the Bank's financial and accounting policies and practices, financial status and financial reporting procedures;

(II) to supervise the conduct of Directors and Senior Management in the performance of their duties, and propose the removal of any Director or Senior Management who violates laws, administrative regulations, the Articles of Association, or resolutions of shareholders' meetings;

(III) to require directors or senior management to rectify any conduct that causes harm to the interests of the Bank;

(IV) to propose the convening of an extraordinary shareholders' meetings and, when the Board of Directors fails to perform its duties of convening and chairing the shareholders' meetings as stipulated by the Company Law, convene and chair the shareholders' meetings;

(V) to submit proposals to shareholders' meetings;

(VI) to institute legal proceedings against directors or senior management in accordance with the provisions of the Company Law;

(VII) to supervise the conduct of directors or senior management in the performance of their duties, and assess the performance of duties of directors or senior management;

(VIII) other powers and functions granted under laws, administrative regulations, rules, regulatory provisions, the securities regulatory rules of the place where the Bank's shares are listed, or the Articles of Association.

In addition, the Audit Committee shall perform the following responsibilities:

(I) to review the important regulations related to internal audit and submit to the Board of Directors for approval;

(II) to approve medium- and long-term audit plans and annual audit plans, and to guide, assess and evaluate the internal audit work;

(III) to review the reports related to internal audit and report to the Board of Directors, in particular, including:

(1) to listen to the audit reports on capital adequacy ratio management and the implementation of internal capital adequacy assessment procedures;

(2) to check the Bank's risk and compliance status, review the internal audit report on the overall risk management, and review the internal audit reports on management of liquidity risk, market risk, operational risk, information technology risk, country risk and other risks;

(3) to review the special audit report on the formulation and implementation of the remuneration mechanism;

(4) to review the special audit report on the ongoing operational management of the Bank;

(5) to review the special audit report on related party transactions;

(6) to review the internal audit reports on the risk classification system, procedures and implementation;

(7) to review other internal audit reports in accordance with laws, regulations and regulatory requirements.

(IV) to supervise the implementation of the Bank's internal audit work and report the audit work to the Board of Directors on a half-year basis to enhance the effectiveness of internal audit;

(V) to be responsible for reviewing the effectiveness of internal audit of the implementation of expected credit loss approach, external audit quality and information disclosure transparency;

(VI) to be responsible for the Bank's annual audit work, supervise the completeness of the financial statements, annual reports and accounts as well as the interim reports of the Bank, and to review the key opinions on financial reporting contained therein, and issue a judgment report on the authenticity, accuracy, completeness and timeliness of the audited financial report information and submit it to the Board of Directors for deliberation; in reviewing these statements and reports before submission to the Board of Directors, the Audit Committee should focus particularly on:

(1) any changes in accounting policies and practices;

(2) major judgmental areas;

(3) significant adjustments resulting from audit;

(4) the going concern assumptions and any qualified opinions;

(5) compliance with accounting standards; and

(6) compliance with the Listing Rules and legal requirements in relation to financial reporting;

The members of the Audit Committee should liaise with the Board of Directors and senior management and the Audit Committee must meet, at least twice a year, with the Bank's external auditors; and the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and give due consideration to any matters that have been raised by the Bank's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

(VII) to be responsible for the following duties relating to the external auditors:

(1) to make recommendations to the Board of Directors on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any matter regarding the resignation or dismissal of that auditor;

(2) to discuss with the auditors the nature and scope of the audit and reporting obligations before the audit commences; to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

(3) to develop and implement policy on engaging an external auditor to supply non-audit services. For the purpose of these Terms of Reference, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report and make recommendations to the Board of Directors on any matters where action or improvement is needed; and

(4) to act as the key representative body for overseeing the Bank's relations with the external auditor.

(VIII) to review the financial controls, risk management and internal control systems of the Bank, including:

(1) to discuss the risk management and internal control system with the management to ensure that management has performed its duty to have an effective system including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Bank's accounting and financial reporting function;

(2) to consider major investigation findings on risk management and internal control matters and management's response to these findings as delegated by the Board of Directors or on its own initiative;

(3) where an internal audit function exists, to review and monitor the effectiveness of the internal audit function, ensure co-ordination between the internal and external auditors and ensure that the internal audit function is adequately resourced and has appropriate standing within the Bank;

(4) to review the external auditor's Letter of Explanation on the Audit to the management, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;

(5) to ensure that the Board of Directors provides a timely response to the issues raised in the external auditor's Letter of Explanation on the Audit to the management;

(6) to report to the Board of Directors;

(7) to review the arrangements that employees of the Bank can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and

(IX) Other matters authorized by the Board of Directors and under the Articles of Association and regulatory requirements.

During the reporting period, the Audit Committee convened a total of eight meetings and considered and approved the "Proposal in relation to the Deliberating and Approving on the 2024 China Accounting Standards for Business Enterprises and International Financial Reporting Standards Financial Statements and Audit Reports of Bank of Jiujiang Co., Ltd.", the "Proposal in relation to the Engagement of 2025 Accounting Firms", the "Proposal in relation to the Consideration of 2025 Interim Results and Interim Report of Bank of Jiujiang Co., Ltd." and other proposals. In addition, the Audit Committee organized two meetings with auditors of our Bank to discuss audit issues.

Particulars of attendance of members at the Audit Committee meetings during the reporting period are set out as below:

Member of the Audit Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
GUO Jiequn	8	8	0	100%
WANG Wanqiu	8	8	0	100%
TIAN Li	8	8	0	100%

5.2 Related Party Transactions Control Committee

During the reporting period, the Related Party Transactions Control Committee under the Board of the Bank was composed of one executive Director and two independent non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Related Party Transactions Control Committee under the Board	ZHANG Yonghong	YUAN Delei GUO Jiequn

The primary responsibilities of the Related Party Transactions Control Committee are as follows:

(I) to review major related party transactions and submit to the Board of Directors for approval;

(II) to receive filings of general related party transactions;

(III) to review annually the special report on the overall situation of related party transactions and submit to the Board of Directors for approval;

(IV) to supervise the management of related party information files, the control of related party transactions, accountability for related party transactions, and the execution of the related party transaction control system of the Bank, review the quarterly reports on related party transactions and report the same to the Board;

(V) to review the related party transaction control system of the Bank, and submit to the Board of Directors for approval;

(VI) to deal with other matters authorized by the Board, and stipulated in the Articles of Association and regulatory provisions.

During the reporting period, the Related Party Transactions Control Committee convened a total of six meetings, and considered and approved the "Proposal in relation to the Consideration of the 2024 Related Party Transactions Report of Bank of Jiujiang Co., Ltd.", the "Proposal in relation to the Revision of the Related Party Transactions Management Measures of Bank of Jiujiang Co., Ltd.", "Proposal in relation to the Consideration of the Estimated Amount of the Related Party Transactions of Related Legal Person Deposits of Bank of Jiujiang Co., Ltd. for the Year 2026" and other proposals.

Particulars of attendance of members at the Related Party Transactions Control Committee meetings during the reporting period are set out as below:

Member of the Related Party Transactions Control Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
ZHANG Yonghong	6	6	0	100%
YUAN Delei	6	6	0	100%
GUO Jiequn	6	6	0	100%

5.3 Risk Management Committee

During the reporting period, the Risk Management Committee under the Board of the Bank was composed of one executive Director and two independent non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Risk Management Committee under the Board	XIAO Jing	TIAN Li ZHANG Yonghong

The primary responsibilities of the Risk Management Committee are as follows:

(I) to review bank-wide risk management policies and procedures based on Bank's overall strategies, and submit to the Board of Directors for approval;

(II) to supervise the senior management to carry out comprehensive risk management, consider the comprehensive risk report of the Bank, supervise and evaluate the control of, and implementation of measures against credit risk, liquidity risk, market risk, information technology risk, reputational risk, environmental social and governance risk, country risk and other risks, so as to ensure the effective execution of the risk management system and procedures, and report to the Board. Specifically, the specific responsibilities for the market risk, liquidity risk and reputational risk include:

(1) to urge senior management to undertake necessary measures to identify, measure, monitor and control market risk, obtain periodic reports associated with nature and level of market risk, monitor and evaluate the comprehensiveness and effectiveness of market risk management, and performance of senior management under market risk management;

(2) to continuously pay attention to liquidity risk profile, regularly obtain liquidity risk reports, and timely learn about liquidity risk level, management status and material changes thereof; monitor the senior management to undertake effective management and control of liquidity risk;

(3) to supervise the senior management for daily reputational risk management and periodically hear reports in respect of reputational risk management. Where reputation events result in significant losses to the body and the industry, significant market fluctuations, systemic risks or affect the stability of the social and economic order, the Risk Management Committee under the Board of Directors shall submit corresponding reports to the Board of Directors;

(III) to review the risk management policies, risk appetite and risk limit of the Bank, and submit to the Board of Directors for approval;

(IV) to supervise the senior management to effectively manage the stress test, review stress test reports that have material impact upon the review and approval of the senior management, understand the key assumptions of stress test, pay attention to the results of stress test and its impact, review the subsequent major improvement measures, understand the risk mitigation effects of the improvement measures, and consider the results of stress test when determining the Bank's risk preference and risk management objectives;

(V) to supervise the senior management to fully implement the management system related to the implementation of the expected credit loss method, review and approve the important policies, important models and key parameters related to the implementation of the expected credit loss method, and listen to reports on the management of the expected credit loss method;

(VI) to review recovery and disposal plans and submit to the Board of Directors for approval;

(VII) to deal with other matters authorized by the Board, and stipulated in the Articles of Association and regulatory provisions.

During the reporting period, the Risk Management Committee convened a total of ten meetings, and considered and approved the "Proposal in relation to the Consideration of the Overall Risk Management Report of Bank of Jiujiang for the Year 2024", the "Proposal in relation to the Consideration of the Report on the Risk Appetite and Limit Runs of Bank of Jiujiang for 2024", the "Proposal in relation to the Consideration of the Risk Appetite Statement of Bank of Jiujiang for 2025", the "Proposal in relation to the Consideration of the Risk Limit Management Plan of Bank of Jiujiang for 2025", and "Proposal in relation to the Consideration of the Implementation Points of Risk Strategy of Bank of Jiujiang for 2025" and other proposals.

Particulars of attendance of members at the Risk Management Committee meetings during the reporting period are set out as below:

Member of the Risk Management Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
XIAO Jing	10	10	0	100%
TIAN Li	10	10	0	100%
ZHANG Yonghong	10	10	0	100%

5.4 Nomination and Remuneration Committee

During the reporting period, the Nomination and Remuneration Committee under the Board of our Bank was composed of three independent non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Nomination and Remuneration Committee under the Board	TIAN Li	ZHANG Yonghong WANG Wanqiu [(1)]

Note:

(1) Upon the consideration and approval of the Board, with effect from 31 October 2025, Ms. WANG Wanqiu has been appointed as a member of the Nomination and Remuneration Committee under the Board, and Mr. GUO Jiequn has ceased to be a member of the Nomination and Remuneration Committee under the Board.

The primary responsibilities of the Nomination and Remuneration Committee are:

(I) to develop the procedures and standards for the appointment of Directors and Senior Management, identify individuals who are suitable to become a director and select or make recommendations to the Board of Directors on the selection of individuals nominated for directorship;

(II) to perform preliminary review on the qualifications for directors and senior management, and make recommendations to the Board of Directors;

(III) to review the compensation management systems and policies of the Bank and submit to the Board of Directors for review;

(IV) to develop compensation plans for directors and senior management and make recommendations on compensation plans to the Board of Directors, and supervise the implementation of compensation plans;

(V) to review the performance evaluation system and indicator system;

(VI) to preliminarily review the annual summary of performance-based resource deductions and the settlement of the medium- and long-term incentives and submit to the Board of Directors for review;

(VII) to review the measures on assessment of the performance of directors and senior management and the evaluation report on the performance of duties conducted and formed in accordance with the measures on assessment of the performance, and submit to the Board of Directors for review;

(VIII) to support the Bank's regular evaluation of the performance of the Board of Directors and review at least once a year the structure, size and composition (including such aspects as education background, skills, knowledge and experience) of the Board of Directors, assist the Board of Directors in maintaining a board skills matrix and make recommendations on any proposed changes to the Board of Directors to complement the corporate strategies of the Bank;

(IX) to assess the independence of independent directors;

(X) to make recommendations to the Board of Directors on the appointment or re-appointment and succession planning for directors (in particular, the Chairman and the Chief Executive Officer);

(XI) to make recommendations to the Board of Directors on the Bank's policy and structure for all directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(XII) to review and approve recommendations on compensation of the senior management in line with the corporate directions and objectives charted by the Board of Directors;

(XIII) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions for other positions within the Group;

(XIV) to review and approve compensation payable to executive directors and senior management for their loss or termination of office or appointment to ensure such compensation conforms with contractual terms and is fair, reasonable and not excessive in case of any inconformity;

(XV) to review and approve compensation arrangements relating to dismissal or removal of related directors for misconduct to ensure such arrangements conform with contractual terms and are reasonable and appropriate in case of any inconformity;

(XVI) to ensure that no Director or any of his associates is involved in determining his own remuneration;

(XVII) the re-election arrangement of the Board shall be commenced before the expiration of terms of office of Directors to ensure the terms of office of Directors are in compliance with laws, regulations and the Articles of Association; and

(XVIII) other matters as authorized by the Board of Directors and under the Articles of Association and regulatory requirements.

The nomination and election of Directors in the Articles of Association of the Bank shall follow the ways and procedures below:

(I) Candidates for Directors who are not staff representatives shall be nominated by the Nomination and Remuneration Committee of the Board, and the number of such persons to be elected shall be within the number of persons of the Board of Directors stipulated in these Articles. Shareholders individually or in aggregate holding more than 1% of the Bank's total issued voting shares may propose candidates for Directors to the Board;

The number of Directors nominated by any same shareholder and his/her/its associates in principle shall not exceed one third of the total number of the members of the Board.

(II) The Nomination and Remuneration Committee of the Board shall conduct preliminary assessment of the qualifications and conditions of the candidates for Directors and propose the candidates passing such assessment to the Board for consideration; and propose them to the shareholders' general meeting by way of written resolutions after they are considered and approved by the Board;

(III) The candidates for Directors shall, before the convening of the shareholders' meeting, make written undertakings, express their consent to their nomination, confirm the truthfulness and completeness of their publicly disclosed data and undertake that they will duly perform their duties upon election;

(IV) The Board shall disclose the details of the Director candidates to the shareholders in accordance with the laws, administrative regulations and the Articles of Association before the shareholders' meeting to ensure that shareholders will have adequate understanding of the candidates when they cast their votes;

(V) Voting on each candidate for Directors shall be carried out at the shareholders' meeting separately;

(VI) When an additional Director is temporarily nominated, the Nomination and Remuneration Committee of the Board, or the shareholders satisfying the conditions for making such nomination may propose a candidate to the Board for consideration, and to the shareholders' meeting for election or replacement.

The Bank seeks diversity of members from multiple perspectives during establishment of the Board, including but not limited to gender, location, expertise, skills, knowledge and education background. We put equal stress on integrity and ability for all appointments by the Board and fully take into account the benefits of member diversity during candidate selection under objective conditions. The Nomination and Remuneration Committee of the Board is responsible for reviewing the structure, number and composition of the Board, making recommendations to the Board on the size and composition of the Board in accordance with the Bank's strategic planning, business development and shareholding structure, studying and reviewing the selection criteria, nomination and appointment procedures of Directors, and making proposals to the Board for consideration and approval by the Board.

During the reporting period, the Nomination and Remuneration Committee convened a total of seven meetings, and considered and approved the "Proposal in relation to the Consideration of the Board of Directors' Performance Evaluation Report on Directors and Senior Management of Bank of Jiujiang Co., Ltd. for the Year 2024", the "Proposal in relation to the Revision of the Working Rules of the Nomination and Remuneration Committee of the Board of Directors of Bank of Jiujiang Co., Ltd." and the "Proposal in relation to the Amendment of the Personnel Remuneration Management System (Interim) and Its Implementing Rules of Bank of Jiujiang", and other proposals.

Particulars of attendance of members at the Nomination and Remuneration Committee meetings during the reporting period are set out as below:

Member of the Nomination and Remuneration Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
TIAN Li	7	7	0	100%
ZHANG Yonghong	7	7	0	100%
GUO Jiequn	6	6	0	100%
WANG Wanqiu	1	1	0	100%

5.5 Strategy Committee

During the reporting period, the Strategy Committee under the Board of our Bank was composed of one executive Director and two non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Strategy Committee under the Board	ZHOU Shixin	LUO Feng SHI Zhishan

The primary responsibilities of the Strategy Committee are as follows:

(I) to formulate preliminary proposals for the Bank in respect of increase or reduction of registered capital, issue of bonds or other securities and the listing thereof, and submit to the Board of Directors for review;

(II) to formulate preliminary development strategies and special strategic plans, supervise the implementation of the strategies and submit the relevant strategic plans and reports to the Board of Directors for review;

(III) to formulate preliminary proposals for material acquisitions, acquisition of shares of the Bank, or merger, division, dissolution, liquidation or transformation of the Bank, and submit to the Board of Directors for review;

(IV) to consider matters of external investment, acquisition and disposal of assets that should be submitted to the Board of Directors for review, in accordance with laws and regulations, regulatory requirements and the Articles of Association;

(V) to consider the annual financial budgets, final accounts, profit distribution plans and plans for recovery of losses, and submit to the Board of Directors for review;

(VI) to consider the establishment of internal management departments, major corporate restructuring and adjustment proposals and institutional development plans, and submit to the Board of Directors for review;

(VII) to consider the capital adequacy ratio management plans, capital adequacy ratio management reports and internal capital adequacy assessment reports, and submit to the Board of Directors for review;

(VIII) to regularly evaluate the corporate governance of the Bank, and submit to the Board of Directors;

(IX) to be responsible for green finance and supervise and evaluate the implementation of the Bank's green finance development strategy;

(X) to review reports in relation to data governance;

(XI) to deal with other matters authorized by the Board and stipulated in the Articles of Association and regulatory provisions.

During the reporting period, the Strategy Committee convened a total of five meetings, and considered and approved the "Proposal in relation to the Issuance of Perpetual Bonds", the "Proposal in relation to the Consideration of the Bank of Jiujiang Strategic Plan Report (2025-2027)", the "Proposal on Adjusting the Corporate Governance Structure of Bank of Jiujiang", and the "Proposal in relation to the Revision of the Articles of Association of Bank of Jiujiang Co., Ltd." and other proposals.

Particulars of attendance of members at the Strategy Committee meetings during the reporting period are set out as below:

Member of the Strategy Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
ZHOU Shixin	5	5	0	100%
LUO Feng	5	5	0	100%
SHI Zhishan	5	5	0	100%

5.6 Consumer Rights Protection Committee

During the reporting period, the Consumer Rights Protection Committee under the Board of the Bank was composed of one executive Director, one non-executive Director and one independent non-executive Director, the details of the composition are set out below:

	Chairperson	Member
Member of Consumer Rights Protection Committee under the Board	YUAN Delei	LIU Yinan GUO Jiequn [1]

Note:

(1) Upon the consideration and approval of the Board, with effect from 31 October 2025, Mr. GUO Jiequn has been appointed as a member of the Consumer Rights Protection Committee under the Board, and Ms. WANG Wanqiu has ceased to be a member of the Consumer Rights Protection Committee under the Board.

The primary responsibilities of the Consumer Rights Protection Committee include:

(I) to formulate strategies, policies and objectives for the protection of consumer rights and interests related to the Bank, and to urge senior management to effectively perform and implement the relevant work;

(II) to provide guidance and supervision on the establishment and improvement of the management system for the protection of consumer rights and interests;

(III) to supervise and evaluate the comprehensiveness, timeliness and effectiveness of the Bank's protection of consumer rights and interests and the relevant performance of the senior management;

(IV) to regularly receive special reports from senior management on the development of protection of consumer rights and interests of the Bank, to review the relevant special reports on protection of consumer rights and interests, to submit the relevant special reports to the Board, and to consider the relevant work as an important part of information disclosure;

(V) to urge the senior management and the relevant departments to promptly and effectively rectify various issues identified in the audit and to supervise the implementation of such rectification as specified in the report;

(VI) to consider other significant issues related to protection of consumer rights and interests; and

(VII) to exercise other matters prescribed by the law, regulations, rules, regulatory documents, regulations and rules governing securities of the place where the shares of the Bank are listed, the Articles of Association and any other matters authorized by the Board.

During the reporting period, the Consumer Rights Protection Committee convened a total of three meetings, and considered and approved the "Proposal in relation to the Consideration of the Consumer Rights Protection Work Report of Bank of Jiujiang for the Year 2024", "Proposal in relation to the Revision of Consumer Rights Protection Work Management Measures of Bank of Jiujiang" and the "Proposal in relation to the Consideration of the Consumer Rights Protection Work Report of Bank of Jiujiang for the First Half of 2025" and other proposals.

Particulars of attendance of members at the Consumer Rights Protection Committee meetings during the reporting period are set out as below:

Member of the Consumer Rights Protection Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
YUAN Delei	3	3	0	100%
LIU Yinan	3	3	0	100%
WANG Wanqiu	2	2	0	100%
GUO Jiequn	1	1	0	100%

5.7 Compliance Management Committee

During the reporting period, the Compliance Management Committee under the Board of the Bank was composed of one executive Director and two non-executive Directors, the details of the composition are set out below:

	Chairperson	Member
Member of the Compliance Management Committee under the Board	ZHOU Miao	YUAN Delei LIU Yinan

The primary responsibilities of the Compliance Management Committee include:

(I) to pursue the values of honesty and integrity, and to foster a compliance culture with lawful business operation and a behavior management culture of employees who shall conduct in accordance with the law and be honest and trustworthy;

(II) to be well informed of the implementation of the compliance policy and its existing problems, and to promptly submit relevant opinions and suggestions to the Board or the senior management to oversee the effective implementation of the compliance policy;

(III) to provide guidance and suggestions on the establishment and improvement of the compliance management mechanism and system;

(IV) to evaluate the effectiveness of compliance management and the level of compliance culture construction, and urge the resolution of major issues in compliance management and the compliance culture construction;

(V) to review the internal control assessment report submitted by the senior management and evaluate the adequacy and effectiveness of the internal control of the Bank;

(VI) to review anti-money laundering policies, anti-money laundering work plan and work report submitted by the senior management, as well as the internal control system related to anti-money laundering, and provide relevant advice and suggestions to the Board or senior management in a timely manner;

(VII) to review the operational risk reports submitted by the senior management, to understand the overall operation risk management of the Bank, and to assess the effectiveness of the Bank's operational risk management;

(VIII) to review the compliance review report in relation to substantial investments submitted by the senior management, to evaluate the effectiveness of the pre-compliance review mechanism of substantial investments, and to review and make decisions on the change of the mechanism;

(IX) to review the case risk prevention and control assessment and other relevant reports submitted by the senior management, and to promote the establishment of case prevention management systems;

(X) to review the Bank's overall new product business development strategy and risk management policies, to approve the development of new products, to make material changes to existing products, and to expand into new business areas;

(XI) to review the code of conduct formulated by the Bank and detailed rules thereof, and to supervise the senior management in conducting behavior management of employees;

(XII) to review the Bank's overall outsourcing strategy and development plan, and reports in relation to outsourcing activities;

(XIII) other matters required by laws, regulations, rules, regulatory documents, rules governing securities of the place where the shares of the Bank are listed, the Articles of Association or authorized by the Board of Directors.

During the reporting period, the Compliance Management Committee convened a total of six meetings, and considered and approved the "Proposal in relation to the Consideration of the Bank of Jiujiang 2024 Annual Compliance Management Report", the "Proposal in relation to the Revision of the Compliance Policy of Bank of Jiujiang Co., Ltd.", the "Proposal in relation to the Revision of the Working Rules of the Compliance Management Committee of the Board of Directors of Bank of Jiujiang Co., Ltd.", and the "Proposal in relation to the Revision of the Basic System for Anti-Money Laundering and Counter-Terrorism Financing of Bank of Jiujiang and Its Implementation Rules" and other proposals.

Particulars of attendance of members at the Compliance Management Committee meetings during the reporting period are set out as below:

Member of the Compliance Management Committee under the Board	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
ZHOU Miao	6	6	0	100%
YUAN Delei	6	6	0	100%
LIU Yinan	6	6	0	100%

6. FORMER BOARD OF SUPERVISORS

The Bank has ceased to establish the Board of Supervisors with effect from December 31, 2025. As the former Board of Supervisors and its members had performed their duties for more than half of the year in 2025, its performance of duties during the year is disclosed in this section.

6.1 Composition of the Former Board of Supervisors

The former Board of Supervisors was composed of five Supervisors, including two employee Supervisors, namely Ms. LIAO Jingwen and Ms. YU Menglin, two external Supervisors, namely Mr. CHUA Alvin Cheng-Hock and Mr. TANG Xiaofeng, as well as one Shareholder Supervisor, namely Ms. CHEN Zhiying.

6.2 Operation of the Former Board of Supervisors

During the reporting period, through various means such as convening meetings of the Board of Supervisors and the Special Committees to consider and approve resolutions and listen to reports, attending general meetings and being present at Board meetings, the former Board of Supervisors supervised and appraised the discharge of duties by the Board and senior management and its members, oversaw the financial activities, risk management and internal controls of the Bank, gave their recommendations after supervising and continuously monitored the implementation of various recommendations by the Bank.

During the reporting period, the former Board of Supervisors arranged and implemented the 2024 duty performance appraisal for the Board, Directors, senior management and its members, and former Supervisors, and provided feedback to the Board and the senior management.

6.3 Meetings of the Former Board of Supervisors and Attendance of Former Supervisors

In 2025, the former Board of Supervisors convened a total of six meetings, during which 33 proposals were reviewed and approved, and 49 reports were heard or reviewed.

Particulars of the convening of the former Board of Supervisors meetings

Meeting	Date	Form
The 11th Meeting of the Seventh Board of Supervisors	March 31, 2025	On-site meeting
The 12th Meeting of the Seventh Board of Supervisors	April 28, 2025	On-site meeting
The 13th Meeting of the Seventh Board of Supervisors	June 27, 2025	On-site meeting
The 14th Meeting of the Seventh Board of Supervisors	August 29, 2025	On-site meeting
The 15th Meeting of the Seventh Board of Supervisors	October 31, 2025	On-site meeting
The 16th Meeting of the Seventh Board of Supervisors	December 11, 2025	On-site meeting

Particulars of attendance of former Supervisors at the former Board of Supervisors meetings

Members of the former Board of Supervisors	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person	Rate of attendance
CHUA Alvin Cheng-Hock	6	6	0	100%	100%
TANG Xiaofeng	6	6	0	100%	100%
CHEN Zhiying	6	6	0	100%	100%
LIAO Jingwen	6	6	0	100%	100%
YU Menglin	6	6	0	100%	100%

6.4 Attendance at Shareholders' General Meetings during the Reporting Period

During the reporting period, the Bank held a total of three Shareholders' General Meetings. The former Board of Supervisors designated representatives to attend the meetings who carried out on-site supervision on the compliance and legality of the reviewed proposals, meeting procedures and voting process.

6.5 Attendance at Meetings of the Board of Directors and Senior Management during the Reporting Period

During the reporting period, the former Board of Supervisors designated representatives to be present at on-site meetings of the Board held by the Bank, and supervised the legality and compliance of procedures of convening the Board meeting and voting, as well as the attendance, speech and voting of Directors. The former Board of Supervisors also delegated representatives to attend important business management meetings and oversaw senior management's execution of resolutions by the Board and the launch of operational management activities.

6.6 Special Committees under the Former Board of Supervisors

6.6.1 Nomination Committee under the former Board of Supervisors

The composition of the Nomination Committee under the former Board of Supervisors of the Bank during the reporting period is set out below:

	Chairperson	Member
Member of the Nomination Committee under the former Board of Supervisors	CHUA Alvin Cheng-Hock	CHEN Zhiying LIAO Jingwen

During the reporting period, the Nomination Committee of the former Board of Supervisors convened a total of five meetings, and considered and approved the "2024 Evaluation Report on the Performance of Duties of Supervisors of Bank of Jiujiang Co., Ltd.", the "2024 Evaluation Report on the Performance of Duties of Directors and Senior Management from the Board of Supervisors of Bank of Jiujiang Co., Ltd.", the "2024 Report on the Remuneration Management Implementation of Bank of Jiujiang Co., Ltd. by the Board of Supervisors" and other proposals.

Member of the Nomination Committee under the former Board of Supervisors	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
CHUA Alvin Cheng-Hock	5	5	0	100%
CHEN Zhiying	5	5	0	100%
LIAO Jingwen	5	5	0	100%

6.6.2 Supervisory Committee under the former Board of Supervisors

The composition of the Supervisory Committee of the Bank's former Board of Supervisors during the reporting period is shown in the table below:

	Chairperson	Member
Member of the Supervisory Committee under the former Board of Supervisors	TANG Xiaofeng	LIAO Jingwen YU Menglin

During the reporting period, the Supervisory Committee of the former Board of Supervisors convened a total of four meetings, and considered and approved the "Report of the Board of Supervisors of Bank of Jiujiang on the Implementation of the Strategic Plan for 2024" and other proposals.

Member of the Supervisory Committee under the former Board of Supervisors	Expected attendance	Attendance in person	Attendance by proxy	Rate of attendance in person
TANG Xiaofeng	4	4	0	100%
LIAO Jingwen	4	4	0	100%
YU Menglin	4	4	0	100%

7. TRAINING AND STUDIES UNDERTAKEN BY DIRECTORS AND FORMER SUPERVISORS DURING THE REPORTING PERIOD

The Directors of the Bank confirm that they have participated in continuing professional development to develop and update their knowledge and skills, thereby ensuring that they continue to contribute to the Board with comprehensive information and in a manner that meets its needs. In 2025, all of the Directors (Mr. ZHOU Shixin, Mr. XIAO Jing, Mr. YUAN Delei, Mr. LUO Feng, Mr. SHI Zhishan, Ms. ZHOU Miao, Mr. LIU Yinan, Ms. WANG Wanqiu, Mr. ZHANG Yonghong, Mr. TIAN Li and Mr. GUO Jiequn) and former Supervisors continued to enhance their knowledge and skills and enhance the capability of performance of their duties by attending meetings, conducting research seminars, and reviewing relevant materials.

During the reporting period, Directors and former Supervisors participated in the training on "Interpretation of the New Regulations on Corporate Governance of H-share Listed Banks" organised by the Bank in conjunction with an external law firm; conducted thematic seminars on risk management, green finance, wealth management transformation and consumer rights protection; and conducted on-site investigations at some of the branches.

8. SENIOR MANAGEMENT

Serving as the executive body of the Bank, the senior management is accountable to the Board and is subject to the supervision of the former Board of Supervisors. Powers and authorities of the senior management and the Board of Directors are divided in strict compliance with the Articles of Association. Our Bank practices a president accountability system under the leadership of the Board. Our Bank has one president and several vice presidents. Directors can hold concurrent posts as president, vice president or other executives. Such appointments shall be made by the Board after the candidates pass the qualification reviews by the national financial regulatory institution.

The president of the Bank shall be accountable to the Board and exercise the following powers:

(I) to manage the business operations of the Bank, organize execution of the Board's resolutions,and report to the Board;

(II) to submit business plans and investment proposals of the Bank to the Board and to organize the implementation thereof upon approval by the Board;

(III) to draft schemes for setting up the Bank's internal management bodies, and, as authorized by the Board, to decide on the setup of internal management bodies and branches other than those to be decided by the shareholders' meeting and the Board;

(IV) to propose the annual financial budgets, final accounting schemes and profit distribution plans of the Bank;

(V) to formulate the Bank's basic management system;

(VI) to formulate the Bank's specific management system;

(VII) to propose to the Board to appoint or dismiss the vice president, financial chief and other senior management officers of the Bank;

(VIII) to appoint or dismiss persons in charge of the functional departments and branches of the Bank other than those to be engaged or dismissed by the Board;

(IX) to undertake responsibility for comprehensive risk management implementation, implement relevant resolutions of the Board, establish an operational management structure suitable for comprehensive risk management, clarify the division of responsibilities among the functional departments, business departments and other departments in comprehensive risk management, and establish an operational mechanism which can ensure coordination among departments and effective check and balance;

(X) to formulate a systematic system, procedure and method according to the risk level acceptable by the Board, and adopt corresponding risk control measures; to be responsible for establishing and improving the internal organizational structure to ensure that various duties of internal control are effectively fulfilled; to be responsible for organizing test and assessment on the adequacy and effectiveness of the internal control system;

(XI) to establish a clear implementation and accountability mechanism to ensure that risk management strategies, risk appetites and risk limits are fully conveyed and effectively implemented; to make risk management policies and procedures, conduct regular assessments, and report to the Board on management of comprehensive risks and various types of major risks; to keep an eye on events beyond risk appetites and risk limits and in violation of risk management policies and procedures, and deal with them as authorized by the Board;

(XII) to authorize other senior management officers, persons in charge of the Bank's functional departments and branches to engage in operating and management activities;

(XIII) to adopt emergency measures when any material emergency (such as a run on the Bank) arises and promptly report them to the national financial regulatory institution, the Board;

(XIV) to perform other functions and powers stipulated by laws, administrative regulations, rules and the Articles of Association or conferred by the Board. The president and vice presidents of the Bank shall be present at Board meetings, and if he is not a Director, shall not have any voting right at the meetings.

In addition, the senior management is also responsible for offering full explanations and information for financial and other materials submitted to the Board, providing updates to the members of the Board on a monthly basis which contain fair and eligible assessments on the performance, financial status and prospect of the Bank, with content enough to enable Directors to perform their functions and powers as stipulated in Rule 3.08 and Chapter 13 of the Listing Rules.

8.1 Chairman and President

In line with the recommendations under the Listing Rules, the roles and responsibilities of the Chairman and President of the Bank are taken up by different persons, and their respective responsibilities are clearly defined in the Articles of Association.

Mr. ZHOU Shixin is the secretary of the Party committee and Chairman of the Bank, and presides over the overall work of Bank of Jiujiang. Mr. XIAO Jing acts as the deputy secretary of the Party committee of the Bank and President of the Bank, and presides over the work of the senior management.

9. SECURITIES TRANSACTIONS BY DIRECTORS, FORMER SUPERVISORS AND RELEVANT EMPLOYEES

The Bank has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct for securities transactions of the Bank by all Directors and former Supervisors. The Bank has also put in place guidelines in respect of dealings in securities of the Bank, which terms are no less exacting than those of the Model Code, for the relevant employees (as defined in the Listing Rules). Having made specific enquiries to all Directors and former Supervisors regarding their compliance with the Model Code, each of the Directors and former Supervisors confirmed that those standards as provided thereunder have been complied with for the year ended December 31, 2025. Having made specific enquiries to the relevant employees regarding their compliance with the guidelines of dealing in securities of the Bank, the Bank is not aware of any incompliance with the guidelines.

10. FINANCIAL, BUSINESS AND FAMILY RELATIONSHIPS AMONG DIRECTORS, FORMER SUPERVISORS AND SENIOR MANAGEMENT

There are no relationships among each of the Directors, former Supervisors and senior management of the Bank, including financial, business, family or other material relationships.

The Bank has purchased insurance for our Directors, former Supervisors and senior management against the legal liabilities arising from duty performance, and such insurance policies are governed by PRC laws.

11. COMPANY SECRETARY

Mr. WONG Wai Chiu is currently the company secretary, authorized representative and service of process agent of the Bank. Mr. XIAO Jing, the President of the Bank, acted as the primary internal contact person of the Bank.

During the reporting period, Mr. WONG Wai Chiu, the company secretary of the Bank, has received not less than 15 hours of related professional training in accordance with the requirements in Rule 3.29 of the Listing Rules.

12. COMMUNICATIONS WITH SHAREHOLDERS

12.1 Investor Relations

The Bank values communications and connections with shareholders. We have actively launched a diversity of activities for shareholders to strengthen contacts with shareholders and enhance mutual understanding and exchanges, as well as actively provide feedback to shareholders' requests. For enquiries to the Board of Directors, shareholders may contact our Office of the Board of Directors, the contact information is as follows:

Address: No. 619 Changhong Avenue, Jiujiang, Jiangxi Province, China
Tel: +86(792)7783000-1101
Fax: +86(792)8325019
Email: dshbgs6190@jjccb.com

12.2 Information Disclosure

The Board of Directors and the Senior Management of the Bank place great importance on information disclosure. They rely on good corporate governance and internal controls to ensure investors obtain information in a timely and accurate manner.

In accordance with the requirements of the Listing Rules, Measures for the Information Disclosure of Commercial Banks and Measures for the Information Disclosure of Bank of Jiujiang Co., Ltd., the Bank continuously improved the timeliness, accuracy and completeness of the information to be disclosed. During the reporting period, the Bank published related announcements from time to time on the website of the Hong Kong Stock Exchange in accordance with the Listing Rules and provided a full version of the relevant reports on our website for review by the investors and stakeholders.

12.3 Communication Policy

The Bank attaches great importance to the management of investor relations. The Bank formulated a sound shareholder communication policy, and regularly reviewed the policy to ensure that the policy is effective and complies with current laws and other regulations.

The Company has established a number of channels for maintaining an ongoing dialogue with shareholders as follows:

(1) Financial reports (interim reports and annual reports), announcements, circulars and other corporate publications are available on the Bank's website (www.jjccb.com) and HKEXnews website (www.hkexnews.hk);

(2) Corporate information is made available on the Bank's website; while the Articles of Association and relevant articles of the Bank are published on the websites of the Hong Kong Stock Exchange and the Bank;

(3) The Bank regularly held seminars for medium and small shareholders and met with shareholders/investors;

(4) The annual general meeting and the extraordinary general meeting provide a forum for shareholders to make comments and exchange views with the Directors and senior management;

(5) The share registrars serve shareholders in respect of share registration, dividend payment, change of shareholders' particulars and related matters; and

(6) The Bank understands the importance of protecting the privacy of shareholders. Except as required by laws, the Bank will not disclose shareholder information without the consent of shareholders.

Upon reviewing the different communication channels with shareholders, the Board of Directors is of the view that the above shareholder communication policy has been properly implemented and effective during the year.

13. AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE DISCONTINUATION OF THE BOARD OF SUPERVISORS

In accordance with the Company Law, the Notice of the National Financial Regulatory Administration on Matters Concerning the Alignment of Corporate Governance Regulatory Provisions with the Company Law, and other applicable laws, regulations, regulatory requirements and relevant documents, the Bank proposes to discontinue the establishment of a Board of Supervisors, and for the Audit Committee of the Board of Directors to exercise the functions and powers of the Board of Supervisors as stipulated under the Company Law and relevant regulatory regimes. Pursuant to the aforementioned laws, regulations, regulatory requirements and relevant documents, and in light of the Bank's corporate governance practices, the Bank proposes to amend the Articles of Association.

The amendments to the Bank's Articles of Association were approved by the Jiangxi Financial Regulatory Bureau on December 31, 2025. The amended Articles of Association took effect on the date of such approval. From the effective date of the amended Articles of Association, the Bank has ceased to maintain a Board of Supervisors.

For further details of the amendments to the Articles of Association and the discontinuation of the Board of Supervisors, please refer to the Bank's announcements dated August 29, 2025, September 29, 2025 and December 31, 2025, as well as the circular dated September 12, 2025.

14. SHAREHOLDERS' RIGHTS

14.1 Convening of Shareholders' General Meetings

Shareholders severally or jointly holding more than 10% of the total voting shares of the Bank shall propose in writing to the Board to convene an extraordinary shareholders' meeting.

The Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether or not to convene the extraordinary shareholders' meeting within 10 days after receipt of the request.

If the Board agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within five days after the resolution of the Board is made. In the event of any change to the original proposal set forth in the notice, the consent of the relevant shareholders shall be required.

If the Board does not agree to hold the extraordinary shareholders' meeting or fails to give a written reply within 10 days after receipt of the request, shareholders severally or jointly holding more than 10% of the total voting shares of the Bank shall propose in writing to the Audit Committee to convene an extraordinary shareholders' meeting.

If the Audit Committee agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within five days after receipt of the request. In the event of any change to the original proposal set forth in the notice, the consent of the relevant shareholders shall be required.

If the Audit Committee fails to serve a notice of a shareholders' meeting within the specified period, it shall be deemed that the Audit Committee does not convene and preside over the shareholders' meeting. Shareholders severally or jointly holding more than 10% of the total voting shares of the Bank for a continuous period of more than 90 days may convene and preside over the meeting by themselves.

14.2 Submission of Proposals to the Shareholders' Meetings

Pursuant to the Bank's Articles of Association, shareholder(s) severally or jointly holding more than 1% of the total voting shares of the Bank may make proposals to the Bank.

The above Shareholder(s) may prepare interim proposals in written form to the convener 10 days prior to the Shareholders' Meetings. The convener shall dispatch a supplementary notice of the Shareholders' Meetings to announce the content of interim proposals within two days upon receipt of the proposals.

15. PROFIT DISTRIBUTION POLICIES

The profit distribution policy of the Bank shall focus on generating reasonable returns on investment made by investors. Continuity and stability shall be maintained with the profit distribution policy, which is conducive to the long-term development of the Bank. The Bank shall distribute dividends in the profit-making year. The Bank's profit distribution shall neither exceed the range of the accumulated distributable profits nor harm the sustainable operation capability of the Bank. The Board of Directors, the Audit Committee and the Shareholders' Meeting of the Bank shall fully consider the opinions of independent Directors and public investors in the decision-making and demonstration process of the profit distribution policy.

(1) the Bank distributes dividends in cash or stock, or cash-and-stock, but mainly in cash;

(2) if the net cash flow from operating activities in the current year is negative, the Bank may pay no cash dividends;

(3) generally, dividends are paid annually, and the Board of the Bank may also propose interim dividend distribution based on the Company's demand for funds;

(4) if the Bank needs to adjust its profit distribution policy according to its production and operation conditions, investment plans and long-term development needs, it shall seek consent from more than two thirds of all independent Directors and submit such adjustments to the Shareholders' Meeting for deliberation after consideration by the Audit Committee and the Board of Directors of the Bank;

(5) the Bank shall formulate or adjust the plan of dividend returns to shareholders within the scope of the aforesaid profit distribution policy based on its own actual conditions;

(6) the profit distribution plan of the Bank shall be submitted to the Shareholders' Meeting for deliberation and approval after deliberation by the Audit Committee and the Board of Directors; the Bank shall listen to the opinion of public investors when deliberating on the proposals for profit distribution policies and profit distribution plans at the Shareholders' Meeting.

16. EXTERNAL AUDITORS AND AUDITOR EMOLUMENTS

The Board of Directors held on March 31, 2025 and the 2024 Annual General Meeting held on June 27, 2025 considered and approved the resolution of the Bank to continue to appoint KPMG Huazhen LLP and KPMG (collectively "KPMG") as its domestic and overseas auditors, respectively. In 2025, the Bank paid KPMG and its affiliated institutions a total of RMB6.706 million for its services, including RMB4.79 million for audit services and RMB1.916 million for non-audit services. Non-audit service fees include RMB0.846 million for consulting services on special program for the reform of rural banks, RMB0.48 million for debt services, RMB0.22 million for assurance services and RMB0.37 million for other consulting services.

The Board of Directors and the Audit Committee under the Board of Directors are unanimously in agreement with regard to the selection and appointment of external auditors of the Bank. The Bank has not changed its external auditor in any of the past three years.

17. CORPORATE CULTURE

The Bank has always adhered to the construction of corporate culture since its inception on November 18, 2000. The Bank formulated the Bank of Jiujiang Corporate Culture Manual and continued to amend and improve it.

Our vision: Creating a branded bank and building a century-old store

Our mission: To create maximum value for our customers and optimal positions for our employees

Our core values: Customer centricity, compliance, integrity, hard work, self-criticism, carefulness and well-being

Our spirits: Unity, integrity, perseverance and creativity

Our principles: To act in good conscience, follow rules and value talents

18. RISK MANAGEMENT AND INTERNAL CONTROL

During the reporting period, the Bank continued to strengthen its risk management system and effectively responded to the challenges of credit risk, market risk, operational risk and liquidity risk by improving its governance structure and optimising its risk strategies. In our daily operations, we have been continuously improving our overall risk management standards through various measures, including setting up a risk management structure to ensure the integration of efficient management and all-round support. We have been formulating and implementing effective risk management plans, improving our risk management mechanism and the risk identification and control technical competency. With the help of an effective incentive and accountability system, we have improved our assessment and supervision efficiency, while strengthening and refining our risk management methodologies and measures.

During the reporting period, centering on five elements of internal control and with the Basic System of Internal Control of Bank of Jiujiang Co., Ltd. as the outline system, the Bank established a relatively scientific, complete, reasonable and tight internal control system with the aim of improving risk control capability and customer service capability, promoting sustainable development, and continuously and effectively upgrading and improving internal control. In terms of internal control environment, we established the enterprise culture of "with internal control and compliance as our top priorities", adhered to the business philosophy of "with the risk control as the core", optimised our organizational structure and established an internal control governance and organizational structure with a reasonable division of labor, clear responsibilities and clear reporting relationships, consisting of the Board of Directors, the Board of Supervisors, the Shareholder's Meeting and the Senior Management (三會一層), functional department of internal control management, audit department and business department. In terms of risk assessment, we established a relatively sound system for comprehensive risk management, focused its efforts on initiatives to improve quality, expand coverage and enhance efficiency, conducted the reconstruction of credit risk management system and mechanism and efficient to effectively identify, monitor, measure, evaluate and control various risks and keep the risks within tolerable limits. Besides, we took rigorous measures to curb new risks, reduce existing risk exposures and make every effort to resolve risks. In terms of control measures, the Bank has thoroughly implemented the three-year action plan to promote and cultivate the "Integrity and Trustworthiness, Righteous Profits, Prudent Stewardship, Innovation with Purpose and Rule of Law (五要五不)" financial culture with Chinese characteristics, continuously pushed forward the standardization of the entire credit process, continuously pushed forward the export of key compliance points and the embedding of the process, and vigorously implemented the digital transformation, so as to solidify the foundation of internal control and compliance. The Bank also integrated various control measures to implement effective control over various businesses and matters, and the scope of internal control basically covers all management and business processes. In terms of information and communication, the information system was relatively complete, the internal and external data indicator system was relatively sound. The Bank has developed a sound overseeing working mechanism to put the integrated operation into practice and to establish a long-term mechanism for implementing supervisory opinions, and the information exchange and communication among the three lines of defense were relatively smooth and effective. In terms of internal supervision, the Bank focused on inspection and evaluation, mainly carried out the inspection on the compliance of internal control, evaluation on the internal control and supervision and evaluation of the audit department, gave more priority to the "three-in-one" supervision (namely the inspection of the compliance department, the audit department and discipline inspection committee), effectively corrected problems found and basically formed an internal control mechanism featuring beforehand risk prevention, in-progress control and post-event supervision and correction in place.

The Bank dynamically adjusts the internal control evaluation system on an annual basis, conducts internal control evaluation from design defects at the head office level and operation defects at the branch level, and evaluates the level of internal control defects and the effectiveness of internal control of each branch in a fair and objective manner through negative correction of the result indicators based on a combination of qualitative and quantitative methods, and enhances the application of the evaluation results of internal control. Normally, the Bank conducts internal control special evaluations in a timely manner according to important business, major risks and important management matters, and urges to improve systems, optimise processes and upgrade systems based on the evaluation results to promote further improvement of internal control management.

The Board of Directors of the Bank assumes ultimate responsibilities for comprehensive risk management, including performing duties such as the establishment of risk culture, the formulation of risk management policies, and the setting of risk appetite, risk tolerance and risk limit; formulates risk management and internal control policies and reviews the effectiveness of annual risk management and internal control at least once a year; ensures the establishment and implementation of a fully effective internal control system, which guarantees the Bank operates prudently within the legal and policy framework; and assumes responsibilities regarding the risk management and internal control system of the Bank, which aims to manage rather than eliminate the risk of failing to achieve business goals, and can only provide reasonable and not absolute assurance against material misstatements or losses.

As the Bank has ceased to establish its Board of Supervisors with effect from December 31, 2025, the supervisory responsibilities over risk management and internal control have been assumed by the Audit Committee of the Board of Directors in accordance with applicable laws. Such responsibilities primarily include overseeing and reviewing the performance of duties by the Board of Directors and Senior Management in respect of risk management and urging rectification where necessary, as well as supervising the Board of Directors and Senior Management in improving the internal control system and fulfilling their internal control responsibilities.

For the year ended December 31, 2025, the Board of Directors completed the annual review and evaluation of the effectiveness of the Group's internal control and risk management system. The evaluation covers all of the Group's key internal control environment, including financial, operational and compliance as well as risk management. Upon receiving relevant reports on the effectiveness of the internal control and risk management system of the senior management of the Bank, the Board considered that the operations of the risk management and internal control systems of the Group were adequate and effective on the whole, and there were no material matters that need to be brought to attention during the year. During the reporting period, the Bank has not implemented any changes to its internal control and risk management systems.

19. INTERNAL AUDIT

Effective internal audit is of vital importance for ensuring sustainable development of the Bank's business operation. The Bank has established a vertical and independent internal audit organizational structure and sticks to the principles of independence and objectivity throughout the internal audit work. Meanwhile, the Board of Directors of the Bank has an Audit Committee which is responsible for reviewing the important regulations and reports related to internal audit and more, as well as approving medium-to long-term audit plans and annual audit plans.

The objectives of our internal audit are the review, evaluation and improvement of our business operations, risk management, internal control and compliance and corporate governance by combination of the on-site audit and off-site audit through independent and objective supervision, evaluation and advisory activities in a systematic and standardized manner, so as to promote our steady operation and value enhancement. The Bank has established an unobstructed problem-sharing bridge to accurately connect with various business lines, branches and management departments to strengthen audit guidance and rectification supervision; and strengthened the Bank's risk prevention and operational control capabilities through audit reminders and regular release of rectification status.

20. INSIDE INFORMATION MANAGEMENT

The Board of Directors is responsible for disclosing information about the Bank and takes ultimate responsibility for the authenticity, accuracy, integrity and timeliness of the accounting report and financial report. The Board of Directors is responsible for the implementation of information disclosure while the Board of Directors secretary is responsible for coordinating and organizing the specific matters related to the information disclosure of the Bank.

To ensure confidentiality of the inside information, safeguard the fairness in information disclosure and protect the legal rights of investors, the Bank enacted the Measures for Information Disclosure Management in Bank of Jiujiang Co., Ltd. and Management Measures on Information Insiders of Bank of Jiujiang Co., Ltd. based on domestic and overseas laws, regulations and other regulatory documents such as the Company Law of the PRC, the Securities Law of the PRC, Corporate Governance Guidelines for Banking and Insurance Institutions, Measures for the Information Disclosure of Commercial Banks, and the Listing Rules.

The Bank makes information disclosure and manages inside information in strict compliance with the regulatory requirements and specifies the principles, contents, management and procedures for information disclosure in the Measures for Information Disclosure Management in Bank of Jiujiang Co., Ltd. and Management Measures on Information Insiders of Bank of Jiujiang Co., Ltd., which also provide specific regulations for the coverage, insider limits and the security management of inside information as well as punishment for divulging inside information, etc.

During the reporting period, the Bank not only stringently complied with the regulatory requirements of domestic and overseas regulators, but also intensified its management rules and enhanced the security measures of its inside information as well as disclosed relevant information timely according to requirements.

1. PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Bank is principally engaged in absorbing public deposits; granting short-term, medium-term and long-term loans; handling domestic and overseas settlements; handling bill acceptance, settlement and discounting; issuing financial bonds; acting as an agent to issue, settle and underwrite government bonds; trading of government bonds and financial bonds; inter-bank placement; providing letters of credit services and guarantee; acting as an agent on inward and outward payments, acting as insurance agent; providing safe-box service; selling of securities investment funds and other business approved by the authorities (save as the above items as specified by the government, a licence is required for operation in the event of an administrative permit involved). During the reporting period, the Bank operated in accordance with law and the decision-making procedures were in compliance with relevant laws, regulations as well as the Articles of Association.

Further discussion and analysis of the business review required by the Fifth Schedule of the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong) is set out in "Accounting Data and Financial Indicator Highlights" and "Management Discussion and Analysis" of this annual report. The principal risks faced by the Bank are set out in the section headed "Management Discussion and Analysis – Risk Management". This discussion forms part of the "Report of the Board of Directors".

2. ANNUAL GENERAL MEETING AND DIVIDENDS

2.1 Annual General Meeting

The Bank will publish the date for convening the 2025 annual general meeting and the period for closure of the register of members in order to determine shareholders' entitlement to attend and vote at the said meeting, and release the notice and circular of the 2025 annual general meeting of the Bank and proxy from in due course.

2.2 Dividends

Shareholders of the Bank have considered and approved the 2024 Profit Distribution Plan of the Bank at the 2024 annual general meeting held on June 27, 2025. The final dividend for 2024 was RMB0.57 (tax inclusive) per ten shares, totaling RMB162.30 million (tax inclusive). The dividend was paid to the Domestic Shareholders and the H Shareholders whose names appeared on the register of members of the Bank on July 10, 2025. The above dividends paid were denominated in Renminbi and will be paid to Domestic Shareholders in Renminbi and H Shareholders in Hong Kong dollars. Calculation of the exchange rate for dividends payable in Hong Kong dollars was based on the central parity rate of the average exchange rate of the Renminbi to Hong Kong dollars, i.e. HK$1.00 = RMB0.912874, as announced by the People's Bank of China on the five working days prior to June 27, 2025, the date of declaration of the dividend at the 2024 annual general meeting (inclusive). The above dividend was paid to the Domestic Shareholders and the H Shareholders of the Bank on July 31, 2025.

The Board of Directors of the Bank recommends a cash dividend of RMB0.56 (tax inclusive) per ten shares for the year ended December 31, 2025, totaling approximately RMB159.45 million (tax inclusive), accounting for 19.35% of consolidated net profit attributable to ordinary shareholders of the Bank. The proposal will be submitted to the 2025 annual general meeting for approval, and if approved, the cash dividends for the year ended December 31, 2025 is expected to be paid to Shareholders on or before Friday, July 31, 2026. If there are any changes in the above dates, the Bank will make a further announcement. The above proposed dividends payable are denominated in Renminbi and will be paid to Domestic Shareholders in Renminbi and H Shareholders in Hong Kong dollars. Calculation of the exchange rate for dividends payable in Hong Kong dollars will be based on the central parity rate of the average exchange rate of the Renminbi to Hong Kong dollars in the interbank foreign exchange market as announced by the People's Bank of China on the five working days prior to the date of declaration of the dividend at the 2025 annual general meeting (inclusive).

3. TAX ON DIVIDEND

Withholding of Enterprise Income Tax for Overseas Non-PRC Resident Enterprise

Pursuant to the applicable provisions of the "Enterprise Income Tax Law of the People's Republic of China" and its implementation regulations and the "Circular of the State Administration of Taxation on Issues Relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares" (Guo Shui Han [2008] No. 897), when the Bank distributes the final dividend to H share non-PRC resident enterprise shareholders (including H shares registered in the name of HKSCC Nominees Limited), it will withhold and pay enterprise income tax at a rate of 10%. If the relevant non-resident enterprise shareholders are the actual beneficial owners who meet the requirements of the tax protocol (arrangement), the Bank will apply on behalf of the beneficial owners for them to enjoy the relevant treatments of the tax agreement in accordance with the Tax Agreement Announcement. Shareholders who meet the requirements shall submit to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, the written entrustment and all the application materials required by the Tax Agreement Announcement in a timely manner. Such materials shall be submitted to the competent tax authority for review by the Bank, and the Bank will then assist in the refund of extra tax withheld upon approval.

Withholding of Individual Income Tax for Overseas Non-PRC Resident Individual Shareholders

According to the applicable provisions of the "Individual Income Tax Law of the PRC" and its implementation regulations, the State Taxation Administration Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) and the Announcement of the State Administration of Taxation in relation to the Administrative Measures for Non-resident Taxpayers Claiming Tax Treaty Benefits (SAT Announcement [2019] No. 35) ("Tax Agreement Announcement"), the Bank will withhold and pay individual income tax for H Shareholders in accordance with the following arrangements:

The Bank will withhold and pay individual income tax at a rate of 10% for H share individual shareholders from Hong Kong or Macau or other countries (regions) with a tax rate of 10% with China as specified by the Tax Agreement when the final dividend is paid;

The Bank will withhold and pay individual income tax at a rate of 10% tentatively for H share individual shareholders from countries (regions) with a tax rate lower than 10% with China as specified by the Tax Agreement when the final dividend is paid. If the relevant H share individual shareholder intends to apply for a refund of the extra withholding tax, the Bank will apply on behalf of the shareholders for enjoying the relevant treatments of the tax agreement in accordance with the Tax Agreement Announcement. Shareholders who meet the requirements shall submit to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, the written entrustment and all the application materials required by the Tax Agreement Announcement in a timely manner. It shall be submitted to the competent tax authority for review by the Bank, and the Bank will then assist in the refund of extra tax withheld upon approval;

The Bank will withhold and pay individual income tax at a rate in accordance with the effective tax rate as stipulated in the relevant tax agreement for H share individual shareholders from countries (regions) with a tax rate higher than 10% but lower than 20% with China as specified by the Tax Agreement for them when the final dividend is paid;

The Bank will withhold and pay individual income tax at a rate of 20% for H share individual shareholders from countries (regions) with a tax rate of 20% with China as specified by the Tax Agreement or with no tax agreement with China or other circumstances when the final dividend is paid.

The Bank will generally withhold and pay individual income tax for H Shareholders in accordance with the above arrangements. However, the Bank will handle the application in compliance with specific requirements by the taxation authorities.

4. SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS

For details of the share capital and the substantial shareholders of the Bank, please see "Changes in Share Capital and Information on Shareholders" in this annual report.

5. DEBT SECURITIES ISSUED

For the year ended December 31, 2025, details of the debt securities issued by the Bank are set out in Note 31 to the financial statements of this annual report, and details of the undated capital bonds issued are set out in Note 36 to the financial statements of this annual report.

6. RESERVES AND DISTRIBUTABLE RESERVES

Details of the changes of the reserves of the Bank for the year ended December 31, 2025 are set out in the consolidated statement of changes in equity within the financial statements of this annual report.

7. PROPERTY AND EQUIPMENT

Details of the changes of the property and equipment of the Bank for the year ended December 31, 2025 are set out in Note 23 to the financial statements of this annual report.

8. CONNECTED TRANSACTIONS

The Bank provides commercial banking services and products to the public in the PRC in the ordinary course of its banking business, including connected persons of the Bank such as shareholders, Directors, the President and their respective associates. Under the Listing Rules, these transactions are conducted by the Bank in the ordinary course of its banking business on normal commercial terms and are exempt from the reporting, annual audit, disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Bank has reviewed all the connected transactions and confirmed compliance with the requirements of Chapter 14A of the Listing Rules.

The definition of connected persons in Chapter 14A of the Listing Rules differs from the definition of related parties under IAS and the IASB's interpretation thereof. Certain related party transactions set out in Note 41 to the financial statements also constitute connected transactions or continuing connected transactions as defined in the Listing Rules, but none of them constitutes discloseable connected transactions as defined in the Listing Rules.

9. DIRECTORS, FORMER SUPERVISORS AND SENIOR MANAGEMENT

Please refer to "Information on Directors, Senior Management, Staff and Institution" of this annual report for biographical details of current Directors and senior management and changes in Directors, former Supervisors and senior management during the reporting period.

10. CONFIRMATION OF THEIR INDEPENDENCE BY INDEPENDENT NON-EXECUTIVE DIRECTORS

The Bank has received an annual confirmation letter from each of the independent non-executive Directors regarding their independence in accordance with the requirements of the Listing Rules. It considers that all independent non-executive Directors are in compliance with the relevant guidelines set out in Rule 3.13 of the Listing Rules, and that they are independent persons.

Independent non-executive Directors do not have business and financial interests, nor do they hold any management positions in the Bank. All current non-executive Directors and independent non-executive Directors are selected through election for a term of 3 years. They are eligible for re-election at the expiry of the term of 3 years, independent non-executive Directors can serve for a term of not more than 6 years on an accumulative basis in the Bank.

11. INTERESTS OF DIRECTORS AND FORMER SUPERVISORS IN COMPETING BUSINESSES WITH THE BANK

During the reporting period, no Directors, former Supervisors and their associates have any competing interests in any business that competes, or may compete, directly or indirectly, with the business of the Bank.

12. DIRECTORS', FORMER SUPERVISORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

During the reporting period, the Bank provided remuneration to executive Directors, senior management, etc. in accordance with the Performance Remuneration Appraisal Plan for Senior Management of the Bank of Jiujiang Co., Ltd and other policies. The Bank provided remuneration to independent non-executive Directors in accordance with the Allowance System for the Independent Directors of the Bank of Jiujiang Co., Ltd., and provided remuneration to external Supervisors in accordance with the Allowance System for the External Supervisors of the Bank of Jiujiang Co., Ltd. (which was abolished on December 31, 2025). The non-executive Directors and former Shareholder Supervisor of the Bank do not receive any compensation from the Bank. The remuneration standard of former employee representative Supervisors was implemented in accordance with relevant employee remuneration measures of the Bank.

Details of the emoluments of Directors, former Supervisors, senior management and five highest paid individuals of the Bank are set out in Note 14 to the Financial Statements in this annual report. During the reporting period, the total remuneration for employees whose positions have significant impact on risks of the Bank amounted to RMB58.40 million.

13. RETIREMENT BENEFITS

Details of the retirement benefits provided by the Bank to employees are set out in Note 34(1) to the Financial Statements in this annual report.

14. DIRECTORS' AND FORMER SUPERVISORS' SERVICE CONTRACTS

During the reporting period, the Directors and former Supervisors did not enter into any service contract with the Bank that cannot be terminated by the Bank within one year without payment of compensation (other than statutory compensation).

15. PERMITTED INDEMNITY PROVISIONS

Pursuant to Code Provision C.1.8 set out in Part 2 of the Corporate Governance Code, the Bank should purchase appropriate insurance covering potential legal proceedings against the Bank's Directors. In order to comply with the code provisions, the Bank has purchased appropriate liability insurance for Directors to provide indemnity for their liability arising from the performance of their duties in the course of business in 2025.

Save as disclosed above, at any time during the reporting period and as of the date of this annual report, there was no permitted indemnity provision in favour of any Directors or former Supervisors (whether by the Bank or by other means) or directors or former Supervisors from the Bank's associated corporations (if formulated by the Bank) as beneficiaries.

16. FINANCIAL, BUSINESS AND FAMILY RELATIONSHIPS BETWEEN DIRECTORS, FORMER SUPERVISORS AND SENIOR MANAGEMENT

There are no financial, business or family relationships between each of the Directors, former Supervisors and senior management of the Bank.

17. INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES

As of the end of the reporting period, the Directors and chief executives of the Bank who had interests and short positions in the Shares, underlying Shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept by the Bank under Section 352 of the SFO, or which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code were as follows:

Interests in the Shares of the Bank (Long Positions)

Name	Position(s)	Class of shares	Nature of interest	Number of shares (share)	Approximate percentage of total issued share capital of the relevant class of the Bank (%)	Approximate percentage of total issued share capital of the Bank (%)
XIAO Jing	Executive Director, Vice Chairman, President and Chief Compliance Officer	Domestic Shares	Beneficial Owner	70,000	0.00	0.00

Interests in Associated Corporations (Long Positions)

Name	Position(s)	Associated corporation	Nature of interest	Number of shares (share)	Approximate percentage of share capital (%)
XIAO Jing	Executive Director, Vice Chairman, President and Chief Compliance Officer	Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司)[1]	Beneficial Owner	75,000	0.15
		Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司)[2]	Beneficial Owner	75,000	0.15
		Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司)[3]	Beneficial Owner	120,000	0.30
		Fenyi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司)[4]	Beneficial Owner	150,000	0.30

Notes:

(1) The Bank holds 35.00% of equity and 53.65% of voting rights of Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司), a subsidiary of the Bank.

(2) The Bank holds 35.00% of equity and 53.30% of voting rights of Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司), a subsidiary of the Bank.

(3) The Bank holds 35.00% of equity and 54.00% of voting rights of Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司), a subsidiary of the Bank.

(4) The Bank holds 35.00% of equity and 54.80% of voting rights of Fenyi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司), a subsidiary of the Bank.

18. MATERIAL INTERESTS OF DIRECTORS AND FORMER SUPERVISORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the reporting period, the Bank and its subsidiaries did not enter into any transactions, arrangements, or material contracts in which the Directors or former Supervisors (or their connected entities) directly or indirectly have material interests.

19. ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

During the reporting period, the Bank did not grant rights, or exercise any of these rights to enable Directors and former Supervisors to obtain benefits in the acquisition of shares or bonds of the Bank or any other body corporate.

20. MANAGEMENT CONTRACT

Except for the service contracts with the Bank's management, the Bank did not enter into any other contract with any individual, company or body corporate to manage or deal with the entire part or any significant part of any business of the Bank.

21. PURCHASE, SALE, OR REDEMPTION OF LISTED SECURITIES OF THE BANK

During the reporting period, the Bank or any of its subsidiaries did not purchase, sell or redeem any listed securities of the Bank (including sale of treasury shares). As of the end of the reporting period, the Bank did not hold any treasury shares.

22. PRE-EMPTIVE RIGHTS AND SHARE OPTION

There are no relevant laws of mainland China and the provisions in the Articles of Association for granting the Bank's shareholders with the pre-emptive rights and share option. The Articles of Association stipulates that after being considered and approved at the general meeting and approved by the national financial regulatory institution, the capital may be increased by the following means: issuance of shares to unspecified investors; issuance of shares to specified investors; distribution of new shares to its existing shareholders; conversion of funds in the capital reserve to share capital; other means stipulated by law and administrative regulations.

23. DONATION

The Bank made charitable and other donations totaling approximately RMB359,000 for the year ended December 31, 2025.

24. EQUITY-LINKED AGREEMENT

In order to actively implement the government's special debt policy of RMB200 billion, enhance the Bank's capital strength and risk resistance level, the Bank carried out the convertible negotiated deposit business to replenish other tier-one capital. On June 25, 2021, the Bank held the 2020 Annual General Meeting, the first domestic shareholder class meeting of 2021 and the first H shareholders class meeting of 2021 to consider and approve the replenishment of other tier-one capital through a convertible negotiated deposit by the Bank.

On September 7, 2021, the Bank and Jiujiang Finance Bureau entered into an Agreement on Replenishing the "Convertible Negotiated Deposit" of Small and Medium-sized Banks' Capital with the Special Bonds (the "**Agreement**"). Pursuant to the Agreement, the Bank received special bonds of RMB2 billion through a convertible negotiated deposit, and all the funds were used to supplement other tier-one capital of the Bank. The interest rate of the convertible negotiated deposit was 3.11%, which matched with the corresponding local government special debt issuance interest rate and shall be mature in batches.

The parties agree that the conversion of the convertible negotiated deposit into the ordinary Shares of the Bank shall be subject to the following conditions:

① The core tier-one capital adequacy ratio of the Bank is lower than 5.125%;

② The class and number of the converted ordinary Shares and the shareholding structure of the Bank after the conversion shall satisfy the particular requirements of Hong Kong Stock Exchange for the Minimum Public Float, otherwise the conversion shall be terminated.

If the above conditions are met, all or part of the convertible negotiated deposit placed in the Bank by Jiujiang Finance Bureau will be converted into the Shares of the Bank and will be held by the qualified municipal level state-owned enterprises under the State-owned Assets Supervision and Administration Commission of Jiujiang ("**Jiujiang SASAC**"). The qualified municipal level state-owned enterprises under Jiujiang SASAC will pay the corresponding considerations to Jiujiang Finance Bureau in respect of such Shares. The shareholding ratio of which will be determined based on the conversion price standards set out in the Agreement. When the core tier-one capital adequacy ratio of the Bank is lower than 5.125% while the above Condition 2 is not satisfied, Jiujiang Finance Bureau shall not convert the Shares in a mandatory manner.

The conversion price is determined on the basis of the higher value of average trading price of H ordinary Shares of the Bank for 20 trading days preceding the date of the Board resolution approving the convertible negotiated deposit (i.e. April 30, 2021) (the average trading price of H ordinary Shares of the Bank for the 20 preceding trading days = the total trading amount of H ordinary Shares of the Bank for the 20 preceding trading days/total trading volume of H ordinary Shares of the Bank for the 20 preceding trading days), which will be converted into the price of RMB with the central parity of the RMB against the Hong Kong dollars announced by State Administration of Foreign Exchange on the date of the Board resolution (the "**Initial Conversion Price**"), i.e. HK$10.9, equivalent to approximately RMB9.08, and the net assets per Share attributable to the owners of the parent company based on the consolidated statement after asset and capital verification at the time of conversion of the convertible negotiated deposit. The closing price of H Shares of the Bank was HK$10.98 on the signing date of the Agreement (i.e. September 7, 2021).

The convertible negotiated deposit can be converted to a maximum of 220,264,317 H Shares of the Bank (taking up approximately 8.38% of the enlarged total share capital of the Bank), with a par value of RMB1.00 per Share, provided that the conditions for conversion are satisfied. Based on that and the estimated lower conversion price of RMB9.08, the theoretical dilution effect is 0.061%. The Bank has complied with the theoretical dilution effect requirement in accordance with Rule 7.27B of Listing Rules at the time of entering into the Agreement and will also ensure to comply with the theoretical dilution effect requirement in accordance with Rule 7.27B of Listing Rules requirement at the time of completion of the convertible negotiated deposit.

As of the date of this annual report, the Bank has received a convertible negotiated deposit of RMB2 billion from Jiujiang Finance Bureau, all of which was used to supplement other tier-one capital of the Bank. Such deposit had not been converted into the Shares of the Bank. For details, please refer to the announcements of the Bank dated June 9, 2021, June 25, 2021 and September 7, 2021 as well as the supplemental circular of the Bank dated June 10, 2021.

Save for the above, during the reporting period, the Bank did not enter into or continue to keep any other equity-linked agreement.

25. RELATIONSHIP WITH SUPPLIERS, EMPLOYEES AND CUSTOMERS

Employees are indispensable to the steady development of the Bank. They are also the perpetual driving force for the Bank's sustainable and healthy development. We are always keenly aware of the paramount importance of human resources and do our best to provide high-quality jobs and create a harmonious working place for our people.

Due to the nature of its business, the Bank doesn't have major suppliers, and the top five suppliers together account for less than 30% of the purchase volume.

For details about the Bank's relationship with suppliers, employees and customers, please refer to the Environmental, Social and Governance Report issued by the Bank.

26. PUBLIC FLOAT

When it applied for the listing of its H Shares, the Bank applied to the Hong Kong Stock Exchange, and the Hong Kong Stock Exchange has granted the Bank a waiver that the minimum public float requirement under Rule 19A.28B(1) of the Hong Kong Listing Rules be reduced and the minimum percentage of the H Shares from time to time held by the public to be the higher of (a) 15.15% of the total issued share capital of the Bank (assuming the over-allotment option is not exercised); or (b) such percentage of H Shares of the Bank to be held by the public after the exercise of the over-allotment option. Immediately after the completion of the Bank's global offering and the partial exercise of the over-allotment option, the number of H-shares held by the public represents approximately 16.92% of the Bank's total issued share capital (the "**Minimum Public Float**").

As of the date of this annual report, based on the public information available to the Bank and to the knowledge of the Directors, the number of H Shares in public hands represents approximately 16.94% of the total issued share capital of the Bank, which satisfies the minimum public float requirement following the waiver granted by the Hong Kong Stock Exchange.

27. CORPORATE GOVERNANCE

The Bank is committed to maintaining a high level of corporate governance. Please refer to the "Corporate Governance Report" of this annual report.

28. MAJOR DEPOSITORS AND BORROWERS

The Bank does not rely heavily on any single major depositor or borrower. At the end of the reporting period, the deposit balances of the Bank's top five corporate depositors and the loan balances of the Bank's top five borrowers accounted for less than 30% of the Bank's total deposits and total customer loans and advances.

29. AUDITORS

For information about the auditors of the Bank, please refer to the section headed "Corporate Governance Report – External Auditors and Auditor Emoluments" of this annual report.

30. CONSUMER RIGHTS PROTECTION

Improving the institutional framework to solidify the foundation of consumer protection. In 2025, the Bank further enhanced its consumer rights protection institutional framework by revising the Administrative Measures for Consumer Rights Protection Work, Administrative Measures for Personal Information Protection, and the Contingency Plan for Personal Information Security Incidents. The Bank also formulated the Implementation Rules for Consumer Protection Review, the Administrative Measures for Small-Amount and Expedited Dispute Resolution (Trial), and the Working Procedures for Third-Party Mediation (Trial). This has established a three-tier system of "overarching policies + specialized measures + operational guidelines". By refining the delineation of roles and responsibilities and standardizing business processes, the Bank has provided systematic institutional support for its consumer protection efforts across the Bank.

Optimizing working mechanisms to enhance management efficiency. The Bank improved its assessment mechanism by adjusting the indicator weights and increasing the proportion of assessment results, reinforcing positive incentives and goal orientation. The Bank also enhanced the rating tracking mechanism by establishing a consumer protection rating issue rectification ledger, conducting regular tracking and implementing closure management, and clarifying responsibilities and timelines for corrective actions, and driving the resolution of identified gaps. Furthermore, the Bank optimized its collaboration and coordination mechanisms. For complex complaints, the Legal and Compliance Department at the head office took the lead in organizing discussions with relevant departments, achieving full-process and closed-loop management from "risk assessment – policy analysis – solution formulation – implementation of measures".

Deepening root-cause governance to strengthen complaint management. The Bank innovated diversified dispute resolution models by partnering with the Jiujiang Banking Association and Insurance Industry Association to establish the "Xunrong e-Resolution" multi-channel dispute resolution station, implementing a one-stop dispute resolution mechanism combining "industry mediation + judicial confirmation", thus improving dispute handling efficiency and enabling fast, localized resolution of financial conflicts. The Bank strictly implemented the "dual-line disposal, root-cause governance, and diversified resolution" complaint handling process, with clear time efficiency requirements: "three-hour initial response, eight-hour team handling, and twenty-four-hour institutional feedback". The Bank continued to strengthen preemptive dispute resolution and reduction efforts, resulting in a further decrease in the total number of complaints throughout the year. The Bank advanced root-cause rectification by establishing complaint monitoring and root-cause analysis mechanisms. In addition, the Bank conducted special initiatives to strengthen traceability and analysis of complaint hotspots and

key issues, promoting targeted and root-cause governance in critical areas. In 2025, the Bank received a total of 499 complaints, a decrease of 30 cases or 5.67% year-on-year. In terms of the distribution of complaints by business area, the majority were concentrated in loans, credit cards, and debit cards, totaling 420 cases and accounting for 84.17% of all complaints. Geographically, complaints were mainly concentrated in regions including Jiujiang, Guangzhou, and Ji'an.

Strengthening financial education and publicity to fulfill social responsibilities. The Bank upgraded its educational outreach efforts by integrating red financial culture into the content system of the Jiujiang Bank Bailudong Financial Education Demonstration Site, enhancing both online and offline content columns to improve the quality of financial knowledge offerings. Regular publicity activities were also intensified, with themes such as "'3•15' Financial Consumer Rights Protection Education and Publicity", "Financial Education and Publicity Week", and "10 Years of Deposit Insurance", conducted through a combination of branch networks, online reach, and targeted in-person activities to create a robust financial publicity atmosphere. Special focus was placed on key groups, such as "the elderly and youth", with tailored financial knowledge education and publicity on topics such as fraud prevention, anti-illegal fund-raising, deposit insurance, and pension finance, aiming to enhance financial awareness of the public and strengthen financial risk prevention capabilities.

31. ENVIRONMENTAL AND SOCIAL POLICY

As a listed bank emerging from the "red land", the Bank insists on taking green finance as the core, advancing through exploration and developing in advance, constantly providing new ideas and methods for "transforming the ecological environment advantages into the economic and social development advantages and turning the lucid waters and lush mountains into invaluable assets", and fully supporting the philosophy of ecological civilization construction.

Taking advantage of the policy advantage that Ganjiang New District in Jiangxi Province was approved as the first batch of green financial reform and innovation pilot zones in China, the Bank took the lead in establishing the first "Green Finance Division" in Jiangxi Province on August 9, 2017, led the development of green business with Party building, included the development of green finance as the "secretarial project" in the Party building assessment of the Bank, and incentivized the branches to increase green credit investment; the Bank promoted capacity enhancement through knowledge penetration, carried out special training on green finance, and established a branch-specific tracking service mechanism to provide an effective handhold for the expansion of the green finance business; and the Bank promoted the implementation of business through special support policies. Focusing on the key areas of carbon emission reduction, the Bank defined special internal fund transfer pricing and other support policies to promote business implementation. The Bank made full efforts in system construction, business promotion, product innovation, exchanges and cooperation to fully support the high-quality development of green finance in Jiangxi Province.

For details about the Bank's environmental and social policies and their performance, please refer to the Environmental, Social and Governance Report published by the Bank simultaneously with this annual report.

32. REVIEW OF ANNUAL RESULTS

The Audit Committee of the Bank has reviewed the Bank's annual results of 2025, and the financial statements for the year ended December 31, 2025 prepared in accordance with International Financial Reporting Standards.

33. OTHER MATTERS

As far as the Board of Directors is aware, the Bank has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Bank. At the same time, the Bank is committed to the long-term sustainable development of the environment and society where we operate. The Bank acted in an environmentally responsible manner and tried its best to comply with the laws and regulations concerning environmental protection and took effective measures to make effective use of resources, save energy and reduce waste.

As of the date of this annual report, the Bank is not aware of any Shareholder who has waived or agreed to waive any arrangement related to dividends. As of the date of this annual report, none of the Bank's Directors has waived or agreed to waive arrangement related to remuneration.

The Bank will publish the Environmental, Social and Governance Report during the reporting period in accordance with the related requirement of Appendix C2 Environmental, Social and Governance Reporting Guide of the Listing Rules.

By Order of the Board
ZHOU Shixin
Chairman

Jiujiang, PRC March 31, 2026

Important Events

1. ANNUAL GENERAL MEETING

The Bank will make further announcement in relation to details of the convening of the 2025 Annual General Meeting.

2. SIGNIFICANT INVESTMENT AND PLANS

During the reporting period, the Bank neither made any significant investment, nor had any concrete plans on significant investment or on acquiring significant capital assets or other businesses.

3. MATERIAL LAWSUITS, ARBITRATION MATTERS AND MATERIAL CASES

During the reporting period, there were no litigations or arbitrations which had a material impact on the operation activities of the Bank.

4. SIGNIFICANT CONTRACTS AND THEIR PERFORMANCE

During the reporting period, the Bank did not enter into significant contracts.

5. SIGNIFICANT ASSETS PLEDGED

The Bank did not pledge any significant assets during the reporting period.

6. SIGNIFICANT ACQUISITION AND DISPOSAL OF ASSETS AND BUSINESS COMBINATION

In 2025, upon approval by the national financial regulatory authority, the Bank acquired Lushan Jiuyin Art County Bank Co., Ltd., Jinggangshan Jiuyin County Bank LLC., and Nanchang Changdong Jiuyin County Bank Co., Ltd., all of which were originally established by the Bank as the main sponsor, and converted them into branches of the Bank. For details, please refer to the Bank's circular dated April 17, 2025.

Apart from this, the Bank was not involved in any significant acquisition and disposal of assets or business combination during the reporting period.

7. PROPOSED NON-PUBLIC ISSUANCE OF DOMESTIC SHARES AND H SHARES UNDER A SPECIAL MANDATE

To effectively replenish the Bank's core tier-one capital, substantially enhance its risk mitigation capacity, and optimize its shareholding structure, on October 31, 2025, the Board of Directors of the Bank passed a resolution proposing the issuance of not more than 860,000,000 (inclusive) Domestic Shares and not more than 175,000,000 (inclusive) H Shares to eligible subscribers (collectively, the "**Issuance**"). The net proceeds from the Issuance, after deducting relevant issuance expenses, will be used entirely to replenish the Bank's core tier-one capital.

The subscribers in the proposed issuance of Domestic Shares include Jiujiang Finance Bureau and Industrial Bank (collectively, the "**Substantial Shareholders Subscribers**"). The Bank received letters of intent from Jiujiang Finance Bureau and Industrial Bank, each dated January 23, 2026. According to these letters of intent, subject to all necessary regulatory approvals and the approval of the Bank's shareholders at the extraordinary general meeting and class meetings for the Issuance and the Subscriptions by Substantial Shareholders (defined as below), Jiujiang Finance Bureau intends to subscribe for Domestic Shares with an aggregate subscription amount not exceeding RMB500 million, representing a proportion of the total actual proceeds raised from the Issuance not exceeding its then shareholding percentage in the Bank directly held as at the date of the letter of intent, i.e., approximately 12.85%. Industrial Bank intends to subscribe for Domestic Shares with an aggregate subscription amount representing a proportion of the total actual proceeds raised from the Issuance not exceeding its then shareholding percentage in the Bank as at the date of the letter of intent, i.e., approximately 10.34% (collectively, the "**Subscriptions by Substantial Shareholders**").

On February 28, 2026, the first extraordinary general meeting of 2026, the first domestic shareholder class meeting of 2026 and the first H shareholders class meeting of 2026 considered and approved the resolution on the non-public issuance of Domestic Shares and H Shares under a special mandate by the Bank. The first extraordinary general meeting of 2026 considered and approved the resolution on the proposed subscription of Domestic Shares by the Substantial Shareholders Subscribers. As the Issuance and the Subscriptions by Substantial Shareholders are subject to the fulfilment of certain conditions, they may or may not proceed. For details, please refer to the Bank's announcements dated October 31, 2025, January 23, 2026 and February 28, 2026, and the circular dated February 10, 2026.

8. PUNISHMENT AGAINST THE BANK AND ITS DIRECTORS, FORMER SUPERVISORS AND SENIOR MANAGEMENT

During the reporting period, the Bank, as well as its Directors, former supervisors or senior management of the Bank were neither under any investigation, administrative penalty or open criticism by the CSRC, nor under any public censure by the Hong Kong Stock Exchange or under any punishment by other regulatory authorities which had a material effect on the Bank's operation.

9. AUDIT ON ANNUAL FINANCIAL STATEMENTS

KPMG has conducted audit on the financial statements prepared in accordance with IFRS and disclosed in this annual report and issued the audit report with unqualified opinion. The annual report is reviewed and approved by the Audit Committee of the Board and the Board of the Bank.

10. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

From the end of the reporting period and as at the date of this annual report, no significant events have taken place that may affect the Bank.

Independent Auditor's Report

To the shareholders of Bank of Jiujiang Co., Ltd.
(A joint stock company incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Bank of Jiujiang Co., Ltd. (the "Bank") and its subsidiaries (the "Group") set out on pages 151 to 277, which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code. 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 period. 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 MATTERS (Continued)

1. Loss allowances of loans and advances to customers and financial investments measured at amortised cost

Refer to Note 19 and Note 20 to the consolidated financial statements and the accounting policies in Note 2(7).

The Key Audit Matter	How the matter was addressed in our audit
The determination of loss allowances using the expected credit loss model is subject to a number of key parameters and assumptions, including the identification of loss stages, estimates of probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. Management judgement is involved in the selection of those parameters and the application of the assumptions. In particular, the determination of the expected credit loss model is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. The expected credit losses for corporate loans and advances and financial investments are derived from estimates including the historical losses, external credit grading and other adjustment factors. The expected credit losses for personal loans and advances are derived from estimates whereby management takes into consideration historical overdue data, the historical loss experience for personal loans and advances and other adjustment factors.	Our audit procedures to assess loss allowances of loans and advances to customers and financial investments measured at amortised cost included the following: • understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of loans and advances to customers and financial investments measured at amortised cost, the credit grading process and the measurement of loss allowances; • involving our internal financial risk management specialists to assess the appropriateness of the expected credit loss model used by management in determining loss allowances, including assessing the appropriateness of the key parameters and assumptions in the expected credit loss model, including the identification of loss stages, probability of default, loss given default, exposures at default, discount rate, adjustments for forward-looking information and other management adjustments;

KEY AUDIT MATTERS (Continued)

1. Loss allowances of loans and advances to customers and financial investments measured at amortised cost

Refer to Note 19 and Note 20 to the consolidated financial statements and the accounting policies in Note 2(7).

The Key Audit Matter	How the matter was addressed in our audit
Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the borrower, the recoverable amount of collateral, the seniority of the claim and the existence and cooperativeness of other creditors. The enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of collateral and, therefore, the amount of loss allowances as at the end of the reporting period. We identified the measurement of loss allowance for expected credit losses of loans and advances to customers and financial investments measured at amortised cost as a key audit matter because of the inherent uncertainty and management judgement involved and because of its significance to the financial results and capital of the Group.	• assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model. For key parameters derived from internal data relating to original loan agreements, we compared the total balance of the loans and advances to customers and financial investments measured at amortised cost list used by management to assess the loss allowances with the general ledger, selecting samples and comparing individual loans and advances to customers and financial investments measured at amortised cost information with the underlying agreements and other related documentation to assess the accuracy of compilation of loans and advances to customers and financial investments measured at amortised cost list. For key parameters derived from external data, we selected samples to inspect the accuracy of such data by comparing them with public resources; • for selecting key parameters for forward – looking information adjustments, critically assessing management judgement used in input parameters. As part of these procedures, we challenged the reasons for modifications to estimates and input parameters compared with prior period and considered the consistency of judgement. We compared the macro-economic factors used in the models with market information to assess whether they were aligned with market and economic development;

KEY AUDIT MATTERS (Continued)

1. Loss allowances of loans and advances to customers and financial investments measured at amortised cost

Refer to Note 19 and Note 20 to the consolidated financial statements and the accounting policies in Note 2(7).

The Key Audit Matter	How the matter was addressed in our audit
	• evaluating the validity of management's assessment on whether the credit risk of the loan has, or has not, increased significantly since initial recognition. We checked loan overdue information, making enquiries of the credit managers about the borrowers' business operations, checking borrowers' financial information and researching market information about borrowers' businesses on a sample basis; • for selected samples of loans and advances to customers and financial investments measured at amortised cost that are credit-impaired, evaluating the timing and means of realisation of collateral, evaluating the forecast cash flows, challenging the viability of the Group's recovery plans, evaluating management's assessment of the value of any property collateral held by comparison with market prices and management's evaluation and evaluating other credit enhancements that are integral to the contract terms. We assessed the accuracy of the amount of credit loss allowance using the expected credit loss model based on the above work for a sample of loans and advances to customers and financial investments measured at amortised cost; and • evaluating whether the disclosures on impairment of loans and advances to customers and financial investments measured at amortised cost comply with the disclosure requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (Continued)

2. Consolidation of structured entities

Refer to Note 40 to the consolidated financial statements and the accounting policies in Note 2(26).

The Key Audit Matter	How the matter was addressed in our audit
Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their ongoing activities. The Group may acquire or retain an ownership interest in, or act as a sponsor to, a structured entity, through issuing a wealth management product, or act as an investor to a structured entity through investing in an asset management plan, a trust plan, an asset-backed security or fund investments. In determining whether a structured entity is required to be consolidated by the Group, management is required to consider the power the Group is able to exercise over the activities of the entity and its ability to influence the Group's own returns from the entity. In certain circumstances the Group may be required to consolidate a structured entity even though it has no equity interest therein. We identified the consolidation of structured entities as a key audit matter because it involves significant management judgement to determine whether a structured entity is required to be consolidated by the Group or not and because the impact of consolidating a structured entity on the consolidated statement of financial position and relevant regulatory capital requirements could be significant.	Our audit procedures to assess the consolidation of structured entities included the following: • understanding and assessing the design and implementation of the key internal controls of financial reporting over consolidation of structured entities; • assessing the Group's analysis and conclusions on whether it controls structured entities by evaluating the Group's analysis on its power over structured entities, the magnitude and variability of variable returns from its involvement with structured entities. On a sample basis, inspecting the terms of the relevant contracts to assess whether the Group should consolidate a structured entity; and • evaluating whether the disclosures in the consolidated financial statements in relation to structured entities meet the requirements of the relevant accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.

- 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 a 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.

We communicate with the Audit Committee 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and 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.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Choi Ching Hin.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

March 31, 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024
Interest income	4	**17,139,754**	19,211,831
Interest expense	4	**(8,541,246)**	(10,041,235)
Net interest income	4	**8,598,508**	9,170,596
Fee and commission income	5	**733,119**	1,005,189
Fee and commission expense	5	**(154,915)**	(158,138)
Net fee and commission income	5	**578,204**	847,051
Net gains arising from financial investments	6	**1,322,829**	341,221
Other income, gains or losses	7	**(22,512)**	29,551
Operating income		**10,477,029**	10,388,419
Operating expenses	8	**(3,729,482)**	(3,634,299)
Impairment losses on assets	9	**(5,797,961)**	(6,040,271)
Share of profits of associates		**3,168**	1,853
Profit before taxation		**952,754**	715,702
Income tax	10	**(111,720)**	45,823
Net profit for the year		**841,034**	761,525
Attributable to:			
Equity holders of the Bank		**827,523**	744,432
Non-controlling interests		**13,511**	17,093

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024
Net profit for the year		**841,034**	761,525
Items that may be reclassified subsequently to profit or loss:			
– Financial assets at fair value through other comprehensive income: net movement in fair value		**(1,497,729)**	1,825,797
– Financial assets at fair value through other comprehensive income: net movement in impairment losses		**(7,958)**	(8,081)
– Income tax relating to items that may be reclassified to profit or loss		**376,422**	(454,429)
Other comprehensive income for the year, net of tax	11	**(1,129,265)**	1,363,287
Total comprehensive income for the year		**(288,231)**	2,124,812
Total comprehensive income for the year attributable to:			
Equity holders of the Bank		**(280,942)**	2,089,889
Non-controlling interests		**(7,289)**	34,923
Total comprehensive income for the year		**(288,231)**	2,124,812
Basic and diluted earnings per share (RMB yuan)	12	**0.17**	0.14

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Financial Position

As at December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	As at December 31 2025	2024
ASSETS			
Cash and balances with the central bank	15	**26,521,828**	26,580,373
Deposits with banks and other financial institutions	16	**4,674,517**	1,191,828
Placements with banks and other financial institutions	17	**1,060,324**	1,044,549
Financial assets held under resale agreements	18	**3,279,363**	9,456,338
Loans and advances to customers	19	**321,286,267**	311,947,817
Financial investments	20	**150,943,445**	150,796,439
Interest in associates	21	**145,537**	142,369
Right-of-use assets	22	**251,452**	279,367
Property and equipment	23	**3,213,619**	3,337,739
Deferred tax assets	24	**5,372,638**	4,681,333
Other assets	25	**6,685,569**	7,000,469
Total assets		**523,434,559**	516,458,621
LIABILITIES			
Borrowings from the central bank	26	**18,031,515**	22,443,623
Deposits from banks and other financial institutions	27	**1,985,277**	8,973,177
Placements from banks and other financial institutions	28	**2,257,172**	2,301,430
Financial assets sold under repurchase agreements	29	**939,428**	1,734,370
Customer deposits	30	**405,067,066**	386,963,452
Income tax payable		**159,384**	93,016
Debt securities issued	31	**42,544,248**	47,336,623
Lease liabilities	32	**261,242**	291,424
Provisions	33	**162,246**	187,988
Deferred tax liabilities	24	**–**	1,382
Other liabilities	34	**3,404,192**	3,599,198
Total liabilities		**474,811,770**	473,925,683

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Financial Position

As at December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	As at December 31 2025	2024
EQUITY			
Share capital	35	**2,847,367**	2,847,367
Other equity instruments	36	**13,997,840**	6,997,840
Reserves	37	**31,125,042**	31,901,913
Equity attributable to equity holders of the Bank		**47,970,249**	41,747,120
Non-controlling interests		**652,540**	785,818
Total equity		**48,622,789**	42,532,938
Total liabilities and equity		**523,434,559**	516,458,621

The financial statements have been approved by the Board of Directors of the Bank on March 31, 2026.

Zhou Shixin	**Xiao Jing**	**Wei Mingmei**	**Bank of Jiujiang Co., Ltd.**
CHAIRMAN	*EXECUTIVE DIRECTOR*	*HEAD OF THE ACCOUNTING DEPARTMENT*	(Company Stamp)

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

		Attributable to equity holders of the Bank									
	Note	Share capital	Other equity instruments	Share premium	Investment revaluation reserve	Surplus reserve	General reserve	Retained earnings	Subtotal	Non-controlling interests	Total
As at January 1, 2025		2,847,367	6,997,840	11,646,723	1,862,360	4,615,043	5,838,453	7,939,334	41,747,120	785,818	42,532,938
Net profit for the year		-	-	-	-	-	-	827,523	827,523	13,511	841,034
Other comprehensive income for the year		-	-	-	(1,108,465)	-	-	-	(1,108,465)	(20,800)	(1,129,265)
Total comprehensive income for the year		-	-	-	(1,108,465)	-	-	827,523	(280,942)	(7,289)	(288,231)
Appropriation to surplus reserve	37(3)	-	-	-	-	-	-	-	-	-	-
Appropriation to general reserve	37(4)	-	-	-	-	-	273,803	(273,803)	-	-	-
Dividends paid to ordinary shareholders	13	-	-	-	-	-	-	(162,300)	(162,300)	(3,225)	(165,525)
Dividends paid to other equity instruments holders	13	-	-	-	-	-	-	(336,000)	(336,000)	-	(336,000)
Merger of absorption of Rural banks		-	-	(4,865)	-	-	-	-	(4,865)	(77,605)	(82,470)
Issue of perpetual bonds		-	7,000,000	(340)	-	-	-	-	6,999,660	-	6,999,660
Others		-	-	7,576	-	-	-	-	7,576	(45,159)	(37,583)
As at December 31, 2025		2,847,367	13,997,840	11,649,094	753,895	4,615,043	6,112,256	7,994,754	47,970,249	652,540	48,622,789

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	Attributable to equity holders of the Bank								Non-controlling interests	Total
		Share capital	Other equity instruments	Share premium	Investment revaluation reserve	Surplus reserve	General reserve	Retained earnings	Subtotal		
As at January 1, 2024		2,847,367	6,997,840	11,639,129	516,903	4,615,043	5,525,566	8,014,631	40,156,479	800,031	40,956,510
Net profit for the year		–	–	–	–	–	–	744,432	744,432	17,093	761,525
Other comprehensive income for the year		–	–	–	1,345,457	–	–	–	1,345,457	17,830	1,363,287
Total comprehensive income for the year		–	–	–	1,345,457	–	–	744,432	2,089,889	34,923	2,124,812
Appropriation to surplus reserve	37(3)	–	–	–	–	–	–	–	–	–	–
Appropriation to general reserve	37(4)	–	–	–	–	–	312,887	(312,887)	–	–	–
Dividends paid to ordinary shareholders	13	–	–	–	–	–	–	(170,842)	(170,842)	(4,839)	(175,681)
Dividends paid to other equity instruments holders	13	–	–	–	–	–	–	(336,000)	(336,000)	–	(336,000)
Others		–	–	7,594	–	–	–	–	7,594	(44,297)	(36,703)
As at December 31, 2024		2,847,367	6,997,840	11,646,723	1,862,360	4,615,043	5,838,453	7,939,334	41,747,120	785,818	42,532,938

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024
Cash flows from operating activities			
Profit before taxation		**952,754**	715,702
Adjustments for:			
Depreciation and amortisation		**580,990**	583,849
Impairment losses		**5,797,961**	6,040,271
Interest income arising from financial investments		**(3,319,204)**	(4,068,020)
Interest expense arising from debt securities issued		**909,623**	992,529
Interest expense arising from lease liabilities		**7,959**	9,271
Net gains arising from financial investments		**(1,186,401)**	(332,510)
Share of profits of associates		**(3,168)**	(1,853)
Net (gains)/losses on disposal of property and equipment and other assets		**(38,075)**	39,546
Unrealised exchange losses/(gains)		**33,479**	(10,146)
Others		**(103,380)**	(37,034)
Operating cash flows before movements in working capital		**3,632,538**	3,931,605

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024
Cash flows from operating activities (continued)			
Net decrease in balances with the central bank and deposits with banks and other financial institutions		**41,443**	3,381,139
Net decrease in financial assets held under resale agreements		**–**	199,507
Net decrease/(increase) in bonds investment measured at fair value through profit or loss		**2,524,262**	(7,754,027)
Net increase in loans and advances to customers		**(13,730,488)**	(23,252,283)
Net decrease in borrowings from the central bank		**(4,334,574)**	(5,577,000)
Net decrease in deposits from banks and other financial institutions		**(6,943,835)**	(4,100,315)
Net decrease in placements from banks and other financial institutions		**(44,000)**	(2,281,624)
Net decrease in financial assets sold under repurchase agreements		**(796,189)**	(3,235,135)
Net increase in customer deposits		**19,984,130**	17,874,207
Net increase in other operating assets		**(1,357,950)**	(1,122,396)
Net decrease in other operating liabilities		**(1,783,163)**	(1,636,391)
Net cash used in operating activities before tax		**(2,807,826)**	(23,572,713)
Income tax paid		**(361,617)**	(505,872)
Net cash used in operating activities		**(3,169,443)**	(24,078,585)

The notes on pages 160 to 277 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended December 31, 2025
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024
Cash flows from investing activities			
Cash received from disposal and redemption of financial investments		**185,226,219**	263,112,026
Cash received from disposal of property and equipment and other assets		**373,211**	82,781
Dividends received from associates		**–**	205
Net cash received from investment gains and interest		**3,342,088**	3,921,651
Cash paid for purchase of financial investments		**(187,507,550)**	(259,183,573)
Cash paid for purchase of property and equipment and other assets		**(444,312)**	(444,566)
Net cash generated from investing activities		**989,656**	7,488,524
Cash flows from financing activities			
Cash received from debt securities issued		**65,598,002**	70,731,376
Cash received from other equity instruments issued		**6,999,660**	–
Repayment of debt securities issued		**(71,300,000)**	(61,570,000)
Repayment of leases liabilities		**(153,926)**	(149,415)
Cash paid for acquisition of non-controlling interests		**(110,923)**	(33,000)
Dividends paid to ordinary shareholders		**(167,102)**	(174,760)
Dividends paid to other equity instruments holders		**(336,000)**	(336,000)
Net cash generated from financing activities		**529,711**	8,468,201
Net decrease in cash and cash equivalents		**(1,650,076)**	(8,121,860)
Cash and cash equivalents at the beginning of the year		**22,708,162**	30,823,209
Effect of foreign exchange rate changes		**(26,205)**	6,813
Cash and cash equivalents at the end of the year	38	**21,031,881**	22,708,162
Net cash used in operating activities include:			
Interest received		**13,415,483**	14,301,139
Interest paid		**(9,629,849)**	(10,802,763)

The notes on pages 160 to 277 form part of these financial statements.

1 GENERAL INFORMATION

Bank of Jiujiang Co., Ltd. (hereinafter referred to as the "Bank") is formerly known as Jiujiang Commercial Bank, a joint-stock commercial bank established on the basis of Jiujiang Urban Credit Cooperatives as approved by the People's Bank of China Wuhan Branch (Wuyinfu [1999] No. 300). The Bank formally changed its name to Bank of Jiujiang Co., Ltd. in October 2008.

The Bank is licensed as a financial institution by the former China Banking Regulatory Commission (the "former CBRC", currently the National Financial Regulatory Administration, the "NFRA") Jiangxi Province Bureau (No. B0348H336040001) and is registered as a business enterprise with the approval of Jiujiang Administration of Industry and Commerce of the People's Republic of China (the "PRC") (No. 9136040070552834XQ). On July 10, 2018, the Bank was listed on Main Board of The Stock Exchange of Hong Kong Limited with the stock code of 6190.

The principal activities of the Bank and its subsidiaries (collectively, the "Group") comprise public deposit taking, granting short-term, medium-term and long-term loans; handling domestic and overseas settlements; handling bill acceptance, settlement and discounting; issuing financial bonds; acting as agent to issue, settle and underwrite government bonds; trading of government bonds and financial bonds; inter-bank placement; providing letters of credit services and guarantees; acting as agent on inward and outward payments, acting as insurance agent; providing safe-box service; selling of securities investment funds and other business approved by the authorities (except for the above activities with special national regulations; those involving administrative licensing shall be operated with licenses).

2 MATERIAL ACCOUNTING POLICIES

(1) Statement of compliance

These financial statements have been prepared in accordance with the IFRS Accounting Standards, which collective term includes all applicable individual IFRS Accounting Standards ("IFRS"), International Accounting Standards ("IAS") and Interpretations issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Material accounting policies adopted by the Group are disclosed below.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(2) Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2025 comprise the Bank and its subsidiaries (together referred to as the "Group") and the Group's interest in associates.

The measurement basis used in the preparation of the financial statements is the historical basis, except for financial investments at fair value through other comprehensive income, or financial investments at fair value through profit or loss (see Note 2(7)) are stated at their fair value as explained in the accounting policies.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2(27).

The financial statements are presented in RMB, rounded to the nearest thousand, which is the functional currency of the Group.

(3) Changes in accounting policies

The Group has applied amendments to IAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Consolidated financial statements

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Bank and its subsidiaries (including the structured entities controlled by the Bank). Control exists when the investor has all of the following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

A structured entity is one that is not designed to have voting or similar rights as a determining factor when determining its controlling party. The basis for the activities related to this entity is usually a contractual arrangement or other forms of arrangement.

Non-controlling interests are presented separately in the consolidated balance sheet within shareholders' equity. Net profit or loss attributable to non-controlling shareholders is presented separately in the consolidated income statement below the net profit line item. Comprehensive income attributable to non-controlling shareholders is presented separately in the consolidated income statement below the total comprehensive income line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

When the accounting period or accounting policies of a subsidiary are different from those of the Bank, the Bank makes necessary adjustments to the financial statements of the subsidiary based on the Bank's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealised profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in the financial statements.

(5) Translation of foreign currencies

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate ruling at the date of receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates or the rates that approximate the spot exchange rates ruling at the transaction dates.

A spot exchange rate is quoted by the PBOC, the State Administration of Foreign Exchange, or a cross rate determined based on quoted exchange rates. A rate that approximates the spot exchange rate is determined by a systematic and rational method, normally the average exchange rate of the current period.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(5) Translation of foreign currencies (Continued)

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss, except for the differences arising from the re-translation of financial assets measured at fair value through other comprehensive income, which are recognised in other comprehensive income.

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, non-restricted balances with central bank, short-term deposits and placements with banks and other financial institutions, and highly liquid short-term investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 2(7).

(7) Financial instruments

(i) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

Financial assets and financial liabilities are measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs.

(ii) Classification and subsequent measurement of financial assets

Classification of financial assets

The Group classifies financial assets into different categories upon initial recognition based on the business model for managing the financial assets and the contractual cash flow characteristics of financial assets:

- Financial assets measured at amortised cost, including loans and advances to customers and financial investments measured at amortised cost;
- Financial assets at fair value through other comprehensive income ("FVOCI"), including loans and advances to customers at FVOCI and financial investments at FVOCI; and
- Financial assets at fair value through profit or loss ("FVTPL").

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(ii) Classification and subsequent measurement of financial assets (Continued)

Classification of financial assets (Continued)

Financial assets may not be reclassified after initial recognition unless the Group changes the business model for managing the financial assets, in which case, all affected financial assets are reclassified on the first day of the first reporting period after the business model changes.

Financial assets not designated as FVTPL that meet the following conditions are classified as financial assets measured at amortised cost:

– The purpose of the Group's business model for managing the financial assets is to receive contractual cash flows;

– The contractual terms of the financial assets stipulate that the cash flows generated on specific dates are only for payment of the principal and the interest based on the amount of principal outstanding.

The Group classifies financial assets not designated as FVTPL that meet the following conditions as financial assets at FVOCI:

– The purpose of the Group's business model for managing the financial assets is to receive contractual cash flows and to sell the financial assets;

– The contractual terms of the financial assets stipulate that the cash flows generated on specific dates are only for payment of the principal and the interest based on the amount of principal outstanding.

For equity investment not held for trading, the Group may irrevocably designate it as financial asset at FVOCI upon initial recognition. The designation is made on an individual basis and the investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the above-mentioned financial assets that are measured at amortised cost and at FVOCI, the Group classifies all other financial assets into financial assets at FVTPL. At the time of initial recognition, if the accounting mismatch can be eliminated or significantly reduced, the Group can irrevocably designate financial assets that should be measured at amortised cost or FVOCI as financial assets at FVTPL.

The business model for managing financial assets refers to how the Group manages financial assets to generate cash flows. The business model determines whether the sources of cash flows for financial assets managed by the Group is contractual cash flows, the sale of financial assets or both. The Group determines the business model for managing financial assets based on objective facts and specific business objectives for the management of financial assets as determined by key management personnel.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(ii) Classification and subsequent measurement of financial assets (Continued)

Classification of financial assets (Continued)

The Group assesses the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on specific dates are solely for payment of the principal and the interest based on the amount of principal outstanding. Of which, the principal is the fair value of the financial assets at initial recognition; the interest includes the time value of money, the credit risk associated with the outstanding principal amount for a specific period, and the consideration of other basic borrowing risks, costs and profits. In addition, the Group assesses the contractual terms that may result in a change in the time distribution or amount of contractual cash flows generated by the financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.

Subsequent measurement of financial assets

– *Financial assets at FVTPL*
Subsequent to initial recognition, the financial assets are measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in profit or loss, unless the financial asset is part of a hedging relationship.

– *Financial assets measured at amortised cost*
Subsequent to initial recognition, the financial assets are measured at amortised cost using the effective interest method. Gains or losses arising from financial assets that are measured at amortised cost and are not a component of any hedges are recognised in profit or loss at the time of derecognition and amortisation using the effective interest method or recognition of impairment.

– *Financial assets at FVOCI*
Subsequent to initial recognition, the financial assets are measured at fair value. Interest calculated using the effective interest method, impairment losses or gains and exchange gains or losses are recognised in profit or loss, and other gains or losses are included in other comprehensive income. At the time of derecognition, the cumulative gains or losses previously recognised in other comprehensive income are transferred to profit or loss.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(ii) Classification and subsequent measurement of financial assets (Continued)

Subsequent measurement of financial assets (Continued)

– *Equity investments at FVOCI*

Subsequent to initial recognition, the financial assets are measured at fair value. Dividend income is recognised in profit or loss; other gains or losses are recognised in other comprehensive income. At the time of derecognition, the cumulative gains or losses previously included in other comprehensive income are transferred to retained earnings.

(iii) Classification and subsequent measurement of financial liabilities

The Group classifies financial liabilities into financial liabilities at FVTPL and financial liabilities carried at amortised cost.

– *Financial liabilities at FVTPL*

Subsequent to initial recognition, the financial liabilities are measured at fair value. Any resulting gains or losses (including interest expenses), unless related to hedge accounting, are recognised in profit or loss.

– *Financial liabilities measured at amortised cost*

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method.

(iv) Impairment

The Group recognises provision for expected credit loss ("ECL") on:

– Financial assets measured at amortised cost;

– Debt instruments at FVOCI;

– Credit commitments;

– Financial guarantee contracts.

Other financial assets measured at fair value, including debt or equity securities at FVTPL and equity securities designated at FVOCI (non-recycling), are not subject to the ECL assessment.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(iv) Impairment (Continued)

Measurement of ECLs

Expected credit loss is a weighted average of credit losses on financial instruments weighted at the risk of default. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The Group's method of measuring ECLs of financial instruments reflects the following elements: (i) unbiased weighted average probability determined by the results of evaluating a range of possible outcomes; (ii) time value of money; (iii) reasonable and evidence-based information about past events, current conditions, and future economic forecasts that are available at no additional cost or effort at the end of the reporting period.

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

The Group's measurement of expected credit losses is described in Note 45(1).

Presentation of provision for ECLs

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. For financial assets measured at amortised cost, provision is offset against their carrying amount in the balance sheet. The Group recognises provision for debt instruments at FVOCI in other comprehensive income and does not deduct the carrying amount of the financial assets.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(iv) Impairment (Continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(v) Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the following conditions are met:

- The Group's contractual rights to the cash flows from the financial asset expire;
- The financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset;
- The financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- The carrying amount of the financial asset transferred measured at the date of derecognition;
- The sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is discharged.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(7) Financial instruments (Continued)

(vi) Offsetting

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- The Group currently has a legally enforceable right to set off the recognised amounts;
- The Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(8) Financial assets purchased under resale agreements and sold under repurchase agreements

The assets purchased under resale agreements are not recognised, and the payment is reported as a receivable in the balance sheet and is carried at amortised cost.

Financial assets sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with applicable accounting policies. The funds received are reported as liabilities in the balance sheet and are carried at amortised cost.

Interest earned on resale agreements and interest incurred on repurchase agreements are recognised respectively as interest income and interest expense over the life of each agreement using the effective interest method.

(9) Fair value measurement

Unless otherwise specified, the Group measures fair value as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(10) Long-term equity investments

(i) Investment in subsidiaries

In the Group's consolidated financial statements, investments in subsidiaries are accounted for in accordance with the principles described in Note 2(4).

In the Bank's separate financial statements, long-term equity investments in subsidiaries are accounted for using the cost method for subsequent measurement. Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Bank recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period. The investments in subsidiaries are stated in the balance sheet at cost less impairment losses (see Note 2(16)).

(ii) Investments in associates

An associate is an enterprise over which the Group has significant influence.

A long-term equity investment in an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

Under the equity method:

Where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

After the acquisition of the investment, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), is recognised directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(10) Long-term equity investments (Continued)

(ii) Investments in associates (Continued)

In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition. Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses resulting from transactions between the Group and its associates are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the associate subsequently reports net profits, the Group resumes recognising its share of those profits only after its share of the profits has fully covered the share of losses not recognised.

For the impairment of the investments in associates, refer to Note 2(16).

(11) Property and equipment and construction in progress

Property and equipment are tangible assets held by the Group for operation and administration purposes with useful lives over one year.

Property and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see Note 2(16)). Construction in progress is stated in the balance sheet at cost less impairment loss (Note 2(16)).

The cost of a purchased property and equipment comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use.

All direct and indirect costs that are related to the construction of the property and equipment and incurred before the assets are ready for their intended use are capitalised as the cost of construction in progress. Construction in progress is transferred to property and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(11) Property and equipment and construction in progress (Continued)

Any subsequent costs including the cost of replacing part of an item of property and equipment are recognised as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognised. The costs of the day-to-day maintenance of property and equipment are recognised in profit or loss as incurred.

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

The cost of property and equipment are depreciated using the straight-line method over their estimated useful lives, after taking into account their estimated residual values and accumulated impairment losses (that is the cost of property and equipment (net of the estimated residual values) divided by the estimated useful lives). The estimated useful lives, estimated residual value rates and annual depreciation rates of each class of property and equipment are as follows:

Asset category	Estimated useful life	Estimated residual value rates	Annual depreciation rates
Premises	5 – 50 years	0 – 3%	1.94% – 20.00%
Electronic equipment	3 – 5 years	0 – 3%	19.40% – 33.33%
Motor vehicles	5 years	3%	19.40%
Furniture and fixtures	3 – 5 years	0 – 3%	19.40% – 33.33%
Leasehold improvements and others	1 – 10 years	0%	10.00% – 100.00%

Estimated useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end.

(12) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(12) Investment properties (Continued)

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(13) Leases

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for 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. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;

- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;

- the lessee has the right to direct the use of the asset.

For a contract that contains lease and non-lease components, the Group has elected not to separate non-lease components from lease components and account for the lease and non-lease components as a single lease component.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(13) Leases (Continued)

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated 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. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note 2(16).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Each institution of the Group uses interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment as incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, 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.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(13) Leases (Continued)

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is a sub-lessor, 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 practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Group recognises the finance lease receivable and derecognises the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. The derecognition and impairment of the finance lease receivable are recognised in accordance with the accounting policy in Note 2(7). Variable lease payments not included in the measurement of net investment in the lease are recognised as income as they are earned.

Lease receipts from operating leases is recognised as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognised as income as they are earned.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(14) Intangible assets and Land use rights

Intangible assets and land use rights are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(16)). The cost of intangible assets and land use rights less estimated residual value and accumulated impairment losses is amortised on a straight-line basis over the estimated useful lives.

The respective amortisation periods for such intangible assets and land use rights are as follows:

Land use rights	20 – 50 years
Softwares	1 – 10 years

(15) Repossessed assets

Repossessed assets are physical assets or property rights obtained by the Group from debtors, warrantors or third parties following the enforcement of its creditor's rights. The repossessed assets are initially recognised at fair value, and are subsequently measured at the lower of the carrying value and net realisable value. If the net realisable value is lower than the carrying value of the repossessed assets, the assets are written down to the net realisable value.

(16) Impairment of non-financial assets

The carrying amount of the following assets are reviewed at each balance sheet date based on internal and external sources of information to determine whether there is any indication of impairment:

- Property and equipment;
- Construction in progress;
- Right-of-use assets;
- Intangible assets and Land use rights
- Investment properties; and
- Investments in subsidiaries and associates.

If any indication that an asset may be impaired, the recoverable amount of the asset is estimated.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(16) Impairment of non-financial assets (Continued)

An asset group is composed of assets directly related to cash generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value less costs to sell and its present value of expected future cash flows. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset; if it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the assets belong.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate, taking into account the expected future cash, useful life and discount rate.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly. Impairment losses related to an asset group or a set of asset groups are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount had no impairment loss been recognised. A reversal of an impairment loss is recognised in the consolidated income statement.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(17) Employee benefits

(i) Short-term employee benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, measured at the amount incurred or accrued at the applicable benchmarks and rates, are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate. If the liability is not expected to be fully paid within 12 months after the end of the annual reporting period in which the employee provides the services, and the financial impact is significant, the liability is measured at the discounted amount.

(ii) Post-employment benefits – defined contribution plans

Pursuant to the relevant laws and regulations of the People's Republic of China, the Group participates in a defined contribution basic pension insurance, unemployment insurance and annuity plans in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance and unemployment insurance plans based on the applicable benchmarks and rates stipulated by the government. The Group provides an annuity plan for eligible employees and makes contribution based on a certain percentage of the total salaries of the employees. The corresponding expenses incurred are recognised in profit or loss.

(iii) Termination benefits

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognised with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination benefits because of an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(17) Employee benefits (Continued)

(iv) Supplementary retirement benefits

Early retirement benefits

According to the Group's policy on early retirement benefits, certain employees are entitled to take leave of absence and in return receive a certain level of staff salaries and related benefits from the Group. The salaries and benefit payments are made from the date of early retirement to the normal retirement date. The amounts of retirement benefits expense and present value of these liabilities are dependent on assumptions used in calculating such amounts. These assumptions include discount rates, retirement benefit growth rates and other factors. Gains and losses arising from the changes in assumptions and amendments to pension plans are recognised in the income statement as they occur.

Retirement benefit annuity plan

In addition to the basic pension insurance scheme, employees and early retirees of the Group also participate in a defined contribution plan established by the Group (the "Annuity Plan"). The Group and its employees are required to contribute a certain percentage of the employees' previous year basic salaries to the Annuity Plan. The contribution is charged to the income statement when it incurs. The Group has no obligation to pay further contributions if the Annuity Plan does not hold sufficient assets to pay all employee benefits.

Contributions to the defined contribution retirement plan are recognised as expenses when incurred, and there are no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

(18) Income tax

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to items that are recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable calculated at the applicable tax rate on the taxable income for the period, and any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset if the taxable entity has a legally enforceable right to set off them and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(18) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences being the differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be used.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or tax loss) and does not give rise to equal taxable and deductible temporary differences. The temporary difference arising from the initial recognition of goodwill does not give rise to deferred tax. And those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development do not give rise to deferred tax.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

At the balance sheet date, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities using tax rates that are expected to be applied in the period when the asset is realised or the liability is settled in accordance with tax laws.

The carrying amount of a deferred tax asset is reviewed at the balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and liabilities are offset if all the following conditions are met:

- The taxable entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

- They relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities, simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(19) Financial guarantees, provisions and contingent liabilities

(i) Financial guarantees

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

The Group used the expected credit loss model to measure losses incurred because a specified debtor fails to make payment when due, and included them in provisions. Refer to Note 2(7)(iv) for details of the expected credit loss model.

(ii) Other provisions

A provision is recognised for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid- point of that range. In other cases, the best estimate is determined according to the following circumstances:

– Where the contingency involves a single item, the best estimate is the most likely outcome;

– Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(20) Fiduciary activities

The Group acts in fiduciary activities as a manager, a custodian, or an agent for customers. Assets held by the Group and the related undertakings to return such assets to customers are recorded as off-balance sheet items as the risks and rewards of the assets reside with customers.

The Group enters into entrusted loan agreements with customers, whereby the customers provide funding (the "entrusted funds") to the Group, and the Group grants loans to third parties (the "entrusted loans") under instructions of the customers. As the Group does not assume the risks and rewards of the entrusted loans and the corresponding entrusted funds, the entrusted loans and funds are recorded as off-balance sheet items at their principal amount. No provision for impairment loss is made for entrusted loans.

(21) Income recognition

Income is recognised when the Group satisfies the performance obligation in the contract which by transferring the control over relevant goods or services to the customers.

The following is the description of accounting policies regarding income from the Group's principal activities.

(i) Interest income

Interest income for financial assets is recognised in profit or loss as it is incurred, based on the time for alienation of right to use capital and effective interest rates. Interest income includes the amortisation of any discount or premium or differences between the initial carrying amount of an interest-bearing asset and its amount at maturity calculated using the effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract, transaction costs and all other premiums or discounts that are an integral part of the effective interest rate.

Interest on the impaired assets is recognised using the rate of interest used to discount future cash flows for the purpose of measuring the related impairment loss.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(21) Income recognition (Continued)

(ii) Fee and commission income

The Group earns fee and commission income from a diverse range of services it provides to its customers. The fee and commission income recognised by the Group reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to customers, and income is recognised when its performance obligation in contracts is satisfied.

The Group recognises income over time by measuring the progress towards the complete satisfaction of a performance obligation, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The customer controls the service provided by the Group in the course of performance;
- The Group does not provide service with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date; or
- In other cases, the Group recognises revenue at a point in time at which a customer obtains control of the promised services.

(iii) Government grants

Government grants are recognised in the consolidated statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(iv) Other income

Other income is recognised on an accrual basis.

(22) Expense recognition

(i) Interest expenses

Interest expenses from financial liabilities are accrued on a time proportion basis with reference to the amortised cost and the applicable effective interest rate.

(ii) Other expenses

Other expenses are recognised on an accrual basis.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(23) Dividends

Dividends proposed in the profit appropriation plan which will be authorised and declared after the balance sheet date are not recognised as a liability at the balance sheet date but disclosed separately in the notes to the financial statements.

(24) Related parties

(i) A person, or a close member of that person's family, is related to the Group if that person:

(a) has control or joint control over the Group;

(b) has significant influence over the Group; or

(c) is a member of the key management personnel of the Group or the Group's parent.

(ii) An entity is related to the Group if any of the following conditions applies:

(a) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);

(c) Both entities are joint ventures of the same third party;

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(f) The entity is controlled or jointly controlled by a person identified in (i);

(g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

(h) The entity, or any member of a Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(25) Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system, whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and assess its performance. Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

(26) Determination of control over investees

Management applies its judgement to determine whether the Group is acting as agent or principal in relation to the structured entities in which the Group acts as an asset manager. In assessing whether the Group is acting as agent, the Group considers factors such as scope of the asset manager's decision-making authority, rights held by other parties, remuneration to which it is entitled and exposure to variability of returns.

(27) Use of judgements and estimates

In determining the carrying amounts of some assets and liabilities, the Group makes assumptions for the effects of uncertain future events on the assets and liabilities at the end of the reporting period. These estimates involve assumptions about cash flows and the discount rates used. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to the assumptions and estimations of future events, judgements are also made during the process of applying the Group's accounting policies.

Except for accounting estimates relating to depreciation and amortisation of assets such as property and equipment and construction in progress, investment properties, intangible assets and land use rights, and other assets (see Note 2(11), Note 2(12) and Note 2(14)) and allowances for impairment losses of various types of assets (see Notes 16, 17, 18, 19, 20 and 25). Other material accounting estimates are as follows:

(i) Note 24: Recognition of deferred tax assets;

(ii) Note 40: Structured entities; and

(iii) Note 46: Fair value of financial instruments.

3 SEGMENT ANALYSIS

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors and relevant management committees (Chief Operating Decision Maker) for the purposes of allocating resources to segments and assessing their performance. The Group's chief operating decision maker reviews consolidated financial statements mainly based on operating segments for the purpose of allocating resources and performance assessment.

Measurement of segment assets and liabilities and segment income and results is based on the Group's accounting policies. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements as disclosed in Note 2.

Internal charges and transfer pricing are determined with reference to market rates and have been reflected in the performance of each segment. Interest income and expense arising from internal charges and transfer pricing adjustments are referred to as "inter-segment interest income/expense". Interest income and expense earned from/incurred with third parties are referred to as "external interest income/expense".

Segment revenue, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group provides a diversified range of banking and related financial services. The products and services offered to customers are organised into the following operating segments:

Corporate banking

The corporate banking segment provides financial products and services to corporations, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit takings and other types of corporate intermediary services, except for those carried by subsidiaries of the Bank.

Retail banking

The retail banking segment provides financial products and services to individual customers. The products and services include personal loans, deposit products, card business, personal wealth management services and other types of personal intermediary services, except for those carried by subsidiaries of the Bank.

Financial market business

The Group's financial market business conduct money market or repurchase transactions, and financial investments for its own accounts or on behalf of customers, except for those carried by subsidiaries of the Bank.

Segment result represents the profit earned by each segment without allocation of certain other income, gains or losses, share of profits of associates, income tax expense and results from subsidiaries of the Group. Segment assets/liabilities are allocated to each segment, excluding investment properties, loans and advances to customers, interests in associates and assets/liabilities of the subsidiaries of the Group. This is the measure reported to the Chief Operating Decision Maker for the purposes of resource allocation and performance assessment.

3 SEGMENT ANALYSIS (Continued)

	Year ended December 31, 2025				
	Corporate banking	Retail banking	Financial market business	Unallocated	Total
External interest income	9,512,371	3,079,383	4,034,448	513,552	17,139,754
External interest expense	(2,072,290)	(4,464,224)	(1,849,991)	(154,741)	(8,541,246)
Net inter-segment interest income/ (expense)	(1,060,678)	3,906,463	(1,637,545)	(1,208,240)	–
Net interest income	6,379,403	2,521,622	546,912	(849,429)	8,598,508
Fee and commission income	507,126	47,879	177,018	1,096	733,119
Fee and commission expense	(63,575)	(74,438)	(13,883)	(3,019)	(154,915)
Net fee and commission income	443,551	(26,559)	163,135	(1,923)	578,204
Net gains arising from financial investments	–	–	1,306,510	16,319	1,322,829
Other income, gains or losses	–	(4,891)	(29,915)	12,294	(22,512)
Operating income	6,822,954	2,490,172	1,986,642	(822,739)	10,477,029
Operating expenses	(1,788,438)	(950,773)	(674,221)	(316,050)	(3,729,482)
Impairment losses on assets	(3,790,871)	(1,360,338)	(561,129)	(85,623)	(5,797,961)
Share of profits of associates	–	–	–	3,168	3,168
Profit before taxation	1,243,645	179,061	751,292	(1,221,244)	952,754
Income tax					(111,720)
Net profit for the year					841,034
Depreciation and amortisation	309,128	100,072	131,109	40,681	580,990
Purchase of non-current assets	419,754	135,884	178,029	22,661	756,328
Segment assets	247,538,806	72,668,122	187,931,398	9,923,595	518,061,921
Deferred tax assets					5,372,638
Total assets					523,424,559
Segment liabilities	(167,640,122)	(227,176,985)	(66,632,925)	(13,361,738)	(474,811,770)
Deferred tax liabilities					–
Total liabilities					(474,811,770)
Credit commitments	87,320,842	6,653,945	–	12,651	93,987,438

3 SEGMENT ANALYSIS (Continued)

	Year ended December 31, 2024				
	Corporate banking	Retail banking	Financial market business	Unallocated	Total
External interest income	9,824,022	3,961,933	4,850,875	575,001	19,211,831
External interest expense	(2,963,013)	(4,565,676)	(2,348,054)	(164,492)	(10,041,235)
Net inter-segment interest income/ (expense)	(956,586)	3,285,742	(1,509,811)	(819,345)	–
Net interest income	5,904,423	2,681,999	993,010	(408,836)	9,170,596
Fee and commission income	563,959	62,000	376,662	2,568	1,005,189
Fee and commission expense	(40,136)	(89,098)	(25,323)	(3,581)	(158,138)
Net fee and commission income	523,823	(27,098)	351,339	(1,013)	847,051
Net gains arising from financial investments	–	–	347,553	(6,332)	341,221
Other income, gains or losses	(454)	(3,476)	37,241	(3,760)	29,551
Operating income	6,427,792	2,651,425	1,729,143	(419,941)	10,388,419
Operating expenses	(1,556,763)	(1,000,039)	(740,740)	(336,757)	(3,634,299)
Impairment losses on assets	(3,143,252)	(1,490,890)	(1,304,630)	(101,499)	(6,040,271)
Share of profits of associates	–	–	–	1,853	1,853
Profit before taxation	1,727,777	160,496	(316,227)	(856,344)	715,702
Income tax					45,823
Net profit for the year					761,525
Depreciation and amortisation	285,795	115,259	141,120	41,675	583,849
Purchase of non-current assets	304,332	122,734	150,272	17,813	595,151
Segment assets	228,337,111	81,055,498	189,286,970	13,097,709	511,777,288
Deferred tax assets					4,681,333
Total assets					516,458,621
Segment liabilities	(183,190,610)	(192,396,655)	(83,073,730)	(15,263,306)	(473,924,301)
Deferred tax liabilities					(1,382)
Total liabilities					(473,925,683)
Credit commitments	111,713,506	6,601,570	–	30,466	118,345,542

3 SEGMENT ANALYSIS (Continued)

Geographical information

The Group's revenue from external customers is derived solely from its operations and services rendered in the PRC, and non-current assets of the Group are located in the PRC.

Information about major customers

During the year ended December 31, 2025 and 2024, there were no revenue from transactions with a single external customer amounting to 10.00% or more of the Group's total revenue.

4 NET INTEREST INCOME

	2025	2024
Interest income:		
Balances with the central bank	**363,074**	389,635
Deposits with banks and other financial institutions	**52,341**	9,131
Placements with banks and other financial institutions	**96,590**	35,494
Financial assets held under resale agreements	**251,623**	381,000
Loans and advances to customers		
– Corporate loans and advances	**9,272,451**	9,559,619
– Retail loans and advances	**3,444,013**	4,395,405
– Discounted bills	**340,458**	373,527
Financial investments	**3,319,204**	4,068,020
Subtotal	**17,139,754**	19,211,831
Interest expense:		
Borrowings from the central bank	**(353,474)**	(559,942)
Deposits from banks and other financial institutions	**(143,312)**	(227,402)
Placements from banks and other financial institutions	**(40,876)**	(82,366)
Financial assets sold under repurchase agreements	**(289,637)**	(365,969)
Customer deposits	**(6,796,365)**	(7,803,756)
Debt securities issued	**(909,623)**	(992,529)
Lease liabilities	**(7,959)**	(9,271)
Subtotal	**(8,541,246)**	(10,041,235)
Net interest income	**8,598,508**	9,170,596

5 NET FEE AND COMMISSION INCOME

	2025	2024
Fee and commission income		
Settlement and clearing fees	**301,492**	290,174
Credit commitments and financial guarantees fees	**175,171**	257,871
Agency service fees	**138,489**	197,677
Wealth management fees	**34,444**	175,897
Bank card fees	**68,373**	76,053
Transaction and consultancy fees	**15,150**	7,517
Subtotal	**733,119**	1,005,189
Fee and commission expense		
Transaction fees	**(74,862)**	(81,485)
Settlement fees	**(64,735)**	(65,832)
Others	**(15,318)**	(10,821)
Subtotal	**(154,915)**	(158,138)
Net fee and commission income	**578,204**	847,051

6 NET GAINS ARISING FROM FINANCIAL INVESTMENTS

	2025	2024
Net gains on financial investments at fair value through profit or loss ("FVTPL")	**253,841**	79,364
Net gains on financial investments at fair value through other comprehensive income ("FVOCI")	**736,627**	241,064
Others	**332,361**	20,793
Total	**1,322,829**	341,221

7 OTHER INCOME, GAINS OR LOSSES

	Note	2025	2024
Exchange (losses)/gains		**(29,915)**	37,241
Government subsidies	(1)	**9,639**	33,631
Rental income		**36,847**	26,811
(Gains)/Losses on disposal of property and equipment and other assets		**38,075**	(39,546)
Depreciation of investment properties		**(10,951)**	(12,354)
Donation		**(359)**	(2,873)
Others		**(65,848)**	(13,359)
Total		**(22,512)**	29,551

(1) Government subsidies mainly represent interest rate swap incentive, subsidies received from local government to encourage the expansion of agriculture-related loan portfolios, subsidies for stabilising and expanding positions, bonus for the Group's contribution to the local economic development and tax refund.

8 OPERATING EXPENSES

	Note	2025	2024
Staff costs			
– Salaries, bonuses and allowances		**1,608,303**	1,557,633
– Social insurance and supplementary retirement benefits		**292,295**	306,230
– Housing fund		**102,884**	94,503
– Staff welfares		**88,397**	85,313
– Employee education expenses and labour union expenses		**37,128**	48,652
Subtotal		**2,129,007**	2,092,331
General and administrative expenses	(1)	**878,384**	834,617
Depreciation and amortisation (excluding investment properties)		**467,773**	466,507
Tax and surcharges		**152,052**	135,856
Depreciation (right-of-use assets)		**102,266**	104,988
Total		**3,729,482**	3,634,299

(1) Included in the general and administrative expenses, there were auditor's remunerations for the year ended December 31, 2025 and 2024 amounting to RMB4.57 million and RMB4.57 million respectively.

9 IMPAIRMENT LOSSES ON ASSETS

	2025	2024
Loans and advances to customers at amortised cost	**5,125,570**	4,992,616
Loans and advances to customers at FVOCI	**(8,502)**	(7,762)
Financial investments measured at amortised cost	**568,508**	866,193
Financial investments measured at FVOCI	**544**	(319)
Others	**111,841**	189,543
Total	**5,797,961**	6,040,271

10 INCOME TAX

(1) Income tax

	Note	2025	2024
Current income tax		**280,491**	375,594
Tax filing differences		**147,494**	192,860
Deferred tax	24	**(316,265)**	(614,277)
Total		**111,720**	(45,823)

The Group carries out its operation in the Chinese Mainland and all group entities are subject to the PRC Enterprise Income Tax. It is calculated at 25.00% of the estimated assessable profit for the year.

(2) Reconciliations between income tax and accounting profit are as follows

	Note	2025	2024
Profit before taxation		**952,754**	715,702
Tax calculated at applicable statutory tax rate of 25%		**238,189**	178,926
Adjustments for prior years		**147,494**	192,860
Effect of expenses not deductible for tax purpose		**386,652**	153,654
Effect of non-taxable income	(a)	**(735,903)**	(749,081)
Effect of deductible temporary differences for which no deferred tax asset is recognised	(b)	**8,481**	14,687
Utilization of tax losses previously not recognised		**(1,292)**	(1,317)
Others		**68,099**	164,448
Total		**111,720**	(45,823)

10 INCOME TAX (Continued)

(2) Reconciliations between income tax and accounting profit are as follows (Continued)

Notes:

(a) The non-taxable income mainly represents interest income arising from the PRC government bonds and local government bonds, fund dividend income, and share of profit of associates, which are exempt from income tax under the PRC tax regulations.

(b) Due to the uncertainty of having adequate taxable income in future, certain subsidiaries did not recognise the deferred tax assets for their deductible temporary differences.

(c) Under the PRC tax regulations, as at December 31, 2025, the cumulative losses of RMB1.18 million and RMB0.35 million will expire in 2026 and 2030 respectively. As at December 31, 2024, the cumulative losses of RMB5.13 million, RMB1.18 million and RMB0.78 million would expire in 2025, 2026 and 2027 respectively.

11 OTHER COMPREHENSIVE INCOME

	Year ended December 31, 2025		
	Before-tax amount	Tax expense	Net-of-tax amount
Items that may be reclassified subsequently to profit or loss:			
– FVOCI: net movement in fair value	**(1,497,729)**	**374,432**	**(1,123,297)**
– FVOCI: net movement in impairment losses	**(7,958)**	**1,990**	**(5,968)**
Total	**(1,505,687)**	**376,422**	**(1,129,265)**

	Year ended December 31, 2024		
	Before-tax amount	Tax expense	Net-of-tax amount
Items that may be reclassified subsequently to profit or loss:			
– FVOCI: net movement in fair value	1,825,797	(456,449)	1,369,348
– FVOCI: net movement in impairment losses	(8,081)	2,020	(6,061)
Total	1,817,716	(454,429)	1,363,287

12 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is as follows:

	Year ended December 31	
	2025	2024
Earnings for the purpose of basic and diluted earnings per share:		
Net profit attributable to equity holders of the Bank	**827,523**	744,432
Less: Net profit attributable to holders of perpetual bonds	**(336,000)**	(336,000)
Net profit attributable to ordinary shareholders of the Bank	**491,523**	408,432
Numbers of shares:		
Weighted average number of shares for the purpose of basic earnings per share (in '000)	**2,847,367**	2,847,367
Basic and diluted earnings per share (RMB yuan)	**0.17**	0.14

No diluted earnings per share for the year ended December 31, 2025 and 2024 were presented as there were no dilutive potential ordinary shares outstanding during the respective year.

13 DIVIDENDS

	Note	Year ended December 31	
		2025	2024
Dividends on ordinary shares:			
2024 Final Dividend	(1)	**162,300**	–
2023 Final Dividend	(1)	**–**	170,842
Interest on perpetual bonds declared and paid	(2)	**336,000**	336,000

13 DIVIDENDS (Continued)

Notes:

(1) Distribution of dividends on ordinary shares

A final dividend of RMB5.7 cents per share (tax inclusive) in respect of the year ended December 31, 2024 amounting in a total of RMB162.30 million was proposed by the Board of Directors of the Bank and approved by the 2024 Annual General Meeting of the Bank on June 27, 2025.

A final dividend of RMB6 cents per share (tax inclusive) in respect of the year ended December 31, 2023 amounting in a total of RMB170.84 million was proposed by the Board of Directors of the Bank and approved by the 2023 Annual General Meeting of the Bank on June 28, 2024.

(2) Distribution of interest on perpetual bonds

An interest at the interest rate of 4.80% per annum related to the 2021 first tranche of perpetual bonds of RMB3 billion amounting to RMB144.00 million in total was declared on February 6, 2025 and distributed on February 9, 2025.

An interest at the interest rate of 4.80% per annum related to the 2021 second tranche of perpetual bonds of RMB4 billion amounting to RMB192.00 million in total was declared on April 11, 2025 and distributed on April 15, 2025.

An interest at the interest rate of 4.80% per annum related to the 2021 first tranche of perpetual bonds of RMB3 billion amounting to RMB144.00 million in total was declared on February 7, 2024 and distributed on February 9, 2024.

An interest at the interest rate of 4.80% per annum related to the 2021 second tranche of perpetual bonds of RMB4 billion amounting to RMB192.00 million in total was declared on April 11, 2024 and distributed on April 15, 2024.

14 EMOLUMENTS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

(1) Directors', supervisors' and senior management remunerations

Year ended December 31, 2025

Name	Fees	Salaries	Discretionary bonuses	Subtotal	Contributions by the employer to social insurance and staff welfares, housing fund, etc	Contributions to Pension Scheme	Other welfares	Total (v)
Executive directors								
Zhou Shixin	-	219	589	808	98	119	2	1,027
Xiao Jing	-	219	589	808	93	119	2	1,022
Yuan Delei	-	175	468	643	88	119	2	852
Non-executive directors								
Luo Feng	-	-	-	-	-	-	-	-
Shi Zhishan	-	-	-	-	-	-	-	-
Zhou Miao	-	-	-	-	-	-	-	-
Liu Yinan	-	-	-	-	-	-	-	-
Independent non-executive directors								
Wang Wanqiu	195	-	-	195	-	-	-	195
Tian Li	205	-	-	205	-	-	-	205
Zhang Yonghong	225	-	-	225	-	-	-	225
Guo Jiequn	215	-	-	215	-	-	-	215
Resigned Supervisors (vi)								
Yu Menglin	-	132	17	149	85	34	2	270
Liao Jingwen	-	142	182	324	88	63	2	477
Chen Zhiying	-	-	-	-	-	-	-	-
Tang Xiaofeng	180	-	-	180	-	-	-	180
Chua Alvin Cheng-Hock	180	-	-	180	-	-	-	180
Senior management								
Xie Haiyang	-	175	468	643	85	119	2	849
Huang Chaoyang	-	211	318	529	104	83	2	718
Qi Yongwen	-	215	280	495	84	83	2	664
Cai Jianhong (iv)	-	50	14	64	22	21	1	108
Li Guoquan (v)	-	242	143	385	58	56	2	501
Cheng Zhong	-	288	426	714	90	83	2	889
Du Zhongwen (iii)	-	175	468	643	90	119	2	854
Total	1,200	2,243	3,962	7,405	985	1,018	23	9,431

14 EMOLUMENTS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(1) Directors', supervisors' and senior management remunerations

(Continued)

Year ended December 31, 2024

Name	Fees	Salaries	Discretionary bonuses	Subtotal	Contributions by the employer to social insurance and staff welfares, housing fund, etc	Contributions to Pension Scheme	Other welfares	Total (v)
Executive directors								
Zhou Shixin	-	219	589	808	91	130	2	1,031
Xiao Jing	-	219	589	808	83	130	2	1,023
Yuan Delei	-	175	467	642	87	130	2	861
Non-executive directors								
Luo Feng	-	-	-	-	-	-	-	-
Shi Zhishan	-	-	-	-	-	-	-	-
Zhou Miao	-	-	-	-	-	-	-	-
Liu Yinan	-	-	-	-	-	-	-	-
Independent non-executive directors								
Wang Wanqiu	190	-	-	190	-	-	-	190
Tian Li	200	-	-	200	-	-	-	200
Zhang Yonghong	205	-	-	205	-	-	-	205
Guo Jiequn	215	-	-	215	-	-	-	215
Supervisors								
Yu Menglin	-	179	288	467	86	65	2	620
Liao Jingwen	-	146	196	342	86	65	2	495
Chen Zhiying	-	-	-	-	-	-	-	-
Tang Xiaofeng	210	-	-	210	-	-	-	210
Chua Alvin Cheng-Hock	195	-	-	195	-	-	-	195
Senior management								
Xie Haiyang	-	175	467	642	80	130	2	854
Wang Li (i)	-	24	34	58	-	54	-	112
Huang Chaoyang	-	269	335	604	95	87	2	788
Qi Yongwen	-	192	357	549	76	87	2	714
Xu Cao (ii)	-	109	162	271	41	87	2	401
Wang Yuanxin (ii)	-	184	201	385	77	87	2	551
Cai Jianhong (iv)	-	189	310	499	86	87	2	674
Li Guoquan (v)	-	286	356	642	86	87	2	817
Cheng Zhong	-	328	435	763	90	87	2	942
Total	1,215	2,694	4,786	8,695	1,064	1,313	26	11,098

14 EMOLUMENTS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(1) Directors', supervisors' and senior management remunerations (Continued)

Notes:

(i) On January 26, 2024, the Board of Directors resolved to terminate Wang Li's position as senior management of the Bank due to retirement.

(ii) On June 27, 2024, the Board of Directors resolved to terminate Xu Cao's and Wang Yuanxin's position as senior management of the Bank due to early retirement.

(iii) On October 31, 2024, the Board of Directors resolved to appoint Du Zhongwen as the senior management of the Bank. Du Zhongwen will perform duties of this position until the NFRA approves the appointment. On January 27, 2025, the NFRA Jiangxi Province Bureau approved the appointment.

(iv) On March 31, 2025, the Board of Directors resolved to terminate Cai Jianhong's position as senior management of the Bank due to early retirement.

(v) On August 29, 2025, the Board of Directors resolved to terminate Li Guoquan's position as senior management of the Bank due to early retirement.

(vi) On December 31, 2025, the Group cancelled the Board of Supervisors. Members of the seventh session of the Board of Supervisors of the Group, namely Ms. Yu Menglin, Ms. Liao Jingwen, Ms. Chen Zhiying, Mr. Tang Xiaofeng and Mr. Chua Alvin Cheng-Hock, no longer served in their positions on the Board of Supervisors and its special committees.

(vii) There was no non-cash payment during the year ended December 31, 2025 to the directors, supervisors or senior management (December 31, 2024: nil). There was no arrangement under which a director's or senior management's remuneration was deducted during the year ended December 31, 2025 (December 31, 2024: nil).

The executive directors' remunerations shown above were for their services in connection with the management of the affairs of the Bank and the Group.

Non-executive directors did not receive any remunerations for their services as directors of the Bank.

The independent non-executive directors' remunerations shown above were for their services as directors of the Bank.

14 EMOLUMENTS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(1) Directors', supervisors' and senior management remunerations

(Continued)

The supervisors' remunerations shown above were for the supervised service and employment in the Bank.

The bonuses are discretionary and are determined by reference to the Group's and the individuals' performance.

For the year ended December 31, 2025 and 2024, no directors, supervisors or senior management of the Bank waived any remunerations, and no remunerations were paid by the Bank to any of the directors, supervisors or senior management as an inducement to join or upon joining the Group or as compensation for loss of office.

The total compensation packages (including discretionary bonus) for executive directors and supervisors for the year ended December 31, 2025 have not yet been finalised in accordance with the regulations of PRC relevant authorities. The compensation for independent non-executive directors and independent supervisors for the year ended December 31, 2025 have not yet been approved by the General Meeting. The amount of the compensation not provided is not expected to have any significant impact on the Group's consolidated financial statements for the year ended December 31, 2025.

(2) Five highest paid individuals

Among the five highest paid individuals, none of them are directors of the Bank, none of them are supervisors of the Bank and none of them are senior management whose remunerations are disclosed above for the year ended December 31, 2025 and 2024 respectively.

The total remunerations payable to the five individuals whose remunerations were the highest in the Group during the years of 2025 and 2024 are as follows:

	Year ended December 31	
	2025	2024
Basic salaries and allowances	**6,840**	8,425
Contribution to pension schemes	**415**	434
Welfares	**11**	11
Total	**7,266**	8,870

14 EMOLUMENTS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(2) Five highest paid individuals (Continued)

Remunerations of the five highest paid individuals were within the following bands:

	Year ended December 31	
	2025	2024
RMB¥ 1,500,001 – RMB¥ 2,000,000	**5**	5
RMB¥ 2,000,001 – RMB¥ 2,500,000	**–**	–
RMB¥ 2,500,001 – RMB¥ 3,000,000	**–**	–
RMB¥ 3,000,001 – RMB¥ 3,500,000	**–**	–
Total	**5**	5

During the year ended December 31, 2025 and 2024, no remuneration was paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

15 CASH AND BALANCES WITH THE CENTRAL BANK

	Note	As at December 31	
		2025	2024
Cash		**659,769**	608,757
Statutory deposit reserves	(i)	**21,608,347**	21,816,037
Surplus deposit reserves	(ii)	**4,082,977**	3,849,988
Other deposits	(iii)	**161,496**	295,288
Subtotal		**26,512,589**	26,570,070
Accrued interest		**9,239**	10,303
Total		**26,521,828**	26,580,373

15 CASH AND BALANCES WITH THE CENTRAL BANK (Continued)

Notes:

(i) The Group places statutory deposit reserves with the People's Bank of China (the "PBOC"). This includes RMB deposit reserves and foreign currency deposit reserves. These statutory deposit reserves are not available for the Group's daily operations.

As at December 31, 2025 and 2024, statutory deposit reserves with the PBOC were calculated at 5.5% and 6% of eligible RMB deposits for the Bank; and at 5% and 5% of those for the subsidiaries respectively, and at 4% and 4% of foreign currency deposits for the Bank. The foreign currency deposit reserves placed with the PBOC are non-interest bearing.

(ii) The surplus deposit reserves are maintained with the PBOC mainly for the purpose of clearing.

(iii) Other deposits mainly represent the required fiscal deposits placed with the PBOC.

16 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at December 31	
	2025	2024
Deposits with:		
Banks and other financial institutions in the Chinese Mainland	**4,517,602**	1,045,272
Banks outside the Chinese Mainland	**154,040**	146,500
Subtotal	**4,671,642**	1,191,772
Accrued interest	**4,129**	449
Allowances for impairment losses	**(1,254)**	(393)
Total	**4,674,517**	1,191,828

17 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at December 31	
	2025	2024
Placements with:		
Banks in the Chinese Mainland	**773,168**	1,038,724
Banks outside the Chinese Mainland	**281,152**	–
Subtotal	**1,054,320**	1,038,724
Accrued interest	**6,276**	6,150
Allowances for impairment losses	**(272)**	(325)
Total	**1,060,324**	1,044,549

18 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

(1) Analysed by type and location of counterparty

	As at December 31	
	2025	2024
Banks in the Chinese Mainland	**179,865**	4,386,268
Other financial institutions in the Chinese Mainland	**3,099,766**	5,072,275
Subtotal	**3,279,631**	9,458,543
Accrued interest	**545**	732
Allowances for impairment losses	**(813)**	(2,937)
Total	**3,279,363**	9,456,338

(2) Analysed by type of collateral

	As at December 31	
	2025	2024
Bonds	**3,279,631**	7,982,873
Bills	**–**	1,475,670
Subtotal	**3,279,631**	9,458,543
Accrued interest	**545**	732
Allowances for impairment losses	**(813)**	(2,937)
Total	**3,279,363**	9,456,338

19 LOANS AND ADVANCES TO CUSTOMERS

(1) Analysed by nature

Distributions of loans and advances to customers by corporate and retail customers are set out as follows:

	Note	As at December 31 2025	2024
Corporate loans and advances			
– Loans		**195,969,196**	179,871,631
Retail loans and advances			
– Personal loans for business purposes		**32,220,342**	35,139,424
– Residential mortgage loans		**25,622,186**	29,472,635
– Personal loans for consumption		**17,157,999**	18,858,301
– Credit card		**5,089,301**	5,920,598
Subtotal		**80,089,828**	89,390,958
Accrued interest		**2,087,139**	1,921,190
Total loans and advances to customers at amortised cost		**278,146,163**	271,183,779
Allowances for impairment losses			
– 12-month ECL		**(1,338,165)**	(1,420,913)
– lifetime ECL not credit-impaired		**(3,943,229)**	(3,738,248)
– lifetime ECL credit-impaired		**(4,362,198)**	(5,648,922)
Subtotal		**(9,643,592)**	(10,808,083)
Loans and advances to customers at amortised cost, net		**268,502,571**	260,375,696
Loans and advances to customers at FVOCI			
– Discounted bills and forfeiting	(a)	**52,783,696**	51,572,121
Total loans and advances to customers		**321,286,267**	311,947,817

Note:

(a) As at December 31, 2025 and 2024, the Group's allowances for impairment losses on loans and advances to customers measured at FVOCI was RMB10.53 million and RMB19.03 million respectively, as detailed in Note 19(7)(b).

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(2) Analysed by industry sector

	December 31, 2025		
	Amount	Percentage	Loans and advances secured by collaterals
Manufacturing	**53,182,783**	**16.17%**	**12,729,029**
Wholesale and retail	**46,066,533**	**14.01%**	**6,877,695**
Leasing and commercial services	**30,424,362**	**9.25%**	**4,461,556**
Construction	**25,222,923**	**7.67%**	**4,316,250**
Real estate	**21,043,292**	**6.40%**	**12,245,985**
Water conservancy, environment and public utility management	**9,800,009**	**2.98%**	**989,777**
Agriculture, forestry, animal husbandry and fishery	**8,263,982**	**2.51%**	**1,373,485**
Education	**3,954,644**	**1.20%**	**512,069**
Production and supply of electricity, heating, gas and water	**3,881,866**	**1.18%**	**254,264**
Mining	**3,682,481**	**1.12%**	**1,381,640**
Others	**12,898,010**	**3.93%**	**1,551,828**
Subtotal of corporate loans and advances	**218,420,885**	**66.42%**	**46,693,578**
Retail loans and advances	**80,089,828**	**24.36%**	**41,332,991**
Discounted bills	**30,332,007**	**9.22%**	**–**
Gross loans and advances to customers	**328,842,720**	**100.00%**	**88,026,569**

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(2) Analysed by industry sector (Continued)

	December 31, 2024		
	Amount	Percentage	Loans and advances secured by collaterals
Manufacturing	51,792,485	16.14%	10,700,683
Wholesale and retail	33,838,311	10.55%	6,138,526
Leasing and commercial services	27,297,130	8.51%	4,647,236
Construction	20,988,303	6.54%	4,149,145
Real estate	22,206,081	6.92%	13,511,054
Water conservancy, environment and public utility management	11,086,249	3.46%	1,312,820
Agriculture, forestry, animal husbandry and fishery	6,935,434	2.16%	832,052
Education	5,645,957	1.76%	630,943
Production and supply of electricity, heating, gas and water	2,593,156	0.81%	228,625
Mining	3,264,626	1.01%	1,198,038
Others	13,596,612	4.24%	1,746,556
Subtotal of corporate loans and advances	199,244,344	62.10%	45,095,678
Retail loans and advances	89,390,958	27.86%	48,904,556
Discounted bills	32,199,408	10.04%	–
Gross loans and advances to customers	320,834,710	100.00%	94,000,234

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(3) Analysed by type of collateral

	As at December 31	
	2025	2024
Guaranteed loans	**120,295,662**	107,801,199
Collateralised loans	**88,026,569**	94,000,234
Pledged loans	**70,501,382**	69,741,975
Unsecured loans	**50,019,107**	49,291,302
Gross loans and advances to customers	**328,842,720**	320,834,710
Accrued interest	**2,087,139**	1,921,190
Allowances for impairment losses on loans and advances to customers measured at amortised cost	**(9,643,592)**	(10,808,083)
Net loans and advances to customers	**321,286,267**	311,947,817

(4) Overdue loans analysed by overdue period

	December 31, 2025				
	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	Overdue more than one year to three years (inclusive)	Overdue more than three years	Total
Collateralised loans	1,565,588	1,235,505	606,884	120,055	3,528,032
Pledged loans	1,636,551	227,895	120,979	5,957	1,991,382
Guaranteed loans	727,675	560,682	491,622	118,666	1,898,645
Unsecured loans	384,477	915,209	140,924	75,471	1,516,081
Total	4,314,291	2,939,291	1,360,409	320,149	8,934,140
As a percentage of gross loans and advances to customers	1.32%	0.89%	0.41%	0.10%	2.72%

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(4) Overdue loans analysed by overdue period (Continued)

	December 31, 2024				
	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	Overdue more than one year to three years (inclusive)	Overdue more than three years	Total
Collateralised loans	1,968,760	1,368,334	1,628,563	147,068	5,112,725
Pledged loans	188,533	168,981	345,889	5,957	709,360
Guaranteed loans	1,021,156	789,671	338,449	43,149	2,192,425
Unsecured loans	316,912	778,577	224,458	61,653	1,381,600
Total	3,495,361	3,105,563	2,537,359	257,827	9,396,110
As a percentage of gross loans and advances to customers	1.09%	0.97%	0.79%	0.08%	2.93%

Overdue loans represent loans, of which the whole or part of the principal or interest are overdue for one day or more.

(5) Analysed by geographical area

	December 31, 2025	
	Amount	**Percentage**
Within Jiangxi Province (apart from Jiujiang City)	**171,575,791**	**52.17%**
Jiujiang City	**107,948,173**	**32.83%**
Guangdong Province	**23,977,044**	**7.29%**
Anhui Province	**17,450,378**	**5.31%**
Others	**7,891,334**	**2.40%**
Gross loans and advances to customers	**328,842,720**	**100.00%**

	December 31, 2024	
	Amount	Percentage
Within Jiangxi Province (apart from Jiujiang City)	166,849,955	52.00%
Jiujiang City	103,895,349	32.38%
Guangdong Province	23,474,326	7.32%
Anhui Province	16,681,991	5.20%
Others	9,933,089	3.10%
Gross loans and advances to customers	320,834,710	100.00%

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(6) Loans and advances and allowances for impairment losses

	As at December 31, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Total loans and advances to customers measured at amortised cost	**252,776,615**	**19,027,562**	**6,341,986**	**278,146,163**
Allowances for impairment losses on loans and advances to customers measured at amortised cost	**(1,338,165)**	**(3,943,229)**	**(4,362,198)**	**(9,643,592)**
Carrying amount of loans and advances to customers measured at amortised cost	**251,438,450**	**15,084,333**	**1,979,788**	**268,502,571**
Carrying amount of loans and advances to customers measured at FVOCI	**52,783,696**	**–**	**–**	**52,783,696**
Total carrying amount of loans and advances to customers	**304,222,146**	**15,084,333**	**1,979,788**	**321,286,267**

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(6) Loans and advances and allowances for impairment losses (Continued)

	As at December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Total loans and advances to customers measured at amortised cost	243,705,289	18,849,975	8,628,515	271,183,779
Allowances for impairment losses on loans and advances to customers measured at amortised cost	(1,420,913)	(3,738,248)	(5,648,922)	(10,808,083)
Carrying amount of loans and advances to customers measured at amortised cost	242,284,376	15,111,727	2,979,593	260,375,696
Carrying amount of loans and advances to customers measured at FVOCI	51,572,121	–	–	51,572,121
Total carrying amount of loans and advances to customers	293,856,497	15,111,727	2,979,593	311,947,817

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(7) Analysis of movements of the allowance for impairment losses on loans and advances to customers for the year ended December 31, 2025 and 2024 are as follows:

(a) Loans and advances to customers at amortised cost

	Year ended December 31, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2025	**1,420,913**	**3,738,248**	**5,648,922**	**10,808,083**
Transferred:				
– to 12-month ECL	**494,868**	**(481,913)**	**(12,955)**	**–**
– to lifetime ECL not credit-impaired	**(23,884)**	**133,791**	**(109,907)**	**–**
– to lifetime ECL credit-impaired	**(9,837)**	**(625,004)**	**634,841**	**–**
(Released)/charged for the year	**(543,895)**	**1,178,107**	**4,491,358**	**5,125,570**
Write-offs	**–**	**–**	**(6,126,768)**	**(6,126,768)**
Transfer out	**–**	**–**	**(1,226,028)**	**(1,226,028)**
Recoveries	**–**	**–**	**1,062,735**	**1,062,735**
As at December 31, 2025	**1,338,165**	**3,943,229**	**4,362,198**	**9,643,592**

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	1,686,786	2,359,034	5,634,371	9,680,191
Transferred:				
– to 12-month ECL	142,697	(87,601)	(55,096)	–
– to lifetime ECL not credit-impaired	(32,702)	158,596	(125,894)	–
– to lifetime ECL credit-impaired	(19,280)	(544,891)	564,171	–
(Released)/charged for the year	(356,588)	1,853,110	3,496,094	4,992,616
Write-offs	–	–	(3,167,800)	(3,167,800)
Transfer out	–	–	(1,011,182)	(1,011,182)
Recoveries	–	–	314,258	314,258
As at December 31, 2024	1,420,913	3,738,248	5,648,922	10,808,083

19 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(7) Analysis of movements of the allowance for impairment losses on loans and advances to customers for the year ended December 31, 2025 and 2024 are as follows: (Continued)

(b) Loans and advances to customers at FVOCI

	Year ended December 31, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2025	**19,034**	**–**	**–**	**19,034**
Released for the year	**(8,502)**	**–**	**–**	**(8,502)**
As at December 31, 2025	**10,532**	**–**	**–**	**10,532**

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	26,796	–	–	26,796
Released for the year	(7,762)	–	–	(7,762)
As at December 31, 2024	19,034	–	–	19,034

Allowance for impairment losses on loans and advances to customers measured at FVOCI is recognised in other comprehensive income without decreasing the carrying amount of loans and advances presented in the consolidated statement of financial position, and any impairment loss or reversal is recognised in the profit or loss.

20 FINANCIAL INVESTMENTS

	Note	As at December 31 2025	2024
Financial investments measured at FVTPL	(1)	**32,869,170**	36,725,425
Financial investments measured at FVOCI	(2)	**54,376,157**	45,414,081
Financial investments measured at amortised cost	(3)	**63,698,118**	68,656,933
Total		**150,943,445**	150,796,439

(1) Financial investments measured at FVTPL

	As at December 31 2025	2024
Debt securities issued by:		
Commercial banks	**8,123,111**	9,150,603
Corporations	**2,498,571**	3,911,174
Policy banks	**1,626,839**	1,155,508
Government	**36,138**	603,877
Subtotal	**12,284,659**	14,821,162
Equity investments	**1,878,433**	1,917,359
Funds and other investments:		
Fund investments	**13,766,540**	16,110,769
Trust beneficiary rights and asset management plans	**1,033,445**	1,104,441
Others	**3,906,093**	2,771,694
Subtotal	**18,706,078**	19,986,904
Total	**32,869,170**	36,725,425
Listed	**2,673,111**	2,409,400
Unlisted	**30,196,059**	34,316,025
Total	**32,869,170**	36,725,425

20 FINANCIAL INVESTMENTS (Continued)

(2) Financial investments measured at FVOCI

	As at December 31	
	2025	2024
Debt securities issued by:		
Government	**20,561,915**	26,360,342
Policy banks	**30,371,832**	16,874,126
Corporations	**2,110,864**	1,763,313
Commercial banks	**817,113**	–
Subtotal	**53,861,724**	44,997,781
Accrued interest	**514,433**	416,300
Total	**54,376,157**	45,414,081
Listed	**29,813,334**	29,231,473
Unlisted	**24,562,823**	16,182,608
Total	**54,376,157**	45,414,081

	As at December 31, 2025			
	12-month ECL	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
As at December 31, 2025	**54,376,157**	**–**	**–**	**54,376,157**

	As at December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at December 31, 2024	45,414,081	–	–	45,414,081

20 FINANCIAL INVESTMENTS (Continued)

(2) Financial investments measured at FVOCI (Continued)

Movements of the allowance for impairment losses on financial investments measured at FVOCI are as follows:

	Year ended December 31, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2025	**6,456**	**–**	**–**	**6,456**
Charged for the year	**544**	**–**	**–**	**544**
As at December 31, 2025	**7,000**	**–**	**–**	**7,000**

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	6,775	–	–	6,775
Released for the year	(319)	–	–	(319)
As at December 31, 2024	6,456	–	–	6,456

Allowances for impairment losses on financial investments measured at FVOCI is recognised in other comprehensive income without decreasing the carrying amount of financial investments presented in the consolidated statement of financial position, and any impairment loss or reversal is recognised in the profit or loss.

20 FINANCIAL INVESTMENTS (Continued)

(3) Financial investments measured at amortised cost

	As at December 31	
	2025	2024
Debt securities issued by:		
Government	**38,394,416**	37,914,825
Policy banks	**11,075,390**	13,071,785
Corporations	**6,467,499**	6,587,322
Non-public project bonds	**175,997**	263,993
Asset backed medium-term notes	**24,900**	74,273
Subtotal	**56,138,202**	57,912,198
Trust beneficiary rights and asset management plans and others	**9,481,054**	14,812,297
Accrued interest	**880,143**	1,499,251
Allowances for impairment losses	**(2,801,281)**	(5,566,813)
Total	**63,698,118**	68,656,933
Listed	**37,614,526**	38,148,663
Unlisted	**26,083,592**	30,508,270
Total	**63,698,118**	68,656,933

	As at December 31, 2025			
	12-month ECL	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
Financial investments measured at amortised cost	**56,767,527**	**1,099,749**	**8,632,123**	**66,499,399**
Allowances for impairment losses	**(56,589)**	**(230,617)**	**(2,514,075)**	**(2,801,281)**
As at December 31, 2025	**56,710,938**	**869,132**	**6,118,048**	**63,698,118**

	As at December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Financial investments measured at amortised cost	59,349,998	5,418,284	9,455,464	74,223,746
Allowances for impairment losses	(75,761)	(832,219)	(4,658,833)	(5,566,813)
As at December 31, 2024	59,274,237	4,586,065	4,796,631	68,656,933

20 FINANCIAL INVESTMENTS (Continued)

(3) Financial investments measured at amortised cost (Continued)

Movements of the allowance for impairment losses on financial investments measured at amortised cost are as follows:

	Year ended December 31, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2025	**75,761**	**832,219**	**4,658,833**	**5,566,813**
Transferred:				
– to 12-month ECL	**–**	**–**	**–**	**–**
– to lifetime ECL not credit-impaired	**–**	**–**	**–**	**–**
– to lifetime ECL credit-impaired	**–**	**(679,561)**	**679,561**	**–**
(Released)/charged for the year	**(19,172)**	**77,959**	**509,721**	**568,508**
Write-offs	**–**	**–**	**(3,339,953)**	**(3,339,953)**
Recoveries	**–**	**–**	**5,913**	**5,913**
As at December 31, 2025	**56,589**	**230,617**	**2,514,075**	**2,801,281**

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	47,771	884,901	3,745,087	4,677,759
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	(6,321)	28,056	(21,735)	–
– to lifetime ECL credit-impaired	–	(309,458)	309,458	–
Charged for the year	34,311	228,720	603,162	866,193
Recoveries	–	–	22,861	22,861
As at December 31, 2024	75,761	832,219	4,658,833	5,566,813

21 INTEREST IN ASSOCIATES

	As at December 31 2025	2024
Cost of unlisted investments in associates	**83,040**	83,040
Share of post-acquisition profits and other comprehensive income, net of dividends received	**62,497**	59,329
Total	**145,537**	142,369

Details of the Bank's associates as at December 31, 2025 and 2024 are set out below:

Name of entity	Place of incorporation/ registration and operations	Date of incorporation/ establishment	Authorised/ paid-in capital as at December 31, 2025 (RMB'000)	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activity
				As at December 31, 2025 %	As at December 31, 2024 %	As at December 31, 2025 %	As at December 31, 2024 %	
Zhongshan Xiaolan County Bank Co., Ltd. (i)	Guangdong, PRC	December 2008	250,000	**25.00**	25.00	**25.00**	25.00	Commercial bank
Guixi Jiuyin County Bank Co., Ltd. (ii)	Jiangxi, PRC	December 2011	99,500	**20.64**	20.64	**25.62**	25.62	Commercial bank

(i) The Group initiated and established Zhongshan Xiaolan County Bank Co., Ltd. in December 2008, with an investment of RMB62.50 million, holding 25.00% equity interest of the associate. The Group has significant influence over the associate which is accounted for using equity method.

(ii) The Group initiated and established Guixi Jiuyin County Bank Co., Ltd. in December 2011, with an investment of RMB20.54 million, holding 41.08% equity interest of the entity, seized the control of the entity. Guixi Jiuyin issued 49.50 million shares on December 29, 2017, and the Group's shareholding percentage was diluted to 20.64%. The Group lost control over Guixi Jiuyin County Bank Co., Ltd. and recognised the interests in it at the fair value of the deemed disposal date as interests in associate, which is subsequently accounted for by using equity method as the Group continued to have significant influence over it after the deemed disposal.

22 RIGHT-OF-USE ASSETS

The Group as a lessee

	Total
COST	
As at January 1, 2024	621,847
Additions	126,089
Disposals	(167,079)
As at December 31, 2024	580,857
Additions	115,785
Disposals	(175,530)
As at December 31, 2025	521,112
ACCUMULATED DEPRECIATION	
As at January 1, 2024	(332,835)
Charged for the year	(104,988)
Disposals	136,333
As at December 31, 2024	(301,490)
Charged for the year	(102,266)
Disposals	134,096
As at December 31, 2025	(269,660)
NET BOOK VALUE	
As at December 31, 2024	279,367
As at December 31, 2025	251,452

The Group leases land and buildings, machinery and equipment for its operations. Lease contracts are entered into for fixed term of 1 year to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

As at December 31, 2025, the Group had entered into RMB1.66 million leases that have not yet commenced (December 31, 2024: RMB1.86 million).

23 PROPERTY AND EQUIPMENT

	Premises	Electronic equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements and others	Construction in progress	Total
COST							
As at January 1, 2024	3,177,546	506,658	16,519	194,703	288,923	1,193,487	5,377,836
Additions	10,192	19,807	367	13,254	69,554	129,899	243,073
Transfers from/(out of) construction in progress	1,027,448	32,829	–	35,632	4,253	(1,124,664)	(24,502)
Disposals	(230,044)	(14,907)	(728)	(9,815)	(96,485)	–	(351,979)
As at December 31, 2024	3,985,142	544,387	16,158	233,774	266,245	198,722	5,244,428
Additions	232,359	41,776	1,152	17,375	55,286	113,590	461,538
Transfers from/(out of) construction in progress	62,238	28,334	–	129	2,260	(147,069)	(54,108)
Disposals	(236,994)	(20,938)	(2,243)	(22,683)	(71,568)	–	(354,426)
As at December 31, 2025	4,042,745	593,559	15,067	228,595	252,223	165,243	5,297,432
ACCUMULATED DEPRECIATION							
As at January 1, 2024	(982,486)	(422,564)	(12,071)	(151,433)	(163,811)	–	(1,732,365)
Charged for the year	(150,920)	(44,486)	(1,337)	(25,125)	(68,687)	–	(290,555)
Disposals	9,194	12,049	706	7,755	86,527	–	116,231
As at December 31, 2024	(1,124,212)	(455,001)	(12,702)	(168,803)	(145,971)	–	(1,906,689)
Charged for the year	(169,897)	(47,750)	(1,401)	(17,333)	(60,338)	–	(296,719)
Disposals	23,983	12,524	2,187	11,084	69,817	–	119,595
As at December 31, 2025	(1,270,126)	(490,227)	(11,916)	(175,052)	(136,492)	–	(2,083,813)
NET BOOK VALUE							
As at December 31, 2024	2,860,930	89,386	3,456	64,971	120,274	198,722	3,337,739
As at December 31, 2025	2,772,619	103,332	3,151	53,543	115,731	165,243	3,213,619

As at December 31, 2025, the process of obtaining the legal titles for the Group's properties and buildings with an aggregate carrying amount of RMB728.00 million (December 31, 2024: RMB781.00 million) was still in progress. Management is of the view that the aforesaid matter would neither affect the rights of the Group to these assets nor have any significant impact on the business operation of the Group.

24 DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at December 31 2025	2024
Deferred tax assets	**5,468,289**	5,252,578
Deferred tax liabilities	**(95,651)**	(572,627)
Total	**5,372,638**	4,679,951

(1) Analysed by nature

	As at December 31, 2025		As at December 31, 2024	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)
Deferred tax assets:				
Allowance for impairment losses	**20,555,236**	**5,138,809**	19,786,876	4,946,719
Accrued salaries, bonuses and allowances	**668,480**	**167,120**	649,532	162,383
Lease liabilities	**256,780**	**64,195**	275,652	68,913
Fair value changes of financial instruments	**160,292**	**40,073**	–	–
Others	**232,368**	**58,092**	298,252	74,563
Sub-total	**21,873,156**	**5,468,289**	21,010,312	5,252,578
Offset amount		**(95,651)**		(571,245)
Net Amount		**5,372,638**		4,681,333
Deferred tax liabilities:				
Fair value changes of financial instruments	**–**	**–**	(1,894,504)	(473,626)
Right-of-use assets	**(246,312)**	**(61,578)**	(263,192)	(65,798)
Others	**(136,292)**	**(34,073)**	(132,812)	(33,203)
Sub-total	**(382,604)**	**(95,651)**	(2,290,508)	(572,627)
Offset amount		**95,651**		571,245
Net Amount		**–**		(1,382)

24 DEFERRED TAX ASSETS/LIABILITIES (Continued)

(2) Movements of deferred tax

The followings are the major deferred tax assets/liabilities items recognised and movements thereon:

	Allowance for impairment losses	Accrued salaries, bonuses and allowances	Fair value changes of financial instruments	Others	Total
As at January 1, 2025	**4,946,719**	**162,383**	**(473,626)**	**44,475**	**4,679,951**
Recognised in profit or loss	**190,100**	**4,737**	**139,267**	**(17,839)**	**316,265**
Recognised in other comprehensive income	**1,990**	**–**	**374,432**	**–**	**376,422**
As at December 31, 2025	**5,138,809**	**167,120**	**40,073**	**26,636**	**5,372,638**

	Allowance for impairment losses	Accrued salaries, bonuses and allowances	Fair value changes of financial instruments	Others	Total
As at January 1, 2024	4,528,297	123,589	(177,730)	45,947	4,520,103
Recognised in profit or loss	416,402	38,794	160,553	(1,472)	614,277
Recognised in other comprehensive income	2,020	–	(456,449)	–	(454,429)
As at December 31, 2024	4,946,719	162,383	(473,626)	44,475	4,679,951

25 OTHER ASSETS

	Note	As at December 31 2025	2024
Repossessed assets	(1)	**1,419,974**	2,539,316
Interests receivable	(2)	**2,503,615**	2,049,682
Land use rights		**112,206**	1,781,746
Settlement and clearing accounts		**590,713**	899,251
Intangible assets		**378,297**	341,931
Investment properties		**12,195**	237,250
Prepayments for projects		**205,007**	189,666
Research and development expenditure		**40,513**	50,594
Long-term receivables	(3)	**2,018,351**	–
Others		**724,828**	394,653
Subtotal		**8,005,699**	8,484,089
Allowances for impairment losses		**(1,320,130)**	(1,483,620)
Total		**6,685,569**	7,000,469

(1) Repossessed assets

	As at December 31 2025	2024
Land use rights and buildings	**1,419,974**	2,539,316
Allowances for impairment losses	**(362,889)**	(390,557)
Net repossessed assets	**1,057,085**	2,148,759

(2) Interests receivable

	As at December 31 2025	2024
Interests receivable arising from:		
Financial investments	**1,920,868**	1,644,384
Loans and advances to customers	**582,747**	405,298
Subtotal	**2,503,615**	2,049,682
Allowances for impairment losses	**(635,489)**	(776,488)
Total	**1,868,126**	1,273,194

25 OTHER ASSETS (Continued)

(3) Long-term receivables

This amount represents the Group's accounts receivable arising from the disposal of fixed assets, intangible assets and repossessed assets in 2025. According to the agreement, the Group will receive the remaining transfer amounts in instalments over the next nine years.

26 BORROWINGS FROM THE CENTRAL BANK

	As at December 31	
	2025	2024
Borrowings from the central bank	**17,999,540**	22,334,114
Accrued interest	**31,975**	109,509
Total	**18,031,515**	22,443,623

Borrowings from the central bank mainly include Re-lending for small business, Re-lending for agriculture, Re-lending for carbon-reduction supporting tool and Medium-term lending facility.

27 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at December 31	
	2025	2024
Banks in the Chinese Mainland	**1,245,182**	1,457,398
Other financial institutions in the Chinese Mainland	**732,253**	7,463,872
Subtotal	**1,977,435**	8,921,270
Accrued interest	**7,842**	51,907
Total	**1,985,277**	8,973,177

28 PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at December 31	
	2025	2024
Banks in the Chinese Mainland	**2,256,000**	2,300,000
Accrued interest	**1,172**	1,430
Total	**2,257,172**	2,301,430

29 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(1) Analysed by type and location of counterparty

	As at December 31 2025	2024
Banks in the Chinese Mainland	**500,000**	1,491,500
Other financial institutions in the Chinese Mainland	**438,109**	242,798
Subtotal	**938,109**	1,734,298
Accrued interest	**1,319**	72
Total	**939,428**	1,734,370

(2) Analysed by type of collateral

	As at December 31 2025	2024
Bonds	**938,109**	1,734,298
Accrued interest	**1,319**	72
Total	**939,428**	1,734,370

30 CUSTOMER DEPOSITS

	Note	As at December 31 2025	2024
Demand deposits			
Corporate customers		**72,448,148**	86,070,528
Individual customers		**27,864,108**	26,754,927
Subtotal		**100,312,256**	112,825,455
Time deposits			
Corporate customers		**60,691,661**	66,778,961
Individual customers		**200,951,164**	165,848,070
Subtotal		**261,642,825**	232,627,031
Pledged deposits	(1)	**33,907,808**	30,644,281
Convertible negotiated deposits	(2)	**2,000,000**	2,000,000
Others		**264,941**	50,556
Accrued interest		**6,939,236**	8,816,129
Total		**405,067,066**	386,963,452

(1) Pledged deposits analysed by products for which deposit is required

	As at December 31 2025	2024
Acceptances	**20,568,231**	19,252,262
Letters of credit	**6,479,423**	4,543,430
Guarantees and letters of guarantees	**560,152**	1,811,075
Others	**6,300,002**	5,037,514
Total	**33,907,808**	30,644,281

(2) Convertible negotiated deposits

On April 30, 2021, after obtaining the proceeds from issuance of Local Government Special Debt by Jiangxi Provincial Department of Finance, Jiujiang Finance Bureau deposited the relevant funds in the form of negotiated deposit into the special RMB deposit account it opened in the Bank. With the consent of Jiujiang Finance Bureau, when the core tier-one capital adequacy ratio of the Bank is lower than 5.125%, and upon the satisfaction of specific requirements on the Minimum Public Float prescribed by the Hong Kong Stock Exchange, Jiujiang Finance Bureau shall convert the negotiated deposits into Ordinary Shares of the Bank in accordance with laws and regulations. If the conversion conditions are not satisfied, the Bank shall repay the principal and interest upon the 10-year maturity of the convertible negotiated deposits.

30 CUSTOMER DEPOSITS (Continued)

(2) Convertible negotiated deposits (Continued)

During the term of the convertible negotiated deposits, the Bank shall report the changes in the core tier-one capital adequacy ratio of the previous quarter by the fifteenth day of the first month of each quarter to Jiujiang Finance Bureau. When the core tier-one capital adequacy ratio of the Bank drops to 7.50%, and early warning is triggered, the Bank shall promptly inform Jiujiang Finance Bureau of the situation, formulate emergency plans, and actively take emergency measures to improve the ability to resist risks and avoid the occurrence of triggering events.

31 DEBT SECURITIES ISSUED

	Note	As at December 31	
		2025	2024
Bonds	(1)	**4,999,422**	–
Interbank negotiable certificates of deposit	(2)	**37,502,624**	47,336,623
Subtotal		**42,502,046**	47,336,623
Accrued interest		**42,202**	–
Total		**42,544,248**	47,336,623

Note:

(1) On July 8, 2025, the Bank issued a 3-year fixed rate green financial bond amounting to RMB4 billion with nominal annual interest rate of 1.84%. On August 11, 2025, the Bank issued a 5-year sci-tech innovation bond amounting to RMB1 billion with nominal annual interest rate of 1.79%.

(2) As at December 31, 2025, the Bank had 124 outstanding interbank negotiable certificates of deposit with total notional amount of RMB37.75 billion. As at December 31, 2024, the Bank had 132 outstanding interbank negotiable certificates of deposit with total notional amount of RMB47.74 billion. All of these certificates were due within 1 year at the time of issuance. Such certificates were issued at a discount of which interests will be paid in lump sum at the maturity date.

32 LEASE LIABILITIES

	As at December 31	
	2025	2024
Lease liabilities payable:		
Within one year	**88,854**	93,695
Within a period of more than one year but not more than two years	**61,376**	68,286
Within a period of more than two years but not more than five years	**86,444**	100,364
Within a period of more than five years	**24,568**	29,079
Total	**261,242**	291,424

33 PROVISIONS

	As at December 31	
	2025	2024
Loan commitments and financial guarantee contracts	**162,246**	187,988

Analysis of movements of provision for loan commitments and financial guarantee contracts for the year ended December 31, 2025 and 2024 are as follows:

	Year ended December 31, 2025			
	12-month ECL	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
As at January 1, 2025	**176,844**	**5,656**	**5,488**	**187,988**
Transferred:				
– to 12-month ECL	**–**	**–**	**–**	**–**
– to lifetime ECL not credit-impaired	**–**	**–**	**–**	**–**
– to lifetime ECL credit-impaired	**–**	**–**	**–**	**–**
Released for the year	**(19,017)**	**(3,143)**	**(3,582)**	**(25,742)**
As at December 31, 2025	**157,827**	**2,513**	**1,906**	**162,246**

33 PROVISIONS (Continued)

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	360,979	124,566	5,250	490,795
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	10	(10)	–	–
– to lifetime ECL credit-impaired	–	–	–	–
(Released)/charged for the year	(184,145)	(118,900)	238	(302,807)
As at December 31, 2024	176,844	5,656	5,488	187,988

34 OTHER LIABILITIES

	Note	As at December 31	
		2025	2024
Salaries payable	(1)	**1,906,358**	1,766,575
Payables to external companies		**290,599**	285,507
Other tax payables		**227,503**	260,980
Settlement and clearing accounts		**113,515**	111,794
Dividends payable		**6,765**	8,342
Others		**859,452**	1,166,000
Total		**3,404,192**	3,599,198

(1) Salaries payable

	As at December 31	
	2025	2024
Salaries, bonuses and allowances	**1,755,408**	1,610,512
Social insurance and supplementary retirement benefits	**148,870**	153,192
Employee education expenses and labour union expenses	**1,912**	1,826
Staff welfares	**–**	861
Housing fund	**168**	184
Total	**1,906,358**	1,766,575

35 SHARE CAPITAL

Share capital of the Group as at December 31, 2025 and December 31, 2024 represented share capital of the Bank, which was fully paid.

	As at December 31	
	2025	2024
Ordinary shares in the Chinese Mainland	**2,365,000**	2,365,000
Ordinary shares listed in Hong Kong (H-share)	**482,367**	482,367
Total	**2,847,367**	2,847,367

All the above H-shares have been listed on the Stock Exchange of Hong Kong Limited. The H-shares rank pari passu in all respects with the existing ordinary shares in the Chinese Mainland including the right to receive all dividends and distributions declared or made.

36 OTHER EQUITY INSTRUMENTS

(1) Perpetual Bonds

	Issued date	Accounting classification	Initial interest rate	Issued price (RMB)	Issued number of shares (million)	Issued nominal value (million)	Expiry date	Conversion conditions	Conversion
Perpetual Bonds (2021 first tranche)	February 9, 2021	Equity instruments	4.80%	100	30.00	3,000.00	No maturity date	none	none
Perpetual Bonds (2021 second tranche)	April 15, 2021	Equity instruments	4.80%	100	40.00	4,000.00	No maturity date	none	none
Perpetual Bonds (2025 first tranche)	December 5, 2025	Equity instruments	2.80%	100	58.00	5,800.00	No maturity date	none	none
Perpetual Bonds (2025 second tranche)	December 25, 2025	Equity instruments	2.85%	100	12.00	1,200.00	No maturity date	none	none
Less: Issuance fee (2021 first tranche)						(1.14)			
Less: Issuance fee (2021 second tranche)						(1.02)			
Book value						13,997.84			

36 OTHER EQUITY INSTRUMENTS (Continued)

(2) Main terms of Perpetual Bonds

With the approval of Jiangxi Office of National Financial Regulatory Administration on Jiujiang Bank's Issuance of undated tier 1 capital bonds (Gan Jin Jian Fu [2025] No. 215) and the Decision of the People's Bank of China on Granting Administrative License (Bank Approval Word [2025] No. 45), the Bank issued a total of RMB5.8 billion (2025 first tranche) and RMB1.2 billion (2025 second tranche) undated tier 1 capital bonds in the national interbank bond market on December 5, 2025 and December 25, 2025, respectively. The unit par value of the bond (including the first and second tranches, the bonds below are synonymous) is RMB100, the interest rate for the first 5 years is 2.80% and 2.85%, respectively, and the coupon rate adjusted period will be every 5 years from the issuance of the bonds. In any coupon rate adjusted period, the coupon rate of the bonds will be made at a prescribed fixed coupon rate.

With the approval of Jiangxi Banking and Insurance Regulatory Commission on Jiujiang Bank's Issuance of undated tier 1 capital bonds (Jiangxi Banking and Insurance Regulatory Commission [2020] No. 363) and the Decision of the People's Bank of China on Granting Administrative License (Bank Approval Word [2021] No. 17), the Bank issued a total of RMB3 billion (2021 first tranche) and RMB4 billion (2021 second tranche) undated tier 1 capital bonds in the national interbank bond market on February 9, 2021 and April 15, 2021, respectively. The unit par value of the bond (including the first and second tranches, the bonds below are synonymous) is RMB100, the interest rate for the first 5 years is 4.80%, and the coupon rate adjusted period will be every 5 years from the issuance of the bonds. In any coupon rate adjusted period, the coupon rate of the bonds will be made at a prescribed fixed coupon rate.

The Bonds will continue to be outstanding so long as the Bank's business continues to operate. This bond issuance is subject to the Bank's conditional redemption clause. The Issuer shall have the right to redeem the current Bonds in whole or in part on the annual Coupon payment Date (including the coupon payment date of the fifth year after the issuance date) five years after the issuance date. The issuer has the right to redeem the Bonds in whole, but not in part, in the event of an unpredictable regulatory change that prevents the current issuance from being counted as other Tier 1 capital. The issuer shall exercise the right of redemption upon the approval of the NFRA and upon meeting the following conditions: (1) replace the redeemed bond with a capital instrument of the same or higher class, and the replacement of the capital instrument shall be implemented only if the profitability of the Bank remains sustainable; (2) Or the capital adequacy ratio remains significantly higher than the regulatory after the exercise of the right.

36 OTHER EQUITY INSTRUMENTS (Continued)

(2) Main terms of Perpetual Bonds (Continued)

The Bank has the right to cancel, in whole or in part, distributions on the Bonds and any such cancellation does not constitute an event of default. The Bank will fully consider the interests of bondholders when exercising this right. Cancellation of any distributions to the Bonds, no matter in whole or in part, will not impose any other restriction on the Bank, except in relation to dividend distributions to ordinary shares. The dividend is paid on a non-cumulative basis, that is, the dividend not paid in full to the shareholder previously will not accumulated to the next interest-bearing year. The Bonds do not contain interest rate step-up mechanism or any other redemption incentives.

After deducting the issuance expenses, the Bonds will be used to replenish the other tier 1 capital of the issuer in accordance with applicable laws and the approval of the competent authorities.

(3) Changes of Perpetual Bonds

	Balance as at January 1, 2025		Increase in this year		Decrease in this year		Balance as at December 31, 2025	
	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)
Perpetual Bonds	70.00	6,997.84	70.00	7,000.00	–	–	140.00	13,997.84

37 RESERVES

	Note	As at December 31 2025	2024
Share premium	(1)	**11,649,094**	11,646,723
Investment revaluation reserve	(2)	**753,895**	1,862,360
Surplus reserve	(3)	**4,615,043**	4,615,043
General reserve	(4)	**6,112,256**	5,838,453
Retained earnings		**7,994,754**	7,939,334
Total		**31,125,042**	31,901,913

(1) Share premium

	2025	2024
As at January 1	**11,646,723**	11,639,129
Others	**2,371**	7,594
As at December 31	**11,649,094**	11,646,723

The Group's share premium mainly includes the premium arising from the acquisition of minority interests and the merger of absorption of Rural Banks under common control, and the cost of issuing perpetual bonds.

In 2025, the Bank acquired 15.03 million shares from non-controlling shareholders of its subsidiary, Beijing Daxing Jiuyin County Bank Co., Ltd. At the end of 2025, the proportion of ownership held by the Bank increasing by 6.83%. In 2024, the Bank acquired 13.2 million shares and 3.74 million shares from non-controlling shareholders of its subsidiaries, Beijing Daxing Jiuyin County Bank Co., Ltd. and Zixi Jiuyin County Bank Co., Ltd., respectively. At the end of 2024, the proportion of ownership held by the Bank increasing by 6.00% and 9.16% accordingly. The difference between the costs of long-term investments newly acquired by the Bank by acquiring minority interests and the fair value of the Bank's share of the net identifiable assets of its subsidiary calculated based on the increased shareholding, were recognised as adjustments to the share premium of the consolidated statement of financial position.

(2) Investment revaluation reserve

	2025	2024
As at January 1	**1,862,360**	516,903
Changes in fair value recognised in other comprehensive income	**(733,399)**	2,043,088
Transfer to profit or loss upon disposal	**(736,627)**	(241,064)
Changes in impairment losses recognised in other comprehensive income	**(7,927)**	(8,081)
Deferred income tax	**369,488**	(448,486)
As at December 31	**753,895**	1,862,360

37 RESERVES (Continued)

(3) Surplus reserve

Pursuant to the Company Law of PRC, corporation is required to transfer 10% of its net profit, determined under the relevant accounting rules in the PRC, to a non-distributable statutory surplus reserve. Appropriation to the statutory surplus reserve may cease when the balance of such reserve has reached 50% of the share capital.

After making the appropriation to the statutory surplus reserve, the corporation may also appropriate its net profit for the year to a discretionary surplus reserve upon approval by the shareholders in General Meeting. Subject to the approval by the shareholders, the discretionary surplus reserve may be used to offset accumulated losses of the corporation, if any, and may be converted into capital.

	Statutory surplus reserve	Discretionary surplus reserve	Total
As at January 1, 2024	2,097,792	2,517,251	4,615,043
Appropriation during the year	–	–	–
As at December 31, 2024	2,097,792	2,517,251	4,615,043
Appropriation during the year	–	–	–
As at December 31, 2025	2,097,792	2,517,251	4,615,043

(4) General reserve

Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20) issued by the Ministry of Finance of the PRC, in addition to the individual and collective allowances for impairment losses, financial enterprise is required to establish and maintain a general reserve within equity to address potential unidentified impairment losses. The general reserve should not be less than 1.50% of the aggregate amount of risk assets as defined by the above measures. The balance of the general reserve amounted to RMB6,112.26 million as at December 31, 2025 (December 31, 2024: RMB5,838.45 million).

38 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following balances with an original maturity equal to or less than three months:

	As at December 31	
	2025	2024
Cash	**659,769**	608,757
Balances with the central bank	**4,082,977**	3,849,988
Deposits with banks and other financial institutions	**4,363,442**	1,183,571
Placements with banks and other financial institutions	**1,054,320**	1,038,724
Financial assets held under resale agreements	**3,279,631**	9,458,543
Financial investments measured at FVTPL	**7,591,742**	6,568,579
Total	**21,031,881**	22,708,162

(1) Net decrease in cash and cash equivalents

	2025	2024
Cash and cash equivalents as at December 31	**21,031,881**	22,708,162
Less: Cash and cash equivalents as at January 1	**(22,708,162)**	(30,823,209)
Less: Effect of foreign exchange rate changes	**26,205**	(6,813)
Net decrease in cash and cash equivalents as at December 31	**(1,650,076)**	(8,121,860)

39 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financial activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	As at January 1, 2025	Financing cash flows	Interest accrued/ dividend declared/ expense accrued	Net increase in lease liabilities	As at December 31, 2025
Debt securities payable	**47,336,623**	**(5,701,998)**	**909,623**	**–**	**42,544,248**
Dividends payable	**8,342**	**(503,102)**	**501,525**	**–**	**6,765**
Lease liabilities	**291,424**	**(153,926)**	**7,959**	**115,785**	**261,242**
Total	**47,636,389**	**(6,359,026)**	**1,419,107**	**115,785**	**42,812,255**

	As at January 1, 2024	Financing cash flows	Interest accrued/ dividend declared/ expense accrued	Net increase in lease liabilities	As at December 31, 2024
Debt securities payable	37,182,718	9,161,376	992,529	–	47,336,623
Dividends payable	7,421	(510,760)	511,681	–	8,342
Lease liabilities	305,479	(149,415)	9,271	126,089	291,424
Total	37,495,618	8,501,201	1,513,481	126,089	47,636,389

40 STRUCTURED ENTITIES

(1) Consolidated structured entities managed by third party institutions in which the Group holds interests

Structured entities consolidated by the Group include fund investments. The Group controls these entities because the Group has power over, is exposed to, or has rights to, variable returns from its involvement with these entities and has the ability to use its power over these entities to affect the amount of the Group's returns.

As at December 31, 2025 and 2024, structured entities included in the consolidation scope by the Bank were RMB3,939.33 million and RMB4,215.52 million respectively, and was under "financial investments measured at FVTPL" on the balance sheet.

(2) Unconsolidated structured entities managed by third party institutions in which the Group holds interests

The Group holds interests in these structured entities managed by third party institutions through investments in the beneficial rights or plans issued relating to these structured entities. The Group does not consolidate these structured entities. Such structured entities include fund investments, asset management plans and trust beneficiary rights, asset backed medium-term notes.

The following tables set out an analysis of the carrying amount of interests held by the Group as at December 31, 2025 and 2024 in the unconsolidated structured entities sponsored and managed by third party institutions.

	As at December 31, 2025				
	Financial investments at FVTPL	Financial investments at FVOCI	Financial investments at amortised cost	Total	Maximum risk exposure (Note)
Fund investments	**13,766,540**	**–**	**–**	**13,766,540**	**13,766,540**
Trust beneficiary rights and asset management plans	**1,033,445**	**–**	**6,164,788**	**7,198,233**	**7,198,233**
Asset backed medium-term notes	**–**	**–**	**24,925**	**24,925**	**24,925**
Total	**14,799,985**	**–**	**6,189,713**	**20,989,698**	**20,989,698**

	As at December 31, 2024				
	Financial investments at FVTPL	Financial investments at FVOCI	Financial investments at amortised cost	Total	Maximum risk exposure (Note)
Fund investments	16,110,769	–	–	16,110,769	16,110,769
Trust beneficiary rights and asset management plans	1,104,441	–	8,728,147	9,832,588	9,832,588
Asset backed medium-term notes	–	–	74,406	74,406	74,406
Total	17,215,210	–	8,802,553	26,017,763	26,017,763

Note:

The maximum exposures to loss in the above investment products are the carrying amount of the assets held by the Group at the end of each reporting period.

40 STRUCTURED ENTITIES (Continued)

(3) Unconsolidated structured entities managed by the Group

The types of unconsolidated structured entities managed by the Bank mainly include wealth management products. The purpose of managing these structured entities is to generate fees from managing assets on behalf of investors. Interest held by the Bank includes fees charged by providing management services to these structured entities.

As at December 31, 2025 and 2024, the amount of assets held by the unconsolidated wealth management products managed by the Bank amounting to RMB20,049.51 million and RMB32,213.58 million respectively. The Group did not hold any investment in the wealth management products and management fee earned from these products for the year ended December 31, 2025 and 2024 amounted to RMB34.44 million and RMB175.90 million respectively.

The Group did not provide any financial or other support to these unconsolidated structured entities during both years.

41 RELATED PARTY TRANSACTIONS

Related parties of the Group mainly include corporates or unincorporated organizations that hold or control more than 5% of the Bank's equity interests, and corporates or unincorporated organisations that hold less than 5% of the Bank's equity interests but have significant influence on the Bank, and the controlling shareholders, actual controllers, persons acting in concert, and ultimate beneficiaries of these entities as well as corporates or unincorporated organisations under the control of these entities; the directors and supervisors of the Bank, senior executives of the head office and key branches of the Bank, personnel with the power to approve or make decisions in connection with core businesses, such as large credit limits and asset transfers (hereinafter referred to as "insiders of the Bank"), their close family members, and the corporates or unincorporated organisations controlled by the aforementioned persons; the directors, supervisors and senior executives of the legal or unincorporated organisations holding or controlling more than 5% of the Bank's equity interests, as well as those holding less than 5% of the Bank's equity interests but having significant influence on the Bank, and also their controlling shareholders, actual controllers, persons acting in concert and ultimate beneficiaries; corporates or unincorporated organizations under control or significant influence of the Bank; and natural persons, corporates or unincorporated organizations identified by the Bank as being related on a substance over form basis and/or see-through basis.

41 RELATED PARTY TRANSACTIONS (Continued)

(1) Major shareholders and entities under their control

Major shareholders and entities under their control can be shareholders held more than 5% interest of the Bank or appointed the director or supervisor, and the controlling shareholders, actual controllers, persons acting in concert, and ultimate beneficiaries of these entities as well as corporates or unincorporated organisations under the control of these entities.

Name of shareholders	Percentage of shares held as at December 31	
	2025	2024
Jiujiang Finance Bureau	**12.85%**	12.85%
Beijing Automotive Group Co., Ltd.	**12.85%**	12.85%
Industrial Bank Co., Ltd.	**10.34%**	10.34%
Fangda Carbon New Material Co., Ltd.	**4.78%**	4.78%
Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.	**3.37%**	3.37%

Balances and transactions between the Group and the major shareholders and entities under their control are as follows:

During the year ended December 31, 2025 and 2024, the Group had the following material balances and entered into the following material transactions with major shareholders and entities under their control. These transactions were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

41 RELATED PARTY TRANSACTIONS (Continued)

(1) Major shareholders and entities under their control (Continued)

	As at December 31	
	2025	2024
Balances at the end of the year:		
Assets		
Deposits with banks and other financial institutions	**104,132**	120,409
Loans and advances to customers at amortised cost	**2,759,610**	3,160,520
Financial investments at amortised cost (i)	**603,301**	603,290
Financial investments at FVOCI	**50,449**	–
Financial investments at FVTPL	**51,737**	25,950
Total	**3,569,229**	3,910,169
Liabilities		
Customer deposits	**9,956,209**	11,477,200
Deposits from banks and other financial institutions	**177**	500,058
Total	**9,956,386**	11,977,258
Off-balance sheet items		
Guarantees and letters of guarantees	**12,484**	172,322
Letters of credit	**1,041,500**	1,105,500
Bank acceptances	**863,410**	1,418,125
Total	**1,917,394**	2,695,947
Wealth management products (ii)	**–**	307,169

Notes:

(i) It represented the corporation bond purchased by the Group, which was issued by a related party of the Group.

(ii) It represented the wealth management product issued by the Group where the underlying asset is a bond, and the issuer is a related party of the Group.

41 RELATED PARTY TRANSACTIONS (Continued)

(1) Major shareholders and entities under their control (Continued)

	2025	2024
Transactions during the year:		
Interest income	**124,378**	120,440
Interest expense	**182,405**	216,673
Net gains arising from financial investments	**1,333**	2,012
Fee and commission income	**15,200**	27,118

(2) Subsidiaries of the Bank

	Year ended December 31	
	2025	2024
Balance at the end of the year:		
Deposits from banks and other financial institutions	**5,200,788**	4,134,276
Off-balance sheet items:		
Guarantees and letters of guarantees	**70,000**	412,000

	2025	2024
Transactions during the year:		
Interest expense	**119,073**	131,982
Dividend from subsidiaries	**1,908**	4,011

(3) Associates of the Bank

Details of the associates of the Bank are set out in Note 21.

	As at December 31	
	2025	2024
Balance at the end of the year:		
Deposits from banks and other financial institutions	**1,161,460**	1,179,863
Off-balance sheet items:		
Guarantees and letters of guarantees	**34,140**	112,550

	2025	*2024*
Transactions during the year:		
Interest expense	**23,900**	21,436
Dividend from associates	**–**	1,455

41 RELATED PARTY TRANSACTIONS (Continued)

(4) Other related parties

Other related parties can be individuals or enterprises, which include: members of the Board of Directors, the Board of Supervisors, senior management and personnel with the power to approve or make decisions in connection with core businesses, such as large credit limits and asset transfers, and close family members of such individuals; entities (and their subsidiaries) controlled or jointly controlled by members of the Board of Directors, the Board of Supervisors, senior management and personnel with the power to approve or make decisions in connection with core businesses, such as large credit limits and asset transfers, and close family members of such individuals. Transactions with other related parties were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

	As at December 31	
	2025	2024
Balances at the end of the year:		
Asset		
Loans and advances to customers at amortised cost	**110,057**	61,140
Liability		
Customer deposits	**341,533**	249,007

	2025	2024
Transactions during the year:		
Interest income	**3,748**	2,688
Interest expense	**2,956**	951
Other income, gains or losses	**2,297**	1,879
Operating expenses	**5,892**	7,831

(5) Key management personnel

Key management personnel, including directors, supervisors and senior management team members, are those persons in the Group who have the authority and responsibility to plan, direct and control the activities of the Group.

The remuneration of key management personnel during the reporting period were as follows:

	Year ended December 31	
	2025	2024
Salaries and other emoluments	**3,443**	3,909
Discretionary bonuses	**3,962**	4,786
Contributions by the employer to social insurance and staff welfares, housing fund, etc	**985**	1,064
Contributions to pension scheme	**1,018**	1,313
Other welfare	**23**	26
Total	**9,431**	11,098

42 CONTINGENT LIABILITIES AND COMMITMENTS

(1) Legal proceedings

The Bank and its subsidiaries are involved as defendants in certain lawsuits and allegations arising from their normal business operations. As at December 31, 2025 and 2024, in light of court decisions or advice from legal counsels, the Group considered that sufficient provision has been provided for any potential losses from these claims.

(2) Capital commitments

	As at December 31	
	2025	2024
Contracted but not provided for	**19,138**	285,696
Authorised but not contracted for:		
– acquisition of property, plant and equipment	**68,150**	–
Total	**87,288**	285,696

(3) Credit commitments

	As at December 31	
	2025	2024
Acceptances	**56,898,399**	55,850,014
Letters of credit	**21,121,416**	21,289,944
Guarantees and letters of guarantees	**9,313,678**	34,604,014
Unused credit card commitments	**6,653,945**	6,601,570
Total	**93,987,438**	118,345,542

Credit commitments represent general facility limits granted to customers. These credit facilities may be drawn in the form of loans and advances or through the issuance of letters of credit, acceptances or letters of guarantees.

(4) Credit risk weighted amounts of credit commitments

	As at December 31	
	2025	2024
Credit commitments	**25,463,004**	37,479,277

Credit risk weighted amounts refer to amounts which depend on the status of counterparties and the maturity characteristics, and are calculated in accordance with the former CBIRC guidance. Risk weightings used for contingent liabilities and credit commitments range from 0% to 100%.

42 CONTINGENT LIABILITIES AND COMMITMENTS (Continued)

(5) Collateral

Assets pledged

The carrying amount of assets pledged as collateral under borrowings from the central bank by the Group are as follows:

	As at December 31	
	2025	2024
Bonds	**18,416,500**	26,166,109
Bills	**–**	125,288
Total	**18,416,500**	26,291,397

As at December 31, 2025 and 2024, the carrying amount of borrowings from the central bank for the Group amounted to RMB18,031.52 million and RMB22,443.62 million, respectively.

The carrying amount of assets pledged as collateral under repurchase agreements by the Group are as follows:

	As at December 31	
	2025	2024
Bonds	**965,000**	1,813,000

As at December 31, 2025 and 2024, the carrying amount of financial assets sold under repurchase agreements for the Group amounted to RMB939.43 million and RMB1,734.37 million, respectively.

All repurchase agreements were due within twelve months from inception.

43 FIDUCIARY ACTIVITIES

The Group commonly acts as asset manager or in other fiduciary capacities that results in its holding or managing assets on behalf of individuals or corporations. These assets and any gains or losses arising thereon are not included in the consolidated financial statements of the Group as they are not the Group's assets.

As at December 31, 2025 and 2024, the entrusted loans balance of the Group amounted to RMB6,691.09 million and RMB8,493.32 million respectively.

As at December 31, 2025 and 2024, the balance of the wealth management products issued and managed by the Group amounted to RMB20,049.51 million and RMB32,212.58 million respectively.

44 CAPITAL MANAGEMENT

The Group's capital management includes capital adequacy ratio management, capital financing management and economic capital management, of which the primary focus is on capital adequacy ratio management. The Group calculates the capital adequacy ratio in accordance with "Regulation Governing Capital of Commercial Banks" and other relevant regulations promulgated by the NFRA on October 26, 2023. The capital of the Group is divided into core tier-one capital, other tier-one capital and tier-two capital.

Capital adequacy ratio management is the key in capital management. The capital adequacy ratio reflects the soundness of the Group's operations and risk management capabilities. The main objective in capital adequacy ratio management is to set an optimal capital adequacy ratio that meets the regulatory requirements by benchmarking against the capital adequacy ratio level of leading peer banks with reference to its own business environment and conditions.

The Group considers its strategic development plans, business expansion plans and risk variables when conducting scenario analysis and stress testing and executing other measures to forecast, plan and manage its capital adequacy ratio.

The NFRA requires commercial banks to meet the requirements of capital adequacy ratios by in accordance with "Regulation Governing Capital of Commercial Banks". For commercial banks, the minimum ratios for core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio are 5.00%, 6.00% and 8.00%, respectively and capital conservation buffer requires additional 2.5% of Common Equity Tier-one Capital Adequacy Ratio.

Both the on-balance and off-balance sheet risk-weighted assets are measured using different risk weights, which are determined according to the credit, market and other risks associated with each asset and counterparty as well as any eligible collateral or guarantees.

44 CAPITAL MANAGEMENT (Continued)

The Group's capital adequacy ratios at the year ended December 31, 2025 and 2024 calculated in accordance with relevant requirements promulgated by the NFRA are as follows:

	As at December 31	
	2025	2024
Core tier-one capital adequacy ratio	**8.87%**	9.44%
Tier-one capital adequacy ratio	**13.46%**	11.97%
Capital adequacy ratio	**13.49%**	13.17%
Core tier-one capital	**34,408,105**	35,276,205
Deductions of core tier-one capital	**(3,432,718)**	(1,543,458)
Net core tier-one capital	**30,975,387**	33,732,747
Other tier-one capital	**16,050,178**	9,062,673
Net tier-one capital	**47,025,565**	42,795,420
Tier-two capital	**104,677**	4,279,606
Net capital base	**47,130,242**	47,075,026
Total risk weighted assets	**349,385,264**	357,514,531

45 FINANCIAL RISK MANAGEMENT

Overview

The primary objectives of risk management of the Group are to maintain risk within acceptable parameters and satisfy the regulatory requirements.

The Group's risk management policies are designed, and controls are set up to identify, analyse, monitor and report risks arising from normal operation. The Group regularly reviews its risk management policies and systems to address changes in markets, products and emerging best practices.

Details of the financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments include credit risk, liquidity risk and market risk (i.e. interest rate risk, foreign currency risk and other price risk). The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

45 FINANCIAL RISK MANAGEMENT (Continued)

Risk management framework

The risk management organisation structure of the Group consists of the Board of Directors and its committees, senior management and its committees and Significant Risk Sector composed of functional departments, risk directors and risk managers, which is a top-to-bottom and bank-wide risk management structure.

The Board of Directors is the Group's highest decision-making body for risk management, and is responsible for establishing and maintaining an effective risk management system and assumes the ultimate responsibilities in respect of comprehensive risk management. The Risk Management Committee under the Board of Directors assists the Board of Directors in reviewing the Group's risk strategy, risk appetite, risk limits, risk management policies and major risk management systems and reports. During the reporting period, the Board of Supervisors assumes the supervisory responsibility for the comprehensive risk management of the Group, overseeing the performance of the Board of Directors and senior management in risk management and urging corrective actions. From 31 December 2025, the Group cancelled the Board of Supervisors, and the functions and powers of the Board of Supervisors were performed by the Audit Committee of the Board. Senior management and its sub-committees formulate and implement corresponding risk management strategies in accordance with the risk management objectives of the Board of Directors, and provide and secure resources to implement specific risk management work. The significant risk sector, consisting of the Risk Management Department, Credit Extension Department and Risk Asset Management Department of the head office, integrates resources and collaborates to carry out the integrated management of major risks within the Group. Risk managers are assigned to branches, important business lines, centers and departments, subject to the management and assessment of the head office, to carry out risk management of their institutions.

The Risk Management Department of the Group is the lead department for management of credit risk, market risk, and information technology risk, and is the management department for other risks. The Planning and Finance Department, Legal and Compliance Department and General Management Department are the lead departments for management of other risks.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk

Credit risk refers to the risk of losses due to the default of the debtors or counterparties or the reduction in their credit ratings and performance capabilities. The credit risks of the Group mainly distributed among loans, financial investments, guarantees, commitments and other on-balance and off-balance sheet credit risk exposures. The Group monitors all financial assets that are subject to impairment test requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime ECL rather than 12-month ECL.

Credit risk management

The credit risk management organisation system of the Group is composed of the Board of Directors, senior management, Risk Management Department, Audit Department and other credit risk-taking department, etc., thus forming a credit risk management structure characterised by centralised and unified management and hierarchical authorisation and implementation. The Board of Directors is the Group's highest decision-making body for credit risk management, which undertakes the ultimate responsibility of credit risk management. The Risk Management Committee subordinate to the Board of Directors is responsible for deliberating on the strategic planning of credit risk management, major policies and risk capital allocation schemes, evaluating their implementation and effect, making recommendations to the Board of Directors and reviewing major credit risk management matters as authorised by the Board of Directors. Senior management is the Group's highest decision-making body for daily credit risk management, which is responsible for fully organising the implementation of credit risk management strategies and risk appetite approved by the Board of Directors, putting credit risk management policies, procedures and measures into practice, and undertaking the credit risk arising from business operation. Risk Management Department is the Group's leading department for credit risk management, which is responsible for formulating and organising the implementation of basic policies, systems, measures, procedures and risk evaluation criteria for credit risk management. Credit Approval Department is responsible for implementing risk of the credit approval process. The competent department of each business line is responsible for their respective credit approval, as well as inspection and supervision over the implementation and execution of the Group's credit risk-related policies. Audit Department is responsible for the independent review and evaluation of the Group's credit risk management system, including but not limited to auditing the effectiveness of credit risk management measures and system operation.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

Impairment Assessment

Measurement of Expected Credit Loss (ECL)

In accordance with IFRS 9, the Group classifies financial instruments measured at amortised cost or FVOCI into three stages and makes provisions for expected credit losses, accordingly, depending on whether credit risk on that financial instrument has increased significantly since initial recognition. Detailed definition of stages is included in Note 2.

For the purpose of ECL measurement, the Group has divided exposures with common credit risk characteristics into separate groups. When grouping corporate business, the Group considered credit risk characteristics such as client type and the industry in which the client operates. When grouping personal business, the Group considered credit risk characteristics such as product type. The Group obtained sufficient information to ensure it is statistically reliable.

In order to minimise credit risk, the Group has tasked its Risk Management Committee to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The Group's credit risk grading framework comprises ten categories. The credit rating information is based on a range of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The nature of the exposure and type of borrower are taken into account in the analysis. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default.

Significant increase in credit risk

The Group takes into consideration all reasonable and supportable information (including forward-looking information) that reflects significant change in credit risk for the purposes of classifying financial instruments. The main considerations are regulatory and industry environment, internal and external credit risk gradings, operational and financial situation, contractual terms, and historical repayment records etc. The Group compares the risk of default of a single financial instrument or a portfolio of financial instruments with similar credit risk characteristics as at the reporting date and its risk of default at the date of initial recognition to determine changes in the risk of default during the lifetime of a financial instrument or a portfolio of financial instruments.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

Impairment Assessment (Continued)

Significant increase in credit risk (Continued)

When one or more quantitative or qualitative standards are triggered, the Group assumes that credit risk on financial instruments has increased significantly:

(i) The principal or interest of loan is past due for more than 30 days;

(ii) The five-category loan classification is special mention; or

(iii) Risk warning signals appear: a credit risk event that is likely to cause a significant adverse effect; deterioration of willingness for repayment, such as malicious debt evasion, fraud, etc; less value of the collaterals (for the collateralised loans and pledged loans only); and etc.

As at December 31, 2024 and December 31, 2025, the Group has not considered that any of its financial instruments has lower credit risk and no longer compared the credit risk at the balance sheet date with that at the initial recognition to identify whether there was a significant increase in credit risk.

Definition of default

The Group defines a borrower as in default when it meets any of the following criteria:

(i) The principal or interest of loan is past due for more than 90 days; or

(ii) The corporate borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as liquidation against collateral.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

Impairment Assessment (Continued)

Definition of default (Continued)

Generally, a financial asset is considered to be credit-impaired if:

- It has been overdue for more than 90 days;
- In light of economic, legal or other factors, the Group has made concessions to a borrower in financial difficulties, which would otherwise have been impossible under normal circumstances;
- The borrower is probable to be insolvent or carry out other financial restructurings;
- Due to serious financial difficulties, the financial asset cannot continue to be traded in an active market;
- There are other objective evidences that the financial asset is impaired;
- Borrowers' ability to repay their loans is in question and they cannot rely entirely on normal operational revenues to repay principal and interest. Losses may ensue even when collateral or guarantees are invoked;
- Borrowers cannot repay principal and interest in full and significant losses will need to be recognised even when collateral or guarantees are invoked;
- Only a small portion or none of the principal and interest can be recovered after taking all possible measures and exhausting all legal remedies.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

Impairment Assessment (Continued)

Description of parameters, assumptions, and estimation techniques

ECL is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The Group uses the probability of default/loss given default model to assess ECL. ECL is the product of the Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money. Related definitions are as follows:

- probability of default (PD): is an estimate of the likelihood of default over 12 months or lifetime horizon;
- loss given default (LGD): is the proportion of the loss arising on default to the exposure at default;
- exposure at default (EAD): is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

The assumptions underlying the ECL calculation, such as how the PDs and LGDs of different maturity profiles change are periodically monitored and reviewed by the Group. These parameters are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability-weighted forward-looking information.

Forward-looking information contained in ECL

According to the different risk characteristics of assets, the Group divides assets into different asset groups, identifies macro indicators related to credit risks, and establishes regression models. The Group uses forward-looking information that is available without undue cost or effort and predict the macro-economic assumptions. External information includes macro-economic data, forecast information issued by government or regulatory agencies. The key macro-economic assumptions used by the Group mainly includes GDP (cumulative year-on-year) and stock of social financing: CNY loans (month-on-month). Under the baseline scenario, the projected values for the above are 5.10% (4.00% in 2024) and 7.00% (9.70% in 2024) respectively.

The Group assumes three economic scenarios: the baseline scenario in line with the average internal forecast; the optimistic scenario and the pessimistic scenario. As at December 31, 2025, the weighting of the baseline scenario determined by the Group's assessment is 50%, the optimistic scenario weight is 30%, and the weighting of the pessimistic scenario is 20% (December 31, 2024: same as above). Weighted credit loss is the expected credit loss calculated by assigning scenario weighting of multiple scenarios.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

Impairment Assessment (Continued)

Forward-looking information contained in ECL (Continued)

As at December 31, 2025, the Group has taken into account different macroeconomic scenarios and made forward-looking forecasts of key economic indicators, and has carried out sensitivity analysis of key economic variables used in forward-looking measurement. When the weighting of the optimistic scenario increases by 10% and the weighting of the baseline scenario decreases by 10%, the ECL amount at December 31, 2025 will decrease by no more than 1% compared to the current result. When the weighting of the pessimistic scenario increases by 10% and the weighting of the baseline scenario decreases by 10%, the ECL amount at December 31, 2025 will increase by no more than 1% compared to the current result.

Collateral and other credit enhancements

The amount and type of collateral required depend on the assessment of the credit risk of the counterparty. Guidelines are in place specifying the types of collateral and valuation parameters which can be accepted.

Reverse repurchase business is mainly collateralised by bills or bonds. As part of the reverse repurchase agreements, the Group has received securities that it is allowed to sell or repledge in the absence of default by their owners.

Corporate loans and discounted bills are mainly collateralised/pledged by properties or other assets. As at December 31, 2025, the carrying value (before deduction of expected credit loss) of corporate loans and discounted bills amounted to RMB248,752.89 million (December 31, 2024: RMB231,453.98 million), of which credit exposure covered by collateral/pledge amounted to RMB116,176.56 million (December 31, 2024: RMB113,683.24 million).

Retail loans are mainly collateralised by residential properties. As at December 31, 2025, the carrying value (before deduction of expected credit loss) of retail loans amounted to RMB80,089.83 million (December 31 2024: RMB89,390.96 million), of which credit exposure covered by collateral amounted to RMB41,332.99 million (December 31, 2024: RMB48,904.56 million).

Management monitors the market value of collateral periodically and requests additional collateral in accordance with the underlying agreement when it is considered necessary.

It is the Group's policy to dispose of repossessed assets in an orderly manner. In general, the Group does not occupy repossessed assets for business use.

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

As at December 31, 2025, the Group's credit risk stages of financial instruments are as follows:

(i) Financial assets measured at amortised cost

	As at December 31, 2025							
	Gross carrying amount				Allowances for expected credit losses			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Balances with the central bank	25,862,059	–	–	25,862,059	–	–	–	–
Deposits with banks and other financial institutions	4,675,771	–	–	4,675,771	(1,254)	–	–	(1,254)
Placements with banks and other financial institutions	1,060,596	–	–	1,060,596	(272)	–	–	(272)
Financial assets held under resale agreements	3,280,176	–	–	3,280,176	(813)	–	–	(813)
Financial investments	56,767,527	1,099,749	8,632,123	66,499,399	(56,589)	(230,617)	(2,514,075)	(2,801,281)
Loans and advances to customers	252,776,615	19,027,562	6,341,986	278,146,163	(1,338,165)	(3,943,229)	(4,362,198)	(9,643,592)
Others	2,018,351	767,793	1,920,868	4,707,012	(8,679)	(192,889)	(511,501)	(713,069)
Total	346,441,095	20,895,104	16,894,977	384,231,176	(1,405,772)	(4,366,735)	(7,387,774)	(13,160,281)

(ii) Financial assets measured at FVOCI

	As at December 31, 2025							
	Gross carrying amount				Allowances for expected credit losses			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Financial investments	54,376,157	–	–	54,376,157	(7,000)	–	–	(7,000)
Loans and advances to customers	52,783,696	–	–	52,783,696	(10,532)	–	–	(10,532)
Total	107,159,853	–	–	107,159,853	(17,532)	–	–	(17,532)

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

As at December 31, 2024, the Group's credit risk stages of financial instruments are as follows:

(i) Financial assets measured at amortised cost

	As at December 31, 2024							
	Gross carrying amount				Allowances for expected credit losses			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Balances with the central bank	25,971,616	–	–	25,971,616	–	–	–	–
Deposits with banks and other financial institutions	1,192,221	–	–	1,192,221	(393)	–	–	(393)
Placements with banks and other financial institutions	1,044,874	–	–	1,044,874	(325)	–	–	(325)
Financial assets held under resale agreements	9,459,275	–	–	9,459,275	(2,937)	–	–	(2,937)
Financial investments	59,349,998	5,418,284	9,455,464	74,223,746	(75,761)	(832,219)	(4,658,833)	(5,566,813)
Loans and advances to customers	243,705,289	18,849,975	8,628,515	271,183,779	(1,420,913)	(3,738,248)	(5,648,922)	(10,808,083)
Others	–	528,340	1,644,384	2,172,724	–	(166,407)	(691,663)	(858,070)
Total	340,723,273	24,796,599	19,728,363	385,248,235	(1,500,329)	(4,736,874)	(10,999,418)	(17,236,621)

(ii) Financial assets measured at FVOCI

	As at December 31, 2024							
	Gross carrying amount				Allowances for expected credit losses			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Financial investments	45,414,081	–	–	45,414,081	(6,456)	–	–	(6,456)
Loans and advances to customers	51,572,121	–	–	51,572,121	(19,034)	–	–	(19,034)
Total	96,986,202	–	–	96,986,202	(25,490)	–	–	(25,490)

45 FINANCIAL RISK MANAGEMENT (Continued)

(1) Credit risk (Continued)

(a) Rescheduled loans and advances

Rescheduled loans and advances arise from rescheduling or deferring the repayment terms mainly representing offering lower interest rate or extending payment schedule. Rescheduled loans and advances are under continuous monitoring by the Group.

Contractual amount of rescheduled loans and advances for the Group as at December 31, 2025 amounted to RMB13,357.29 million (December 31, 2024: RMB14,542.91 million), among which loans and advances overdue for more than 90 days amounted to RMB430.01 million (December 31, 2024: RMB412.96 million).

Debt instruments

Debt instruments are analysed by credit rating as follows:

	As at December 31, 2025			
	Financial investments at FVTPL	Financial investments at FVOCI	Financial investments at amortised cost	Total
AAA	**2,318,991**	**11,342,816**	**32,329,483**	**45,991,290**
AA+ — AA-	**1,037,324**	**154,508**	**1,974,112**	**3,165,944**
C	**–**	**–**	**–**	**–**
Unrated (Note)	**8,928,344**	**42,878,833**	**22,295,752**	**74,102,929**
Total	**12,284,659**	**54,376,157**	**56,599,347**	**123,260,163**

	As at December 31, 2024			
	Financial investments at FVTPL	Financial investments at FVOCI	Financial investments at amortised cost	Total
AAA	1,893,971	16,369,564	31,559,121	49,822,656
AA+ — AA-	2,219,780	354,708	2,732,047	5,306,535
C	–	–	11,917	11,917
Unrated (Note)	10,707,411	28,689,809	24,079,970	63,477,190
Total	14,821,162	45,414,081	58,383,055	118,618,298

Note: The unrated debt securities mainly consist of investment and trading securities issued by the Ministry of Finance, PBOC, policy banks which are creditworthy issuers in the market but are not rated by independent rating agencies.

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk

Liquidity risk refers to the risk of failure of commercial banks to acquire sufficient funds in a timely manner at a reasonable cost to pay off debts due or meet liquidity demands in line with expansion of business operations. The objective of the Group's liquidity management is to ensure sufficient fund positions to meet requirements for solvency obligations and business settlement in a timely manner.

On the basis of predicting liquidity demands, the Group formulates corresponding liquidity management plans. The specific methods mainly include:

- Setting target ratio on assets and liabilities structure in accordance with the regulatory requirements and business plan;
- Maintaining stability of deposit base; and
- Making advanced projection on future cash flows and evaluating the appropriate current assets position.

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk (Continued)

Analysis of the remaining maturity of assets and liabilities

The tables below summarise the maturity analysis of assets and liabilities by remaining contractual maturities at the end of each reporting period.

	As at December 31, 2025							
	Past due/indefinite Note(a)/(b)/(c)	On demand	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	over 5 years	Total
Assets								
Cash and balances with the central bank	21,769,843	4,742,746	–	9,239	–	–	–	26,521,828
Deposits with banks and other financial institutions	–	3,963,338	400,027	303,138	8,014	–	–	4,674,517
Placements with banks and other financial institutions	–	–	647,315	413,009	–	–	–	1,060,324
Financial assets held under resale agreements	–	–	3,279,363	–	–	–	–	3,279,363
Loans and advances to customers	2,299,108	119,130	28,657,884	43,950,933	120,406,923	57,658,354	68,193,935	321,286,267
Financial investments	8,182,356	952,108	22,703,521	5,519,566	17,599,852	51,378,127	44,607,915	150,943,445
Others	10,429,920	1,912,189	3,935	110,491	742,077	1,326,709	1,143,494	15,668,815
Total assets	42,681,227	11,689,511	55,692,045	50,306,376	138,756,866	110,363,190	113,945,344	523,434,559
Liabilities								
Borrowings from the central bank	–	–	1,020,558	1,015,667	15,995,290	–	–	18,031,515
Deposits from banks and other financial institutions	–	1,270,447	–	–	714,830	–	–	1,985,277
Placements from banks and other financial institutions	–	–	–	–	2,257,172	–	–	2,257,172
Financial assets sold under repurchase agreements	–	–	438,109	–	501,319	–	–	939,428
Customer deposits	–	119,111,782	29,483,297	55,802,275	81,170,344	119,082,205	417,163	405,067,066
Debt securities issued	–	–	1,938,906	7,606,321	27,957,397	5,041,624	–	42,544,248
Lease liabilities	–	–	13,492	11,766	63,596	147,820	24,568	261,242
Others	549,133	3,176,689	–	–	–	–	–	3,725,822
Total liabilities	549,133	123,558,918	32,894,362	64,436,029	128,659,948	124,271,649	441,731	474,811,770
Long/(short) position	42,132,094	(111,869,407)	22,797,683	(14,129,653)	10,096,918	(13,908,459)	113,503,613	48,622,789

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk (Continued)

Analysis of the remaining maturity of assets and liabilities (Continued)

	As at December 31, 2024							
	Past due/indefinite Note(a)/(b)/(c)	On demand	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	over 5 years	Total
Assets								
Cash and balances with the central bank	22,111,325	4,458,745	–	10,303	–	–	–	26,580,373
Deposits with banks and other financial institutions	–	1,183,799	–	8,029	–	–	–	1,191,828
Placements with banks and other financial institutions	–	–	525,689	518,860	–	–	–	1,044,549
Financial assets held under resale agreements	–	–	7,981,127	1,475,211	–	–	–	9,456,338
Loans and advances to customers	3,121,281	284,252	27,866,136	40,428,523	110,257,602	62,107,642	67,882,381	311,947,817
Financial investments	6,273,830	1,614,657	26,959,017	3,090,246	12,511,120	47,165,379	53,182,190	150,796,439
Others	12,897,239	1,311,012	184,719	151,302	30,022	744,517	122,466	15,441,277
Total assets	44,403,675	8,852,465	63,516,688	45,682,474	122,798,744	110,017,538	121,187,037	516,458,621
Liabilities								
Borrowings from the central bank	–	–	3,265,774	1,775,169	17,402,680	–	–	22,443,623
Deposits from banks and other financial institutions	–	1,287,437	40,911	86,301	7,558,528	–	–	8,973,177
Placements from banks and other financial institutions	–	–	–	–	2,301,430	–	–	2,301,430
Financial assets sold under repurchase agreements	–	–	1,734,370	–	–	–	–	1,734,370
Customer deposits	–	131,212,975	25,824,782	63,543,004	81,279,783	84,294,098	808,810	386,963,452
Debt securities issued	–	–	2,968,326	8,614,085	35,754,212	–	–	47,336,623
Lease liabilities	–	–	14,437	10,840	68,418	168,650	29,079	291,424
Others	543,366	3,338,218	–	–	–	–	–	3,881,584
Total liabilities	543,366	135,838,630	33,848,600	74,029,399	144,365,051	84,462,748	837,889	473,925,683
Long/(short) position	43,860,309	(126,986,165)	29,668,088	(28,346,925)	(21,566,307)	25,554,790	120,349,148	42,532,938

(a) Indefinite amount of cash and deposits with the central bank represents the statutory deposit reserves and fiscal deposits with the central bank.

(b) Indefinite amount of loans and advances to customers includes all the credit-impaired loans, as well as those overdue more than one month. Loans and advances to customers with no impairment but overdue within one month are classified into the category of repayable on demand.

(c) Financial investments comprise financial investments at amortised cost, financial investments at fair value through profit or loss and financial investments at fair value through other comprehensive income. Indefinite amount of financial investments represent credit-impaired investments or those overdue more than one month. Unlisted equity investments is listed in the category of indefinite.

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk (Continued)

Analysis of the undiscounted contractual cash flows

The tables below present the cash flows of non-derivatives financial assets and financial liabilities by remaining contractual maturities at the end of reporting period. The amounts disclosed in the tables are the undiscounted contractual cash flows.

	As at December 31, 2025								
	Carrying amount	Contractual undiscounted cash flow	Past due/ indefinite	On demand	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	over 5 years
Financial assets									
Cash and balances with the central bank	26,521,828	26,521,828	21,769,843	4,742,746	–	9,239	–	–	–
Deposits with banks and other financial institutions	4,674,517	4,679,520	–	3,963,338	400,308	307,804	8,070	–	–
Placements with banks and other financial institutions	1,060,324	1,064,280	–	–	647,701	416,579	–	–	–
Financial assets held under resale agreements	3,279,363	3,280,229	–	–	3,280,229	–	–	–	–
Loans and advances to customers	321,286,267	363,534,504	2,391,491	119,130	29,712,516	45,884,239	126,549,560	75,567,642	83,309,926
Financial investments	150,943,445	168,421,230	8,668,181	952,108	22,731,217	5,649,240	19,294,588	58,963,168	52,162,728
Others	4,729,207	4,991,410	3,967	1,912,189	3,929	109,950	728,425	1,169,886	1,063,064
Total financial assets	512,494,951	572,493,001	32,833,482	11,689,511	56,775,900	52,377,051	146,580,643	135,700,696	136,535,718
Financial liabilities									
Borrowings from the central bank	18,031,515	18,184,639	–	–	1,021,735	1,020,389	16,142,515	–	–
Deposits from banks and other financial institutions	1,985,277	1,992,731	–	1,270,447	–	–	722,284	–	–
Placements from banks and other financial institutions	2,257,172	2,294,225	–	–	–	–	2,294,225	–	–
Financial assets sold under repurchase agreements	939,428	942,270	–	–	438,109	–	504,161	–	–
Customer deposits	405,067,066	407,586,691	–	119,111,782	29,489,581	55,859,980	81,604,709	121,032,721	487,918
Debt securities issued	42,544,248	42,797,531	–	–	1,940,114	7,630,759	28,185,034	5,041,624	–
Lease liabilities	261,242	282,886	–	–	14,119	13,489	70,464	158,734	26,080
Others	1,270,331	1,270,331	–	1,270,331	–	–	–	–	–
Total financial liabilities	472,356,279	475,351,304	–	121,652,560	32,903,658	64,524,617	129,523,392	126,233,079	513,998
Long/(short) position	40,138,672	97,141,697	32,833,482	(109,963,049)	23,872,242	(12,147,566)	17,057,251	9,467,617	136,021,720

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk (Continued)

Analysis of the undiscounted contractual cash flows (Continued)

	As at December 31, 2024								
	Carrying amount	Contractual undiscounted cash flow	Past due/ indefinite	On demand	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	over 5 years
Financial assets									
Cash and balances with the central bank	26,580,373	26,580,373	22,111,325	4,458,745	–	10,303	–	–	–
Deposits with banks and other financial institutions	1,191,828	1,191,888	–	1,183,799	–	8,089	–	–	–
Placements with banks and other financial institutions	1,044,549	1,050,121	–	–	526,423	523,698	–	–	–
Financial assets held under resale agreements	9,456,338	9,464,194	–	–	7,981,799	1,482,395	–	–	–
Loans and advances to customers	311,947,817	359,974,364	3,272,315	284,252	28,991,885	42,511,204	117,146,726	82,791,911	84,976,071
Financial investments	150,796,439	172,801,044	6,775,611	1,614,657	26,988,579	3,380,274	14,559,746	56,285,951	63,196,226
Others	2,297,826	2,297,826	33,117	1,311,012	184,719	150,827	20,328	565,671	32,152
Total financial assets	503,315,170	573,359,810	32,192,368	8,852,465	64,673,405	48,066,790	131,726,800	139,643,533	148,204,449
Financial liabilities									
Borrowings from the central bank	22,443,623	22,666,240	–	–	3,269,699	1,781,014	17,615,527	–	–
Deposits from banks and other financial institutions	8,973,177	9,063,047	–	1,287,437	40,972	86,534	7,648,104	–	–
Placements from banks and other financial institutions	2,301,430	2,346,774	–	–	–	–	2,346,774	–	–
Financial assets sold under repurchase agreements	1,734,370	1,734,442	–	–	1,734,442	–	–	–	–
Customer deposits	386,963,452	389,688,894	–	131,212,975	25,832,702	63,643,980	81,808,467	86,228,010	962,760
Debt securities issued	47,336,623	47,749,628	–	–	2,970,199	8,651,272	36,128,157	–	–
Lease liabilities	291,424	319,493	–	–	15,334	12,258	79,860	180,751	31,290
Others	1,571,643	1,571,643	–	1,571,643	–	–	–	–	–
Total financial liabilities	471,615,742	475,140,161	–	134,072,055	33,863,348	74,175,058	145,626,889	86,408,761	994,050
Long/(short) position	31,699,428	98,219,649	32,192,368	(125,219,590)	30,810,057	(26,108,268)	(13,900,089)	53,234,772	147,210,399

Assets available to meet all of the liabilities include cash, balances with the central bank, deposits with banks and other financial institutions, placements with banks and other financial institutions, and financial investments. In the normal course of business, the majority of customer deposits repayable on demand are expected to be revolved.

45 FINANCIAL RISK MANAGEMENT (Continued)

(2) Liquidity risk (Continued)

Analysis of off-balance sheet items

Off-balance sheet items of the Group mainly include credit commitments. The tables below set forth the amounts of the off-balance sheet credit commitments by remaining maturity.

	As at December 31, 2025			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Acceptances	**56,898,399**	**–**	**–**	**56,898,399**
Letters of credit	**21,121,416**	**–**	**–**	**21,121,416**
Guarantees and letters of guarantees	**5,090,398**	**3,919,415**	**303,865**	**9,313,678**
Unused credit card commitments	**6,653,945**	**–**	**–**	**6,653,945**
Total	**89,764,158**	**3,919,415**	**303,865**	**93,987,438**

	As at December 31, 2024			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Acceptances	55,850,014	–	–	55,850,014
Letters of credit	21,289,944	–	–	21,289,944
Guarantees and letters of guarantees	31,381,732	2,918,418	303,864	34,604,014
Unused credit card commitments	6,601,570	–	–	6,601,570
Total	115,123,260	2,918,418	303,864	118,345,542

(3) Market risk

Market risk refers to the risk of losses to the Group's on and off-balance sheet activities, arising from adverse movements in market prices (interest rates, exchange rates, stock prices and commodity prices). According to the Group's asset allocation, the market risks faced by the Group are mainly interest rate risk and exchange rate risk, including trading books and bank books.

The Group considers the market risk arising from equity price movements in respect of its trading and investment portfolios as immaterial.

The Group's foreign currency risk is the risk of loss in respect of its foreign currency exposures, arising from transactions taken on foreign currency denominated assets and liabilities, which results from movements in foreign currency exchange rates.

The Group is primarily exposed to interest rate risk arising from corporate and retail banking business and treasury business. Interest rate risk is inherent in many of its businesses and largely arises from mismatches between the re-pricing dates of interest-generating assets and those of interest-bearing liabilities.

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Foreign currency risk

The Group conducts its businesses mainly in RMB, with certain transactions denominated in USD, HKD and, to a lesser extent other currency. Transactions in foreign currencies mainly arise from the Group's treasury exposures.

	As at December 31, 2025				
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and balances with the central bank	26,518,813	3,015	–	–	26,521,828
Deposits with banks and other financial institutions	4,340,287	251,368	71,991	10,871	4,674,517
Placements with banks and other financial institutions	–	1,060,324	–	–	1,060,324
Financial assets held under resale agreements	3,279,363	–	–	–	3,279,363
Loans and advances to customers	321,272,122	11,112	–	3,033	321,286,267
Financial investments	150,247,274	696,171	–	–	150,943,445
Others	15,668,815	–	–	–	15,668,815
Total assets	521,326,674	2,021,990	71,991	13,904	523,434,559
Liabilities					
Borrowings from the central bank	18,031,515	–	–	–	18,031,515
Deposits from banks and other financial institutions	1,985,277	–	–	–	1,985,277
Placements from banks and other financial institutions	2,257,172	–	–	–	2,257,172
Financial assets sold under repurchase agreements	939,428	–	–	–	939,428
Customer deposits	404,687,108	374,986	3	4,969	405,067,066
Debt securities issued	42,544,248	–	–	–	42,544,248
Others	3,964,376	22,675	2	11	3,984,064
Total liabilities	474,409,124	397,661	5	4,980	474,811,770
Net balance sheet position	46,917,550	1,624,329	71,986	8,924	48,622,789

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Foreign currency risk (Continued)

	As at December 31, 2024				
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and balances with the central bank	26,579,058	1,315	–	–	26,580,373
Deposits with banks and other financial institutions	1,009,374	69,028	98,863	14,563	1,191,828
Placements with banks and other financial institutions	–	1,044,549	–	–	1,044,549
Financial assets held under resale agreements	9,456,338	–	–	–	9,456,338
Loans and advances to customers	311,932,508	15,309	–	–	311,947,817
Financial investments	150,266,559	529,880	–	–	150,796,439
Others	15,441,277	–	–	–	15,441,277
Total assets	514,685,114	1,660,081	98,863	14,563	516,458,621
Liabilities					
Borrowings from the central bank	22,443,623	–	–	–	22,443,623
Deposits from banks and other financial institutions	8,973,177	–	–	–	8,973,177
Placements from banks and other financial institutions	2,301,430	–	–	–	2,301,430
Financial assets sold under repurchase agreements	1,734,370	–	–	–	1,734,370
Customer deposits	386,888,127	68,947	3	6,375	386,963,452
Debt securities issued	47,336,623	–	–	–	47,336,623
Others	4,159,605	13,401	2	–	4,173,008
Total liabilities	473,836,955	82,348	5	6,375	473,925,683
Net balance sheet position	40,848,159	1,577,733	98,858	8,188	42,532,938

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Foreign currency risk (Continued)

The table below indicates the potential effect of a 10% appreciation or depreciation of foreign currency exchange spot rates against RMB on net profit.

	2025 Increase/ (decrease) in net profit	2024 Increase/ (decrease) in net profit
10% appreciation	**127,893**	126,358
10% depreciation	**(127,893)**	(126,358)

The impact on net profit arises from the effects of movement in exchange rates on the net positions of foreign currency monetary assets and monetary liabilities. Changes in foreign currency exchange rate will affect other comprehensive income.

The effect on net profit is calculated based on the assumption that the Group's net foreign currency exposure at the end of each reporting period remains unchanged. The Group mitigates its foreign currency risk through active management of its foreign currency exposures, based on the management expectation of future foreign currency movements, and therefore the above sensitivity analysis may differ from the actual situation.

Interest rate risk

The interest rate risk of the Group arises from the mismatches between contractual maturities or re-pricing of interest-generating assets and interest-bearing liabilities. The interest-generating assets and interest-bearing liabilities of the Group are mainly denominated in RMB. The PBOC establishes RMB benchmark interest rates which serve as references for commercial banks.

The Group manages its interest rate risk by:

- Regularly monitoring the macro-economic factors that may impact the PBOC benchmark interest rates;
- Minimising the mismatches between contractual maturities or re-pricing of interest-generating assets and interest-bearing liabilities; and
- Enhancing the interest rate margin between the interest-generating assets and interest-bearing liabilities with reference to the prevailing PBOC benchmark interest rates.

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Interest rate risk (Continued)

The tables below summarise the contractual maturity or re-pricing date, whichever is earlier, of the Group's assets and liabilities.

	As at December 31, 2025					
	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest bearing	Total
Assets						
Cash and balances with the central bank	25,688,309	–	–	–	833,519	26,521,828
Deposits with banks and other financial institutions	4,582,411	8,014	–	–	84,092	4,674,517
Placements with banks and other financial institutions	1,054,048	–	–	–	6,276	1,060,324
Financial assets held under resale agreements	3,278,818	–	–	–	545	3,279,363
Loans and advances to customers	162,576,952	110,103,389	23,917,760	22,612,021	2,076,145	321,286,267
Financial investments	19,367,793	15,950,963	49,445,769	44,605,154	21,573,766	150,943,445
Others	–	–	–	–	15,668,815	15,668,815
Total assets	216,548,331	126,062,366	73,363,529	67,217,175	40,243,158	523,434,559
Liabilities						
Borrowings from the central bank	2,020,000	15,979,540	–	–	31,975	18,031,515
Deposits from banks and other financial institutions	1,267,435	710,000	–	–	7,842	1,985,277
Placements from banks and other financial institutions	–	2,256,000	–	–	1,172	2,257,172
Financial assets sold under repurchase agreements	438,109	500,000	–	–	1,319	939,428
Customer deposits	200,736,213	80,191,746	116,534,930	400,000	7,204,177	405,067,066
Debt securities issued	9,545,227	27,957,397	4,999,422	–	42,202	42,544,248
Lease liabilities	25,258	63,596	147,820	24,568	–	261,242
Others	–	–	–	–	3,725,822	3,725,822
Total liabilities	214,032,242	127,658,279	121,682,172	424,568	11,014,509	474,811,770
Total interest sensitivity gap	2,516,089	(1,595,913)	(48,318,643)	66,792,607	29,228,649	48,622,789

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Interest rate risk (Continued)

	As at December 31, 2024					
	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest bearing	Total
Assets						
Cash and balances with the central bank	25,664,710	–	–	–	915,663	26,580,373
Deposits with banks and other financial institutions	1,181,502	–	–	–	10,326	1,191,828
Placements with banks and other financial institutions	1,038,399	–	–	–	6,150	1,044,549
Financial assets held under resale agreements	9,455,606	–	–	–	732	9,456,338
Loans and advances to customers	187,492,280	85,630,534	18,962,799	17,951,698	1,910,506	311,947,817
Financial investments	17,767,298	9,614,453	45,596,669	53,182,190	24,635,829	150,796,439
Others	–	–	–	–	15,441,277	15,441,277
Total assets	242,599,795	95,244,987	64,559,468	71,133,888	42,920,483	516,458,621
Liabilities						
Borrowings from the central bank	4,958,195	17,375,919	–	–	109,509	22,443,623
Deposits from banks and other financial institutions	1,412,270	7,509,000	–	–	51,907	8,973,177
Placements from banks and other financial institutions	–	2,300,000	–	–	1,430	2,301,430
Financial assets sold under repurchase agreements	1,734,298	–	–	–	72	1,734,370
Customer deposits	217,221,010	79,168,082	80,907,675	800,000	8,866,685	386,963,452
Debt securities issued	11,582,411	35,754,212	–	–	–	47,336,623
Lease liabilities	25,277	68,418	168,650	29,079	–	291,424
Others	–	–	–	–	3,881,584	3,881,584
Total liabilities	236,933,461	142,175,631	81,076,325	829,079	12,911,187	473,925,683
Total interest sensitivity gap	5,666,334	(46,930,644)	(16,516,857)	70,304,809	30,009,296	42,532,938

45 FINANCIAL RISK MANAGEMENT (Continued)

(3) Market risk (Continued)

Interest rate risk (Continued)

The following table illustrates the potential impact of a parallel upward or downward shift of 100 basis points in RMB's yield curve on the net interest income and other comprehensive income, based on the Group's position of interest-generating assets and interest-bearing liabilities excluding current deposits at the end of each reporting period.

	2025		2024	
	Net interest income	**Other comprehensive income**	Net interest income	Other comprehensive income
+100 basis points	**(125,064)**	**(977,960)**	(210,051)	(1,828,875)
– 100 basis points	**125,280**	**1,053,215**	210,791	2,026,553

The sensitivity analysis on net interest income is carried out based on reasonably possible changes in interest rates in the coming year with the assumption that the structure of financial assets and financial liabilities (except current deposits) held at the end of the reporting period remain unchanged.

The sensitivity analysis on other comprehensive income is the effect on changes of fixed rate financial investments measured at FVOCI at the end of each reporting period after adjusting for reasonably possible changes in interest rates.

(4) Operational risk

Operational risk refers to risks caused by problems existed in internal procedures, employees or information technology systems, as well as external incidents.

The Group has set up a good operational risk governance organisational structure composed of the Party Committee, the Board of Directors, the senior management and three lines of defense. The Board of Directors is the Group's highest decision-making body regarding operational risk management. During the reporting period, the Board of Supervisors is responsible for supervising the performance of duties by the Board of Directors and the senior management. From 31 December 2025, the Group cancelled the Board of Supervisors, and the functions and powers of the Board of Supervisors were performed by the Audit Committee of the Board. The senior management is responsible for implementing operational risk management strategies, overall policies and systems approved by the Board of Directors, as well as continuously establishing and improving the three lines of defense for operational risk, and improving the operational risk management system that is appropriate for the scope of business, risk characteristics, scale of operation and regulatory requirements.

46 FAIR VALUE OF FINANCIAL INSTRUMENTS

Certain financial instruments of the Group are measured at fair value at the end of each reporting period. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described below:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables give the information about how the fair values of these financial instruments are categorised and determined, in particular, the valuation technique(s) and input(s) used.

Fair value of financial instruments that are measured at fair value on a recurring basis

	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial investments measured at FVTPL				
– Debt securities	–	12,284,659	–	12,284,659
– Fund investments	–	13,766,540	–	13,766,540
– Equity investments	506,611	–	1,371,822	1,878,433
– Trust beneficiary rights and asset management plans	–	–	1,033,445	1,033,445
– Others	–	–	3,906,093	3,906,093
Financial investments measured at FVOCI				
– Debt securities	–	54,376,157	–	54,376,157
Loans and advances to customers measured at FVOCI	–	52,783,696	–	52,783,696
Total	506,611	133,211,052	6,311,360	140,029,023

46 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments that are measured at fair value on a recurring basis (Continued)

	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial investments measured at FVTPL				
– Debt securities	–	14,821,162	–	14,821,162
– Fund investments	–	16,110,769	–	16,110,769
– Equity investments	849,089	–	1,068,270	1,917,359
– Trust beneficiary rights and asset management plans	–	–	1,104,441	1,104,441
– Others	–	–	2,771,694	2,771,694
Financial investments measured at FVOCI				
– Debt securities	–	45,414,081	–	45,414,081
Loans and advances to customers measured at FVOCI	–	51,572,121	–	51,572,121
Total	849,089	127,918,133	4,944,405	133,711,627

There were no transfers between Level 1 and Level 2 during the year ended December 31, 2025 and 2024.

Financial assets at FVTPL and financial assets at FVOCI are stated at fair value by reference to the quoted market prices when available.

If quoted market prices are not available, fair values are estimated on the basis of discounted cash flows or other pricing models. For debt securities, the fair values of bonds are determined based on the valuation results provided by China Central Depository Trust & Clearing Co., Ltd., which are determined based on a valuation technique for which all significant inputs are observable market data.

For the investment funds, the fair value is measured based on the observable quoted price of the underlying investment portfolio in active market.

The fair value of loans and advances to customers at FVOCI are categorised as Level 2. Based on the different credit risk, the Group uses the Shanghai Interbank Offered Rate ("SHIBOR") as the basis for calculating the fair value of discounted bills.

For Level 3 financial assets, the Group adopts the discounted cash flow method or other valuation methods to determine the fair value. The fair value of trust beneficiary rights and asset management plans and others type of financial assets is measured by the expected discounted cash flows with unobservable input of discount rate reflecting the credit risk of debtors, and the fair value of equity investments type of financial assets are measured by market comparison approach with unobservable input of discount for lack of marketability.

46 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments that are measured at fair value on a recurring basis (Continued)

Reconciliation of Level 3 fair value measurements of financial assets is as follows:

	Financial investments measured at FVTPL
As at January 1, 2025	**4,944,405**
Transfers in	**2,004,581**
Total gains	
– In profit or loss	**(274,206)**
Disposals and settlement on maturity	**(363,420)**
As at December 31, 2025	**6,311,360**
Total unrealised gains or losses included in the consolidated statement of profit or loss for assets held at the end of the reporting period	**(401,270)**

	Financial investments measured at FVTPL
As at January 1, 2024	6,893,418
Transfers in	–
Total gains	
– In profit or loss	(431,256)
Disposals and settlement on maturity	(1,517,757)
As at December 31, 2024	4,944,405
Total unrealised gains or losses included in the consolidated statement of profit or loss for assets held at the end of the reporting period	(591,317)

During the year ended December 31, 2025 and 2024, there were no significant transfers between Level 3 and Level 1 or Level 2.

46 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments that are measured at fair value on a recurring basis (Continued)

The valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3. Quantitative information of Level 3 fair value measurement is as below:

Financial assets/ financial liabilities	Fair value as at December 31, 2025	2024	Valuation technique(s) and key input(s)	Significant unobservable input(s)
Financial investments at FVTPL				
– Unlisted equity investments	**1,371,822**	1,068,270	Market approach. Fair value determined by reference to price to earnings ratio, etc of comparable companies after considering the discount for lack of marketability.	Price to earnings ratio, etc, Discount for lack of marketability
– Trust beneficiary rights and asset management plans	**1,033,445**	1,104,441	Discounted cash flows. Future cash flows are discounted using the discount rates with reference to the PBOC benchmark interest rates and credit spread for specific borrowers.	Discount rate, Future Cash Flow
– Other investments	**3,906,093**	2,771,694	Discounted cash flows. Future cash flows are discounted using the discount rates with reference to the PBOC benchmark interest rates and credit spread for specific borrowers.	Discount rate, Future Cash Flow

Fair value of financial instruments that are not measured at fair value on a recurring basis

As at the end of the reporting period, the carrying amount and the fair value of the financial assets and the financial liabilities of the Group have no significant difference except following items.

	As at December 31, 2025		As at December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Debt securities measured at amortised cost	**56,599,347**	**59,225,103**	58,383,055	62,562,104
Financial liabilities				
Debt securities issued	**42,544,248**	**42,525,936**	47,336,623	47,379,967

47 PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Bank's principal subsidiaries as at December 31, 2025 and 2024 are set out below:

Name of entity	Place of incorporation/ registration and operations	Date of incorporation/ establishment	Authorised/ paid-in capital as at December 31, 2025	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activities	Type of entity
				As at December 31, 2025 %	As at December 31, 2024 %	As at December 31, 2025 %	As at December 31, 2024 %		
Xiushui Jiuyin County Bank LLC.	Jiangxi, PRC	December 2007	40,000	**51.00**	51.00	**56.85**	56.85	Commercial bank	Limited liability Company
Beijing Daxing Jiuyin County Bank Co., Ltd. (iii)	Beijing, PRC	May 2010	220,000	**57.83**	51.00	**60.00**	59.00	Commercial bank	Joint Stock Company
Jinggangshan Jiuyin County Bank LLC. (iv)	Jiangxi, PRC	March 2010	-	**-**	41.00	**-**	51.00	Commercial bank	Limited liability Company
Rizhao Jiuyin County Bank Co., Ltd.	Shandong, PRC	November 2011	50,000	**51.00**	51.00	**51.00**	51.00	Commercial bank	Joint Stock Company
Nanjing Liuhe Jiuyin. County Bank Co., Ltd.	Jiangsu, PRC	December 2011	100,000	**51.00**	51.00	**56.00**	56.00	Commercial bank	Joint Stock Company
Nanchang Changdong Jiuyin County Bank Co., Ltd. (v)	Jiangxi, PRC	October 2012	-	**-**	51.00	**-**	51.00	Commercial bank	Joint Stock Company
Pengze Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	December 2015	50,000	**35.00**	35.00	**53.65**	53.65	Commercial bank	Joint Stock Company
Ruichang Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	December 2015	50,000	**35.00**	35.00	**53.30**	53.30	Commercial bank	Joint Stock Company
Zixi Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	April 2016	40,827	**77.32**	77.32	**77.91**	77.91	Commercial bank	Joint Stock Company

47 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of entity	Place of incorporation/ registration and operations	Date of incorporation/ establishment	Authorised/ paid-in capital as at December 31, 2025	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activities	Type of entity
				As at December 31, 2025 %	As at December 31, 2024 %	As at December 31, 2025 %	As at December 31, 2024 %		
Chongren Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	June 2016	40,000	**35.00**	**35.00**	**54.00**	**54.00**	Commercial bank	Joint Stock Company
Fenyi Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	June 2016	50,000	**35.00**	**35.00**	**54.80**	**54.80**	Commercial bank	Joint Stock Company
Fengxin Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	October 2016	50,000	**42.21**	**42.21**	**55.00**	**55.00**	Commercial bank	Joint Stock Company
Jing'an Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	November 2016	50,898	**71.22**	**71.22**	**76.25**	**76.25**	Commercial bank	Joint Stock Company
Tonggu Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	November 2016	53,090	**72.00**	**72.00**	**76.33**	**76.33**	Commercial bank	Joint Stock Company
Jingdezhen Changjiang Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	December 2016	61,000	**53.50**	**53.50**	**61.55**	**61.55**	Commercial bank	Joint Stock Company
Lushan Jiuyin Art County Bank Co., Ltd. (vi)	Jiangxi, PRC	January 2017	-	**-**	**42.21**	**-**	**55.00**	Commercial bank	Joint Stock Company
Duchang Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	February 2018	50,000	**50.00**	**50.00**	**52.00**	**52.00**	Commercial bank	Joint Stock Company
Hukou Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	February 2018	50,000	**50.00**	**50.00**	**52.70**	**52.70**	Commercial bank	Joint Stock Company

47 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

None of the subsidiaries had issued any debt securities at the end of the year.

Notes:

(i) The Bank holds no more than 50% equity interests in these subsidiaries. In accordance with the agreements to act in concert entered into by the Bank and the non-controlling shareholders, the Bank has right to obtain variable returns from its involvement in the relevant operations of these subsidiaries and the ability to affect the returns through the power over these subsidiaries. In the opinion of the directors of the Bank, the Bank has controls over these subsidiaries.

(ii) As at December 31, 2025, the Group consists of the Bank and 15 subsidiaries, and the non-controlling interests have no material interest in the Group's activities and cash flows.

(iii) The Bank acquired 15.03 million shares from the non-controlling shareholders. At the end of 2025, the proportion of ownership held by the Bank increased by 6.83% accordingly.

(iv) In 2025, the Bank received "the Approval of Ji'an Office of National Financial Regulatory Administration" (Ji Jin Jian Fu [2025] No. 94) to absorb and merge Jinggangshan Jiuyin County Bank LLC. through equity agreement transfer, and restructured into a branch of the Bank. On 14 November 2025, the Bank received "the Approval of Ji'an Office of National Financial Regulatory Administration on the dissolution of Jinggangshan Jiuyin County Bank LLC." (Gan Jin Jian Fu [2025] No. 209), and the Bank undertook the assets, liability, business and various rights and obligations of Jinggangshan Jiuyin County Bank LLC.

(v) In 2025, the Bank received "the Approval of Jiangxi Office of National Financial Regulatory Administration" (Gan Jin Jian Fu [2025] No. 189) to absorb and merge Nanchang Changdong Jiuyin County Bank Co., Ltd. through equity agreement transfer, and restructured into a branch of the Bank. On 14 November 2025, the Bank received "the Approval of Jiangxi Office of National Financial Regulatory Administration on the dissolution of Nanchang Changdong Jiuyin County Bank Co., Ltd." (Gan Jin Jian Fu [2025] No. 207), and the Bank undertook the assets, liability, business and various rights and obligations of Nanchang Changdong Jiuyin County Bank Co., Ltd.

(vi) In 2025, the Bank received "the Approval of Jiangxi Office of National Financial Regulatory Administration" (Gan Jin Jian Fu [2025] No. 66) to absorb and merge Lushan Jiuyin Art County Bank Co., Ltd. through equity agreement transfer, and restructured into a branch of the Bank. On 14 November 2025, the Bank received "the Approval of Jiangxi Office of National Financial Regulatory Administration on the dissolution of Lushan Jiuyin Art County Bank Co., Ltd." (Gan Jin Jian Fu [2025] No. 208), and the Bank undertook the assets, liability, business and various rights and obligations of Lushan Jiuyin Art County Bank Co., Ltd.

48 STATEMENT OF FINANCIAL POSITION OF THE BANK

	As at December 31	
	2025	2024
ASSETS		
Cash and balances with the central bank	**24,789,575**	24,418,739
Deposits with banks and other financial institutions	**4,649,102**	1,091,097
Placements with banks and other financial institutions	**1,060,324**	1,044,549
Financial assets held under resale agreements	**3,159,499**	9,426,640
Loans and advances to customers	**313,663,983**	302,368,991
Financial investments	**150,357,789**	149,565,676
Interest in associates	**145,537**	142,369
Investments in subsidiaries	**519,987**	541,721
Right-of-use assets	**239,281**	256,133
Property and equipment	**3,100,530**	3,200,166
Deferred tax assets	**5,341,837**	4,681,333
Other assets	**6,662,469**	6,953,334
Total assets	**513,689,913**	503,690,748

48 STATEMENT OF FINANCIAL POSITION OF THE BANK

(Continued)

	As at December 31	
	2025	2024
LIABILITIES		
Borrowings from the central bank	**18,006,493**	21,722,284
Deposits from banks and other financial institutions	**7,189,504**	13,061,081
Placements from banks and other financial institutions	**2,257,172**	2,301,430
Financial assets sold under repurchase agreements	**501,319**	1,491,572
Customer deposits	**391,844,994**	372,540,796
Income tax payable	**131,565**	75,795
Debt securities issued	**42,544,248**	47,336,623
Lease liabilities	**249,633**	268,369
Provisions	**162,204**	187,926
Other liabilities	**3,163,067**	3,273,598
Total liabilities	**466,050,199**	462,259,474
EQUITY		
Share capital	**2,847,367**	2,847,367
Other equity instruments	**13,997,840**	6,997,840
Reserves	**30,794,507**	31,586,067
Total equity	**47,639,714**	41,431,274
Total liabilities and equity	**513,689,913**	503,690,748

The financial statements have been approved by the Board of Directors of the Bank on March 31, 2026.

Zhou Shixin	**Xiao Jing**	**Wei Mingmei**	**Bank of Jiujiang Co., Ltd.**
CHAIRMAN	*EXECUTIVE DIRECTOR*	*HEAD OF THE ACCOUNTING DEPARTMENT*	*(Company Stamp)*

49 EVENT AFTER THE REPORTING PERIOD

Profit appropriation

(1) Distribution of dividends on ordinary shares

A final dividend of RMB5.60 cents per share (tax inclusive) in respect of the year ended December 31, 2025 amounting in a total of RMB159.45 million was proposed by the Board of Directors of the Bank and is subject to the approval of the forthcoming Annual General Meeting of the Bank.

(2) Distribution of interest and redemption on perpetual bonds

An interest at the interest rate of 4.80% per annum related to the 2021 first tranche of perpetual bonds of RMB3 billion amounting to RMB144.00 million in total was declared on January 8, 2026 and distributed on February 9, 2026. The Bank also fully redeemed the bonds on February 9, 2026.

(3) Proposed non-public issuance of domestic shares and H shares under specific mandate potential connected transaction of proposed subscription of domestic shares by substantial shareholder subscriber(s)

On 31 October 2025, the Board resolved to propose the issuance of not more than 860.00 million Domestic Shares (inclusive) and not more than 175.00 million H Shares (inclusive) to eligible subscribers. The net proceeds raised from the Issuance after deducting related issuance costs will be entirely used to replenish the core tier-one capital of the Bank.

The Bank received the Letters of Intent issued by Jiujiang Finance Bureau and Industrial Bank, both dated 23 January 2026. According to these Letters of Intent, the total value of not more than RMB0.5 billion of Domestic Shares intended to be subscribed by Jiujiang Finance Bureau representing a proportion as of the total funds actually raised in the Issuance not more than the direct shareholding by Jiujiang Finance Bureau in the Bank as at the date of Letters of Intent, namely approximately 12.85%; the total value intended to be subscribed by Industrial Bank representing a proportion as of the total funds actually raised in the Issuance not more than the shareholding by Industrial Bank in the Bank as at the date of Letters of Intent, namely approximately 10.34%, subject to all necessary approvals from regulatory authorities and the approval of the Shareholders at the EGM and the Class Meetings for the Issuance and the Substantial Shareholders' Subscription.

50 COMPARATIVE FIGURES

For financial statements disclosure purpose, the Group made reclassification adjustments to some comparative figures.

51 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2025

Up to the date of issue of these financial statements, a number of amendments, new standards and interpretations are issued which are not yet effective for the year ended December 31, 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after
Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 18, *Presentation and Disclosure in Financial Statements*	January 1, 2027
IFRS 19, *Subsidiaries without Public Accountability: Disclosures*	January 1, 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements expect for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

Definition

In this annual report, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

"Articles of Association"	the articles of association of the Bank, the version of which was considered and approved at the general meeting of the Bank and was approved by the Jiangxi Bureau of the National Financial Regulatory Administration on December 31, 2025, as the same may be amended, supplemented or otherwise modified from time to time
"Bank", "Bank of Jiujiang" or "Group"	Bank of Jiujiang Co., Ltd. (九江銀行股份有限公司), a joint stock company incorporated on November 17, 2000 in Jiangxi Province, China with limited liability in accordance with the PRC laws and regulations and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches
"Board of Supervisors"	the board of Supervisors of the Bank, which ceased to be established with effect from December 31, 2025
"Board" or "Board of Directors"	the board of Directors of the Bank
"CBIRC"	former China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), currently the National Financial Regulatory Administration, and if the context requires, includes its predecessor China Banking Regulatory Commission (中國銀行業監督管理委員會)
"China" or "PRC"	the People's Republic of China
"city commercial bank(s)"	banks with branches at municipal or higher levels created with the approval of the national financial regulatory institution pursuant to the Company Law of the PRC and the PRC Commercial Banking Law
"commercial banks"	all the banking financial institutions in the PRC other than policy banks, including the large commercial banks, the nationwide joint-stock commercial banks, city commercial banks, foreign banks and other banking financial institutions
"Company Law of the PRC" or "Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the 5th session of the 8th Standing Committee of the National People's Congress on December 29, 1993 and became effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time
"Corporate Governance Code"	Corporate Governance Code set out in Appendix C1 to the Listing Rules
"county bank(s)"	banking institution(s) incorporated with the approval of the national financial regulatory institution, pursuant to the Company Law of the PRC and the PRC Commercial Banking Law, to provide services to local growers or enterprises in rural areas
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Bank

"Domestic Shares"	ordinary shares issued by the Bank in the PRC, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
"H Shares"	overseas-listed shares in the share capital of the Bank, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for listing and permission to trade on the Hong Kong Stock Exchange
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
"Hong Kong" or "HK"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"IFRS"	International Financial Reporting Standards and International Accounting Standards ("IAS"), which include the related standards, amendments and interpretations issued by the International Accounting Standards Board ("IASB")
"Jiuyin County Banks"	15 Jiuyin County Banks controlled and consolidated by the Bank as of December 31, 2025
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"major shareholder(s)"	shareholder(s) who meet the conditions stipulated in Article 3 of the Measures for Supervision and Management of Behaviors of Major Shareholders of Banking and Insurance Institutions (Trial)
"Ministry of Finance"	Ministry of Finance of the People's Republic of China (中華人民共和國財政部)
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"National Financial Regulatory Administration"	a subordinated institution under the State Council and established based on China Banking and Insurance Regulatory Commission
"national financial regulatory institution"	the National Financial Regulatory Administration and (or) its local offices, and if the context requires, includes its predecessor China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) and (or) its local offices
"related party transaction(s)"	has the meaning ascribed to it under the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions promulgated by the former CBIRC, Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and/or IFRS

"related party(ies)"	has the meaning ascribed to it under the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions promulgated by the former CBIRC, Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and/or IFRS
"reporting period"	the year from January 1, 2025 to December 31, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"State Council"	the State Council of the People's Republic of China (中華人民共和國國務院)
"Supervisor(s)"	the supervisor(s) of the Bank, which ceased to be established with effect from December 31, 2025
"treasury shares"	has the meaning ascribed to it under the Listing Rules

九江银行
BANK OF JIUJIANG

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