ICBC 中国工商银行

中國工商銀行股份有限公司

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

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

Stock Code: 1398

2026 Interim Results Announcement

The Board of Directors of Industrial and Commercial Bank of China Limited (the "Bank") announces the unaudited interim results of the Bank and its subsidiaries (the "Group") for the six months ended 30 June 2026. The Board of Directors and the Audit Committee of the Board of Directors of the Bank have reviewed and confirmed the unaudited interim results.

1. Corporate Information

1.1 Basic Information

	Stock name	Stock code	Stock exchange on which shares are listed
A Share	工商銀行	601398	Shanghai Stock Exchange
H Share	ICBC	1398	The Stock Exchange of Hong Kong Limited
Domestic Preference Share	工行優 1 工行優 2	360011 360036	Shanghai Stock Exchange

1.2 Contact

Board Secretary and Company Secretary

Name	Tian Fenglin
Address	55 Fuxingmennei Avenue, Xicheng District, Beijing, China
Telephone	86-10-66108608
Facsimile	86-10-66107420
E-mail	ir@icbc.com.cn

1.3 Company Profile

Industrial and Commercial Bank of China was established on 1 January 1984. On 28 October 2005, the Bank was wholly restructured into a joint-stock limited company. On 27 October 2006, the Bank was successfully listed on both Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

The Bank has devoted itself to building a world-class modern financial institution with Chinese characteristics. The Bank has a high-quality customer base, a diversified business structure, strong innovation capabilities and market competitiveness. The Bank regards service as the very foundation to seek further development and adheres to creating value through services while providing abundant financial products and superior financial services to over 15.00 million corporate customers and over 780 million personal customers around the world. It has served the high-quality development of the economy and society with its own high-quality development. The Bank has been consciously integrating social responsibilities into its development strategy and operation and management activities, and gaining wide recognition in the aspects of serving the manufacturing industry, promoting inclusive finance, backing rural revitalization, developing green finance and participating in public welfare undertakings.

The Bank always keeps in mind its underlying mission of serving the real economy with its principal business, and along with the real economy it prospers, suffers and grows. Taking a risk-based approach and never overstepping the bottom line, it constantly enhances its capability of controlling and mitigating risks. Besides, the Bank remains steadfast in understanding and following the business rules of commercial banks to strive to be a long-lasting and ever-prosperous bank. It also stays committed to seeking progress with innovation while maintaining stability, continuously enhances the key development strategies, actively develops the FinTech and accelerates the digital and intelligent transformation. The Bank unswervingly delivers specialized services, and pioneers a specialized business model, thus making it "a craftsman in large banking".

The Bank was ranked the 1st place among the Top 1000 World Banks by *The Banker* for the fourteenth consecutive year, and took the 1st place among the Top 500 Banking Brands of *Brand Finance* for the tenth consecutive year.

2. Financial Highlights

Financial data and indicators in this Results Announcement are prepared in accordance with IFRS Accounting Standards and, unless otherwise specified, are consolidated amounts of the Bank and its subsidiaries and denominated in Renminbi.

Financial Data

	Six months ended 30 June 2026	Six months ended 30 June 2025	Six months ended 30 June 2024
Operating results (in RMB millions)			
Net interest income	341,237	313,576	313,950
Net fee and commission income	69,235	67,020	67,405
Operating income	446,163	409,082	401,999
Operating expenses	111,379	108,570	105,208
Impairment losses on assets(1)	127,756	104,529	102,069
Operating profit	207,028	195,983	194,722
Profit before taxation	210,010	199,008	197,184
Net profit	176,475	168,803	171,296
Net profit attributable to equity holders of the parent company	173,682	168,103	170,467
Net cash flows from operating activities	1,369,013	786,317	26,983
Per share data (in RMB yuan)			
Basic earnings per share(2)	0.47	0.46	0.47
Diluted earnings per share(2)	0.47	0.46	0.47
	30 June 2026	**31 December 2025**	**31 December 2024**
Assets and liabilities (in RMB millions)			
Total assets	57,070,593	53,477,773	48,821,746
Total loans and advances to customers	31,992,126	30,506,114	28,372,229
Corporate loans	20,092,143	18,841,671	17,482,223
Personal loans	9,000,436	9,002,636	8,957,720
Discounted bills	2,899,547	2,661,807	1,932,286
Allowance for impairment losses on loans(3)	896,048	852,274	815,497
Investment	18,632,768	16,907,415	14,153,576
Total liabilities	52,714,749	49,205,749	44,834,480
Due to customers	39,173,265	37,311,778	34,836,973
Corporate deposits	17,452,118	16,350,593	15,507,405
Personal deposits	21,056,671	20,204,619	18,541,510
Other deposits	238,549	251,921	228,721
Accrued interest	425,927	504,645	559,337
Due to banks and other financial institutions	5,858,397	5,103,247	4,590,965

	30 June 2026	31 December 2025	31 December 2024
Equity attributable to equity holders of the parent company	4,326,994	4,244,259	3,969,841
Share capital	356,407	356,407	356,407
Net common equity tier 1 capital(4)	3,940,780	3,837,149	3,624,342
Net tier 1 capital(4)	4,306,278	4,222,676	3,949,453
Net capital base(4)	5,539,090	5,302,796	4,986,531
Risk-weighted assets(4)	29,832,780	28,269,948	25,710,855
Per share data (in RMB yuan)			
Net asset value per share(5)	11.12	10.83	10.23
Credit rating			
S&P(6)	A	A	A
Moody's(6)	A1	A1	A1

Notes: (1) Calculated by adding credit impairment losses with impairment losses on other assets.

(2) Calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revision 2010) issued by the CSRC.

(3) Calculated by adding allowance for impairment losses on loans and advances to customers measured at amortised cost with allowance for impairment losses on loans and advances to customers measured at fair value through other comprehensive income.

(4) Calculated in accordance with the Rules on Capital Management of Commercial Banks.

(5) Calculated by dividing equity attributable to equity holders of the parent company after deduction of other equity instruments at the end of the reporting period by the total number of ordinary shares at the end of the reporting period.

(6) The rating results are in the form of "long-term foreign currency deposits rating".

Financial Indicators

	Six months ended 30 June 2026	Six months ended 30 June 2025	Six months ended 30 June 2024
Profitability (%)			
Return on average total assets[(1)]	0.64*	0.67*	0.75*
Return on weighted average equity[(2)]	8.63*	8.82*	9.53*
Net interest spread[(3)]	1.17*	1.16*	1.24*
Net interest margin[(4)]	1.29*	1.30*	1.43*
Return on risk-weighted assets[(5)(10)]	1.21*	1.28*	1.38*
Ratio of net fee and commission income to operating income	15.52	16.38	16.77
Cost-to-income ratio[(6)]	23.70	25.27	24.79
	30 June 2026	**31 December 2025**	**31 December 2024**
Asset quality (%)			
Non-performing loans ("NPLs") ratio[(7)]	1.29	1.31	1.34
Allowance to NPLs[(8)]	217.58	213.60	214.91
Allowance to total loans ratio[(9)]	2.80	2.79	2.87
Capital adequacy (%)			
Common equity tier 1 capital adequacy ratio[(10)]	13.21	13.57	14.10
Tier 1 capital adequacy ratio[(10)]	14.43	14.94	15.36
Capital adequacy ratio[(10)]	18.57	18.76	19.39
Total equity to total assets ratio	7.63	7.99	8.17
Risk-weighted assets to total assets ratio[(10)]	52.27	52.86	52.66

Notes: * indicates annualised ratios.

(1) Calculated by dividing net profit by the average balance of total assets at the beginning and at the end of the reporting period.

(2) Calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revision 2010) issued by the CSRC.

(3) Calculated by the spread between yield on average balance of interest-generating assets and cost on average balance of interest-bearing liabilities.

(4) Calculated by dividing net interest income by the average balance of interest-generating assets.

(5) Calculated by dividing net profit by the average balance of risk-weighted assets at the beginning and at the end of the reporting period.

(6) Calculated by dividing operating expense (less taxes and surcharges) by operating income.

(7) Calculated by dividing the balance of NPLs by total balance of loans and advances to customers.

(8) Calculated by dividing allowance for impairment losses on loans by total balance of NPLs.

(9) Calculated by dividing allowance for impairment losses on loans by total balance of loans and advances to customers.

(10) Calculated in accordance with the Rules on Capital Management of Commercial Banks.

3. Discussion and Analysis

3.1 Financial Statements Analysis

3.1.1 Income Statement Analysis

In the first half of 2026, the Bank upheld the guidance of Party building and pursued the five transformations, deeply implementing the political and people-oriented nature of financial work. The initial six months of the 15th Five-Year Plan period witnessed a robust launch and favorable commencement of all tasks, with operating performance sustaining a steady yet progressive growth trajectory. In the first half of the year, the Bank realized a net profit of RMB176,475 million, representing an increase of 4.5% as compared to the same period of last year. Annualised return on average total assets stood at 0.64%, and annualised return on weighted average equity was 8.63%. Operating income amounted to RMB446,163 million, recording an increase of 9.1%. Specifically, net interest income was RMB341,237 million, rising by 8.8%. Non-interest income reached RMB104,926 million, increasing by 9.9%. Operating expenses amounted to RMB111,379 million, representing an increase of 2.6%, and the cost-to-income ratio was 23.70%. Impairment losses on assets were RMB127,756 million, indicating an increase of 22.2%. Income tax expense increased by 11.0% to RMB33,535 million.

CHANGES OF KEY INCOME STATEMENT ITEMS

In RMB millions, except for percentages

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Net interest income	341,237	313,576	27,661	8.8
Non-interest income	104,926	95,506	9,420	9.9
Operating income	446,163	409,082	37,081	9.1
Less: Operating expenses	111,379	108,570	2,809	2.6
Credit impairment losses	127,018	104,007	23,011	22.1
Impairment losses on other assets	738	522	216	41.4
Operating profit	207,028	195,983	11,045	5.6
Share of results of associates and joint ventures	2,982	3,025	(43)	(1.4)
Profit before taxation	210,010	199,008	11,002	5.5
Less: Income tax expense	33,535	30,205	3,330	11.0
Net profit	176,475	168,803	7,672	4.5
Attributable to: Equity holders of the parent company	173,682	168,103	5,579	3.3
Non-controlling interests	2,793	700	2,093	299.0

Net Interest Income

In the first half of 2026, net interest income amounted to RMB341,237 million, representing an increase of RMB27,661 million or 8.8% as compared to the same period of last year. Interest income amounted to RMB660,777 million, dropping by RMB12,826 million or 1.9%, and interest expenses decreased by RMB40,487 million or 11.2% to RMB319,540 million. Affected by factors such as improved liability costs and optimized structure of assets and liabilities, annualised net interest spread was 1.17%, 1 basis point higher than that of the same period of last year; and annualised net interest margin was 1.29%, 1 basis point lower than that of the same period of last year.

AVERAGE YIELD OF INTEREST-GENERATING ASSETS AND AVERAGE COST OF INTEREST-BEARING LIABILITIES

In RMB millions, except for percentages

	Six months ended 30 June 2026			Six months ended 30 June 2025		
Item	Average balance	Interest income/ expense	Average yield/cost (%)	Average balance	Interest income/ expense	Average yield/cost (%)
Assets						
Loans and advances to customers	31,433,884	411,856	2.64	29,446,052	426,672	2.92
Investment	16,426,312	202,221	2.48	13,655,563	190,567	2.81
Due from central banks[(2)]	3,235,237	25,073	1.56	3,070,303	25,685	1.69
Due from banks and other financial institutions[(3)]	2,326,822	21,627	1.87	2,549,528	30,679	2.43
Total interest-generating assets	**53,422,255**	**660,777**	**2.49**	**48,721,446**	**673,603**	**2.79**
Non-interest-generating assets	3,295,074			2,969,589		
Allowance for impairment losses on assets	(950,682)			(914,606)		
Total assets	**55,766,647**			**50,776,429**		
Liabilities						
Deposits	36,716,724	208,994	1.15	34,393,438	247,503	1.45
Due to banks and other financial institutions[(3)]	9,485,005	78,751	1.67	7,458,573	74,092	2.00
Debt securities issued and certificates of deposit	2,619,290	31,795	2.45	2,810,629	38,432	2.76
Total interest-bearing liabilities	**48,821,019**	**319,540**	**1.32**	**44,662,640**	**360,027**	**1.63**
Non-interest-bearing liabilities	2,429,248			2,280,591		
Total liabilities	**51,250,267**			**46,943,231**		
Net interest income		**341,237**			**313,576**	
Net interest spread			**1.17**			**1.16**
Net interest margin			**1.29**			**1.30**

Notes: (1) The average balances of interest-generating assets and interest-bearing liabilities represent their daily average balances. The average balances of non-interest-generating assets, non-interest-bearing liabilities and the allowance for impairment losses on assets represent the average of the balances at the beginning of the period and at the end of the period.

(2) Due from central banks mainly includes mandatory reserves and surplus reserves with central banks.

(3) Due from banks and other financial institutions includes the amount of reverse repurchase agreements, and due to banks and other financial institutions includes the amount of repurchase agreements.

ANALYSIS OF CHANGES IN INTEREST INCOME AND EXPENSE

In RMB millions

Item	Comparison between six months ended 30 June 2026 and 30 June 2025		
	Increase/(decrease) due to		Net increase/ (decrease)
	Volume	Interest rate	
Assets			
Loans and advances to customers	26,070	(40,886)	(14,816)
Investment	34,000	(22,346)	11,654
Due from central banks	1,367	(1,979)	(612)
Due from banks and other financial institutions	(1,972)	(7,080)	(9,052)
Changes in interest income	**59,465**	**(72,291)**	**(12,826)**
Liabilities			
Deposits	12,657	(51,166)	(38,509)
Due to banks and other financial institutions	16,864	(12,205)	4,659
Debt securities issued and certificates of deposit	(2,316)	(4,321)	(6,637)
Changes in interest expenses	**27,205**	**(67,692)**	**(40,487)**
Changes in net interest income	**32,260**	**(4,599)**	**27,661**

Note: Changes in volume are measured by the changes in average balances, while the changes in interest rate are measured by the changes in average interest rates. Changes driven by both volume and interest rate have been allocated to the changes driven by business volume.

Interest Income

◆ Interest Income on Loans and Advances to Customers

Interest income on loans and advances to customers was RMB411,856 million, RMB14,816 million or 3.5% lower compared to the same period of last year, mainly due to the decrease of 28 basis points in the average yield of loans and advances to customers, and the increase of 6.8% in the average balance partially offset the effect of yield decrease.

ANALYSIS OF THE AVERAGE YIELD OF LOANS AND ADVANCES TO CUSTOMERS BY MATURITY STRUCTURE

In RMB millions, except for percentages

Item	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Short-term loans	8,714,730	86,661	2.01	7,488,259	85,593	2.31
Medium to long-term loans	22,719,154	325,195	2.89	21,957,793	341,079	3.13
Total loans and advances to customers	**31,433,884**	**411,856**	**2.64**	**29,446,052**	**426,672**	**2.92**

ANALYSIS OF THE AVERAGE YIELD OF LOANS AND ADVANCES TO CUSTOMERS BY BUSINESS LINE

In RMB millions, except for percentages

Item	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Corporate loans	18,594,281	247,771	2.69	17,277,001	247,957	2.89
Discounted bills	2,689,132	10,375	0.78	2,059,556	9,590	0.94
Personal loans	8,796,977	123,692	2.84	8,831,878	136,218	3.11
Overseas business	1,353,494	30,018	4.47	1,277,617	32,907	5.19
Total loans and advances to customers	**31,433,884**	**411,856**	**2.64**	**29,446,052**	**426,672**	**2.92**

◆ **Interest Income on Investment**

Interest income on investment amounted to RMB202,221 million, representing an increase of RMB11,654 million or 6.1% as compared to the same period of last year, mainly due to the increase of 20.3% in the average balance of investment, and the decrease of 33 basis points in the average yield partially offset the effect of scale growth.

◆ **Interest Income on Due from Central Banks**

Interest income on due from central banks was RMB25,073 million, representing a decrease of RMB612 million or 2.4% as compared to the same period of last year.

◆ **Interest Income on Due from Banks and Other Financial Institutions**

Interest income on due from banks and other financial institutions was RMB21,627 million, representing a decrease of RMB9,052 million or 29.5% as compared to the same period of last year, primarily due to the decrease in the average yield of lending.

Interest Expense

◆ **Interest Expense on Deposits**

Interest expense on deposits amounted to RMB208,994 million, representing a decrease of RMB38,509 million or 15.6% as compared to the same period of last year, mainly due to the decrease of 30 basis points in the average cost. The Bank continued to standardize interest expense management, and improved the implementation effects of interest rate self-regulation initiatives, to achieve a steady decline in interest payment costs.

ANALYSIS OF AVERAGE DEPOSIT COST BY PRODUCTS

In RMB millions, except for percentages

Item	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	Interest expense	Average cost (%)	Average balance	Interest expense	Average cost (%)
Corporate deposits						
Time deposits	8,257,575	62,861	1.54	7,679,082	74,152	1.95
Demand deposits	7,011,123	16,270	0.47	6,691,349	20,567	0.62
Subtotal	**15,268,698**	**79,131**	**1.05**	**14,370,431**	**94,719**	**1.33**
Personal deposits						
Time deposits	13,371,847	111,735	1.69	12,369,332	125,318	2.04
Demand deposits	6,798,186	1,753	0.05	6,391,250	2,222	0.07
Subtotal	**20,170,033**	**113,488**	**1.13**	**18,760,582**	**127,540**	**1.37**
Overseas business	**1,277,993**	**16,375**	**2.58**	**1,262,425**	**25,244**	**4.03**
Total deposits	**36,716,724**	**208,994**	**1.15**	**34,393,438**	**247,503**	**1.45**

◆ Interest Expense on Due to Banks and Other Financial Institutions

Interest expense on due to banks and other financial institutions was RMB78,751 million, representing an increase of RMB4,659 million or 6.3% as compared to the same period of last year, principally attributable to the proper arrangements of borrowing funds and the diversified expansion of liability sources.

◆ Interest Expense on Debt Securities Issued and Certificates of Deposit

Interest expense on debt securities issued and certificates of deposit was RMB31,795 million, indicating a decrease of RMB6,637 million or 17.3% over the same period of last year, mainly attributable to the drop of 31 basis points in average cost of debt securities issued and certificates of deposit, and the decreased scale of the negotiable certificates of deposit ("NCDs").

Non-Interest Income

In the first half of the year, non-interest income increased by RMB9,420 million or 9.9% to RMB104,926 million, accounting for 23.5% of the Bank's operating income. Specifically, net fee and commission income increased by RMB2,215 million or 3.3% to RMB69,235 million, and other non-interest related gains increased by RMB7,205 million or 25.3% to RMB35,691 million.

NET FEE AND COMMISSION INCOME

In RMB millions, except for percentages

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Settlement, clearing and cash management	23,421	23,216	205	0.9
Investment banking business	14,468	14,775	(307)	(2.1)
Personal wealth management and private banking services	11,457	9,990	1,467	14.7
Corporate wealth management services	8,909	7,212	1,697	23.5
Bank card business	7,782	8,823	(1,041)	(11.8)
Asset custody services	4,597	4,274	323	7.6
Guarantee and commitment business	1,862	2,336	(474)	(20.3)
Trust and agency services	1,376	1,463	(87)	(5.9)
Others	2,719	2,073	646	31.2
Fee and commission income	**76,591**	**74,162**	**2,429**	**3.3**
Less: Fee and commission expense	**7,356**	**7,142**	**214**	**3.0**
Net fee and commission income	**69,235**	**67,020**	**2,215**	**3.3**

In the first half of the year, the Bank's fee and commission income was RMB76,591 million, representing a year-on-year increase of RMB2,429 million or 3.3%. The income from corporate wealth management services, personal wealth management and private banking services recorded an increase of RMB1,697 million and RMB1,467 million respectively, mainly because the Bank increased income from businesses such as agency precious metals, agency fund and agency wealth management products by seizing market opportunities. Other income increased by RMB646 million, mainly due to the sound growth in pension business. Affected by external factors such as market environment changes, income from bank card business decreased. The Bank's proactive adjustment to lower fee rates for guarantee and commitment business resulted in a decline in relevant product income.

OTHER NON-INTEREST RELATED GAINS

In RMB millions, except for percentages

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Net trading income	10,012	7,613	2,399	31.5
Net gains on financial investments	26,449	18,294	8,155	44.6
Other operating (expense)/income, net	(770)	2,579	(3,349)	(129.9)
Total	**35,691**	**28,486**	**7,205**	**25.3**

Other non-interest related gains amounted to RMB35,691 million, representing an increase of RMB7,205 million or 25.3% as compared to the same period of last year. Among these, the increase in net trading income was mainly due to the increase in unrealised gains on trading bond investment; the increase in net gains on financial investments was primarily because of the increase in unrealised gains on fund investment and bond investment; and other net operating expense resulted from the increase in net losses on foreign exchange and exchange rate products and net expenses on insurance service.

Operating Expenses

In RMB millions, except for percentages

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Staff costs	66,607	64,163	2,444	3.8
Property and equipment expenses	13,486	13,156	330	2.5
Taxes and surcharges	5,620	5,199	421	8.1
Amortisation	2,648	2,568	80	3.1
Others	23,018	23,484	(466)	(2.0)
Total	**111,379**	**108,570**	**2,809**	**2.6**

Impairment Losses

In the first half of 2026, the Bank set aside the credit impairment losses of RMB127,018 million, indicating an increase of RMB23,011 million or 22.1% as compared to the same period of last year. Specifically, impairment losses on loans were RMB123,016 million, indicating an increase of RMB20,801 million or 20.4%. Impairment losses on other assets were RMB738 million, indicating an increase of RMB216 million or 41.4%. Please refer to "Note 9. to the Financial Statements: Credit Impairment Losses; Note 23. to the Financial Statements: Impairment Allowance" for details.

Income Tax Expense

Income tax expense increased by RMB3,330 million or 11.0% to RMB33,535 million as compared to the same period of last year. The effective tax rate was 15.97%, lower than the statutory tax rate of 25%, primarily because the interest income on Chinese government bonds and local government bonds was exempted from tax under the relevant tax law.

Summary of Geographical Segment Information

In RMB millions, except for percentages

Item	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Amount	Percentage (%)	Amount	Percentage (%)
Operating income	**446,163**	**100.0**	**409,082**	**100.0**
Head Office	36,080	8.1	29,154	7.1
Yangtze River Delta	82,859	18.6	77,504	18.9
Pearl River Delta	51,528	11.5	48,772	11.9
Bohai Rim	91,333	20.5	86,064	21.0
Central China	57,721	12.9	54,444	13.3
Western China	62,753	14.1	59,608	14.6
Northeastern China	13,772	3.1	13,727	3.4
Overseas and others	50,194	11.2	39,861	9.8
Eliminations	(77)	(0.0)	(52)	(0.0)
Profit before taxation	**210,010**	**100.0**	**199,008**	**100.0**
Head Office	(33,985)	(16.2)	(20,069)	(10.1)
Yangtze River Delta	53,332	25.4	49,744	25.0
Pearl River Delta	23,219	11.1	21,887	11.0
Bohai Rim	65,388	31.1	58,428	29.4
Central China	26,037	12.4	24,382	12.3
Western China	31,025	14.8	31,505	15.8
Northeastern China	7,131	3.4	7,121	3.6
Overseas and others	37,863	18.0	26,010	13.0
Eliminations	–	–	–	–

Note: Please see “Note 42. to the Financial Statements: Segment Information” for details.

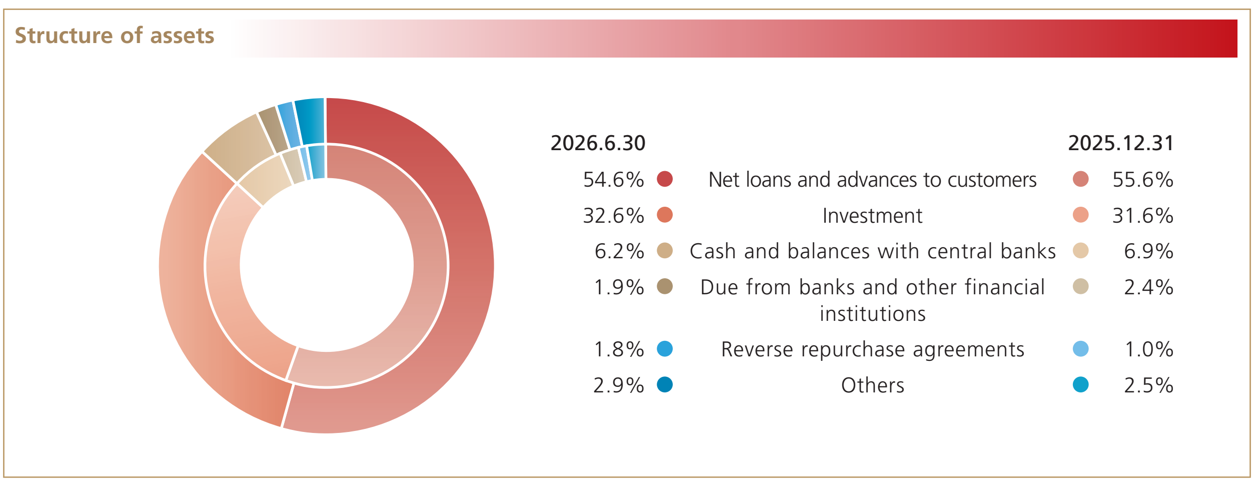
3.1.2 Balance Sheet Analysis

In the first half of 2026, the Bank earnestly implemented the macroeconomic and financial policies and regulatory requirements, continued to dynamically optimize the total volume and the strategic structure of assets and liabilities, advanced the five transformations, and strove to achieve a dynamic balance of value creation, market position, risk control and capital constraints.

The Bank adhered to the integrated development strategy of investment and financing. Focusing on the modern layout, the Bank supported the high-quality economic development, refined and deepened the “Five Priorities” of finance, and intensified support for major national strategies, key fields and weak links. The Bank enhanced the diversification of liabilities, continued to promote the GBC+ projects, and consolidated the foundation for the growth of due to customers, so that its deposits maintained the high-quality development trend. The Bank expanded and stabilized the source channels of funds, promoted the matching of fund source and fund utilization, and optimized the management efficiency of assets and liabilities.

Assets Deployment

As at the end of June, total assets of the Bank amounted to RMB57,070,593 million, RMB3,592,820 million or 6.7% higher than that at the end of the prior year. Specifically, total loans and advances to customers (collectively referred to as “total loans”) increased by RMB1,486,012 million or 4.9% to RMB31,992,126 million, investment increased by RMB1,725,353 million or 10.2% to RMB18,632,768 million, and cash and balances with central banks decreased by RMB156,806 million or 4.3% to RMB3,517,752 million.



In RMB millions, except for percentages

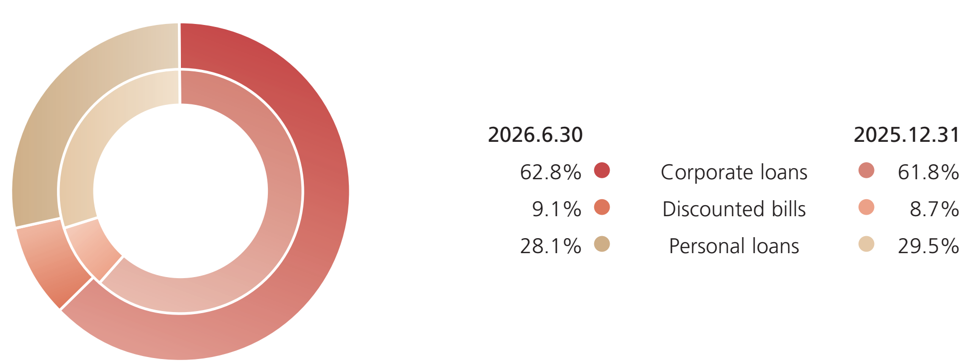
Item	At 30 June 2026 Amount	Percentage (%)	At 31 December 2025 Amount	Percentage (%)
Total loans and advances to customers	31,992,126	–	30,506,114	–
Add: Accrued interest	65,947	–	57,995	–
Less: Allowance for impairment losses on loans and advances to customers measured at amortised cost	895,553	–	851,750	–
Net loans and advances to customers(1)	31,162,520	54.6	29,712,359	55.6
Investment	18,632,768	32.6	16,907,415	31.6
Cash and balances with central banks	3,517,752	6.2	3,674,558	6.9
Due from banks and other financial institutions	1,101,502	1.9	1,264,019	2.4
Reverse repurchase agreements	1,029,778	1.8	530,737	1.0
Others	1,626,273	2.9	1,388,685	2.5
Total assets	**57,070,593**	**100.0**	**53,477,773**	**100.0**

Note: (1) Please see "Note 17. to the Financial Statements: Loans and Advances to Customers" for details.

◆ Loan

The Bank was earnestly committed to implementing major national strategies, and proactively acted on a raft of incremental policies, including coordination of fiscal and financial efforts to boost domestic demand. With a focus on key areas such as "Five Priorities", the construction of modernized industrial system, the development of new quality productive forces, and the expansion of domestic demand, the Bank constantly played the role as the main force in serving the real economy. The Bank continued to optimize its product portfolio, refine service processes, and advance the digital and intelligent transformation of its personal loan business, with specific emphasis on housing, consumption, and business operations. As at the end of June, total loans amounted to RMB31,992,126 million, RMB1,486,012 million or 4.9% higher compared with the end of the previous year, of which RMB-denominated loans of domestic branches increased by RMB1,426,384 million or 4.9% to RMB30,295,874 million.

Distribution of loans by business line



DISTRIBUTION OF LOANS BY BUSINESS LINE

In RMB millions, except for percentages

	At 30 June 2026		At 31 December 2025	
Item	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**
Corporate loans	**20,092,143**	**62.8**	**18,841,671**	**61.8**
Short-term corporate loans	4,955,482	15.5	4,280,312	14.0
Medium to long-term corporate loans	15,136,661	47.3	14,561,359	47.8
Discounted bills	**2,899,547**	**9.1**	**2,661,807**	**8.7**
Personal loans	**9,000,436**	**28.1**	**9,002,636**	**29.5**
Residential mortgages	5,740,691	17.9	5,875,868	19.3
Personal consumption loans	608,639	1.9	499,014	1.6
Personal business loans	2,053,949	6.4	1,930,219	6.3
Credit card overdrafts	597,157	1.9	697,535	2.3
Total	**31,992,126**	**100.0**	**30,506,114**	**100.0**

Proactively aligning with the funding needs of the construction of key projects under the 15th Five-Year Plan and projects of "Major Strategies and Key Fields", the Bank stepped up support for priority areas such as the "Renewal and Trade-in" and consumption stimulus. Loans to manufacturing, sci-tech innovation, green finance, inclusive finance and other key fields witnessed sound development trends. Corporate loans rose by RMB1,250,472 million or 6.6% from the end of last year. Specifically, short-term corporate loans increased by RMB675,170 million or 15.8%, and medium to long-term corporate loans increased by RMB575,302 million or 4.0%.

The Bank closely followed changes in real estate industry policies and market conditions, and steadily promoted the balanced development of residential mortgages. It continuously optimized the product functions of personal consumption loans, actively responded to the implementation of subsidy policies for consumption loans, and helped foster new growth drivers in services consumption. Focusing on the production, operation and consumption needs of key customer groups such as small and micro enterprise owners and self-employed businesses, the Bank continued to enhance service quality, and expanded and optimized personal business loans through product optimization and innovation. Personal loans decreased by RMB2,200 million compared with the end of last year. Specifically, personal consumption loans grew by RMB109,625 million or 22.0%; personal business loans grew by RMB123,730 million or 6.4%; and residential mortgages and credit card overdrafts decreased to some extent.

DISTRIBUTION OF LOANS BY FIVE-CATEGORY CLASSIFICATION

In RMB millions, except for percentages

Item	At 30 June 2026		At 31 December 2025	
	Amount	Percentage (%)	Amount	Percentage (%)
Pass	30,950,716	96.74	29,512,445	96.74
Special Mention	629,592	1.97	594,656	1.95
NPLs	411,818	1.29	399,013	1.31
Substandard	111,886	0.35	90,667	0.30
Doubtful	72,407	0.23	75,909	0.25
Loss	227,525	0.71	232,437	0.76
Total	**31,992,126**	**100.00**	**30,506,114**	**100.00**

According to the five-category classification, pass loans amounted to RMB30,950,716 million at the end of June, representing an increase of RMB1,438,271 million compared with the end of the previous year and accounting for 96.74% of total loans. Special mention loans stood at RMB629,592 million, representing an increase of RMB34,936 million and accounting for 1.97% of the total, with an increase of 0.02 percentage points. NPLs amounted to RMB411,818 million, showing an increase of RMB12,805 million, and the NPL ratio was 1.29%, with a decrease of 0.02 percentage points.

DISTRIBUTION OF LOANS AND NPLS

In RMB millions, except for percentages

Item	At 30 June 2026				At 31 December 2025			
	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Corporate loans	**20,092,143**	**62.8**	**252,867**	**1.26**	**18,841,671**	**61.8**	**256,676**	**1.36**
Short-term corporate loans	4,955,482	15.5	73,965	1.49	4,280,312	14.0	73,499	1.72
Medium to long-term corporate loans	15,136,661	47.3	178,902	1.18	14,561,359	47.8	183,177	1.26
Discounted bills	**2,899,547**	**9.1**	–	–	**2,661,807**	**8.7**	–	–
Personal loans	**9,000,436**	**28.1**	**158,951**	**1.77**	**9,002,636**	**29.5**	**142,337**	**1.58**
Residential mortgages	5,740,691	17.9	74,320	1.29	5,875,868	19.3	62,250	1.06
Personal consumption loans	608,639	1.9	15,361	2.52	499,014	1.6	12,877	2.58
Personal business loans	2,053,949	6.4	37,203	1.81	1,930,219	6.3	35,088	1.82
Credit card overdrafts	597,157	1.9	32,067	5.37	697,535	2.3	32,122	4.61
Total	**31,992,126**	**100.0**	**411,818**	**1.29**	**30,506,114**	**100.0**	**399,013**	**1.31**

At the end of June, corporate NPLs were RMB252,867 million, showing a decrease of RMB3,809 million compared with the end of the previous year, and representing an NPL ratio of 1.26%, with a decrease of 0.10 percentage points. Personal NPLs amounted to RMB158,951 million, showing an increase of RMB16,614 million, and representing an NPL ratio of 1.77%, with an increase of 0.19 percentage points.

DISTRIBUTION OF CORPORATE LOANS AND NON-PERFORMING CORPORATE LOANS OF DOMESTIC BRANCHES BY INDUSTRY OF LOAN CUSTOMERS

In RMB millions, except for percentages

	At 30 June 2026				At 31 December 2025			
Item	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Transportation, storage and postal services	4,102,402	21.9	11,568	0.28	4,019,287	22.9	11,314	0.28
Manufacturing	3,103,174	16.5	36,331	1.17	2,738,732	15.6	42,498	1.55
Leasing and commercial services	3,048,151	16.3	42,237	1.39	2,781,666	15.8	40,856	1.47
Water, environment and public utility management	2,030,955	10.8	13,067	0.64	1,907,924	10.9	13,262	0.70
Production and supply of electricity, heating, gas and water	1,831,889	9.8	4,075	0.22	1,849,764	10.5	5,320	0.29
Wholesale and retail	1,071,649	5.7	26,200	2.44	952,526	5.4	25,726	2.70
Real estate	858,546	4.6	53,851	6.27	864,576	4.9	46,576	5.39
Construction	632,018	3.4	12,570	1.99	535,865	3.1	13,500	2.52
Science, education, culture and sanitation	514,251	2.7	8,053	1.57	463,647	2.6	8,793	1.90
Mining	438,537	2.3	1,414	0.32	393,660	2.2	1,519	0.39
Others	1,123,822	6.0	16,073	1.43	1,052,749	6.1	16,316	1.55
Total	**18,755,394**	**100.0**	**225,439**	**1.20**	**17,560,396**	**100.0**	**225,680**	**1.29**

The Bank continued to optimize its loan structure and continuously improved the quality and efficiency of serving the real economy. Specifically, loans to manufacturing increased by RMB364,442 million over the end of the previous year, an increase of 13.3%, mainly granted to leading enterprises and key projects in high-end manufacturing industries such as aerospace equipment, fine chemicals, and new-generation information technology. Loans to leasing and commercial services increased by RMB266,485 million, an increase of 9.6%, mainly directed towards areas such as investment and asset management, enterprise headquarters, and business services. Loans to the water, environment and public utility management increased by RMB123,031 million, an increase of 6.4%, mainly directed towards major projects in areas such as new urbanization and water conservancy facilities, as well as public welfare sectors such as urban public utilities and environmental improvement. Loans to wholesale and retail increased by RMB119,123 million, an increase of 12.5%, mainly due to the continued effect of the national policies for stabilizing the economy and promoting consumption, leading to increased capital demand from bulk commodity traders and retailers such as department stores, supermarkets, and home appliance retailers. Loans to the construction sector increased by RMB96,153 million, an increase of 17.9%, mainly due to the increased national support for fixed asset investment, the accelerated progress of major projects in areas such as new urbanization, water conservancy facilities, and urban renewal, and the increased working capital demand of construction enterprises.

The Bank continued to strengthen risk management of loans in various industries, improved the quality and efficiency in the disposal of non-performing assets, and properly carried out risk prevention and mitigation in key areas. With these efforts, the loan quality was generally stable.

DISTRIBUTION OF LOANS AND NPLS BY GEOGRAPHIC AREA

In RMB millions, except for percentages

Item	At 30 June 2026				At 31 December 2025			
	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Head Office	785,984	2.5	39,138	4.98	849,602	2.8	40,582	4.78
Yangtze River Delta	7,132,786	22.2	59,437	0.83	6,756,827	22.2	55,719	0.82
Pearl River Delta	4,820,540	15.1	95,297	1.98	4,613,631	15.1	86,732	1.88
Bohai Rim	5,390,545	16.8	53,390	0.99	5,109,713	16.7	55,496	1.09
Central China	5,181,270	16.2	54,245	1.05	4,853,907	15.9	48,475	1.00
Western China	5,957,362	18.6	61,469	1.03	5,688,006	18.7	59,262	1.04
Northeastern China	1,199,708	3.8	19,526	1.63	1,155,520	3.8	19,974	1.73
Overseas and others	1,523,931	4.8	29,316	1.92	1,478,908	4.8	32,773	2.22
Total	**31,992,126**	**100.0**	**411,818**	**1.29**	**30,506,114**	**100.0**	**399,013**	**1.31**

MOVEMENTS OF ALLOWANCE FOR IMPAIRMENT LOSSES ON LOANS

In RMB millions

Item	Movements of allowance for impairment losses on loans and advances to customers measured at amortised cost				Movements of allowance for impairment losses on loans and advances to customers measured at FVTOCI			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2026	**349,667**	**166,682**	**335,401**	**851,750**	**242**	**136**	**146**	**524**
Transfer:								
to stage 1	24,390	(22,056)	(2,334)	–	–	–	–	–
to stage 2	(8,299)	11,430	(3,131)	–	–	–	–	–
to stage 3	(2,909)	(23,227)	26,136	–	–	(11)	11	–
Charge/(reverse)	49,442	16,204	57,385	123,031	(31)	(39)	55	(15)
Write-offs and transfer out	–	–	(81,911)	(81,911)	–	–	–	–
Recoveries of loans and advances previously written off	–	–	5,351	5,351	–	–	–	–
Other movements	(328)	(1,403)	(937)	(2,668)	(1)	(14)	1	(14)
Balance at 30 June 2026	**411,963**	**147,630**	**335,960**	**895,553**	**210**	**72**	**213**	**495**

Note: Please see "Note 17. to the Financial Statements: Loans and Advances to Customers" for details.

As at the end of June, the allowance for impairment losses on loans stood at RMB896,048 million, of which RMB895,553 million at amortised cost, and RMB495 million at fair value through other comprehensive income. Allowance to NPLs was 217.58%, showing an increase of 3.98 percentage points over the end of last year; allowance to total loans ratio was 2.80%, showing an increase of 0.01 percentage points.

DISTRIBUTION OF LOANS BY COLLATERAL

In RMB millions, except for percentages

Item	At 30 June 2026 Amount	At 30 June 2026 Percentage (%)	At 31 December 2025 Amount	At 31 December 2025 Percentage (%)
Loans secured by mortgages	10,894,058	34.1	10,803,253	35.4
Pledged loans	5,477,608	17.1	4,778,472	15.7
Guaranteed loans	2,793,747	8.7	2,753,819	9.0
Unsecured loans	12,826,713	40.1	12,170,570	39.9
Total	**31,992,126**	**100.0**	**30,506,114**	**100.0**

OVERDUE LOANS

In RMB millions, except for percentages

Overdue periods	At 30 June 2026 Amount	At 30 June 2026 % of total loans	At 31 December 2025 Amount	At 31 December 2025 % of total loans
Less than 3 months	164,057	0.51	130,307	0.43
3 months to 1 year	146,784	0.46	136,903	0.45
1 to 3 years	149,190	0.47	145,087	0.48
Over 3 years	52,592	0.16	50,438	0.16
Total	**512,623**	**1.60**	**462,735**	**1.52**

Note: Loans and advances to customers are deemed overdue when either the principal or interest is overdue. For loans and advances to customers repayable by installments, the total amount of loans is deemed overdue if part of the installments is overdue.

Overdue loans stood at RMB512,623 million, representing an increase of RMB49,888 million from the end of the previous year, among which, loans overdue for over 3 months amounted to RMB348,566 million, representing an increase of RMB16,138 million.

RESCHEDULED LOANS

Rescheduled loans and advances measured in accordance with the Measures for Risk Classification of Financial Assets of Commercial Banks amounted to RMB129,495 million, representing a decrease of RMB26,532 million from the end of the previous year. Specifically, rescheduled loans and advances overdue for over 3 months amounted to RMB43,901 million, representing an increase of RMB4,295 million.

LOAN MIGRATION RATIO

In percentages

Item	At 30 June 2026	At 31 December 2025	At 31 December 2024
Pass	1.45	0.97	1.09
Special mention	29.15	17.44	17.44
Substandard	120.81	59.24	59.86
Doubtful	128.29	68.89	53.45

Note: Calculated according to the Circular on Amending the Definitions and Calculation Formula of Basic Indicators for Off-Site Supervision of the Banking Sector issued by the Former CBIRC in 2022, and measured at the Group's level.

BORROWER CONCENTRATION

As at the end of June, the total amount of loans granted by the Bank to the single largest borrower and top ten single borrowers accounted for 4.2% and 15.8% of the Bank's net capital base, respectively. The total amount of loans granted to the top ten single borrowers was RMB874,204 million, accounting for 2.7% of the total loans.

Item	At 30 June 2026	At 31 December 2025	At 31 December 2024
Loan concentration to the single largest borrower (%)	4.2	4.4	4.4
Loan concentration to the top ten borrowers (%)	15.8	19.4	21.6

◆ Investment

The Bank reinforced its support for serving the real economy, adapted to changes in the social financing structure, actively carried out bond investment, coordinated the investment value and prevention and control of interest rate risk, and reasonably arranged the bond types and term structure. As at the end of June, investment amounted to RMB18,632,768 million, representing an increase of RMB1,725,353 million or 10.2% from the end of the previous year. Among these, bonds rose by RMB1,698,843 million or 10.4% to RMB18,011,552 million.

In RMB millions, except for percentages

	At 30 June 2026		At 31 December 2025	
Item	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**
Bonds	18,011,552	96.7	16,312,709	96.5
Equity instruments	225,239	1.2	234,886	1.4
Funds and others	249,844	1.3	221,154	1.3
Accrued interest	146,133	0.8	138,666	0.8
Total	**18,632,768**	**100.0**	**16,907,415**	**100.0**

DISTRIBUTION OF INVESTMENT IN BONDS BY ISSUERS

In RMB millions, except for percentages

	At 30 June 2026		At 31 December 2025	
Item	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**
Government and central bank bonds	13,599,878	75.5	12,565,387	77.0
Policy bank bonds	1,670,660	9.3	1,370,230	8.4
Bonds of banks and other financial institutions	1,662,568	9.2	1,459,991	9.0
Enterprise bonds	1,078,446	6.0	917,101	5.6
Total	**18,011,552**	**100.0**	**16,312,709**	**100.0**

In terms of distribution by issuers, government and central bank bonds increased by RMB1,034,491 million or 8.2% over the end of last year; policy bank bonds increased by RMB300,430 million or 21.9%; bonds of banks and other financial institutions went up by RMB202,577 million or 13.9%; and enterprise bonds increased by RMB161,345 million or 17.6%.

DISTRIBUTION OF INVESTMENT IN BONDS BY REMAINING MATURITY

In RMB millions, except for percentages

	At 30 June 2026		At 31 December 2025	
Remaining maturity	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**
Undated[1]	19	0.0	107	0.0
Less than 3 months	1,059,188	5.9	1,136,887	7.0
3 to 12 months	2,273,027	12.6	2,217,214	13.6
1 to 5 years	7,631,449	42.4	6,624,654	40.6
Over 5 years	7,047,869	39.1	6,333,847	38.8
Total	**18,011,552**	**100.0**	**16,312,709**	**100.0**

Note: (1) Refers to overdue bonds.

DISTRIBUTION OF INVESTMENT IN BONDS BY CURRENCY

In RMB millions, except for percentages

Item	At 30 June 2026 Amount	At 30 June 2026 Percentage (%)	At 31 December 2025 Amount	At 31 December 2025 Percentage (%)
RMB-denominated bonds	16,797,967	93.3	15,213,730	93.3
USD-denominated bonds	763,530	4.2	697,570	4.3
Other foreign currency bonds	450,055	2.5	401,409	2.4
Total	**18,011,552**	**100.0**	**16,312,709**	**100.0**

In terms of currency structure, RMB-denominated bonds rose by RMB1,584,237 million or 10.4% over the end of last year; USD-denominated bonds increased by an equivalent of RMB65,960 million or 9.5%; and other foreign currency bonds increased by an equivalent of RMB48,646 million or 12.1%. During the reporting period, the Bank reasonably arranged the bond currency structure based on changes in market interest rates and foreign-currency fund positions, in consideration of bond liquidity, safety and yield.

DISTRIBUTION OF INVESTMENT BY MEASURING METHOD

In RMB millions, except for percentages

Item	At 30 June 2026 Amount	At 30 June 2026 Percentage (%)	At 31 December 2025 Amount	At 31 December 2025 Percentage (%)
Financial investments measured at fair value through profit or loss	1,019,652	5.5	943,953	5.6
Financial investments measured at fair value through other comprehensive income	4,156,964	22.3	3,823,279	22.6
Financial investments measured at amortised cost	13,456,152	72.2	12,140,183	71.8
Total	**18,632,768**	**100.0**	**16,907,415**	**100.0**

As at the end of June, the Group held RMB3,242,919 million of financial bonds[1], including RMB1,670,660 million of policy bank bonds and RMB1,572,259 million of bonds issued by banks and non-bank financial institutions, accounting for 51.5% and 48.5% of financial bonds, respectively.

[1] Financial bonds refer to the debt securities issued by financial institutions on the bond market, including bonds issued by policy banks, banks and non-bank financial institutions but excluding debt securities related to restructuring and central bank bonds.

TOP 10 FINANCIAL BONDS HELD BY THE BANK

In RMB millions, except for percentages

Bond name	Nominal value	Annual interest rate(1) (%)	Maturity date	Allowance for impairment losses(2)
Policy bank bonds 2025	55,235	1.47	14 February 2028	–
Policy bank bonds 2025	46,881	1.59	15 April 2028	–
Policy bank bonds 2025	29,114	1.32	7 January 2028	–
Policy bank bonds 2024	28,416	1.80	2 September 2027	–
Policy bank bonds 2025	27,853	1.61	7 August 2028	–
Policy bank bonds 2024	27,776	1.85	24 July 2029	–
Policy bank bonds 2024	27,477	1.67	13 September 2027	–
Policy bank bonds 2024	26,809	1.80	23 July 2027	–
Policy bank bonds 2026	25,229	1.69	11 March 2031	–
Policy bank bonds 2019	23,072	3.45	20 September 2029	–

Notes: (1) Annual interest rate refers to the coupon rate of the corresponding bonds.

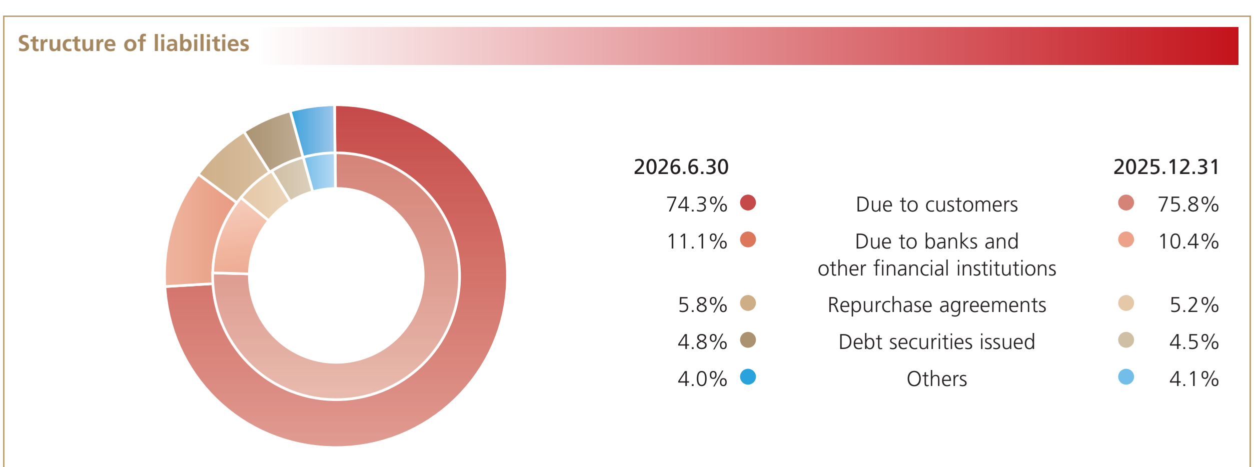
(2) Excludes stage 1 allowance for impairment losses set aside in accordance with the expected credit loss model.

◆ Reverse Repurchase Agreements

Reverse repurchase agreements amounted to RMB1,029,778 million, representing an increase of RMB499,041 million or 94.0% from the end of the previous year, mainly because the Bank increased lending to the market based on market and fund changes.

Liabilities

As at the end of June, total liabilities reached RMB52,714,749 million, an increase of RMB3,509,000 million or 7.1% compared with the end of last year.



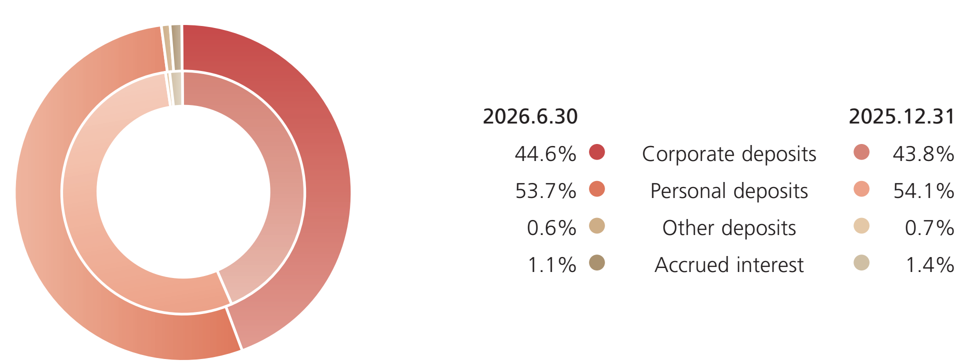
In RMB millions, except for percentages

Item	At 30 June 2026 Amount	Percentage (%)	At 31 December 2025 Amount	Percentage (%)
Due to customers	39,173,265	74.3	37,311,778	75.8
Due to banks and other financial institutions	5,858,397	11.1	5,103,247	10.4
Repurchase agreements	3,037,969	5.8	2,536,376	5.2
Debt securities issued	2,551,700	4.8	2,216,807	4.5
Others	2,093,418	4.0	2,037,541	4.1
Total liabilities	**52,714,749**	**100.0**	**49,205,749**	**100.0**

◆ Due to Customers

Oriented towards high-quality deposit development, the Bank solidly advanced the GBC+ projects, fully exerted the Group's advantages in comprehensive financial services, maintained sound business development trend in due to customers, and achieved positive results in the stability of daily average deposits, consolidation of customer base, and liability cost optimization, etc. As at the end of June, due to customers was RMB39,173,265 million, RMB1,861,487 million or 5.0% higher than that at the end of the previous year. In terms of customer structure, corporate deposits increased by RMB1,101,525 million or 6.7%; and personal deposits increased by RMB852,052 million or 4.2%. In terms of maturity structure, time deposits increased by RMB1,731,828 million or 7.8%, while demand deposits increased by RMB221,749 million or 1.5%. In terms of currency structure, RMB deposits stood at RMB37,285,940 million, an increase of RMB1,782,671 million or 5.0%. Foreign currency deposits were equivalent to RMB1,887,325 million, representing an increase of RMB78,816 million or 4.4%.

Distribution of due to customers by business line



DISTRIBUTION OF DUE TO CUSTOMERS BY BUSINESS LINE

In RMB millions, except for percentages

Item	At 30 June 2026 Amount	Percentage (%)	At 31 December 2025 Amount	Percentage (%)
Corporate deposits				
Time deposits	9,827,367	25.1	8,831,506	23.6
Demand deposits	7,624,751	19.5	7,519,087	20.2
Subtotal	**17,452,118**	**44.6**	**16,350,593**	**43.8**
Personal deposits				
Time deposits	14,005,565	35.7	13,269,598	35.5
Demand deposits	7,051,106	18.0	6,935,021	18.6
Subtotal	**21,056,671**	**53.7**	**20,204,619**	**54.1**
Other deposits(1)	**238,549**	**0.6**	**251,921**	**0.7**
Accrued interest	**425,927**	**1.1**	**504,645**	**1.4**
Total	**39,173,265**	**100.0**	**37,311,778**	**100.0**

Note: (1) Includes outward remittance and remittance payables.

DISTRIBUTION OF DUE TO CUSTOMERS BY GEOGRAPHIC AREA

In RMB millions, except for percentages

Item	At 30 June 2026 Amount	Percentage (%)	At 31 December 2025 Amount	Percentage (%)
Head Office	28,869	0.1	32,459	0.1
Yangtze River Delta	7,308,343	18.6	6,981,254	18.7
Pearl River Delta	4,896,912	12.5	4,648,119	12.5
Bohai Rim	10,968,803	28.0	10,422,009	27.9
Central China	5,993,183	15.3	5,646,032	15.1
Western China	6,145,231	15.7	5,830,068	15.6
Northeastern China	2,506,128	6.4	2,451,230	6.6
Overseas and others	1,325,796	3.4	1,300,607	3.5
Total	**39,173,265**	**100.0**	**37,311,778**	**100.0**

Shareholders' Equity

As at the end of June, shareholders' equity amounted to RMB4,355,844 million in aggregate, RMB83,820 million or 2.0% higher than that at the end of the previous year. Equity attributable to equity holders of the parent company recorded an increase of RMB82,735 million or 1.9% to RMB4,326,994 million. Please refer to the "Consolidated Statement of Changes in Equity" for details.

Off-Balance Sheet Items

The off-balance sheet items of the Bank mainly include derivative financial instruments, contingencies and commitments. For details on the nominal amount and fair value of derivative financial instruments, please refer to "Note 15. to the Financial Statements: Derivative Financial Instruments". For details on contingencies and commitments, please refer to "Note 40. to the Financial Statements: Commitments and Contingent Liabilities".

3.1.3 Analysis on Statement of Cash Flows

Net cash inflows from operating activities amounted to RMB1,369,013 million, representing an increase of RMB582,696 million as compared to the same period of last year, mainly attributable to the increase in net increase of repurchase agreements and the decrease in net increase of loans and advances to customers. Specifically, cash outflows of operating assets decreased by RMB146,355 million and cash inflows of operating liabilities increased by RMB383,892 million.

Net cash outflows from investing activities amounted to RMB1,454,367 million. Specifically, cash inflows were RMB3,030,325 million, representing a decrease of RMB29,607 million as compared to the same period of last year, mainly due to the decreased cash proceeds from the sale and redemption of financial investments; and cash outflows were RMB4,484,692 million, representing an increase of RMB247,088 million, mainly due to the increase in purchase of financial investments.

Net cash inflows from financing activities amounted to RMB213,990 million, of which, cash inflows were RMB1,440,182 million, representing a decrease of RMB368,983 million as compared to the same period of last year, mainly due to the decreased cash proceeds from the issuance of debt securities; and cash outflows were RMB1,226,192 million, representing a decrease of RMB46,645 million, mainly due to the decreased cash payment for repayments of debt securities.

3.1.4 Changes of Major Accounting Policies

For changes of major accounting policies during the reporting period, please refer to "Note 2. to the Financial Statements: Basis of Preparation and Material Accounting Policy Information".

3.1.5 Reconciliation of Differences between the Financial Statements Prepared under PRC GAAP and Those under IFRS Accounting Standards

In respect of the financial statements of the Bank prepared under PRC GAAP and those under IFRS Accounting Standards, net profit attributable to equity holders of the parent company for the six months ended 30 June 2026 and equity attributable to equity holders of the parent company as at the end of the reporting period have no differences.

3.2 Business Overview

SUMMARY OF OPERATING SEGMENT INFORMATION

In RMB millions, except for percentages

Item	Six months ended 30 June 2026 Amount	Percentage (%)	Six months ended 30 June 2025 Amount	Percentage (%)
Operating income	**446,163**	**100.0**	**409,082**	**100.0**
Corporate banking	216,651	48.6	197,723	48.3
Personal banking	164,245	36.8	162,093	39.6
Treasury operations	64,004	14.3	47,916	11.7
Others	1,263	0.3	1,350	0.4
Profit before taxation	**210,010**	**100.0**	**199,008**	**100.0**
Corporate banking	106,670	50.8	63,568	32.0
Personal banking	46,978	22.4	92,769	46.6
Treasury operations	52,429	24.9	39,075	19.6
Others	3,933	1.9	3,596	1.8

Note: Please see "Note 42. to the Financial Statements: Segment Information" for details.

3.2.1 Corporate Banking

The Bank highlighted the market-oriented and customer-centric approach, steadily explored Comprehensive Financial Solutions ("CFS") and the precise matching of products to customers and continuously enhanced its value creation capability, market competitiveness, market influence, and risk management capacity, effectively playing the leading role of a large bank. The Bank was again awarded the "China's Best Bank for Large Corporates" by *Euromoney* and the "Project Finance House of the Year" by *The Asset*, etc. As at the end of June, corporate loans reached RMB20,092,143 million, an increase of RMB1,250,472 million or 6.6% from the end of the previous year; corporate deposits stood at RMB17,452,118 million, an increase of RMB1,101,525 million or 6.7%.

- ✧ The Bank adhered to pursuing progress while ensuring stability and intensifying services for the real economy. It actively implemented the package of policies featuring fiscal-financial coordination to boost domestic demand, strengthened the front-loaded and balanced granting of corporate credit, focused on major projects under the 15th Five-Year Plan as well as key listed projects such as "Major Strategies and Key Fields" projects and new policy financial tools, and conducted numbered project matching and systematic services, supporting the recovery and improvement of investment. The Bank thoroughly implemented the modern corporate credit layout, focused on key areas including regional coordination, private enterprises, protection of people's livelihoods and "carbon peak and carbon neutrality" leadership, intensified investment and financing support, and continuously improved the compatibility of the financing structure with the economic structure.

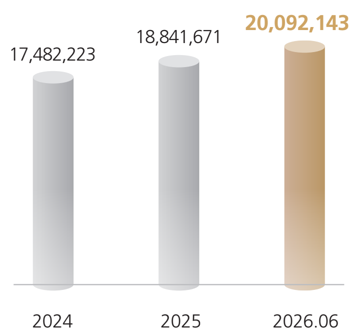
- ✧ The Bank remained committed to improving quality and efficiency and continuously strengthened major responsibilities and core businesses. In implementing the requirements of new industrialization, it thoroughly advanced the "ICBC Clusters" special initiative for financial services to manufacturing clusters, provided full services to 80 national-level manufacturing clusters, and supported the intelligent, green and integrated development of the manufacturing industry, with the balance of loans invested in the manufacturing industry exceeding RMB5.8 trillion, maintaining its leading position among peers. Leveraging its strengths in commerce and trade finance, the Bank jointly held the event of Commercial Banking for Boosting Market Circulation and Consumer Demand with MOF, Ministry of Commerce, PBC and key enterprises in the commerce and trade sector to support the building of a strong domestic market, and ranked first among peers in the disbursed amounts for re-lending for service consumption and elderly care. The Bank continuously carried out the "ICBC Sci-Tech Innovation Partnership" marketing campaign, served the building of the International Science and Technology Innovation Centers, guided more financial resources toward early-stage, small-scale, long-term and hard technology investments, and supported the cultivation of new quality productive forces. The Bank innovatively built a technology finance ecosystem service platform, supporting the transformation of scientific and technological achievements with full-cycle sci-tech finance products and services.

- ✧ The Bank remained customer-oriented and provided comprehensive financial services. Centering on customers' key needs, it improved systematic, digital and intelligent, professional and ecosystem-based services, and strived to provide corporate customers with CFS covering "funding support, advisory intelligence, technology enablement and ecosystem integration". The Bank conducted precise matching between the full range of products and the entire customer base, improved the global primary account manager mechanism, strengthened digital operations, and accelerated the formation of a coordinated customer structure covering "large, medium, small and micro enterprises and personal customers". The Bank strengthened domestic-overseas collaboration and bank-corporate cooperation, proactively supported the national initiative of jointly building the Belt and Road, and accelerated the delivery of outcomes from a series of flagship projects and small and beautiful projects. Besides, the Bank enhanced its capacity to lead the arrangement of overseas syndicated loans, continuously carried out the "Global Pave, Global Have" series of cross-border marketing campaigns, served enterprises participating in the "Going Global" and "Bringing in", and facilitated the RMB internationalization. At the end of June, corporate customers numbered 15,605.1 thousand, an increase of 859.2 thousand from the end of the previous year.

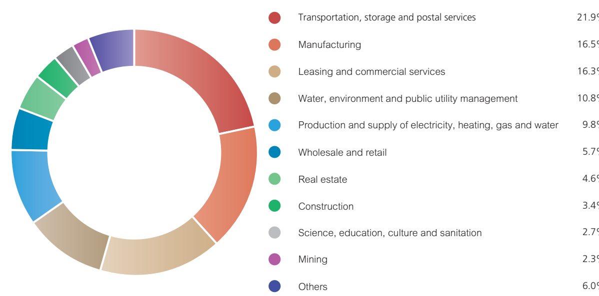
- ✧ The Bank kept to the right path while making innovations, continuously stimulating growth potential. It consolidated the business ecosystem, promoted the interactions among government, businesses and consumers (GBC), carried out fundamental work such as service network expansion and reinforcement, fund absorption, payroll agency services, and outlet competitiveness enhancement, and continuously integrated into customer ecosystems to achieve synchronized development. The Bank advanced industrial chain financial services, identified the financial needs of chain-leading enterprises through in-depth engagement, innovatively launched industrial chain consulting services, extended services to upstream and downstream enterprises along industrial chains, and helped stabilize, consolidate and strengthen industrial chains. The Bank advanced digital and intelligent transformation, made effective use of artificial intelligence and other technologies, upgraded the corporate Marketing Express system, built the brand-new corporate marketing AI agents, and continuously enriched functions such as marketing toolkits and product shelves. The Bank built the “ICBC Fund Supervision Cloud” brand, strengthened the service output of “ICBC Finance Pool”, and continued to enhance its digital and intelligent customer service capabilities.

Corporate loans

Unit: RMB millions



Corporate loans of domestic branches by industry of loan customers



Inclusive Finance

Focusing on the major task of serving the real economy, the Bank continued to deepen and refine inclusive finance, promoted “stable granting, optimized structure, improved quality and sustainability”, better met the diversified financial needs of inclusive customer groups, and enhanced the quality and efficiency of inclusive finance services. At the end of June, the balance of inclusive small and micro enterprise loans amounted to RMB3,927,053 million, an increase of RMB375,190 million or 10.6% from the beginning of the year; inclusive small and micro enterprise loan customers numbered 2,835 thousand, an increase of 254 thousand. The average interest rate of inclusive small and micro enterprise loans newly granted in the first half of the year was 2.89%.

✧ The Bank fully implemented policies related to inclusive finance. It maintained the intensity and reasonable growth rate of inclusive loan granting, and strived to provide credit supply compatible with economic development and matched with the needs of small and micro enterprises. The Bank continuously implemented in detail the coordination mechanism for supporting financing of small and micro enterprises, and participated in depth in local financing coordination task forces. The Bank continuously carried out activities such as “Visiting Thousands of Enterprises” and “Inclusion for Everyone”, went into industrial parks, communities and villages to identify needs, improved online matching channels, and enhanced the direct accessibility of financial services. The Bank implemented incremental and existing policies, made effective use of policy instruments such as fiscal interest subsidies and re-lending, actively engaged with the special guarantee plan for private investment, and increased credit granting in policy-supported areas.

- ✧ The Bank intensified services for key areas and customer groups. It enhanced support for sci-tech small and micro enterprises, applied policy instruments to support enterprises' technological transformation, equipment renewal, R&D investment and commercialization of research outcomes, introduced scientific research data such as intellectual property, R&D investment and government awards and subsidies to assess enterprise capabilities, and improved loan compatibility. The Bank expanded the investment-lending link to provide "loan + equity" services for small and micro enterprises with strong growth potential. Focusing on sectors such as wholesale and retail, culture and tourism, consumer markets and supermarkets, and in view of merchants' asset-light and cash flow-intensive characteristics, the Bank further aggregated multi-channel data for precise profiling and achieved rapid response. The Bank served new urban residents by incorporating them into the assistance scope of startup guarantee loans, to better meet their financing needs.

- ✧ The Bank continuously enhanced the quality and efficiency of inclusive finance services. It optimized products to improve compatibility, continuously built a product library featuring "Head Office standardization + branch differentiation", and utilized big data for precise profiling and intelligent credit granting. Focusing on key customer groups in "industry, commerce, agriculture, and science and technology", the Bank promoted exclusive products for all segmented scenarios and improved its service capabilities. The Bank improved channels to enhance convenience, launched an inclusive version of mobile banking online to provide 7×24 "one-stop" services, and promoted the extension of services to grassroots levels offline by building flagship and benchmark outlets for inclusive finance.

- ✧ The Bank improved the comprehensive service system and transformed from "expanding credit granting" to "building ecosystems". It adhered to the simultaneous advancement of "funding support, advisory intelligence, technology enablement and ecosystem integration" and improved "Credit+" comprehensive services covering a package of needs including deposits and loans, settlements, exchange rate hedging and consulting. Relying on the "ICBC Business Matchmaker" platform, the Bank provided services such as product display, production-marketing matching, policy information and financing support, helping small and micro enterprises increase orders and expand markets. The Bank carried out thematic activities such as "ICBC Inclusive Journey" and "Inclusive Finance Youth Pioneer", deepened cooperation with governments and agricultural guarantee institutions, built an inclusive finance ecosystem featuring resource sharing and complementary strengths, and pooled financial efforts to assist enterprises.

- ✧ The foundation of risk management has been reinforced. The Bank continuously improved the risk control mechanism featuring joint prevention and control as well as collaborative governance across the front, middle and back offices. The Bank improved the "1 (customer) + N (products)" full-process risk control system for inclusive finance, advanced the application of digital risk control technologies, enhanced the level of intelligent risk control, and relied on big data and new technologies to improve the precision and timeliness of risk warning and disposal. The Bank adhered to the combination of digital risk control and expert-based credit management, and on the basis of centralized risk control, strengthened the cross-validation between online data and offline timely and truthful information, further improving its capabilities in risk prevention and resolution and sustainable development.

Institutional Banking

- The bank-government cooperation was strengthened by supporting the modernization of the national governance system and capacity through financial practice. The Bank made every effort to serve the efficient circulation of fiscal funds, becoming the first commercial bank to rank first in the annual evaluation of agents for both centralized payment and non-tax revenue collection and payment organized by the central government treasury. The Bank upgraded digital and intelligent financial services for people's livelihoods, continued to promote service platforms such as "ICBC Cloud Healthcare", "Intelligent Housing", "Intelligent Education" and "Digital Countryside", providing supportive financial services for boosting China's strength in education and science and technology, the Healthy China initiative and comprehensive rural revitalization. The Bank supported the improvement of the social security system, made every effort to provide financial services for the nationwide pooling of basic pension funds, and empowered the three pillars of the pension system and the protection of workers in new forms of employment through digitalization; the Bank led its peers in the qualification for cooperation in mobile payment settlement of healthcare security funds and cooperation in healthcare security wallet; the Bank fully supported the development of the long-term care insurance mechanism, ranking first among peers in the number of municipal-level long-term care insurance accounts opened.

- The interbank finance operations were strengthened, and the efforts for serving the real economy and opening-up were enhanced. The Bank continued to optimize the Group's interbank business strategy, and iteratively upgraded functional modules such as the unified customer view, product tagging, and intelligent matching analysis. The Bank extended financial service channels and networks by actively connecting small and medium-sized banks to the Cross-Border Interbank Payment System through its own channels and collectively advancing RMB internationalization. Business cooperation in deposits, custody, agency sales and settlement continued to expand. The Bank supported the successful landing of the first batch of "Southbound Bond Connect" transactions of bonds by insurance institutions, and made every effort to help build Shanghai and Hong Kong SAR into international financial hubs.

- The Bank continued to promote the GBC+ projects. It organized the four major GBC+ "Corporate, Retail, Elderly Care, and Digital Partners Nationwide Tour" joint marketing campaigns, leveraged the source advantage of G-end institutional customers, and provided customers with ecosystem-based and integrated financial services.

Settlement and Cash Management

- ✧ With a focus on treasury management, the Bank enhanced the leading role of global treasury in improving efficiency. Putting the "ICBC Global Treasury" brand at the core, the Bank leveraged the integrated and systematic strengths of treasury services, strengthened the horizontal integration capability of service content, improved the vertical penetration mechanism of the service system, and promoted the simultaneous improvement of customer structure, value contribution and customer group scale. Centering on customers' digital and intelligent treasury management needs, the Bank launched treasury services, helping enterprises achieve full visibility, agile allocation, effective control, and optimal utilization of their funds. Treasury services were provided for 17.1 thousand core enterprises, covering various customer groups such as central state-owned enterprises, provincial state-owned enterprises, leading private enterprises, foreign-funded enterprises, financial peers and supervisory platforms. The Bank was awarded the "Most Innovative Treasury Solution (Bank)" by *Global Finance*.

- ✧ With a focus on cross-border transactions, the Bank strengthened its global treasury. It deepened cooperation in global treasury management with four major customer groups, namely, central and other state-owned enterprises, private enterprises, foreign-funded enterprises and financial institutions, continuously advanced the service upgrade of series products such as "ICBC Global Payment Services" ("IGPS") and "ICBC Global Pool", and expanded the direct link of "IGPS" in the Asia Pacific and Europe. The Bank's global cash management customers exceeded 14 thousand. The Bank was awarded "China's Best Corporate, Investment and Wholesale Bank" and "Highly Commended Regional Cash Management Bank in Asia Pacific" by *The Asian Banker*.

- ✧ With a focus on supply chains, the upstream and downstream ecosystems were empowered. Centering on the needs of chain-leading enterprises and upstream and downstream enterprises, the Bank strengthened the combined application of "collection, management, payment and financing" products. Centering on the upgrading of supply chain financial services, the Bank advanced the integration of products and services including bills, letters of credit, letters of guarantee and closed-loop funds, and promoted the extension of supply chain financial services from single products to full-chain services. The Bank was awarded the "Best Transaction Bank in China" by *The Asian Banker* and "Best Supply Chain Finance Practice Case Award" by the Annual Conference of China Supply Chain Finance.

- ✧ With a focus on transactions, the Bank built a "treasury + investment" ecosystem. With treasury management as the foundation and investment management as an enhanced offering, it optimized its customer services through the offering of comprehensive products of wealth management, fund and deposits, thereby expanding the scale of corporate AUM. The Bank was awarded the Golden Reputation Award for the "Excellent Corporate Financial Management Agency Sales Bank" by Pystandard.

- Led through innovation, the Bank advanced digital and intelligent transformation. In terms of customer-facing products and services, it focused on customers' pain points and needs and deepened product innovation in "IGPS", "ICBC Spare Money Management", "ICBC E Enterprise Payment" and "ICBC e BillPay", among which "ICBC e BillPay" was awarded the "Best Collection Solution in Asia Pacific" from *The Asian Banker*. In terms of empowering account managers, the Bank advanced the "AI+" Action Plan to progress from AI-based question answering to AI-based task handling, and on the basis of the "TianShu Chat" settlement finance AI advisory, loaded AI agents such as intelligent teaching, intelligent data and intelligent strategy, upgrading to the "TianShu Agents" series of AI empowerment products to help account managers conduct marketing efficiently.

- Safeguarded by robust risk management, the Bank pursued steady and long-term development. Centering on the four priorities of customer risk, product risk, compliance risk and customer complaint governance, it refined the deployment of risk control scenarios and model rules. The Bank improved the development of the settlement and cash risk control platform, advanced the deep coupling of risk control models with the enterprise-level intelligent risk management platform, upgraded the visualized risk warning view, and promoted comprehensive management, active prevention and smart control of risks.

- At the end of June, the Bank maintained 17.82 million corporate & institution settlement accounts and 2.65 million cash management customers. The volume of corporate & institution settlement business[1] in the first half of the year was RMB1,253 trillion.

Investment Banking

- The Bank focused on strategic emerging industries, sci-tech innovation, and green development and released the "ICBC M&A+" brand service program, providing enterprises with comprehensive financial solutions for mergers and acquisitions through full-cycle empowerment, full-scenario coverage, full-product support and full-market coordination. In line with a raft of incremental policies, the Bank accelerated the promotion of share repurchase and shareholding increase loan services, innovated market value management services to help restore market confidence and support the high-quality development of listed companies. In serving the needs of the country's high-level opening-up, the Bank provided all-round cross-border services for Chinese enterprises "Going Global".

- The Bank deepened the building of the "ICBC Sci-Tech Finance – Equity Services" brand, intensified the promotion of the AIC equity pilot business, continued to improve and promote its end-to-end advisory services for equity investment funds, and provided differentiated specialized and sophisticated solutions for venture capital firms, continuing to advance the priority of technology finance.

[1] The volume of corporate & institution settlement business refers to the total amount of debits and credits incurred in RMB-denominated corporate & institution settlement accounts.

✧ The Bank vigorously advanced all-scenario services for corporate asset securitization and public REITs, promoted a virtuous cycle of optimizing incremental assets and revitalizing existing stock assets, and facilitated the optimization and upgrading of the economic structure. The Bank expanded the service scenarios of restructuring advisory to support corporate financial optimization, turnaround, and transformation.

✧ In the first half of the year, focusing on supporting the "Five Priorities", the Bank carried out its bond underwriting business to improve the quality and efficiency of financial services for the real economy, provided targeted support for the development of key areas and sectors, and played the role of a leading bank. It served as the lead underwriter for 1,407 bond issuance projects, with a total lead underwriting volume of RMB1,043,489 million. As part of its commitment to supporting the building of a manufacturing powerhouse by financial services, the Bank underwrote 61 manufacturing bonds, raising RMB117,200 million for issuers; underwrote 81 ESG bonds, with an underwriting volume of RMB322,435 million; and underwrote 33 private non-financial enterprise bonds, raising RMB83,635 million for issuers. Serving high-level opening-up, the Bank underwrote 43 panda bonds, raising funds of RMB95,085 million for issuers. To boost China's strength in science and technology, the Bank led the underwriting of 49 sci-tech bills and non-financial bonds, raising RMB135,250 million for issuers.

Bills

✧ Focusing on major responsibilities and core businesses, the Bank intensified bill product innovation, accelerated the research and development and piloting of "Small-Amount Bill Service" products, deepened the iterative upgrading of "Bills Insight" AI intelligent review, and comprehensively advanced the "Sub-Branch Discount Assistance" project. In the first half of the year, the volume of discount bills reached RMB2.70 trillion, an increase of 23.4% over the previous year, maintaining the leading position in the market. A total of 35.5 thousand bill discounting clients were served.

3.2.2 Personal Banking

The Bank thoroughly advanced the five transformations, highlighted its purpose of serving the people, focused on its major responsibilities and core businesses, strengthened ecosystem building, reinforced digital and intelligent drivers, and consolidated the foundation of risk control, thereby promoting the high-quality development of personal banking.

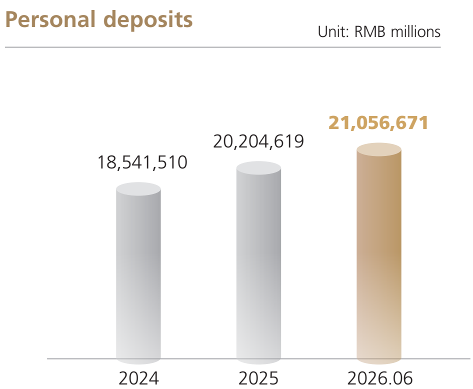
✧ Focusing on major responsibilities and core businesses to enhance value creation capabilities. The Bank strengthened customer acquisition at the source, improved fund absorption capabilities, expanded the flow of deposit funds, increased the fund retention rate, and broadened low-cost funding sources through multiple channels. Focusing on scenarios of customers' fund utilization such as investment and consumption, the Bank continuously enhanced the professionalism of wealth management and the convenience of payment and settlement. It launched the "ICBC Premium Selection" fund service brand, built a service model of "professional investment research + brand customization + in-depth companionship", and promoted the transformation of the fund business from "sales-driven" to "service-driven". The Bank accelerated the agency distribution of commercial pension products, advancing pension finance in the course of serving people's livelihood. It introduced the "ICBC Smart Match" wealth management product recommendation zone, offering customers hassle-free, efficient, and tailored wealth management and investment services. It continuously expanded convenient payment scenarios, carried out series of activities on an ongoing basis, and strengthened innovation in ecosystem scenario-based marketing activities with payment institutions.

✧ Strengthening ecosystem building to consolidate the foundation of customer services. Taking the "four-in-one" integrated implementation of "customers, products, channels and managers" as the path, the Bank built a closed-loop of online and offline services, provided personal customers with CFS, and promoted accelerated growth in new customer acquisition. The Bank deepened the operation of key customer groups, continuously improved the exclusive "Xin (salary)" service system for payroll customers, carried out the "Pension Finance Policy Outreach for Every Household" initiative, launched "Liquidity Boost" exclusive financial services for individual merchants, upgraded brand services for young customer groups under the theme of "Starlight Brightens Your Growth Journey", enriched the "Happiness 1+4" products and services for county-area customers, and deepened the "ICBC Aixiangban" services for elderly customer groups. The Bank continuously enriched the "ICBC iBonus Point" ecosystem resources, coordinated the planning of diverse "ICBC iBonus Point" series marketing activities, deeply embedded them into various life scenarios, and built an integrated customer reward system.

✧ Reinforcing digital and intelligent drivers to accelerate the transformation of development momentum. Relying on the upgrade of "Intelligent Brain", the Bank built personal customer management strategies hub to support regular marketing strategy design and online and offline customer engagement centering on comprehensive personal customer management. Focusing on business applications, the Bank strengthened the research and development of artificial intelligence models, which were widely applied in fields such as personalized product recommendation, differentiated marketing campaign deployment and asset allocation services for retail customers. The Bank built "Gong Xiao Cai", an intelligent agent empowering the team of personal customer managers, and leveraged digital and intelligent innovation to help enhance customer service capabilities as well as operational quality and efficiency.

✧ Consolidating the foundation of risk control to safeguard the steady development of business. The Bank advanced intelligent risk control in depth, continuously improved the precision of risk prevention and control, and achieved an effective balance among risk prevention and control, business development and customer services. It deepened the prevention of telecom fraud risks and actively cooperated with public security authorities to safeguard the security of customers' funds, safeguarding the "wallets" of the people.

✧ At the end of June, the balance of personal financial assets was RMB26.5 trillion, maintaining a leading position in the industry. The Bank was awarded the "Best Retail Bank in China" and "China's Best Bank for Customer Experience" by *Euromoney*, "Best Retail Banking Customer Experience Award, China" by *The Asset*, and "Best Asset/Fund Management Product in Asia Pacific", "Best Big Data and Analytics Initiative in Asia Pacific", "Best Gamification Strategy in Retail Banking in Asia Pacific", "China Best Anti-Fraud Technology Practice" by *The Asian Banker* and other awards.



Personal Credit Business

✧ The Bank coordinated the high-quality development of the personal loan business with risk prevention and control. Taking stabilizing the property market, promoting consumption, benefiting people's livelihood and serving the real economy as the fundamental starting points, the Bank focused on the fields of housing, consumption, business operation and automotive finance, and continuously optimized the product system, improved service processes and advanced the digital and intelligent transformation.

✧ Closely following changes in real estate industry policies and market conditions, the Bank steadily promoted balanced lending for new homes and home resales, and proactively adapted to the requirements of the new model of real estate development. It accelerated the development of second-hand housing loans and expanded business cooperation with home resale agencies in a tiered and categorized manner. The Bank accelerated the all-product marketing of "Housing Ecosystem+", covering Commercial Property Loans, Auction Property Mortgage Loans, Parking Space Loans and Home Renovation Loans.

✧ The Bank strengthened consumer finance as a "growth pole" and built a commercially sustainable new model of automotive finance. It actively responded to the implementation of the new policy on interest subsidies for consumption loans, provided interest subsidies for over 100 million consumer transactions, and effectively reduced residents' financing costs. The Bank prudently advanced the transformation of the operating model for special credit card installments in automobiles, home furnishing and general consumption.

- The Bank provided precise support to weak links of the real economy, and enriched the supply of personal business and agriculture-related credit through scenario-based financial innovation. Through continuous product optimization, strengthened business management and empowerment of branches in key cities, the Bank promoted the high-quality development of Real Estate Mortgage Consumption and Business Combination Loan. It extended the reach of inclusive services through scenario innovation, effectively improving the quality and efficiency of financing for key customer groups such as small and micro business owners, self-employed businesses and farmers. Centering on distinctive economic clusters in county areas and rural regions, the Bank promoted the expansion in coverage and volume of business loans in agriculture-related fields.

Wealth Management Business

- The Bank vigorously developed the wealth management business and systematically advanced the refresh and upgrading of the "ICBC Wealth Management" brand. In response to changes in customers' wealth management needs and the new landscape of peer competition, the Bank comprehensively enhanced four categories of capabilities, namely account insight, product research and selection, intelligent allocation and long-term companionship, and promoted the transformation of the wealth management business from product sales to account operation, customer operation and brand operation, laying a solid foundation for the coordinated development of key businesses such as funds, insurance and wealth management products. The Bank actively advanced the building of the "ICBC Premium Selection" new fund sales service model, and launched three major product series, namely "An Ying" (pure bond, fixed income+), "Zhi Ying" (index, enhanced index) and "Hui Ying" (FOF), to meet customers' diversified wealth management needs.

- In respect of private banking, the Bank adhered to a customer-centric approach and, with CFS as the driver, built an integrated, professional and intelligent service ecosystem. Fulfilling its mission as a large state-owned bank, the Bank took serving scientists and entrepreneurs who are sci-tech innovators as the starting point, connected the virtuous cycle of technology finance, and established the "Bridge of Sci-Tech Innovation" scenario to facilitate the transformation of scientific and technological achievements. The Bank continuously advanced the "Financial Supermarket" strategy, forged full-cycle allocation capabilities, and accelerated the building of a green finance wealth ecosystem. It integrated health and elderly care services with philanthropic and charity resources, held pension-themed customer activities, and formulated comprehensive service plans for elderly care customer groups. The Bank was awarded "China's Best Private Bank" by *Euromoney,* "Outstanding Private Bank" by CHINAFUND and other awards.

Bank Card Business

- ✧ The Bank supported the expansion of domestic demand and consumption promotion. It actively implemented the fiscal interest subsidy policy, promptly launched and promoted the fiscal interest subsidy service for bill installments, supplemented by promotional activities such as preferential interest rates and reward credits upon meeting spending targets. Serving inbound consumption by overseas visitors, the Bank intensified efforts to promote the "Instant Refund" departure tax refund service. Centering on scenarios such as core business districts, offline large-value transactions, culture and tourism, sports events and exhibitions, transportation and travel, and online e-commerce, the Bank carried out more than 180 consumer benefit promotional activities including "Trade-In Special Promotion", "Happy Spring Festival Shopping", "I GO May Day", "I GO 618" and "Merchant Benefits Program: Covering 100 Cities and 10,000 Stores". It optimized the "ICBC Member Benefits" reward system, improved the iBonus Point operation ecosystem, continuously enriched iBonus Point cash-offset scenarios, and supported the accumulation of iBonus Point for spending via mainstream third-party payment platforms.

- ✧ Enhancing the service capabilities of the e-Life platform. The Bank enriched the diversified ecosystem service system covering catering, food delivery, travel, culture and entertainment, and recuperation services; launched the "ICBC Travel" culture and tourism section, integrating credit card benefits, merchant resources and services of leading platforms; and actively served local economies by undertaking government consumption voucher programs in multiple regions.

- ✧ At the end of June, the Bank had issued 1,338[1] million bank cards, an increase of 18.81 million cards over the end of the previous year. These included 1,196 million debit cards and 143 million credit cards. The balance of credit card overdrafts was RMB597,157 million. In the first half of the year, ICBC debit cards registered a consumption transaction volume of RMB9.26 trillion, and credit cards registered a consumption transaction volume of RMB0.79 trillion.

3.2.3 Asset Management Services

Actively seizing the new opportunities and fulfilling the new missions that high-quality financial development has brought to the asset management industry, the Bank provided more adaptive, competitive, and inclusive financial services to support the high-quality development of the modern economic system and the growing demand for wealth management. At the product end, the Bank stayed committed to a customer-centered approach to meet customers' demands for wealth preservation and appreciation by improving the professionalism of financial services such as wealth management, funds, insurance, pension, etc. and providing a wide range of asset management products. On the investment side, it fully leveraged the license advantages of integrated subsidiaries by increasing investment support in areas such as advanced manufacturing, Specialization, Refinement, Differentiation and Innovation ("SRDI"), inclusive small and micro enterprises, sci-tech innovation, and green development, thereby contributing to the construction of a modern economic system.

[1] This figure has been rounded off.

In terms of wealth management, the Bank closely aligned clients' demand for prudent investment with diversified market opportunities, continuously improved the full-spectrum, multi-strategy product offerings, and, relying on full-process quality control management, achieved product performance that remained at the forefront of the market, with returns of featured products such as Hong Kong IPO subscription products continuing to lead the market. In terms of funds, the Bank intensified the deployment of equity funds and enriched prudent low-volatility fund products to actively meet investors' diversified wealth management needs; adhering to long-term investment, value investment and long-cycle assessment, and focusing on national strategies and the industrial upgrading priorities, the Bank increased investment support for quality enterprises in the technology field, with actively managed technology-themed equity funds delivering outstanding performance. In terms of insurance, the Bank focused on its core business of entrusted management and actively expanded third-party business, achieving steady growth in assets under management; through optimized asset allocation, it steadily improved long-term returns with stable investment performance; through diversified investments precisely aligned with national strategies, it prioritized support for infrastructure construction, technology and green low-carbon industries, injecting financial momentum into the real economy.

Wealth Management Business

✧ At the end of June, the balance of wealth management products reached RMB1,991,439 million, all of which were managed by ICBC Wealth Management. Please refer to the section headed "Business Overview — Comprehensive Operation" for details on the business development of ICBC Wealth Management.

Asset Custody Business

✧ The Bank enhanced the competitiveness of asset custody business as new financial infrastructures and continued to consolidate its leading advantage in the industry. At the end of June, the total assets under custody of the Group (on an AUCA basis[1]) reached RMB33.70 trillion. Among them, the assets under custody of domestic institutions in accordance with the Rules on Custody Business of Commercial Banks (Trial) stood at RMB28.75 trillion. The custody size of securities investment funds, insurance assets, pension funds, and QDIIs all remained at the top of the industry.

✧ The Bank helped improve the functioning of the capital market and supported the entry of medium- and long-term funds into the market. The Bank became the first custodian bank in the market whose insurance asset custody scale exceeded RMB10 trillion and whose pension custody scale exceeded RMB4 trillion. Serving the development of the modern industrial system and focusing on CFS, the Bank built an industrial fund custody service system with ICBC characteristics, providing strong support for the development of strategic emerging industries. Integrating into the process of high-level opening-up and accelerating its global footprint, ICBC (Asia) launched securities lending services for global custody clients, becoming the first Chinese-funded bank in Hong Kong SAR to provide such value-added services.

[1] The Group-wide AUCA (Asset Under Custody and Administration) basis refers to the aggregate scale of the Group's global custody business and administration service business.

✧ The brand value of "ICBC Custody" continued to rise, and the Bank was awarded "Best Mega Custodian Bank in China" by *The Asian Banker*, "Best Bank in Asset Servicing, China Onshore", "Best Custodian, Insurance, China Onshore", and "Best Custodian, Pension Funds, China Onshore" by *The Asset* and other awards. In the first half of the year, the Bank's asset custody services underwent no major risk events that violated laws and regulations.

ASSETS UNDER CUSTODY OF DOMESTIC INSTITUTIONS AT THE END OF JUNE 2026

In RMB millions, except for percentages

Type of assets under custody	Amount	Percentage (%)
Insurance assets	10,182,345	35.4
Securities investment funds	4,891,194	17.0
Pension funds	4,218,983	14.7
Bank wealth management products	2,916,446	10.1
Trust assets	2,464,505	8.6
Private investment funds	1,469,972	5.1
QDIIs	1,144,393	4.0
Assets of securities companies' clients	710,166	2.5
QFIs	497,746	1.7
Assets of fund companies' clients	236,337	0.8
Other products	15,126	0.1
Total	**28,747,213**	**100.0**

Pension Services

✧ The Bank strengthened pension fund finance to fulfill its role as a main force in the national pension system. It comprehensively provided supporting financial services for social security work and actively participated in the development of national social security informatization. It improved the online and offline social security card service ecosystem, helping to achieve "One Card for a Better Life". Leveraging its "full licenses" in the annuity business, the Bank continuously improved the efficiency of annuity operation and management; the return on annuity entrusted investments remained stable, and the reliability and convenience of its services were widely recognized by customers. The Bank also supported the nationwide rollout of the private pension scheme, provided full-cycle services across all channels covering private pension account opening, contribution, investment and withdrawal, and built a full-category spectrum of private pension investment products.

- ✧ The Bank improved pension service finance to better meet residents' diversified elderly care needs. Centering on the four core scenarios of individual clients' retirement financial planning, capital allocation, service guarantee and asset arrangement, the Bank provided integrated "Finance + Elderly Care" services. It improved "ICBC Aixiangban" brand service system for elderly customer groups and enriched exclusive products and activity benefits. The Bank innovated and optimized wealth management products such as pension savings, wealth management products, funds and insurances, meeting customers' needs for stability, profitability and liquidity of pension assets.

- ✧ The Bank developed pension industry finance to support the growth of the silver economy. Through measures such as optimizing credit policies and innovatively launching inclusive credit products for elderly care, the Bank supported the cultivation of elderly care industry clusters, the regional planning of the silver economy and the building of demonstration highlands for the elderly care industry. Leveraging advantages derived from the Group's resources, the Bank provided comprehensive financial services for enterprises along the upstream and downstream of the elderly care industry chain, covering financing, account management, payment and settlement, personal finance and digital and intelligent scenario building.

- ✧ The Bank consolidated the pension finance ecosystem to enhance the overall effectiveness of senior-targeted services. The Bank released the "Ruyi Life" comprehensive elderly care solution. Centering on the financial needs of governments at all levels in their ageing-related work, employee pension security of various enterprises, and residents' personal retirement life, the Bank built a new pension finance service ecosystem featuring the deep integration of "finance + non-finance", the seamless connection of "online + offline", and the precise matching of "inclusive + customized" services.

3.2.4 Financial Market Business

Money Market Activities

- ✧ In terms of RMB operations, the Bank fulfilled its role as a primary dealer, participated in monetary policy tool operations of the PBC, maintained the intensity of policy-related business, enhanced its short-term fund lending capacity, supported the smooth operation of money market interest rates, and facilitated the transmission of monetary policy. The Bank expanded the customer base of the RMB money market business, formulated well-designed financing strategies, reasonably arranged financing tenors, business varieties, counterparties and collateral structures, and continuously improved the efficiency of fund operations. It continued to advance business innovation and risk prevention and control, promoted the building of an intelligent risk control system, and the operational risk loss ratio of each business line remained at zero.

- ✧ In terms of foreign exchange operations, the Bank closely monitored the monetary policy trends of major central banks around the world and changes in market liquidity, continued to strengthen its foreign currency liquidity reserves, and flexibly carried out various foreign exchange money market operations under the premise of safeguarding liquidity security to improve the efficiency of foreign-currency fund operations. The Bank actively promoted innovation in domestic foreign currency repo business, continued to act well as a quotation bank for interbank foreign-currency lending through the China Foreign Exchange Trade System, assisting in developing the domestic benchmark interest rate curve for USD lending.

Investment

- ✧ In terms of RMB bond operations, the Bank implemented the proactive fiscal policy, with its government bond investment scale ranking first in the market for four consecutive years, providing strong financial support for the development in areas such as “Major Strategies and Key Fields” and “Renewal and Trade-in”. The Bank gave full play to its role in addressing weaknesses, improving people’s livelihoods, promoting consumption, and expanding domestic demand. The outstanding balance and new issuances of local government bonds both ranked first in the market for ten consecutive years, providing strong funding support for local economic development. The Bank continued to increase new investments in corporate bonds, focusing on key industries under the 15th Five-Year Plan, expanding customer coverage centering on key industrial clusters such as advanced manufacturing and strategic emerging industries and key industrial chains such as new energy vehicles, information technology and high-end equipment. It continued to deepen and consolidate the “Five Priorities”, increasing investments in various thematic bonds covering sci-tech innovation, green and environmental protection, and private and inclusive finance. Giving full play to the Group’s synergy advantages, the Bank actively conducted panda bond investments across different issuer types, including sovereign institutions, international development institutions, non-financial enterprises and financial institutions.

- ✧ In terms of foreign currency bond operations, the Bank continued to track the inflation and employment data of major global economies as well as the monetary policy developments of major central banks, conducted solid analysis and judgment on interest rates and credit, and prudently carried out foreign currency bond investments. It dynamically adjusted the structure of investment portfolios in line with market dynamics, continuously improving the security and profitability of investments. The Bank steadily advanced “Southbound Connect” bond investment and played an active role in adding momentum to the offshore RMB market activity.

Treasury Trading Business

- ✧ In terms of foreign exchange settlement and sales and foreign exchange trading, the Bank took multiple measures to promote the concept of risk neutrality, innovated the forms and carriers of exchange rate hedging publicity, broadened the coverage of guidance on hedging tools for various foreign-related enterprises, and helped enterprises improve their exchange rate risk management capabilities. The Bank continuously improved the quality and efficiency of foreign exchange trading services, vigorously expanded derivative business under third-party guarantees, lowered the threshold for hedging business for micro, small and medium-sized enterprises, enriched comprehensive service solutions for cross-border treasury transactions, precisely met customers' trading needs, innovated combinations of foreign exchange hedging products, and improved supporting credit extension mechanisms, thereby effectively strengthening customer service capabilities in foreign exchange business. The Bank accelerated the functional iteration and upgrading of online trading channels and advanced the optimization of the ICBC Global Trading Platform, achieving breakthroughs in trading professionalism, operational convenience and full-process online operation, and comprehensively enhancing customer service capabilities and customer experience through digital empowerment.

- ✧ In terms of foreign institutional investors trading business in China's interbank market, the Bank actively served foreign institutional investors from 70 countries and regions throughout the world, to meet their needs for investment and trading in China's interbank market.

- ✧ In terms of over-the-counter ("OTC") bond business, the Bank provided OTC market investors with investment and trading services for book-entry central government bonds, local government bonds, and bonds issued by China Development Bank, Agricultural Development Bank of China, and the Export-Import Bank of China, contributing to the development of a multi-layered bond market.

Asset Securitization Business

- ✧ The Bank took coordinated steps to promote asset securitization projects, making the best use of the existing assets and enhancing the capacity of credit supply. In the first half of the year, the Bank issued eight non-performing asset-backed securities with a total amount of RMB5,882 million, representing a year-on-year growth rate of 15.7%.

Precious Metal Business

- ✧ The Bank developed high-quality precious metal products and services. Seizing opportunities in the gold market, it actively promoted investor education, increased product supply, and met customers' needs for asset allocation, investment and collection, achieving simultaneous improvements in business development, customer acquisition, and the quality and efficiency of basic management. The Bank expanded precious metal leasing scenarios, optimized the term structure and enhanced support for the manufacturing industry. The Bank served the development of a modern industrial system and met the silver demand of the green and low-carbon industry.

- ✧ The Bank served the building of Shanghai and Hong Kong SAR into international financial hubs and continued to support the pilot program for insurance funds to invest in the SGE market, actively participated in SGE International Board price asking market-making transactions, and facilitated the connectivity between the Shanghai and Hong Kong gold markets.

- ✧ In the first half of the year, the Bank retained awards such as the "Excellent Financial Member of the Year — First Prize", "Annual Best Price Asking Trading Institution" and "Annual Best Proprietary Trading Member for Auction Trading" granted by the SGE.

3.2.5 FinTech

The Bank accelerated the building of "AI-ICBC", focused on "security, advancement and adaptability" and deepened FinTech empowerment. It continuously consolidated the foundation of secure production and operation, enhanced the intelligence of risk control, optimized the technology architecture and computing power base, further implemented the "AI+" Action Plan, unleashed the momentum of digital and intelligent transformation, and served the "Five Priorities" of finance with high-quality technology supply. The Bank was awarded "Best Large Language Model Initiative in Asia Pacific" by *The Asian Banker* and "Digital Bank of the Year in China" by *The Asset*.

Strengthening Integrated Security of the Group

The Bank better prepared itself for worst-case scenarios, strictly controlled technology risks, ensured security of production and operation, optimized the cybersecurity defense system, built solid data security safeguards, and supported sound business development.

- ✧ The foundation of production and operation was reinforced. The availability of information systems remained above 99.99%. The Bank improved the operation and maintenance guarantee mechanism and emergency response system for unexpected incidents, effectively supporting the stable business operations of domestic and overseas institutions and helping enhance financial service capabilities. The Bank strengthened business continuity assurance, continuously improved the high availability of disaster recovery, and conducted large-scale remote load-bearing takeover drills for core systems, raising the level of practical drills and enhancing business continuity assurance capabilities.

- ✧ A solid Group-wide cyber security defense line was built. The Bank strengthened the coordinated management of information technology and cyber security risks, continuously consolidated management of IT assets, production operations and management and cybersecurity posture at the Group level, and improved resource operation efficiency; it strengthened cyber security service support for overseas institutions, completed the coordinated optimization and dispatch integration of network resources in Hong Kong SAR, Macao SAR and Europe region, and improved the efficiency of centralized management for overseas regions. The Bank upgraded its defense-in-depth system, improved the threat intelligence and data security technical prevention systems, and conducted penetration testing and eliminated hidden risks on a regular basis. It established a mechanism for responding to security risks of LLMs, leveraged AI to identify open-source vulnerabilities and detect potential threats, and established a hotfix mechanism for high-risk vulnerabilities, forming a closed loop of security operations in which risks are visible, traceable and promptly addressed.

- ✧ Data security management was strengthened. The Bank continuously improved the data security procedure framework, upgraded data classification and grading tools, improved the Group's data security technical prevention system, and strengthened tiered and categorized data protection. It conducted regular data security risk assessments and emergency drills. The Bank strengthened publicity and training to raise the data security protection awareness and capabilities of all employees.

Deepening the Innovative Technology Application and Empowerment

The Bank stimulated vitality in sci-tech innovation, upgraded the digital technology ecosystem, actively explored the research and application of forward-looking technologies, and accelerated the application of research results in business development. In the first half of the year, the Bank ranked first among its peers in both patent publications and cumulative patent grants.

- ✧ The Bank grasped the direction of digital and intelligent technology evolution, and built a robust, secure, agile, and open enterprise-level architecture system. It systematically optimized application, data, and technology architectures to fully align with the implementation of the Bank's key business strategies and the needs of business transformation and development; consolidated the self-supporting and controllable technology base of core systems, conducted frontier explorations of international technology pathways in full compliance with laws and regulations, and continuously enhanced the security, advancement and openness of the architecture system; strengthened high-availability and disaster recovery capabilities, and upgraded to next-generation capabilities in emergency response and business continuity.

- ✧ The Bank deepened the innovative application of new technologies. The Bank continued to implement the "AI+" Action Plan, with LLMs deployed in more than 600 scenarios, and AI applications achieved phased results. It formed a hierarchical framework for agent development, completed the building of two super agents oriented toward customers and employees respectively, and moved four categories of agents for front-line positions into the pilot promotion stage, with the "human-machine collaboration, intelligence-driven" service model beginning to take shape. The Bank strengthened its capability for LLM technological innovation, with a multi-level cache inference acceleration solution based on domestically developed computing power implemented and computing efficiency effectively improved. It expanded the enterprise-level knowledge base to cover multiple business fields, with the scale of stored and retrievable knowledge assets growing steadily.

- ✧ The Bank continued to consolidate the data foundation. It deepened data governance, advanced the building of the Group's unified indicator data system, optimized and upgraded the unified management platform for bank-wide indicators, and continuously enhanced the capabilities of unified data supply, automatic report generation and data sharing applications. It built a bank-wide unified data utilization platform, launched data products for marketing, risk control and other purposes, iteratively upgraded digital service carriers, revitalized the Group's data assets, and promoted the efficient empowerment of operation and management by data elements.

Strengthening AI-ICBC Development

The Bank accelerated AI-ICBC development, promoted the efficient translation of digital and intelligent achievements, vigorously cultivated new quality productive forces in finance, and empowered the high-quality development of the real economy through digital and intelligent transformation.

- ✧ The Bank drove product upgrades with digital and intelligent momentum. Serving the "Five Priorities", the Bank built a technology finance ecosystem service platform to better serve the deep integration of sci-tech innovation and industrial innovation; advanced the building of the "Green Finance Connect" platform in an orderly manner, empowering the basic management of green finance with AI; created "Gong Xiao Hui", a digital inclusive finance intelligent assistant, and innovated "Sci-Tech Innovation e Loan", expanding inclusive finance service methods and product offerings; introduced "Ruyi Life Comprehensive Financial Solutions" into the pension finance community platform on mobile banking, helping customers prepare for and enjoy retirement with peace of mind; and strengthened new infrastructure by releasing "e-CNY Cross-Border e-Commerce Payment Solution" and supporting the connection of six overseas institutions, including ICBC (Asia), to the CBETS platform, injecting new momentum into the high-level opening up of finance.

- ✧ The Bank reshaped the customer service paradigm with digital and intelligent models. For customers, it built "GINO (Gong Xiao Zhi)", a unified customer-facing agent covering all online and offline channels, and progressively developed a new "Conversation as a Service" model for customer services in phases. For internal employees, the Bank built "Gong Xiao Cai", an exclusive agent for personal customer managers, promoting the digital transformation of customer managers' marketing and customer maintenance, advisory services, and consumer protection compliance; deepened the building of corporate marketing agents, launching scenarios such as marketing talking points, CFS and reference materials; consolidated the intelligent business processing capabilities of front-line tellers, reshaping the business handling model of intelligent terminals through dialogue-based interaction, with automated input tools effectively reducing manual processing time; and enhanced smart office service capabilities for all employees, with the AI service rate of ICBC e Office continuing to grow.

- ✧ The Bank enhanced operational and risk control efficiency with digital and intelligent tools. It comprehensively promoted the enterprise-level intelligent risk control platform and continuously enriched risk monitoring application scenarios; launched the mobile version of the risk control platform, put the "Intelligent Risk Control" agent into production, and upgraded the "ICBC e Prevention" satellite monitoring and "ICBC e Control" intelligent review functions, continuously strengthening multi-dimensional smart early warning and tiered intelligent control capabilities. The Bank explored the application of AI technology in fields such as assisting manual review and natural language-based data retrieval and analysis, significantly improving the refined management of asset-liability coordination and financial resource allocation.

Deepening the Development of the Technology Governance System and Capabilities

The Bank actively adapted to FinTech development trends, continuously optimized the technology governance system, improved technology management mechanisms, strengthened the building of a digital and intelligent talent team, and continuously stimulated the vitality of technological innovation.

- ✧ The Bank optimized the technology governance structure. It gave full play to the multi-tiered review mechanism of the Digital Finance and Financial Technology Committee, controlling technology risks at the source and ensuring the level and quality of scientific decision-making on major matters. The Bank solidified the governance of technological foundation and enhanced the governance of FinTech ethics to ensure simultaneous enhancement of technological innovation and risk prevention and control capabilities.

- ✧ The Bank improved the efficiency of technology management. It continuously optimized its capability for the coordinated management of Group-wide technology resources, revised and improved relevant procedures, and consolidated penetrative governance capabilities. It improved the technology risk profiling and regular screening and rectification mechanisms, and strengthened technology service support for domestic and overseas institutions. The Bank accelerated the digital and intelligent upgrading of the technology risk management system, and advanced the dynamic balance between technological innovation and risk prevention and control in a coordinated manner.

- ✧ The Bank strengthened the building of its talent team. It deepened the integration mechanism of "business, technology and data", assigned technology backbone staff to business lines, and cultivated composite talents in business, technology and data. It established a Group-wide technology position tags system and a technology capability map for personnel of branches and sub-branches, focusing on enhancing grassroots technology support capabilities. The Bank improved the cultivation and advancement mechanism for the Group-wide data analyst team, refined the tiered and categorized talent cultivation system, and conducted special training on a regular basis, comprehensively forging a high-caliber, professional team of FinTech and data talents and consolidating the talent foundation for digital and intelligent transformation.

3.2.6 Internet Finance

The Bank deepened the development of digital financial services and business systems, continuously upgraded services on the online platforms of mobile banking, open banking and cloud banking, consolidated the results of digital operations, and improved the intelligent risk control capacity of online platforms. In the first half of the year, digital business accounted for 99% of the total.

- ✧ The Bank promoted the enhancement of digital financial service capabilities of mobile banking. It released the new "SmartEnjoy+1.0" version of mobile banking to customers, providing intelligent and scenario-based services, and comprehensively upgraded the personal benefits service system relying on "ICBC iBonus Point". It continued to leverage mobile banking as the primary platform for customer engagement and online marketing, created exclusive services focusing on key customer groups such as inclusive finance, pension, wealth and county-area customers, and integrated mobile banking products, services and benefits into the marketing and service processes for outlet customers. The Bank continuously improved customer experience and optimized the service experience of high-frequency businesses such as identity authentication, effectively meeting the diversified needs of different customer groups; the Bank's mobile banking app ranked among the top few in terms of ratings in both Apple and Huawei app stores. At the end of June, the Bank had 649 million personal mobile banking customers and over 300 million mobile MAUs, both maintaining a leading position among peers.

- ✧ The Bank improved the comprehensive services of open banking. Centering on fields such as technology, government affairs, people's livelihood, industry and rural areas, it delivered financial services in an integrated, customized and ecosystem-based manner. The Bank carried out the GBC+ "Digital Partner Long March" campaign, enhanced digital financial services, including digital tax, industrial internet, online freight, digital agriculture and digital education, and focused on improving the quality and efficiency of open banking services. Based on corporate internet (mobile) banking, the Bank built the "Operation+" business ecosystem platform for micro, small and medium-sized enterprises, focusing on high-frequency operational needs such as finance and taxation, payroll, office administration, risk control and contracts as well as pain points in digital transformation, promoting the integration and mutual reinforcement of finance and business ecosystems, and empowering micro, small and medium-sized enterprises to improve efficiency. At the end of June, the Bank had 19.93 million corporate internet (mobile) banking customers, with 9.53 million MAUs, both maintaining a leading position among peers.

- ✧ The Bank deepened the digital and intelligent transformation of cloud banking. It iteratively upgraded the remote intelligent service system of "customer services + employee assistance", enhancing customer service experience and human-machine collaboration efficiency, with its intelligent service level leading among peers. It built an enterprise-level customer-facing knowledge base and launched a next-generation general knowledge service platform, precisely providing convenient, intelligent and scenario-based knowledge and injecting new momentum into improving the quality and efficiency of customer services.

- ✧ The Bank strengthened the development of the digital operation system. It continuously strengthened the building of the digital operation team, providing organizational support for online, centralized and precise operations. It strengthened the matching of products with customers, upgraded the digital operation capabilities of the "Zhike" platform, and, centering on the differentiated needs of key customer groups such as young customers, elderly customers and inclusive finance customers, advanced integrated customer reach covering "customers + products + channels + benefits", effectively enhancing the adaptability and accessibility of digital financial services.

- ✧ The Bank enhanced the risk management of internet finance. It strengthened the intelligent risk control on online platforms, iteratively improved the online anti-telecom fraud intelligent risk control system, and established a mechanism for the continuous tracking and monitoring of customers' online risk transactions and tiered risk disposal. Relying on new technologies such as knowledge graphs and machine learning, it strengthened the building of intelligent risk control models, advanced the application of LLMs in the risk control field, and reinforced the penetrative sharing of risk control information and joint prevention and control. The Bank further advanced the content security management of mobile internet applications for financial services for customers and online platforms, strengthened the risk monitoring of open banking transactions and partners, and, relying on digital means, deepened anti-money laundering, data security and personal customer information protection in internet finance, effectively ensuring the secure and stable operation of business.

- ✧ The Bank steadily advanced the quality and efficiency improvement of e-CNY business. It continued to expand the application of e-CNY in key scenarios such as the targeted allocation of fiscal funds, the supervision of local government debt resolution funds, prepaid management platforms, and payroll payment for migrant workers. Six overseas institutions of the Bank became direct participants in the first batch of CBETS, and relying on CBETS and the m-CBDC Bridge, the Bank innovatively launched "e-CNY Cross-Border e-Commerce Payment Solution", injecting new momentum into the global expansion of cross-border e-commerce. The Bank was awarded "Best Regional e-CNY Bank" by *The Asset*.

3.2.7 Outlet Building and Service Improvement

- ✧ The Bank took solid steps to promote the optimization of outlets. The Plan for Outlet Layout and Development during the 15th Five-Year Plan period was formulated. It made coordinated efforts to optimize the layout and structure of outlets, accelerating the allocation of resources to key city clusters and metropolitan areas, resource-rich counties and townships, and underserved service areas, so as to make financial services more convenient and accessible. During the first half of the year, 156 outlets were optimized and adjusted, with 54 new outlets set up in county-level and township areas. The coverage rate of county-level outlets increased to 87.6%. At the end of June, the Bank had 15,426 outlets, 18,985 self-service banks, 70,672 intelligent devices and 45,923 automatic teller machines ("ATMs"). The transaction volume of ATMs reached RMB1,973.0 billion in the first half of the year.

- ✧ The Bank made continuous efforts to enhance the competitiveness of outlets. It deepened transformation and upgrading, accelerated the downward extension of inclusive finance, corporate settlement and other businesses, continued to diversify the "ICBC Sharing Station+" scenarios, and enhanced outlets' capabilities of acquiring, engaging and retaining customers through these scenarios. The Bank continued to build its specialized outlet ecosystem framework for pension finance, and stepped up efforts to renovate outlets to make them more accessible and age-friendly. An intelligent diagnostic tool for outlets was developed to strengthen support measures for empowerment and efficiency enhancement, and the operational efficiency and customer service capabilities of outlets were continuously improved.

- ✧ The service level of outlets was further enhanced. By optimizing the provision of services at outlets during public holidays, improving the rate of first-contact complaint resolution at outlets, and enhancing the quality and efficiency of personal settlement account services, the Bank provided tailored financial services to customer groups such as the elderly, outdoor workers and new urban residents. It upgraded and optimized its online appointment-based door-to-door service model for elderly customers, which benefited more than 50 thousand elderly customers during the first half of the year, enabling them and other customers with limited mobility to enjoy professional financial services without leaving their homes. The Bank continued to optimize cash payment services, guaranteeing the exchange of commemorative coins and ensuring the availability of cash services for important periods such as the Spring Festival. Additionally, the Bank deepened the integration of "Change Purse" service scenarios in supermarkets, taxis, tourist attractions and pension payment distribution.

- ✧ The Bank further advanced reforms in outlet operations and digital empowerment. It continued to improve the functions of its next-generation outlet service platform, "ICBC Counter Express", promoted the centralized processing of complex outlet businesses through remote online means, and enhanced the one-stop service experience for customers visiting outlets. The Bank further promoted the new model for personal wealth inheritance services, with continuous iterative optimization of the processes to improve the quality and efficiency of inheritance services. It optimized the appointment and digital queuing services at outlets, fully respected customer preferences and adapted to customer habits, flexibly offered both online and offline queuing methods, strengthened the capacity to identify and direct customers visiting outlets, and improved customer experience and hall service efficiency. The pilot program of the first in-branch LLM customer services in China's financial sector achieved satisfactory results. The functions of portable intelligent devices were upgraded to enhance self-service efficiency. The Bank deepened the development of the "ICBC Account Link" account service system, continuously enriched and expanded the scenarios for corporate account opening and the application of digital and intelligent account opening, so as to meet clients' diverse account service needs. The Bank promoted the "Head Office-to-headquarters" connectivity of the bank electronic certificate interconnect platform. Its centralized operational service standards were included in the outstanding cases of China Financial Standardization Report issued by PBC.

- ✧ The Bank enhanced customer service and experience. It enhanced service issue monitoring through the Dual-Voice Customer Experience Management System, conducted customer satisfaction evaluation, reached out to the grassroots level and frontline teams to listen to the feedback of customers and employees, focused on addressing high-frequency issues, and promoted the improvement of service quality and efficiency. It continuously improved the centralized complaint handling system, enhanced its capacity for instant customer complaint handling, stepped up efforts to centralize service ticket processing, and upgraded the one-stop customer service experience.

- The Bank deepened omni-channel integration. While remaining customer-centric, the Bank continued to improve the omni-channel service matrix that balances proprietary and open channels and integrates online and offline services. This matrix focused on customer service platforms, including mobile banking, open banking and cloud banking, supplemented by digital service tools like WeCom, official accounts, applets and cloud outlets. Online and offline channels were integrated and mutually complementary to enhance the service system featuring “one-point access, all-channel response and digital synergy”. Through channel integration and system connectivity, the Bank boosted the integration of operational capabilities and the coordination of service strategies, making customer services more targeted.

- The Bank coordinated the business continuity management across the board. It reinforced the reserve of key resources for Group-wide business continuity, strengthened the construction of infrastructure such as emergency power equipment, backup network lines, backup business premises and disaster recovery data centers, conducted emergency response drills for various extreme scenarios, and continuously improved its emergency response capabilities.

3.2.8 Human Resources Management, Employees and Institutions

Human Resources Management

- With the focus on high-quality development of operations, centering on key areas of business development and competition, the Bank allocated human resources in a coordinated manner and improved operating capability by enhancing the quality and efficiency of human resources. With a focus on the “Five Priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance, the Bank advanced the development of talent teams in areas such as comprehensive financial services, technology, data, new forms of business and credit risk control, continuously improved the talent introduction, cultivation, evaluation, motivation, and mobility mechanisms, strengthened performance efficiency of personnel, and strove to build a strong financial talent team that supported the building of China into a country with strong financial sector. The Bank promoted in-depth integration of technology, data, and business talents, enhancing the level of sci-tech data empowerment for business development.

- The Bank continuously optimized the remuneration resource allocation mechanism with value creation as the core, resolutely maintained a fair allocation concept of incentives commensurate with restraints, transmitted the Group’s strategic objectives for business management, and allocated more remuneration resources to the frontline employees, for the purpose of mobilizing and inspiring the business vitality of institutions at all tiers.

- The Bank further advanced the development of financial culture with Chinese characteristics, organized a series of thematic cultural activities to build consensus among all employees and support the Bank's high-quality development. Workshops were held to develop special courses on financial culture with Chinese characteristics. Outstanding cultural practices were summarized and publicized, and a compilation of typical cases of financial culture with Chinese characteristics was produced. The Bank strengthened probity culture development in the new era, advanced the construction of probity culture education bases at the Head Office and Changchun Institute of Financial Managers, building a system of probity culture education bases featuring one core and two wings with multi-point coordination. The Bank deepened the development of the Probity Culture Research Center, conducted research projects, and supported the building of an integrity-based bank.

- Focusing on implementing the "Cadre Education and Training Plan" in the new era, ICBC launched a series of key training programs, to effectively facilitate training of various levels and types, and continuously enhance the comprehensive quality and performance capability of cadres and employees. The Bank improved the special training system for the five transformations, and rolled out series-based training on enhancing the performance capabilities of risk officers and serving national modernization, as well as special training programs covering artificial intelligence applications, AI-ICBC, and digital and intelligent leadership. The Bank deepened the special training on Clean ICBC, developed standardized courses, and promoted the conduct of special training by branches, so as to support the solid advancement of the building of an integrity-based bank. The Bank continued to advance the Global Leadership Development Program and training for new employees, implemented key programs such as Outlet Heads Training Program, "Sword Sharpening Program", "Elite Program" and "Sailing Program", and supported the growth and development of cadres and employees. The Bank optimized the professional qualification certification system, built a platform for on-demand learning and testing, and continued to reduce burdens on and empower grassroots units. The Bank deepened the digital transformation of training, advanced the development of an enterprise-level knowledge system, improved the refinement and intelligence of training resource supply, strengthened the management of the Bank's training centers across the board, and continuously enhanced the standardization and effectiveness of education and training efforts.

Basic Information on Employees and Institutions

- ✧ As at the end of June, the Bank had a total of 402,548 employees, including 6,479 employees in domestic subsidiaries, and 15,291 in overseas institutions.

- ✧ As at the end of June, the Bank had a total of 16,227 institutions, representing a decrease of 19 as compared with the end of the previous year. Among them, there were 15,829 domestic institutions and 398 overseas ones. Domestic institutions included the Head Office, 37 tier-one branches and branches directly managed by the Head Office, 467 branches in capital cities and tier-two branches, 15,168 outlets, 22 institutions directly managed by the Head Office and their branches, and 134 controlled subsidiaries and their branches.

GEOGRAPHIC DISTRIBUTION OF ASSETS, INSTITUTIONS AND EMPLOYEES AT THE END OF JUNE 2026

Item	Assets (in RMB millions)	% of total assets	Number of institutions	% of total institutions	Number of employees	% of total employees
Head Office	7,175,618	12.6	23	0.1	22,259	5.5
Yangtze River Delta	15,959,026	28.0	2,496	15.4	59,310	14.7
Pearl River Delta	9,916,116	17.4	1,911	11.8	46,092	11.4
Bohai Rim	8,631,225	15.1	2,634	16.2	63,012	15.7
Central China	6,573,637	11.5	3,350	20.7	71,950	17.9
Western China	6,993,182	12.2	3,554	21.9	80,316	20.0
Northeastern China	1,874,220	3.3	1,727	10.6	37,839	9.4
Overseas and others	5,018,597	8.8	532	3.3	21,770	5.4
Eliminated and unallocated assets	(5,071,028)	(8.9)				
Total	**57,070,593**	**100.0**	**16,227**	**100.0**	**402,548**	**100.0**

Note: Overseas and others include investments in associates and joint ventures.

3.2.9 International Operation

- The Bank endeavored to enhance its cross-border financial services, focusing on serving China's high-level opening-up and high-quality implementation of the Belt and Road Initiative, and on building China into a strong trading nation and a financial powerhouse. It supported institutional opening-up, higher-quality and higher-efficiency pilot FTZs and the "Export to China" and "Invest in China" brand development, and provided innovative services for multinational companies in trade settlement and treasury management, facilitating FDI and utilization. In the first half of the year, the international settlement volume of domestic branches was USD2.26 trillion, up 41.2% year on year. At the end of June, the balance of international trade financing of domestic branches was USD49,919 million, an increase of 30.3% compared with the end of the previous year.

- The Bank supported the construction of a new development pattern and contributed to the development of a "strong currency". The Bank continued the "Chunxu Action" to provide proactive solutions for global market participants in cross-border RMB business such as cross-border settlement, investment and financing as well as risk management, increasingly facilitating trade and investment. The Bank launched the RMB Comprehensive Financial Solutions (RMB CFS), and established a special financing facility of RMB1 trillion for connecting domestic and international markets. The Bank fully leveraged the active role of clearing banks in cultivating the offshore RMB market, continuously strengthened the construction of clearing infrastructure, enhanced clearing service capabilities, and supported steady development of the offshore RMB market. The Bank was approved to act as the RMB joint clearing bank for Africa. Previously, the Bank had acted as the RMB clearing bank in 12 countries. The establishment of this joint RMB clearing bank for Africa marked the extension of the Bank's RMB clearing network to 19 African countries where the Standard Bank operates. In the first half of the year, the Bank's cross-border RMB business exceeded RMB5.5 trillion.

- International cooperation was enhanced continuously. As the chair of the BRICS Business Council China Chapter, the Bank lived up to its responsibilities and effectively served the cooperation among enterprises of BRICS countries. The Bank held events such as the China-Europe CEO Roundtable and has been facilitating the upgrading of China-Europe economic and trade relations relying on China-Europe Business Council ("CEBC"). The Bank strengthened the Belt and Road Bankers Roundtable ("BRBR") mechanism to promote the high-quality implementation of the Belt and Road Initiative. The Bank provided solid services for international expos including the China International Import Expo and China International Supply Chain Expo, contributing financial strength to global economic and trade cooperation.

✧ Global network was developed, strengthening cross-border financial servicing capacity. As at the end of June, the Bank had been operating 398 overseas institutions in 49 countries and regions, and indirectly had its presence across multiple African markets through shareholding in the Standard Bank Group (operating in 21 African countries). In total, the Bank had 241 institutions in 32 Belt and Road Initiative participating countries. Its service network has full coverage of six continents and key international financial centers around the world. Upholding the positioning as leading banks, overseas institutions of the Bank continuously enhanced global financial service capabilities in terms of corporate loans, investment banking and asset management, financial markets, settlement and clearing, asset custody and retail finance. They strengthened integrated marketing both in and outside China with RMB and foreign currencies, thereby improving the global financial service system for customers.

MAJOR INDICATORS FOR OVERSEAS INSTITUTIONS

	Assets (in USD millions)		Profit before taxation (in USD millions)		Number of institutions	
Item	**At 30 June 2026**	**At 31 December 2025**	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**	**At 30 June 2026**	**At 31 December 2025**
Hong Kong SAR and Macao SAR	231,190	214,772	785	696	105	105
Asia-Pacific Region (except Hong Kong SAR and Macao SAR)	181,760	164,240	1,103	1,012	88	87
Europe	112,802	105,933	618	459	52	64
America	46,308	56,436	225	212	152	153
African Representative Office	–	–	–	–	1	1
Eliminations	(65,607)	(54,139)				
Subtotal	**506,453**	**487,242**	**2,731**	**2,379**	**398**	**410**
Investment in Standard Bank[1]	4,525	4,373	305	257		
Total	**510,978**	**491,615**	**3,036**	**2,636**	**398**	**410**

Note: (1) The assets represent the balance of the Bank's investment in Standard Bank and the profit before taxation represents the Bank's gain on investment recognized by the Bank during the reporting period.

✧ At the end of June, total assets of the Bank's overseas institutions (including overseas branches, overseas subsidiaries and investment in Standard Bank) were USD510,978 million, representing 6.1% of the Group's total assets. Profit before taxation during the period was USD3,036 million, accounting for 9.8% of the Group's profit before taxation.

DISTRIBUTION OF OVERSEAS INSTITUTIONS

Hong Kong SAR and Macao SAR

Institutions (country/region)

Hong Kong Branch (Hong Kong, China)
ICBC (Asia) (Hong Kong, China)
ICBC International (Hong Kong, China)
ICBC (Macau) (Macao, China)
Macau Branch (Macao, China)

Asia-Pacific Region (except Hong Kong SAR and Macao SAR)

Institutions (country/region)

Tokyo Branch (Japan)
Seoul Branch (South Korea)
Busan Branch (South Korea)
Mongolia Representative Office (Mongolia)
Singapore Branch (Singapore)
ICBC (Indonesia) (Indonesia)
ICBC (Malaysia) (Malaysia)
Manila Branch (Philippines)
ICBC (Thai) (Thailand)
Hanoi Branch (Vietnam)
Ho Chi Minh City Representative Office (Vietnam)
Vientiane Branch (Lao PDR)
Phnom Penh Branch (Cambodia)
Yangon Branch (Myanmar)
ICBC (Almaty) (Kazakhstan)
Karachi Branch (Pakistan)
Mumbai Branch (India)
Dubai (DIFC) Branch (UAE)
Abu Dhabi Branch (UAE)
Doha Branch (Qatar)
Riyadh Branch (Saudi Arabia)
Kuwait Branch (Kuwait)
Sydney Branch (Australia)
ICBC (New Zealand) (New Zealand)
Auckland Branch (New Zealand)

Europe

Institutions (country/region)

Frankfurt Branch (Germany)
Luxembourg Branch (Luxembourg)
ICBC (Europe) (Luxembourg)
- Paris Branch (France)
- Amsterdam Branch (the Netherlands)
- Brussels Branch (Belgium)
- Milan Branch (Italy)
- Madrid Branch (Spain)
- Warsaw Branch (Poland)
- Greece Representative Office (Greece)

ICBC (Macau) Lisbon Representative Office (Portugal)
ICBC (London) (UK)
London Branch (UK)
ICBC Standard Bank (UK)
Bank ICBC (JSC) (Russia)
ICBC Turkey (Türkiye)
Prague Branch (Czech Republic)
Zurich Branch (Switzerland)
ICBC (Austria) (Austria)

America

Institutions (country/region)

New York Branch (USA)
ICBC (USA) (USA)
ICBC (Canada) (Canada)
ICBC (Mexico) (Mexico)
ICBC (Brasil) (Brazil)
ICBC (Peru) (Peru)
ICBC (Argentina) (Argentina)
ICBC Investments Argentina (Argentina)
Inversora Diagonal (Argentina)
Panama Branch (Panama)

Africa

Institutions (country/region)

Investment in Standard Bank (South Africa)
African Representative Office (South Africa)

3.2.10 Comprehensive Operation

◆ **ICBCUBS**

ICBCUBS is primarily engaged in various asset management businesses (including mutual funds, pension funds, separately managed accounts, special portfolios and cross-border services) and such other businesses as approved by the CSRC. It is one of the few "fully qualified" fund companies in the industry.

✧ ICBCUBS vigorously channeled long-term capital into the market in support of reinforcing the pension security system, and the scale of pension investment management reached a new high. It actively contributed to the high-quality development of the capital market, vigorously developed equity funds, and the scale of actively managed equity funds increased by 13.0% from the end of the previous year. ICBCUBS continued to increase investment support for high-quality enterprises in the technology field, with the investment scale growing steadily and the performance of actively managed technology equity funds being outstanding. It thoroughly implemented the requirements for the reform of mutual funds, enhanced professional investment research capabilities and investor service capabilities, and emphasized investors' returns.

✧ At the end of June, ICBCUBS managed 285 mutual funds and 691 annuities, separately managed accounts and special portfolios, with assets under management totaling RMB2.56 trillion, of which the pension investments under management exceeded RMB1.3 trillion.

◆ **ICBC Leasing**

ICBC Leasing is mainly engaged in the financial leasing of large-scale equipment in key areas such as aviation, shipping, energy and electric power, rail transit, equipment manufacturing and SRDI enterprises. It provides a range of financial and industrial services such as the transfer of leasing assets, asset trading and asset management.

✧ ICBC Leasing continued to consolidate the "One Core, Two Wings" layout of the aviation business, fully supported the "Going Global" of domestically manufactured aircraft, continuously improved the engine leasing business system, actively carried out RMB financing leasing business, and consolidated its first-mover advantage in the low-altitude economy sector. In the shipping sector, ICBC Leasing focused on the Chinese shipbuilding industry and shipping industry, solidly built its core competitiveness, actively cooperated with central and state-owned shipping enterprises, and ensured the safety of transportation of the country's important strategic materials. It supported the development of green ships, with the proportion of green ship balances in the sector reaching 42.1%. In the domestic comprehensive leasing sector, ICBC Leasing steadily promoted the expansion of scale, coverage and quality, increased investment in the field of new infrastructure, built a pipeline of green energy industry chain projects, served regional "single-item champion manufacturers" and the top 500 private manufacturing enterprises in China, and launched the first interbank joint leasing project in the computing power sector.

◆ **ICBC-AXA**

ICBC-AXA operates various insurance businesses such as life insurance, health insurance and accident insurance, as well as reinsurance of the aforesaid businesses, businesses permitted by national laws and regulations to use insurance funds and other businesses approved by regulatory authorities.

✧ ICBC-AXA focused on the diverse needs of customers, accelerated the transition to variable-income products and developed a diverse matrix of participating insurance products that covers all channels. It further innovated the pension finance products and built an integrated “scenario + product + service” ecosystem. It enriched the supply of critical illness products, forming a multi-tiered protection system covering whole-life critical illness and term critical illness. It stepped up the research and development of products such as nursing insurance, term life insurance and disability insurance, to comprehensively respond to customers’ diversified risk protection needs. ICBC-AXA comprehensively improved its customer service capabilities, built a “2+N” value-added service system for health and elderly care products centered on “Yu Wei Lai” and “Sheng Hua Nian”, and expanded its network of cooperative pension institutions to 16 cities with 21 institutions. ICBC-AXA optimized the architectural layout of its customer benefits system, introducing high-value and exclusive services covering the three core areas of health, pension and lifestyle. The commercial annuity business achieved leapfrog development, with the year-on-year growth rate of regular premium for core business indicators reaching 28%, and achievements were made in the supply of pension financial products, ecosystem development and age-friendly upgrades. ICBC-AXA enriched the supply of inclusive protection products, innovatively launched an exclusive health protection product for children, which was awarded “2026 Inclusive Insurance Product of the Year” by the *China Banking and Insurance News*. ICBC-AXA deeply advanced the Huimin Insurance program, effectively improving the medical protection level of the people. In *Brand Finance*’s Insurance 100 2026, it ranked first among joint-venture insurance companies in China, with a brand value of USD1.1 billion.

◆ **ICBC International**

ICBC International is a wholly owned subsidiary of the Bank in Hong Kong SAR, China. Its business scope covers sponsorship and underwriting for listing, underwriting for bond issuance, financial consulting, direct investment, sales and trading, asset management, market research, etc., and it provides all-round cross-border comprehensive financial services for corporate, institutional and personal customers.

- ✧ ICBC International further advanced the building of its "five-in-one" business landscape featuring balanced and coordinated development of investment banking, sales and trading, investment, asset management and investment research services. During the first half of the year, ICBC International completed one Hong Kong IPO sponsorship project, eight Hong Kong IPO and one US IPO underwriting projects, and participated in 28 bond underwriting projects, of which the underwriting scale of RMB Dim Sum Bond continued to grow. ICBC International upgraded its innovative product system, consolidated its core strengths in bond market making, securities brokerage and margin financing, served the two-way opening up of the Chinese mainland and Hong Kong SAR capital markets, and contributed to the enhancement of RMB internationalization. ICBC International fully supported national strategies and industrial upgrading, precisely matching the investment and financing needs of core customers in key areas such as technology, advanced manufacturing, healthcare, and new consumption. It accelerated the development of specialized businesses such as cross-border asset management, alternative investment and fund of funds, and promoted the official launch of cross-border asset management products in the China Interbank Bond Market (CIBM). Its investment research capabilities continued to improve, and the "ICBC International New Quality Productive Forces Stock Index" productization process was accelerated, making the index increasingly influential in the market.

- ✧ In the first half of the year, ICBC International won the "Best Bond Advisor in Hong Kong" award from *The Asset* for seven consecutive years, and was selected as the 2025 Golden Dragon • Financial Power "'Five Priorities' of Finance Case" by the *Financial News*.

◆ ICBC Investment

ICBC Investment is one of the first institutions in China to pilot debt-for-equity swaps of banks. It holds the franchise license of non-bank financial institution and is mainly engaged in debt-for-equity swaps and supporting businesses, and carries out pilot equity investment through affiliates.

- ✧ By giving full play to its licenses and professional expertise and focusing on serving the real economy and preventing and defusing financial risks, ICBC Investment strengthened the investment-lending coordination, improved integrated financial services that combine equity and debt, enriched the varieties of debt-for-equity private equity fund products, and made steady progress in the quality development of market-based debt-for-equity swap businesses. Meanwhile, ICBC Investment greatly supported enterprises in reducing and stabilizing leverage, enhancing strength, and promoting reforms. It continued to enhance the ability and results of risky asset disposal across the Group, played an active role in the formulation of corporate debt restructuring, debt-for-equity swap plans and reorganization plans, standardized corporate governance and production & operations, helped enterprises tide over difficulties through reform and continued to improve the asset quality of banks. It promoted pilot equity investment in an orderly manner and strengthened its support for sci-tech innovation and the private economy. Further playing its role as a shareholder, ICBC Investment dispatched directors to the debt-for-equity swap enterprises according to law, got deeply involved in corporate governance, and promoted the healthy and sustainable development of such enterprises.

◆ ICBC Wealth Management

ICBC Wealth Management mainly engages in the issuance of wealth management products, wealth management advisory and consulting services as well as other activities approved by the NFRA.

- ✧ ICBC Wealth Management leveraged its wealth management business license for investment and financing to actively align with major national strategies. It increased support for sci-tech innovation enterprises and green industries through diverse means such as bonds and equity, with the investment scale and proportion in technology finance and green finance steadily increasing. ICBC Wealth Management guided wealth management funds to flow precisely into key areas and weak links of the real economy and contributed to the development of new quality productive forces and the modern industrial system. Adhering to a customer-centric approach, it made efforts to explore multi-asset and multi-strategy investment opportunities, continuously improved its layered and adaptable product offerings, focused on building a "fixed income+" product system, formed a brand effect with product lines represented by "Hong Kong IPO", and continuously expanded the coverage and depth of inclusive finance and pension finance services. ICBC Wealth Management improved its investment research system, iteratively optimized product quality control mechanisms, and, with industry-leading stable performance, protected the preservation and appreciation of investors' wealth in a complex market environment. Closely focusing on the investment needs of inclusive groups, it established and improved a rapid response and companionship mechanism, comprehensively upgraded its financial education and publicity system, and provided customers with full-cycle companionship services.

- ✧ At the end of June, the balance of the products of ICBC Wealth Management reached RMB1,991,439 million, all of which were net-worth products.

WEALTH MANAGEMENT PRODUCTS OF ICBC WEALTH MANAGEMENT THAT WERE ISSUED, MATURED, AND EXISTING DURING THE REPORTING PERIOD

In RMB millions, except for tranches and percentages

Item		At 31 December 2025		Products issued		Matured products		At 30 June 2026		
		Number of tranches	Amount	Number of tranches	Amount(1)	Number of tranches	Amount(2)	Number of tranches	Amount	Percentage (%)
Classified by fundraising method	Publicly offered	1,011	2,037,275	590	2,095,550	313	2,217,263	1,288	1,933,560	97.1
	Privately offered	154	53,965	75	26,677	78	23,218	151	57,879	2.9
Classified by investment type	Fixed-income	965	1,990,678	621	2,079,304	326	2,193,968	1,260	1,894,038	95.1
	Equity	32	1,571	2	60	30	406	4	409	0.0
	Hybrid	168	98,991	42	42,863	35	46,107	175	96,992	4.9
Total		**1,165**	**2,091,240**	**665**	**2,122,227**	**391**	**2,240,481**	**1,439**	**1,991,439**	**100.0**

Notes: (1) The product issuance amount refers to the sum of the actual amount raised from newly issued wealth management products and the subscription amount of existing wealth management products during the reporting period.

(2) The product maturity amount refers to the sum of the redemption amount of wealth management products that matured and the amount redeemed from outstanding wealth management products during the reporting period.

DIRECT AND INDIRECT INVESTMENTS OF ICBC WEALTH MANAGEMENT IN WEALTH MANAGEMENT PRODUCTS AS AT THE END OF JUNE 2026

In RMB millions, except for percentages

Asset type	Amount	Percentage (%)
Cash, deposits and reverse repurchase agreements	901,540	44.2
Bonds	794,966	39.0
Non-standard debt assets	45,012	2.2
Other assets[(1)]	299,452	14.6
Total	**2,040,970**	**100.0**

Note: (1) Other assets include equity assets, financial derivatives, QDII and mutual funds.

3.2.11 Major Holding Subsidiaries and Equity Participating Companies

◆ Major Overseas Subsidiaries

		At 30 June 2026			Six months ended 30 June 2026
Institution	**Principal business**	**Issued share capital/ paid-in capital**	**Total assets (in USD millions)**	**Net assets (in USD millions)**	**Net profit (in USD millions)**
Industrial and Commercial Bank of China (Asia) Limited	Commercial banking	HKD44,188 million	140,389.11	21,546.14	659.60
ICBC International Holdings Limited	Investment banking	HKD5,963 million	6,417.53	649.71	(40.49)
Industrial and Commercial Bank of China (Macau) Limited	Commercial banking	MOP589 million	48,905.30	3,938.27	6.01
PT. Bank ICBC Indonesia	Commercial banking	IDR3.71 trillion	3,064.89	454.37	17.99
Industrial and Commercial Bank of China (Malaysia) Berhad	Commercial banking	MYR833 million	1,465.82	385.63	11.19
Industrial and Commercial Bank of China (Thai) Public Company Limited	Commercial banking	THB20,107 million	7,742.60	1,520.50	48.28
Industrial and Commercial Bank of China (Almaty) Joint Stock Company	Commercial banking	KZT8,933 million	1,536.60	273.17	34.33
Industrial and Commercial Bank of China (New Zealand) Limited	Commercial banking	NZD234 million	1,816.61	208.14	6.16
Industrial and Commercial Bank of China (Europe) S.A.	Commercial banking	EUR437 million	9,266.21	585.12	10.08
ICBC (London) PLC	Commercial banking	USD200 million	1,466.91	608.61	19.65
ICBC Standard Bank PLC	Banking	USD1,083 million	39,963.18	2,207.40	149.17
Bank ICBC (joint stock company)	Commercial banking	RUB10,810 million	9,863.66	1,255.17	144.41
ICBC Turkey Bank Anonim Şirketi	Commercial banking	TRY19,679 million	2,391.81	139.98	18.80
ICBC Austria Bank GmbH	Commercial banking	EUR200 million	1,295.46	231.77	0.88
Industrial and Commercial Bank of China (USA) NA	Commercial banking	USD369 million	2,859.36	496.49	9.76

Institution	Principal business	At 30 June 2026			Six months ended 30 June 2026
		Issued share capital/ paid-in capital	Total assets (in USD millions)	Net assets (in USD millions)	Net profit (in USD millions)
Industrial and Commercial Bank of China (Canada)	Commercial banking	CAD208 million	2,571.91	355.13	7.35
Industrial and Commercial Bank of China Mexico S.A.	Commercial banking	MXN1,597 million	692.17	94.27	13.32
Industrial and Commercial Bank of China (Brasil) S.A.	Commercial banking	BRL202 million	340.32	29.40	(1.61)
ICBC PERU BANK	Commercial banking	USD120 million	743.02	174.00	4.76
Industrial and Commercial Bank of China (Argentina) S.A.U.	Commercial banking	ARS562,590 million	9,423.76	1,719.98	66.85

◆ **Major Domestic Subsidiaries**

In RMB100 millions

Institution	Principal business	At 30 June 2026			Six months ended 30 June 2026
		Issued share capital/ paid-in capital	Total assets	Net assets	Net profit
ICBC UBS Asset Management Co., Ltd.	Fund management	2	320.32	220.61	22.18
ICBC Financial Leasing Co., Ltd.	Leasing	330	4,075.88	573.66	13.14
ICBC-AXA Assurance Co., Ltd.	Insurance	125.05	4,068.96	231.65	43.98
ICBC Financial Asset Investment Co., Ltd.	Financial asset investment	270	2,175.70	614.89	39.14
ICBC Wealth Management Co., Ltd.	Wealth management	160	247.39	245.33	10.58

◆ **Major Equity Participating Company**

Standard Bank Group Limited

Standard Bank is the largest commercial bank in Africa. Its scope of business covers commercial banking, investment banking, life insurance business and other areas. The Bank continued to hold 324,963,464 shares or 19.74% of Standard Bank and to be its single largest shareholder. Based on mutual benefit and win-win cooperation, the two sides furthered their cooperation in equity cooperation, customer expansion, project financing, product innovation, risk management, FinTech and staff exchange, etc. As at the end of June, Standard Bank recorded total assets of ZAR3,807,669 million and net assets of ZAR322,372 million. It generated a net profit of ZAR30,113 million in the first half of 2026.

3.3 Capital Management

In the first half of the year, the Bank continuously improved scientific capital raising, efficient allocation, precise measurement, long-term constraint and normal optimization management mechanism, and continued to elevate the capital use efficiency. It appropriately conducted capital replenishment, optimized the capital structure and reduced the cost of capital, thus laying a solid capital foundation to serve the real economy. During the reporting period, all capital indicators performed well, of which the capital adequacy ratio was kept at a sound and appropriate level.

3.3.1 Capital Adequacy Ratio and Leverage Ratio

According to the scope of implementing the advanced capital measurement approaches as approved by the regulatory authorities, the Bank adopted the foundation internal ratings-based ("IRB") approach for corporate credit risk and the advanced IRB approach for retail credit risk that met the regulatory requirements, and adopted the weighted approach for credit risk uncovered by the IRB approach, the standardized approach for market risk, and the standardized approach for operational risk.

As at the end of June, the common equity tier 1 capital adequacy ratio, tier 1 capital adequacy ratio, capital adequacy ratio and leverage ratio calculated by the Bank in accordance with the Rules on Capital Management of Commercial Banks stood at 13.21%, 14.43%, 18.57% and 7.20%, respectively, complying with regulatory requirements[1].

CAPITAL ADEQUACY RATIO

In RMB millions, except for percentages

Item	At 30 June 2026	At 31 December 2025
Net common equity tier 1 capital	3,940,780	3,837,149
Net tier 1 capital	4,306,278	4,222,676
Net capital base	5,539,090	5,302,796
Risk-weighted assets(1)	29,832,780	28,269,948
Credit risk-weighted assets	27,307,362	25,927,325
Market risk-weighted assets	647,143	472,264
Risk-weighted assets for switch between trading book and banking book	89,365	81,449
Operational risk-weighted assets	1,788,910	1,788,910
Common equity tier 1 capital adequacy ratio (%)	**13.21**	**13.57**
Tier 1 capital adequacy ratio (%)	**14.43**	**14.94**
Capital adequacy ratio (%)	**18.57**	**18.76**

Note: (1) Refers to risk-weighted assets after capital floor and adjustments.

[1] The Bank's capital adequacy ratio and leverage ratio both met the additional regulatory requirements for systemically important banks.

LEVERAGE RATIO

In RMB millions, except for percentages

Item	At 30 June 2026	At 31 December 2025
Net tier 1 capital	4,306,278	4,222,676
Balance of adjusted on- and off-balance sheet assets	59,845,527	56,236,976
Leverage ratio (%)	**7.20**	**7.51**

For more information on capital measurement and leverage ratio of the Bank, please refer to the Pillar 3 Disclosure Report of Capital Management for the First Half of 2026 of Industrial and Commercial Bank of China Limited issued by the Bank.

3.3.2 Capital Financing Management

On the basis of capital replenishment by retained profits, the Bank proactively expanded the channels for external capital replenishment and continuously promoted the innovation of capital instruments, to reinforce capital strength, optimize capital structure and control the cost of capital rationally.

- **Issuance and Redemption of Capital Instruments**

In April-August 2026, the Bank publicly issued five series of tier 2 capital bonds of the size of RMB280.0 billion totally in the National Interbank Bond Market. All the raised funds after deducting the issuance expenses will be used to replenish the Bank’s tier 2 capital in accordance with applicable laws and the approval of relevant competent authorities.

In April-July 2026, the Bank publicly issued three tranches of undated additional tier 1 capital bonds with a total scale of RMB70.0 billion in the National Interbank Bond Market. The raised funds will be used to replenish the Bank’s additional tier 1 capital in accordance with applicable laws and the approval of relevant competent authorities.

In January 2026, the Bank redeemed the tier 2 capital bonds of RMB30.0 billion issued in the domestic market in January 2021. In June 2026, the Bank redeemed the undated additional tier 1 capital bonds of RMB70.0 billion issued in the domestic market in June 2021.

◆ **Issuance of Total Loss-Absorbing Capacity ("TLAC") Non-Capital Debt Instruments**

In April 2026, the Bank publicly issued TLAC non-capital bonds of RMB50.0 billion in the National Interbank Bond Market. After deducting the issuance expenses, the funds raised from the bond issuance will be used to enhance the Bank's TLAC in accordance with applicable laws and the approval of relevant competent authorities.

For details on the issuance and redemption of capital instruments and TLAC non-capital debt instruments of the Bank, please refer to the announcements published by the Bank on the website of the SSE, the "HKEXnews" website of the HKEX and the website of the Bank.

3.4 Outlook

Since the beginning of this year, the international situation has remained turbulent, geopolitical conflicts have occurred frequently, the stability of supplies of energy and other resources has declined, and global economic growth has remained weak. Against the backdrop of increasing external uncertainties and unforeseen factors, China has effectively responded to various external shocks. The economy has maintained a development trend characterized by new growth drivers and improving economic structure. Notable progress has been made in high-quality development, while new technologies, products and business forms have continued to emerge. The potential of China's ultra-large market has continued to be unleashed, and the resilience of foreign trade has become more evident, injecting greater certainty into the operation and development of the banking sector.

In the second half of the year, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank will adhere to the general working principle of pursuing progress while ensuring stability, fully and faithfully act on the new development philosophy on all fronts, and give full play to the functions of finance. Focusing on accelerating the establishment of a new development paradigm, the Bank will better coordinate domestic and international imperatives, balance development and security, accelerate transformation, reform and product innovation, fully support the transition from old to new growth drivers, and contribute to the economy's continued progress toward innovation-driven, high-quality and sound development, thereby ensuring a good start to the 15th Five-Year Plan period.

The Bank will thoroughly study and implement Xi Jinping Thought on Party Building, the guiding principles of General Secretary Xi Jinping's important speech on July 1, and his important remarks on establishing a correct understanding of what it means to perform well and act accordingly. It will consolidate and expand the achievements of the related education campaign, advance the guidance of Party building with higher standards and more concrete measures, promote full and rigorous Party self-governance and strict governance of the Bank, and accelerate the development of an integrity-based bank. Closely following the major financial tasks of guarding against risks, strengthening supervision and promoting high-quality development, the Bank will act as a leading bank to be the main force in serving the real economy, the ballast stone in maintaining financial stability, a bellwether in optimizing operational quality and efficiency, and a benchmark bank in strengthening major responsibilities and core businesses. It will maintain strategic resolve, strengthen strategic execution, and take high-quality development and high-level security to a new level.

First, the Bank will further strengthen risk prevention and compliance management. It will uphold a sound and prudent business philosophy, continue to reinforce its Enterprise Risk Management System (ERM), enhance its capability to apply digital and intelligent risk control technologies, resolve risks in the real estate sector, small and medium-sized financial institutions and local government debt, intensify efforts to address challenges associated with asset quality, maintain a stringent stance on internal control and case prevention, and ensure that all types of risks remain generally under control.

Second, the Bank will further support high-quality economic and social development. Leveraging its strengths in industries, the Bank will make every effort to support the high-end, intelligent and green development of traditional manufacturing, actively align with major projects and programs under the 15th Five-Year Plan, such as the "Six Networks" initiative, step up support for "Major Strategies and Key Fields" and "Renewal and Trade-in" programs, and fully support the development of a modern industrial system and new quality productive forces. Highlighting its distinctive features in commerce, the Bank will enhance its cross-border financial service capabilities with a focus on deepening mutually beneficial international economic and trade cooperation, advance Global Integrated Operations (GIO), deepen coordination between the parent bank and its subsidiaries, between domestic and overseas operations, and between RMB and foreign currency businesses, improve its comprehensive overseas service system, and serve global customers through ICBC's global network.

Third, the Bank will further advance its own high-quality development. It will thoroughly implement the "AI+" Action Plan, adopt a dual-driver approach based on digital and intelligent technologies and data elements, strengthen AI-driven momentum, and accelerate the development of "AI-ICBC". Leveraging CFS, the Bank will improve its system of new infrastructure for clearing, settlement, payment and custody, expand new businesses in investment banking, asset management, wealth management and trading, build an integrated service ecosystem, and continue to improve the quality and efficiency of operational transformation.

3.5 Hot Topics in the Capital Market

Hot Topic 1: Advancing the Major Task of Technology Finance

In the first half of 2026, the Bank earnestly implemented the decisions and plans of the CPC Central Committee on technology finance, promoted the deep integration of technological and industrial innovation, supported high-level self-reliance and strength in science and technology, continued to refine its technology finance service system, and developed an ecosystem service platform for technology finance, to provide entities engaged in sci-tech innovation with a suite of full-lifecycle products tailored to their technology R&D, industrial development and talent cultivation activities.

I. Supporting the development of China into a leading country in science and technology

Proactively serving the three International Science and Technology Innovation Centers. The Bank formulated work plans for serving the three International Science and Technology Innovation Centers in Beijing (the Beijing-Tianjin-Hebei region), Shanghai (the Yangtze River Delta) and the Guangdong-Hong Kong-Macao Greater Bay Area. It strengthened product innovation and marketing efforts and, in light of market resource endowments, prioritized support for emerging pillar industries such as integrated circuits, aerospace, biomedicine, the low-altitude economy, new-type energy storage and intelligent robotics.

Strongly supporting sci-tech innovation and R&D activities. The Bank supported major national science and technology projects for comprehensive environmental governance in the Beijing-Tianjin-Hebei region, and took the lead among peers in terms of loan disbursements to enterprises participating in major projects. Among key enterprises that received 2025 State Science and Technology Awards, the Bank provided services to more than 90% and financing to over 50% of such enterprises.

Implementing fiscal and financial policy instruments. In the first half of the year, the Bank led the market in disbursements of interest-subsidized loans for sci-tech innovation, effectively helping address the difficulties and high costs faced by sci-tech enterprises in obtaining financing and facilitating their accelerated development.

II. Optimizing the full-lifecycle product portfolio

Focusing on the commercialization cycle of sci-tech innovations and the full-lifecycle of enterprises, the Bank fully leveraged the synergies across its equity investment, lending, bond, insurance, leasing and custody business systems, removed barriers between business lines, and provided full-chain financial services.

Optimizing credit supply. The Bank continuously optimized and launched innovative credit products to better meet the needs of sci-tech enterprises of different types and at different stages. It continued to enhance its capabilities in identifying sci-tech enterprises and selecting sectors, further optimized its credit approach, upgraded its online products, and refined competitive products including the Disruptive Technological Innovation Loan, R&D Loans and Sci-Tech Talent Loans. In the first half of the year, the Bank's sci-tech loan balance led the market.

Strengthening investment-lending coordination. The Bank closely coordinated with partner venture capital institutions and industry funds to provide loans upon investment and promote investment through lending. It leveraged the catalytic role of its equity investment business in extending its reach across industries, engaged with enterprises at an earlier stage in their lifecycle, and provided comprehensive financial solutions. In the first half of the year, the Bank supported enterprises in the technology field with more than RMB100.0 billion in equity investments through the Group's integrated subsidiaries.

Leveraging the distinctive strengths of financial leasing. ICBC Leasing, a subsidiary of the Bank, supported industrial upgrading, sci-tech innovation and major national strategies. It continued to act on the strategy of "One Core, Two Wings", provided strong support for domestically manufactured aircraft to enter overseas markets, continued to improve its aircraft engine leasing business system, and consolidated its first-mover advantage in the low-altitude economy. It seized opportunities arising from the deep integration of technological and industrial innovation and explored new models combining equipment leasing with the commercialization of sci-tech achievements. In the first half of the year, disbursements under its technology finance leasing business increased by more than 150% year on year.

Expanding coverage across all products. Upholding the concept of "investment in people", the Bank established an "entrepreneur-scientist" service framework and provided tailored comprehensive services for entrepreneurial teams in the technology field. Guided by the concept of comprehensive financial services, the Bank leveraged its strengths in settlement, treasury, foreign exchange and trading, enhanced product suitability, and provided diversified services across successive stages in a targeted manner.

III. Building a technology finance ecosystem

Taking a systemic approach, the Bank planned the development of technology finance with a focus on developing a technology finance ecosystem. It expanded its business scope from financial services to non-financial services, extended its function from a credit intermediary to an information intermediary, expanded its service recipients from traditional customers to ecosystem participants, and transformed itself from a financial provider into an ecosystem enabler.

With a focus on improving the quality and efficiency of the commercialization of sci-tech achievements, the Bank developed a digital ecosystem service platform for technology finance through comprehensive financial services. Leveraging its four core strengths in customer base, channels, products and technology, the Bank systematically connected suppliers of sci-tech achievements, such as universities and research institutes, entities demanding sci-tech achievements, such as sci-tech enterprises and state-owned enterprises, including central state-owned enterprises, and policy resource providers, such as institutions providing services for the commercialization of sci-tech achievements and government departments. In this way, it built an integrated sci-tech innovation ecosystem encompassing technology, industry, finance, policy and professional services, and comprehensively supported the deep integration of technological and industrial innovation.

Hot Topic 2: Comprehensive Financial Solutions (CFS)

ICBC aligned its operations with the national 15th Five-Year Plan, discharged its responsibilities as a leading bank, closely followed the inherent requirements for building a world-class modern financial institution with Chinese characteristics, proactively adapted to the new internal and external development environment and new trends in the development of the industrial system, and clarified its positioning within the service industry. It was committed to comprehensively upgrading its customer service philosophy, service model and service mechanisms under the new circumstances, thereby further improving the quality and efficiency of customer services and providing solid support for the real economy. In the first half of 2026, the Bank's corporate loans and corporate deposits increased by RMB1.25 trillion and RMB1.10 trillion, respectively, from the end of the previous year, while the number of corporate customers increased by 859.2 thousand, significantly expanding the breadth and depth of customer services.

I. Broadening the scope of services through the four-pronged approach and precisely meeting the diverse needs of the real economy

To empower the development of the real economy on all fronts, the Bank introduced an innovative four-pronged service model of funding support, advisory intelligence, technology enablement and ecosystem integration and met enterprises' comprehensive financial needs throughout their full-lifecycle and across multiple dimensions through a package of coordinated measures. **First, strengthening comprehensive funding supply.** To address the difficulties and pain points in financing throughout the enterprise full-lifecycle, the Bank provided full-spectrum financing support through loans, bonds, equity and leasing. It made integrated use of domestic and overseas financing instruments, RMB and foreign currency financing instruments, and on- and off-balance-sheet financing instruments, connected credit and equity markets, increased funding allocation to fields of new quality productive forces, and lowered financing costs for enterprises. **Second, providing comprehensive advisory intelligence support.** Focusing closely on enterprise needs, the Bank strengthened coordination with government departments and various financial institutions, integrated internal and external resources, and provided comprehensive services in strategy, risk control, investment and research, among other areas, so as to help state-owned enterprises strengthen their security foundations and private enterprises accelerate breakthroughs in their sectors, and support the development of a modern industrial system. **Third, delivering technology enablement services across all scenarios.** Leveraging its strengths in financial technology, the Bank focused on enterprises' needs for information technology consulting, technology platform development, data operations and applications, and enhanced digital capabilities. It strengthened the joint development of scenario-based ecosystems, proactively provided technology, platforms and other resources, and worked with enterprises to accelerate digital transformation. **Fourth, improving end-to-end ecosystem integration services.** Against the new landscape of global cooperation and drawing on cross-border finance, supply chain finance, treasury management and other services, the Bank provided enterprises with efficient, convenient and low-cost funding services for participating in international competition and integrating into global innovation networks. It supported enterprises in transforming their innovative achievements into digital products and standards that can be deployed and shared globally to empower global partners.

II. Regarding service systems, strengthening coordination across functions to achieve system-wide integration

Given the extensive departmental structures and segmented business lines of large commercial banks, the Bank focused on breaking down internal barriers and established cross-department and cross-segment coordination mechanisms. By coordinating "four major segments", namely Head Office departments, domestic branches, overseas institutions and integrated subsidiaries, it built a unified external marketing system to ensure that customers could receive consistent, comprehensive and seamless services at every point of interaction in the Bank. The Bank adopted a model of coordination across functions, effectively addressed the constraints on the service capabilities of individual departments, systematically integrated the Group's resources, and enabled "one-point access and global response", thereby providing enterprises with a more efficient and convenient experience in accessing comprehensive financial services.

III. Regarding institutional safeguards, deepening coordination across levels to ensure effective execution

To ensure the effective operation of the coordinated support mechanism, the Bank implemented precise product-to-customer matching across its full spectrum of products and the broadest customer base, refined the global lead customer manager mechanism, and strengthened digital operations. The lead customer manager most familiar with customers' needs coordinated resources across the Bank and provided core customers with in-depth, closely tailored services under a "one-bank, one-strategy" customized service model. Through a coordination mechanism extending across all organizational levels, the Bank ensured that all support measures were effectively implemented, delivered tangible value to enterprises, and ultimately enabled itself and its corporate customers to achieve mutual benefit, win-win outcomes and shared growth.

In the face of major tasks during the 15th Five-Year Plan period, including developing a modern industrial system and achieving high-level self-reliance and strength in science and technology, ICBC will accelerate the development of Comprehensive Financial Solutions. Through the four-pronged approach of funding support, advisory intelligence, technology enablement and ecosystem integration, it will build a "rainforest ecosystem" for financial services, create greater value for customers, and make greater financial contributions to advancing Chinese modernization.

Hot Topic 3: Optimizing Risk Management Technology

ICBC regarded risk management as a core competitive strength, strictly safeguarded the bottom line of asset security, strengthened governance constraints and risk safeguards, and drove sustainable value growth through prudent and sound risk prevention and control. At present, it has established a risk control system featuring sound mechanisms, advanced technology and integrated platforms, which serves as a "stabilizer" and "ballast stone" in ensuring sound development and responding to risk shocks.

I. Establishing an "E-shaped" enterprise risk management structure

The Bank aligned **risk control committees, risk officers and risk control departments** across levels to strengthen overall risk coordination. The Bank established integrated Risk Management and Internal Control Committees at the Head Office and branches to strengthen collective review and coordinated deployment of major and key matters, appointed risk officers at all domestic and overseas tier-one institutions and tier-two branches to play a key role in coordination and checks and balances, strengthened risk control departments at all levels, and combined comprehensive management with specialized expertise to ensure coordinated management of all types of risks and cross-cutting areas.

The Bank strengthened cross-functional joint risk prevention and control across **the three lines of defense.** Within the first line of defense, the Bank embedded the principle that "business management must include risk management", established compact risk management and control middle-office units in each business line at the Head Office, and moved controls forward to manage risks at source. The Bank reinforced the specialized expertise of the second line of defense to support sound business development. The Bank enhanced the capabilities of the third line of defense to identify substantive and deep-seated issues and promoted remediation of their root causes. Across all three lines of defense, the Bank strengthened joint risk prevention and control, and gave full play to their combined strengths to enhance resilience against risks.

II. Implementing the four-pronged enterprise risk management measures

Managing people. The Bank integrated grid-based and intelligent management into its day-to-day operations, covering employees both domestically and overseas. Through its Responsibility Determination Committee and Misconduct Accountability Committee, the Bank focused on the "key few" and strictly held relevant personnel accountable under a three-step mechanism comprising responsibility review, responsibility determination and accountability enforcement.

Managing funds. The Bank brought all on- and off-balance sheet assets and businesses within the scope of risk management, strengthened credit management under the "Three Gates and Seven-Color Pools" credit management framework, implemented the new credit approval rules to a high standard, enhanced risk asset management, and used a range of disposal measures to enhance actual recoveries. As a result, the NPL ratio fell by 0.02 percentage points from the beginning of the year to 1.29%.

Managing lines of defense and bottom lines. The Bank strictly observed the red line for compliant operations, further embedded risk management mechanisms and control measures throughout the institutions at all levels of the Group, and firmly upheld the bottom line of preventing systemic risks. As at the end of June, the capital adequacy ratio, leverage ratio and RMB liquidity ratio were 18.57%, 7.20% and 67.3%, respectively, continuing to meet regulatory requirements and remain at relatively favorable levels.

III. Driving the implementation and application of intelligent risk control technologies

The Bank actively embraced digital transformation, made full use of advanced technologies, including AI and large and small AI models, and integrated them into its risk control processes. This enabled risks to be detected early, understood thoroughly, measured accurately and kept under control.

Using big data technology to obtain a comprehensive view of risks. The Bank developed multidimensional risk profiles and conducted risk assessments of customers. For inclusive finance customers, for example, the Bank established interconnected profiles based on information concerning actual controllers, supply chains, fund flows, trading activities, geographic links and device associations. This enabled the Bank to identify and guard against risks such as contagion among related parties, excessive financing and organized fraud.

Using large model technology to measure risks accurately. The Bank anticipated future changes in risks. It drew on public sentiment data, investment research reports, account transaction records, financial reports, collateral information, business registration records and credit records to predict the deterioration trajectories of corporate customers, assess inflection points in business conditions and risks, and take forward-looking risk management measures.

Using biometric technologies to intercept risks. Relying on facial recognition, voiceprints, fingerprints, micro-expressions and other biometric characteristics, the Bank determined in real time whether transactions were performed by the customers concerned. This helped prevent account opening under false identities, unauthorized transactions, money-laundering transfers and telecommunications fraud, and improved the efficiency of identifying false identities and combating fraud.

Using AI agent technologies to enhance efficiency. The Bank analyzed a vast amount of information, summarized expert knowledge and developed intelligent risk management assistants. For example, the agents conducted in-depth analyses of customers' business models, financial positions and asset-related leads, and automatically generated due diligence plans, credit approval recommendations and asset disposal approaches, providing optimal strategic support for differentiated management on a customer-by-customer basis.

Developing an enterprise-level intelligent risk management platform. Underpinned by data, technology and talent, the Bank established four centers, the View Center, Measurement Center, Monitoring and Alerting Center and Strategy-Making Center, and centralized the management of risk management elements while enabling shared services. The **View Center** established a panoramic view covering over 15.00 million corporate customers and over 780 million individual customers to enhance the Bank's capabilities to dynamically detect changes in market, business and other risks. The **Measurement Center** centralized risk model management and enabled the accurate measurement and identification of various risks, including customer default and fraud. The **Monitoring and Alerting Center** continuously expanded and enhanced more than 500 early-warning signals, automatically scanned for, captured and assessed risk information, and issued risk alerts in a timely manner. Supported by a framework of "rigid bottom-line controls, flexible controls based on professional expertise, and tailored controls by branches", the **Strategy-Making Center** supported intelligent risk management decisions across five major categories and 323 scenarios, including fund transactions across the Group and customer onboarding.

Hot Topic 4: AI-Enabled Business Transformation Delivering Tangible Results at ICBC

ICBC actively advanced the development of "**AI-ICBC**", continued to implement the "AI+" Action Plan, and actively explored the application of AI in finance. It focused on identifying high-value scenarios in areas including enhancing investment and trading efficiency, transforming customer service, improving marketing and customer acquisition, strengthening risk prevention and control, and improving work efficiency. As at the end of the first half of the year, more than 600 scenario-based applications had been implemented, with initial results becoming evident.

I. Enhancing investment and trading efficiency

Typical Scenario 1: In financial markets, the Bank introduced an innovative human-machine collaborative trading model and developed GlobalDealing, a global intelligent conversation-based trading system. The system embedded interactive dialogue throughout the entire process, covering customer onboarding, conversational navigation, precise quotations, trade execution and exposure management, thereby enabling end-to-end intelligent closed-loop processing. Processing efficiency across the entire process improved more than threefold, and the proportion of intelligent request-for-quote transactions exceeded 96%.

Typical Scenario 2: In asset and liability management, the Bank built an "AI+ Intelligent Asset and Liability Management Hub" and developed an intelligent decision-making model for asset and liability allocation and a forward-looking model for forecasting operating trends. By deeply integrating internal and external data, the hub forecast trends in fund movements with greater accuracy and supported efficient fund allocation while maintaining reasonably adequate liquidity.

II. Transforming and upgrading customer service

Typical Scenario 3: The Bank launched an upgraded version of "GINO (Gong Xiao Zhi)", its unified intelligent customer service.

Across its online service channels, the Bank strictly upheld the bottom lines of security and compliance. Leveraging large AI model technology, it strengthened its capabilities for semantic understanding and intent recognition in customer interactions and explored a new interaction paradigm of "conversation as a service". The service covered nine major business areas and 50 key functions, including account management, wealth management and credit card services, further enhancing the convenience of financial services. Currently, the Bank is conducting small-scale pilot programs in a prudent and orderly manner and customer feedback is positive.

Across its offline service channels, the Bank explored scenarios for applying a large model to customer-facing services at outlets, the outlet customer assistant. The Bank completed intelligent upgrades to 21 frequently used self-service banking services and processed more than 300 thousand transactions in pilot areas during the first half of the year. It helped customers "find services easily, obtain information quickly and complete transactions conveniently", thereby shortening processing times and improving the service experience.

Across its remote service channels, the Bank deepened the application of AI and provided real-time and accurate responses through intelligent voice, intelligent text and graphic-text services. During the first half of the year, it handled a total of 133 million customer service interactions.

III. Improving marketing and customer acquisition

Typical Scenario 4: In personal banking, the Bank focused on the entire marketing process of "analysis, recommendation, outreach, engagement, management" and launched "Gong Xiao Cai", a dedicated intelligent agent that eased the workloads of personal customer managers and enhanced their capabilities. It assisted personal customer managers in searching for data, conducting analyses and developing plans, thereby improving both their comprehensive service standards and professional capabilities. During the first half of the year, "Gong Xiao Cai" provided support on more than 22.00 million occasions. It effectively improved the quality and efficiency of frontline marketing services and supported precise allocation and steady growth of customers' assets.

Typical Scenario 5: In private banking, the Bank built an AI-native comprehensive financial services agent and integrated the Group's comprehensive financial service resources. It assessed needs across interconnected service scenarios involving the coordinated management of private banking customers' personal, corporate and family wealth, and identified their potential financial service needs. The turnaround time for generating integrated and personalized customer service solutions was reduced from five days to three hours. This effectively drove growth in private banking customers' AUM and contributed to significant increases in account openings and deposits by associated enterprises.

IV. Strengthening risk prevention and control

Typical Scenario 6: In credit approval, the Bank developed "ICBC eXaminer (Gong Xiao Shen)", a digital credit review and approval assistant. Leveraging large AI model capabilities, it performed core tasks including customer credit risk analysis, compliance assessment, financing plan design and report drafting, helping credit reviewers substantially improve the quality and efficiency of credit review and approval. During the first half of the year, it supported the review and approval of credit facilities totaling more than RMB1 trillion.

Typical Scenario 7: In internal control and compliance, the Bank developed the "AI Compliance Review" agent. It summarized expert experience in compliance reviews across the Bank, enabling users to obtain optimal review methods and generate compliance review recommendations with a single click. This marked an upgrade from "manual review" to "AI-assisted review". During the first half of the year, the agent generated 360 thousand compliance review opinions, with an adoption rate of 98.6%, and helped compliance reviewers improve their risk identification capabilities by 130%.

V. Improving work efficiency

Typical Scenario 8: In the credit card business, the Bank developed a credit card review and approval assistant. At the card issuance review stage, the large model comprehensively analyzed customer data, intelligently identified key review points and generated customized questionnaires focusing on key risks. During the first half of the year, the assistant was used on more than 2.82 million occasions. At the card issuance approval stage, the large model automatically generated visualized panoramic customer views and intelligently produced approval recommendations and credit limits for reference, enabling approval personnel to make accurate credit decisions. This significantly shortened credit card approval times and improved approval quality.

Typical Scenario 9: In operation management, the Bank deepened the integrated application of the multimodal capabilities of large models and connected the entire centralized operations workflow covering data entry, authorization, review and sample inspection. It established the capability to recognize data elements in every field of vouchers, resulting in per-transaction processing at 25 times the manual processing speed. During the first half of the year, manual data entry was replaced for 100 million transactions. Intelligent review efficiency for remote authorization increased fivefold, and the solution handled approximately half of the Bank's total business volume. Without any increase in headcount, the Bank completed quality inspections covering the entire business volume, with an accuracy rate exceeding 98%, significantly improving operational efficiency.

The Bank's use of AI began to deliver results, driving continued cost reductions and efficiency gains, value creation, risk control upgrades, and improvements in customer experience. The effectiveness of its technology investment became increasingly evident.

4. Details of Changes in Share Capital and Shareholding of Substantial Shareholders

Changes in Ordinary Shares

DETAILS OF CHANGES IN SHARE CAPITAL

Unit: Share

	At 31 December 2025		Increase/ decrease during the reporting period	At 30 June 2026	
	Number of shares	Percentage (%)		Number of shares	Percentage (%)
I. Shares subject to restrictions on sales	–	–	–	–	–
II. Shares not subject to restrictions on sales	**356,406,257,089**	**100.00**	**–**	**356,406,257,089**	**100.00**
1. RMB-denominated ordinary shares	269,612,212,539	75.65	–	269,612,212,539	75.65
2. Foreign shares listed overseas	86,794,044,550	24.35	–	86,794,044,550	24.35
III. Total number of shares	**356,406,257,089**	**100.00**	**–**	**356,406,257,089**	**100.00**

Notes: (1) The above data are based on the Equity Structure Chart issued by China Securities Depository and Clearing Corporation Limited.

(2) "Foreign shares listed overseas", namely H shares, are within the same meaning as defined in the "No. 5 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Report of Change in Corporate Shareholding" (Revision 2022) of the CSRC.

(3) Due to rounding, percentages presented herein are for reference only.

Details of Securities Issuance and Listing

During the reporting period, the Bank did not issue any shares, did not have any employee shares, nor did it issue any convertible bonds.

The Bank did not issue corporate bonds to be disclosed in accordance with Chapter II, Section 7 of the "No. 3 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Semi-Annual Report" of the CSRC, nor did it have the above-mentioned corporate bonds existed on the approval date of this Results Announcement.

For details on the issuance of preference shares of the Bank, please refer to the section headed "Details of Changes in Share Capital and Shareholding of Substantial Shareholders — Preference Shares".

For details on the issuance progress of tier 2 capital bonds and undated additional tier 1 capital bonds of the Bank during the reporting period, please refer to the section headed "Discussion and Analysis — Capital Management".

For information on other securities issued by the Bank and its subsidiaries, please refer to "Note 29. to the Financial Statements: Debt Securities Issued; and Note 32. to the Financial Statements: Other Equity Instruments" for details.

Number of Shareholders and Particulars of Shareholding

As at the end of the reporting period, the Bank had a total number of 807,660 ordinary shareholders and no holders of preference shares with voting rights restored or holders of shares with special voting rights, including 98,617 holders of H shares and 709,043 holders of A shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 ORDINARY SHAREHOLDERS OF THE BANK

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/decrease of shares during the reporting period	Number of shares held at the end of reporting period	Shareholding percentage (%)	Number of pledged/ locked-up/ marked shares
Central Huijin Investment Ltd.	State-owned	A Share	–	124,004,660,940	34.79	None
MOF	State-owned	A Share	–	110,984,806,678	31.14	None
HKSCC Nominees Limited(5)	Foreign legal person	H Share	19,864,531	86,207,551,427	24.19	Unknown
National Council for Social Security Fund(6)	State-owned	A Share	–	12,331,645,186	3.46	None
China Securities Finance Co., Ltd.	State-owned legal person	A Share	–	2,416,131,540	0.68	None
Hong Kong Securities Clearing Company Limited(7)	Foreign legal person	A Share	-243,651,659	1,500,902,770	0.42	None
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	Other entities	A Share	338,695,197	1,498,342,062	0.42	None
Central Huijin Asset Management Ltd.	State-owned legal person	A Share	–	1,013,921,700	0.28	None
Taiping Life Insurance Co., Ltd.	State-owned legal person	A Share	-67,431,400	379,933,713	0.11	None
Guofeng Xinghua (Beijing) Private Fund Management Co., Ltd. — Guofeng Xinghua Honghu Zhiyuan Phase III Private Securities Investment Fund No. 1	Other entities	A Share	–	289,539,799	0.08	None

Notes: (1) The above data are based on the Bank's register of shareholders as at 30 June 2026.

(2) The Bank had no shares subject to restrictions on sales.

(3) HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. Central Huijin Investment Ltd. held 100% equity of Central Huijin Asset Management Ltd., and held 66.70% equity of China Securities Finance Co., Ltd. Save as disclosed above, as at 30 June 2026, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned shareholders.

(4) Except to the extent unknown to HKSCC Nominees Limited, the top 10 shareholders of the Bank did not participate in any margin trading, short selling or refinancing business.

(5) The number of shares held by HKSCC Nominees Limited at the end of the period refers to the total number of H shares held by it as a nominee on behalf of all institutional and individual investors registered with accounts opened with HKSCC Nominees Limited as at 30 June 2026, which included H shares of the Bank held by the National Council for Social Security Fund and Ping An Asset Management Co., Ltd.

(6) At the end of the reporting period, according to the information provided by the National Council for Social Security Fund to the Bank, the National Council for Social Security Fund held 6,728,403,633 H shares of the Bank and 19,060,048,819 A and H shares in aggregate, accounting for 5.35% of the Bank's total ordinary shares.

(7) The number of shares held by Hong Kong Securities Clearing Company Limited at the end of the period refers to the total A shares (Northbound shares of the Shanghai-Hong Kong Stock Connect) held by it as a nominal holder designated by and on behalf of Hong Kong and foreign investors as at 30 June 2026.

Changes of the Controlling Shareholders and De Facto Controller

During the reporting period, the Bank's controlling shareholders and de facto controller remained unchanged.

Interests and Short Positions Held by Substantial Shareholders and Other Persons

Substantial Shareholders and Persons Having Notifiable Interests or Short Positions Pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance of Hong Kong

As at 30 June 2026, the Bank received notices from the following persons about their interests or short positions held in the Bank's ordinary shares and underlying shares, which were recorded in the register pursuant to Section 336 of the Securities and Futures Ordinance of Hong Kong as follows:

HOLDERS OF A SHARES

Name of substantial shareholder	Capacity	Number of A shares held (share)	Nature of interests	Percentage of A shares[1] (%)	Percentage of total ordinary shares[1] (%)
Central Huijin Investment Ltd.	Beneficial owner	124,004,660,940	Long position	45.99	34.79
	Interest of controlled corporations	3,430,053,240	Long position	1.27	0.96
	Total	127,434,714,180		47.27	35.76
MOF	Beneficial owner	110,984,806,678	Long position	41.16	31.14

Note: (1) Due to rounding, percentages presented herein are for reference only.

HOLDERS OF H SHARES

Name of substantial shareholder	Capacity	Number of H shares held (share)	Nature of interests	Percentage of H shares[3] (%)	Percentage of total ordinary shares[3] (%)
Ping An Asset Management Co., Ltd.[1]	Investment manager	16,510,803,000	Long position	19.02	4.63
National Council for Social Security Fund[2]	Beneficial owner	6,938,013,180	Long position	7.99	1.95

Notes: (1) As confirmed by Ping An Asset Management Co., Ltd., such shares were held by Ping An Asset Management Co., Ltd. on behalf of certain customers (including but not limited to Ping An Life Insurance Company of China, Ltd.) in its capacity as investment manager and the interests in such shares were disclosed based on the latest disclosure of interests form filed by Ping An Asset Management Co., Ltd. for the period ended 30 June 2026 (the date of relevant event being 12 February 2025). Both Ping An Life Insurance Company of China, Ltd. and Ping An Asset Management Co., Ltd. are subsidiaries of Ping An Insurance (Group) Company of China, Ltd. As Ping An Asset Management Co., Ltd. is in a position to fully exercise the voting rights in respect of such shares on behalf of customers and independently exercise the rights of investment and business management in its capacity as investment manager, and is completely independent from Ping An Insurance (Group) Company of China, Ltd., Ping An Insurance (Group) Company of China, Ltd. is exempted from aggregating the interests in such shares as a holding company under the aggregation exemption and disclosing the holding of the same in accordance with the Securities and Futures Ordinance of Hong Kong.

(2) According to the information provided by the National Council for Social Security Fund to the Bank, the National Council for Social Security Fund held 6,728,403,633 H shares of the Bank as at the end of the reporting period, accounting for 7.75% of the Bank's H shares and 1.89% of the Bank's total ordinary shares.

(3) Due to rounding, percentages presented herein are for reference only.

Preference Shares

◆ Issuance and Listing of Preference Shares during the Reporting Period

During the reporting period, the Bank did not issue any preference shares.

◆ Number of Preference Shareholders and Particulars of Shareholding

As at the end of the reporting period, the Bank had 28 domestic preference shareholders of "工行優 1" and 38 domestic preference shareholders of "工行優 2".

PARTICULARS OF SHAREHOLDING OF THE TOP 10 DOMESTIC PREFERENCE SHAREHOLDERS OF "工行優 1"

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged/locked-up/marked shares
China Mobile Communications Group Co., Ltd.	State-owned legal person	Domestic preference shares	–	200,000,000	44.44	–	None
China National Tobacco Corporation	Other entities	Domestic preference shares	–	50,000,000	11.11	–	None
China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	–	35,000,000	7.78	–	None
Ping An Life Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	–	30,000,000	6.67	–	None
China Fund Management Co., Ltd.	State-owned legal person	Domestic preference shares	–	17,855,000	3.97	–	None
Everbright Securities Asset Management Co., Ltd.	State-owned legal person	Domestic preference shares	500,000	13,085,000	2.91	–	None
Shanghai Guotai Haitong Securities Asset Management Co., Ltd.	State-owned legal person	Domestic preference shares	–	11,200,000	2.49	–	None
China National Tobacco Corporation Shandong Branch	Other entities	Domestic preference shares	–	10,000,000	2.22	–	None
China National Tobacco Corporation Heilongjiang Branch	Other entities	Domestic preference shares	–	10,000,000	2.22	–	None
Ping An Property & Casualty Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	–	10,000,000	2.22	–	None

Notes: (1) The above data are based on the Bank's register of domestic preference shareholders of "工行優 1" as at 30 June 2026.

(2) China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are both wholly-owned subsidiaries of China National Tobacco Corporation; China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu is managed by China Life Insurance Company Limited; Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. have connected relations. Save as disclosed above, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned preference shareholders and among the aforementioned preference shareholders and the top 10 ordinary shareholders.

(3) "Shareholding percentage" refers to the percentage of domestic preference shares of "工行優 1" held by preference shareholders in total number (450 million shares) of domestic preference shares of "工行優 1".

PARTICULARS OF SHAREHOLDING OF THE TOP 10 DOMESTIC PREFERENCE SHAREHOLDERS OF "工行優 2"

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/ decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged/ locked-up/ marked shares
China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	–	120,000,000	17.14	–	None
China Mobile Communications Group Co., Ltd.	State-owned legal person	Domestic preference shares	–	100,000,000	14.29	–	None
Bohai International Trust Co., Ltd.	State-owned legal person	Domestic preference shares	–	82,251,000	11.75	–	None
China Credit Trust Co., Ltd.	State-owned legal person	Domestic preference shares	9,000,000	79,719,000	11.39	–	None
Everbright Securities Asset Management Co., Ltd.	State-owned legal person	Domestic preference shares	-10,650,000	60,735,000	8.68	–	None
China National Tobacco Corporation	Other entities	Domestic preference shares	–	50,000,000	7.14	–	None
Shanghai Tobacco Group Co., Ltd.	Other entities	Domestic preference shares	–	30,000,000	4.29	–	None
China Fund Management Co., Ltd.	State-owned legal person	Domestic preference shares	-2,550,000	21,565,000	3.08	–	None
CITIC Securities Company Limited	State-owned legal person	Domestic preference shares	–	16,100,000	2.30	–	None
SDIC Taikang Trust Co., Ltd.	State-owned legal person	Domestic preference shares	–	15,400,000	2.20	–	None

Notes: (1) The above data are based on the Bank's register of domestic preference shareholders of "工行優 2" as at 30 June 2026.

(2) China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu is managed by China Life Insurance Company Limited; Shanghai Tobacco Group Co., Ltd., China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are all wholly-owned subsidiaries of China National Tobacco Corporation. Save as disclosed above, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned preference shareholders and among the aforementioned preference shareholders and the top 10 ordinary shareholders.

(3) "Shareholding percentage" refers to the percentage of domestic preference shares of "工行優 2" held by preference shareholders in total number (700 million shares) of domestic preference shares of "工行優 2".

◆ Dividend Distribution of Preference Shares

During the reporting period, the Bank did not distribute dividends on preference share.

The Bank reviewed and approved the distribution of dividends on "工行優 2" at the meeting of the Board of Directors on 28 August 2026, planning to distribute the dividends on "工行優 2" on 24 September 2026 at the dividend rate of 3.02% (pre-tax, and the tax payable on dividends received by holders of domestic preference shares should be borne by them in compliance with relevant laws and regulations) and the total dividends distributed will be RMB2,114 million (pre-tax).

◆ **Redemption or Conversion of Preference Shares**

During the reporting period, the Bank did not redeem or convert any preference share.

◆ **Restoration of Voting Rights of Preference Shares**

During the reporting period, the Bank did not restore any voting right of preference share.

◆ **Accounting Policies Adopted for Preference Shares and Rationale**

According to the Accounting Standard for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, the Accounting Standard for Business Enterprises No. 37 — Presentation of Financial Instruments promulgated by the MOF as well as the International Financial Reporting Standard 9 — Financial Instruments and the International Accounting Standard 32 — Financial Instruments: Presentation promulgated by International Accounting Standards Board and other accounting standards and the key terms of issuance of the Bank's preference shares, the issued and existing preference shares do not contain contractual obligations to deliver cash or other financial assets or contractual obligations to deliver variable equity instruments for settlement, and shall be accounted for as other equity instruments.

5. Other Information

Overview of Corporate Governance

During the reporting period, the Bank remained steadfast in its goal of building a world-class modern financial institution with Chinese characteristics, continuously deepened the organic integration between the Party's leadership and corporate governance, and improved the modern financial enterprise system with Chinese characteristics. It continuously built a corporate governance mechanism with "clear division of responsibilities, each performing their own duties, mutual coordination, and effective checks and balances", and optimized the corporate governance operation mechanism to ensure "scientific decision-making process, effective supervision and steady operation". Moreover, the Bank coordinated the efforts to improve the corporate governance system, framework and mechanism, and revised and formulated the Rules on the Recommendation and Nomination of Candidates for Directors of ICBC (Version 2026), thereby effectively enhancing the governance efficiency and high-quality development capability.

Corporate Governance Code

As approved by the meeting of the Board of Directors held on 27 March 2026, Ms. Zhong Mantao was appointed as a member of the Nomination Committee of the Board of Directors of the Bank, so that the Bank has satisfied the requirements of the Corporate Governance Code (Article B.3.5, Appendix C1 to the Hong Kong Listing Rules).

During the reporting period, the Bank complied with the principles and code provisions stipulated in the Corporate Governance Code (Appendix C1 to the Hong Kong Listing Rules), and conformed to the vast majority of its recommended best practices.

Profit and Dividend Distribution

The formulation and implementation of the Bank's cash dividend policy accord with the provisions stipulated in the Articles of Association and the requirements provided in the resolutions of the Shareholders' Meeting, the dividend distribution standards and proportion are clear and explicit, and the decision-making procedure and mechanism are complete. Moreover, Independent Non-Executive Directors had issued their opinions on it. Minority shareholders can fully express their opinions and appeals, to completely safeguard their legitimate rights.

As approved at the Second Extraordinary Shareholders' Meeting of 2025 held on 28 November 2025, the Bank distributed 2025 interim cash dividends for ordinary shares of about RMB50,396 million, or RMB1.414 per ten shares (pre-tax), to the ordinary shareholders whose names appeared on the share register after the close of market on 12 December 2025. As approved at the First Extraordinary Shareholders' Meeting of 2026 held on 23 April 2026, the Bank distributed 2025 year-end cash dividends for ordinary shares of about RMB60,197 million, or RMB1.689 per ten shares (pre-tax), to the ordinary shareholders whose names appeared on the share register after the close of market on 12 May 2026. The Bank distributed cash dividend of RMB3.103 per ten shares (pre-tax) for the whole year of 2025, totaling about RMB110,593 million.

The Board of Directors of the Bank proposed distributing 2026 interim cash dividends for ordinary shares of RMB1.511 per ten shares (pre-tax) of 356,406,257,089 ordinary shares, totaling about RMB53,853 million. The Bank's 2026 interim cash dividends for ordinary shares are denominated and declared in RMB and paid in RMB or HKD equivalent, and the holders of H shares are provided with the option of dividend distribution in RMB. The holders of H shares have the right to choose to receive the dividends of H shares in RMB or HKD in whole (HKSCC Nominees Limited may choose to receive the dividends in whole or in part). The HKD exchange rate is the average of the reference exchange rates for RMB to HKD published daily at 11:00 a.m. by the China Foreign Exchange Trade System for the five business days prior to (but excluding) the dispatch date of the dividend currency election form by the Bank to holders of H shares. The 2026 interim profit distribution plan will be submitted to the Shareholders' Meeting for deliberation in the second half of 2026. The Bank will pay cash dividends within two months after the profit distribution plan is considered and approved at the Shareholders' Meeting. For details such as the record date for the 2026 interim cash dividends, the period during which registration of transfers of H shares will be suspended, the exact payment date, as well as taxation and tax relief matters, please refer to the relevant announcements to be published by the Bank in due course.

For details on the distribution of dividends on preference shares of the Bank, please refer to the section headed “Details of Changes in Share Capital and Shareholding of Substantial Shareholders — Preference Shares”.

Implementation of Share Incentive Plan and Employee Stock Ownership Plan During the Reporting Period

During the reporting period, the Bank did not implement any share incentive plan or any employee stock ownership plan.

Implementation of the Initiative for Special Action “Quality and Efficiency Improvement, and High Return”

In accordance with the relevant requirements of the CSRC’s Regulatory Guidelines for Listed Companies No. 10 — Market Value Management and the SSE’s initiative for special action “Quality and Efficiency Improvement, and High Return” to Shanghai-listed companies, as well as the Market Value Management Measures and the Plan for Valuation Enhancement, Quality and Efficiency Improvement, and High Return formulated by the Board of Directors, during the reporting period, the Bank thoroughly implemented the decisions and plans of the CPC Central Committee and the State Council, adhered to the principle of seeking progress while maintaining stability and promoting stability through progress, and advanced the five transformations. It focused on its major responsibilities and core businesses, upheld integrity while fostering innovation, strengthened risk and compliance management, and drove high-quality development. (For details on the analysis of the Bank’s business operation, please refer to the section headed “Discussion and Analysis”.) The Bank actively fulfilled its responsibilities as a major bank, committed to creating value for shareholders and serving investors, while maintaining a reasonable dividend payout ratio. (For details on the Bank’s dividend distribution, please refer to the section headed “Other Information — Profit and Dividend Distribution”.) Centering on investors, the Bank proactively deepened communication through regular results briefings and diversified investor relations activities, to foster greater understanding and recognition of the Bank among investors. The Bank continued to uphold the principles of truthfulness, accuracy, completeness, comparability, timeliness and fairness, and strictly complied with laws, regulations, and regulatory requirements on information disclosure to constantly strengthen transparency as a listed company and continuously improve investor protection.

Material Assets Acquisition, Sale and Merger

During the reporting period, the Bank had no material assets acquisition, sale or merger.

Purchase, Sale and Redemption of Shares

During the reporting period, neither the Bank nor any of its subsidiaries purchased, sold or redeemed any listed shares (including sale of treasury shares) of the Bank. As at 30 June 2026, the Bank and its subsidiaries did not hold any treasury shares.

Securities Transactions of Directors

The Bank has adopted a set of codes of conduct concerning the securities transactions by directors which are no less stringent than the standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (Appendix C3 to the Hong Kong Listing Rules). After making enquiries to all Directors of the Bank, each Director confirmed that he/she has complied with the provisions of the aforesaid codes of conduct during the reporting period.

6. Review Report and Interim Financial Report

(See the Appendices)

7. Issue of Results Announcement and Interim Report

This Announcement will be released on the "HKEXnews" website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.icbc-ltd.com) simultaneously. The 2026 Interim Report prepared in accordance with IFRS Accounting Standards will be released on the "HKEXnews" website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.icbc-ltd.com) and will be dispatched to the shareholders of H shares of the Bank. The 2026 Interim Report and its abstract prepared in accordance with PRC GAAP will be released simultaneously on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Bank (www.icbc-ltd.com).

This Results Announcement has been prepared in both Chinese and English languages. In case of any discrepancy between the two versions, the Chinese version shall prevail.

By Order of
The Board of Directors of
Industrial and Commercial Bank of China Limited

28 August 2026

As at the date of this announcement, the Board of Directors comprises Mr. LIAO Lin, Mr. LIU Jun, Mr. DUAN Hongtao and Mr. WANG Jingwu as executive directors, Mr. DONG Yang, Ms. ZHONG Mantao and Ms. LIU Fang as non-executive directors, Mr. Norman CHAN Tak Lam, Mr. Herbert WALTER, Mr. Murray HORN, Mr. CHEN Guanting, Mr. LI Weiping and Mr. LEE Kam Hung Lawrence as independent non-executive directors.

Appendix

Review Report and Interim Financial Report

Industrial and Commercial Bank of China Limited

CONTENTS **PAGE(S)**

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
To the Board of Directors of Industrial and Commercial Bank of China Limited:
(Incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the condensed interim financial information of Industrial and Commercial Bank of China Limited (the "Bank") and its subsidiaries (collectively the "Group") set out on pages 2 to 136, which comprise the consolidated statement of financial position as of 30 June 2026 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"), issued by the International Accounting Standards Board. The directors of the Bank are responsible for the preparation and presentation of these interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on these interim financial information based on our review. Report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the International Auditing and Assurance Standards Board. A review of these interim financial information mainly consists of making inquiries, persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
28 August 2026

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (unaudited)	2025 (unaudited)
Interest income		660,777	673,603
Interest expense		(319,540)	(360,027)
NET INTEREST INCOME	3	341,237	313,576
Fee and commission income		76,591	74,162
Fee and commission expense		(7,356)	(7,142)
NET FEE AND COMMISSION INCOME	4	69,235	67,020
Net trading income	5	10,012	7,613
Net gains on financial investments	6	26,449	18,294
Other operating (expense)/income, net	7	(770)	2,579
OPERATING INCOME		446,163	409,082
Operating expenses	8	(111,379)	(108,570)
Credit impairment losses	9	(127,018)	(104,007)
Impairment losses on other assets		(738)	(522)
OPERATING PROFIT		207,028	195,983
Share of results of associates and joint ventures		2,982	3,025
PROFIT BEFORE TAXATION		210,010	199,008
Income tax expense	10	(33,535)	(30,205)
PROFIT FOR THE PERIOD		176,475	168,803
Profit for the period attributable to:			
Equity holders of the parent company		173,682	168,103
Non-controlling interests		2,793	700
PROFIT FOR THE PERIOD		176,475	168,803
EARNINGS PER SHARE	12		
- Basic (RMB yuan)		0.47	0.46
- Diluted (RMB yuan)		0.47	0.46

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Note	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
Profit for the period		176,475	168,803
Other comprehensive income (after tax, net):	34		
(a) Items that will not be reclassified to profit or loss:			
(i) Changes in fair value of equity instruments designated as at fair value through other comprehensive income		(5,394)	1,649
(ii) Other comprehensive income recognised under the equity method		(19)	(18)
(iii) Others		-	1
(b) Items that may be reclassified subsequently to profit or loss:			
(i) Changes in fair value of debt instruments measured at fair value through other comprehensive income		13,297	1,029
(ii) Credit losses of debt instruments measured at fair value through other comprehensive income		(968)	(119)
(iii) Cash flow hedging reserve		(1,215)	1,748
(iv) Other comprehensive income recognised under the equity method		(220)	(33)
(v) Foreign currency translation reserve		(11,893)	(1,755)
(vi) Others		(1,224)	(4,210)
Subtotal of other comprehensive income for the period		(7,636)	(1,708)
Total comprehensive income for the period		168,839	167,095
Total comprehensive income for the period attributable to:			
Equity holders of the parent company		167,419	167,455
Non-controlling interests		1,420	(360)
		168,839	167,095

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Notes	30 June 2026 (unaudited)	31 December 2025 (audited)
ASSETS			
Cash and balances with central banks	13	3,517,752	3,674,558
Due from banks and other financial institutions	14	1,101,502	1,264,019
Derivative financial assets	15	140,823	130,414
Reverse repurchase agreements	16	1,029,778	530,737
Loans and advances to customers	17	31,162,520	29,712,359
Financial investments	18	18,632,768	16,907,415
Financial investments measured at fair value through profit or loss		1,019,652	943,953
Financial investments measured at fair value through other comprehensive income		4,156,964	3,823,279
Financial investments measured at amortised cost		13,456,152	12,140,183
Investments in associates and joint ventures	19	78,638	78,313
Property and equipment	20	283,854	293,836
Deferred tax assets	21	112,798	104,289
Other assets	22	1,010,160	781,833
TOTAL ASSETS		57,070,593	53,477,773

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Notes	30 June 2026 (unaudited)	31 December 2025 (audited)
LIABILITIES			
Due to central banks		175,426	176,793
Due to banks and other financial institutions	24	5,858,397	5,103,247
Financial liabilities measured at fair value through profit or loss	25	249,914	150,196
Derivative financial liabilities	15	103,591	134,082
Repurchase agreements	26	3,037,969	2,536,376
Certificates of deposit	27	520,645	502,593
Due to customers	28	39,173,265	37,311,778
Income tax payable		31,308	23,374
Debt securities issued	29	2,551,700	2,216,807
Deferred tax liabilities	21	5,490	6,551
Other liabilities	30	1,007,044	1,043,952
TOTAL LIABILITIES		52,714,749	49,205,749
EQUITY			
Equity attributable to equity holders of the parent company			
Share capital	31	356,407	356,407
Other equity instruments	32	364,666	384,657
Preference shares		114,927	114,927
Perpetual bonds		249,739	269,730
Reserves	33	1,316,995	1,323,043
Retained profits		2,288,926	2,180,152
		4,326,994	4,244,259
Non-controlling interests		28,850	27,765
TOTAL EQUITY		4,355,844	4,272,024
TOTAL EQUITY AND LIABILITIES		57,070,593	53,477,773

Liao Lin	Liu Jun	Xu Zhisheng
Chairman	Vice Chairman and President	Person in charge of Finance and Accounting Department

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Attributable to equity holders of the parent company													
			Reserves											
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves	Subtotal	Retained profits	Total	Non-controlling interests	Total equity
Balance as at 1 January 2026	356,407	384,657	143,977	501,177	660,896	51,245	(14,295)	(3,442)	(16,515)	1,323,043	2,180,152	4,244,259	27,765	4,272,024
Profit for the period	-	-	-	-	-	-	-	-	-	-	173,682	173,682	2,793	176,475
Other comprehensive income	-	-	-	-	-	7,096	(11,536)	(1,186)	(637)	(6,263)	-	(6,263)	(1,373)	(7,636)
Total comprehensive income	-	-	-	-	-	7,096	(11,536)	(1,186)	(637)	(6,263)	173,682	167,419	1,420	168,839
Dividends - ordinary shares (i)(Note 11)	-	-	-	-	-	-	-	-	-	-	(60,197)	(60,197)	-	(60,197)
Distributions to other equity instrument holders (Note 11)	-	-	-	-	-	-	-	-	-	-	(4,414)	(4,414)	(197)	(4,611)
Appropriation to surplus reserve (ii)	-	-	-	150	-	-	-	-	-	150	(150)	-	-	-
Appropriation to general reserve (iii)	-	-	-	-	325	-	-	-	-	325	(325)	-	-	-
Capital injection by other equity instrument holders	-	50,000	(2)	-	-	-	-	-	-	(2)	-	49,998	-	49,998
Capital reduction by other equity instrument holders	-	(69,991)	(11)	-	-	-	-	-	-	(11)	-	(70,002)	-	(70,002)
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(138)	(138)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(170)	-	-	(8)	(178)	178	-	-	-
Others	-	-	(69)	-	-	-	-	-	-	(69)	-	(69)	-	(69)
Balance as at 30 June 2026 (unaudited)	356,407	364,666	143,895	501,327	661,221	58,171	(25,831)	(4,628)	(17,160)	1,316,995	2,288,926	4,326,994	28,850	4,355,844

(i) Are year-end dividends on ordinary shares of RMB60,197 million for 2025.
(ii) Is the appropriation to surplus reserve made by subsidiaries in the amounts of RMB150 million.
(iii) Is the appropriation to general reserve made by overseas branches and subsidiaries in the amounts of RMB14 million and RMB311 million, respectively.

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Attributable to equity holders of the parent company													
			Reserves											
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves	Subtotal	Retained profits	Total	Non-controlling interests	Total equity
Balance as at 1 January 2025	356,407	324,344	148,234	464,365	614,816	76,965	(6,092)	(4,181)	(19,103)	1,275,004	2,014,086	3,969,841	17,425	3,987,266
Profit for the period	-	-	-	-	-	-	-	-	-	-	168,103	168,103	700	168,803
Other comprehensive income	-	-	-	-	-	1,699	(1,548)	1,685	(2,484)	(648)	-	(648)	(1,060)	(1,708)
Total comprehensive income	-	-	-	-	-	1,699	(1,548)	1,685	(2,484)	(648)	168,103	167,455	(360)	167,095
Dividends - ordinary shares (i)(Note 11)	-	-	-	-	-	-	-	-	-	-	(58,664)	(58,664)	-	(58,664)
Distributions to other equity instrument holders (Note 11)	-	-	-	-	-	-	-	-	-	-	(3,669)	(3,669)	(27)	(3,696)
Appropriation to surplus reserve (ii)	-	-	-	411	-	-	-	-	-	411	(411)	-	-	-
Appropriation to general reserve (iii)	-	-	-	-	322	-	-	-	-	322	(322)	-	-	-
Capital injection by non-controlling shareholders	-	40,000	(1)	-	-	-	-	-	-	(1)	-	39,999	7,000	46,999
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(219)	(219)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(184)	-	-	-	(184)	184	-	-	-
Others	-	-	(270)	-	-	-	-	-	-	(270)	-	(270)	365	95
Balance as at 30 June 2025 (unaudited)	356,407	364,344	147,963	464,776	615,138	78,480	(7,640)	(2,496)	(21,587)	1,274,634	2,119,307	4,114,692	24,184	4,138,876

(i) Are year-end dividends on ordinary shares of RMB58,664 million for 2024.
(ii) Is the appropriation to surplus reserve made by overseas branches and subsidiaries in the amounts of RMB144 million and RMB267 million, respectively.
(iii) Is the appropriation to general reserve made by overseas branches and subsidiaries in the amounts of RMB12 million and RMB310 million, respectively.

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Attributable to equity holders of the parent company													
			Reserves											
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves	Subtotal	Retained profits	Total	Non-controlling interests	Total equity
Balance as at 1 January 2025	356,407	324,344	148,234	464,365	614,816	76,965	(6,092)	(4,181)	(19,103)	1,275,004	2,014,086	3,969,841	17,425	3,987,266
Profit for the year	-	-	-	-	-	-	-	-	-	-	368,562	368,562	2,204	370,766
Other comprehensive income	-	-	-	-	-	(24,500)	(8,203)	739	2,588	(29,376)	-	(29,376)	(1,012)	(30,388)
Total comprehensive income	-	-	-	-	-	(24,500)	(8,203)	739	2,588	(29,376)	368,562	339,186	1,192	340,378
Dividends - ordinary shares(i)	-	-	-	-	-	-	-	-	-	-	(109,060)	(109,060)	-	(109,060)
Distributions to other equity instrument holders	-	-	-	-	-	-	-	-	-	-	(11,764)	(11,764)	(54)	(11,818)
Appropriation to surplus reserve (ii)	-	-	-	36,812	-	-	-	-	-	36,812	(36,812)	-	-	-
Appropriation to general reserve (iii)	-	-	-	-	46,080	-	-	-	-	46,080	(46,080)	-	-	-
Capital injection by other equity instrument holders	-	80,000	(2)	-	-	-	-	-	-	(2)	-	79,998	7,000	86,998
Capital reduction by other equity instrument holders	-	(19,687)	(1,136)	-	-	-	-	-	-	(1,136)	-	(20,823)	-	(20,823)
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(1,017)	(1,017)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(1,220)	-	-	-	(1,220)	1,220	-	-	-
Others	-	-	(3,119)	-	-	-	-	-	-	(3,119)	-	(3,119)	3,219	100
Balance as at 31 December 2025 (audited)	356,407	384,657	143,977	501,177	660,896	51,245	(14,295)	(3,442)	(16,515)	1,323,043	2,180,152	4,244,259	27,765	4,272,024

(i) Are interim dividends on ordinary shares of RMB50,396 million for 2025 and year-end dividends on ordinary shares of RMB58,664 million for 2024.

(ii) Includes the appropriation to surplus reserve made by overseas branches and subsidiaries in the amounts of RMB144 million and RMB1,293 million, respectively.

(iii) Includes the appropriation to general reserve made by subsidiaries in the amounts of RMB1,494 million.

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		210,010	199,008
Adjustments for:			
Share of results of associates and joint ventures		(2,982)	(3,025)
Depreciation		14,596	14,024
Amortisation	8	2,648	2,568
Credit impairment losses	9	127,018	104,007
Impairment losses on other assets		738	522
Unrealised losses/(gains) on foreign exchange		17,387	(22,274)
Interest expense on debt securities issued		24,153	29,912
Accreted interest on impaired loans		(833)	(789)
Net gains on financial investments		(26,063)	(22,801)
Interest income on financial investments		(202,221)	(190,567)
Net (gains)/losses on changes in fair value		(6,208)	988
Net gains on stocktake and disposal of property and equipment and other assets		(481)	(548)
Dividend income	6	(1,733)	(1,937)
		156,029	109,088
Net (increase) /decrease in operating assets:			
Due from central banks		(142,183)	138,650
Due from banks and other financial institutions		82,486	(86,972)
Financial assets measured at fair value through profit or loss		(62,651)	(50,333)
Reverse repurchase agreements		(12,640)	(232,471)
Loans and advances to customers		(1,603,190)	(1,890,430)
Other assets		(321,645)	(84,622)
		(2,059,823)	(2,206,178)
Net increase/(decrease) in operating liabilities:			
Financial liabilities measured at fair value through profit or loss		99,267	32,445
Due to central banks		(1,380)	(8,364)
Due to banks and other financial institutions		797,353	597,431
Repurchase agreements		502,188	214,678
Certificates of deposit		28,519	4,076
Due to customers		1,995,807	2,162,206
Other liabilities		(111,485)	(76,095)
		3,310,269	2,926,377
Net cash flows from operating activities before taxation		1,406,475	829,287
Income tax paid		(37,462)	(42,970)
Net cash flows from operating activities		1,369,013	786,317

The accompanying notes form part of these financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2026
(In RMB millions, unless otherwise stated)

	Note	Six months ended 30 June	
		2026 (unaudited)	2025 (unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment and other assets		(13,569)	(13,190)
Proceeds from disposal of property and equipment and other assets		7,238	5,456
Purchases of financial investments		(4,471,109)	(4,222,242)
Proceeds from sale and redemption of financial investments		2,803,684	2,843,165
Investments in associates and joint ventures		(14)	(2,172)
Proceeds from disposal of associates and joint ventures		-	176
Investment returns received		219,403	211,014
Cash receipts from other investing activities		-	121
Net cash flows from investing activities		(1,454,367)	(1,177,672)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of other equity instruments		50,000	47,000
Proceeds from issuance of debt securities		1,390,182	1,762,165
Interest paid on debt securities		(24,218)	(27,113)
Repayments of debt securities		(1,035,783)	(1,187,909)
Dividends paid on ordinary shares		(88,192)	(51,109)
Cash payments to redeem other equity instruments		(70,000)	-
Dividends or interest paid to other equity instrument holders		(4,611)	(3,696)
Dividends paid to non-controlling shareholders		(138)	(99)
Cash payments for other financing activities		(3,250)	(2,911)
Net cash flows from financing activities		213,990	536,328
NET INCREASE IN CASH AND CASH EQUIVALENTS		128,636	144,973
Cash and cash equivalents at beginning of the period		1,769,010	2,290,404
Effect of exchange rate changes on cash and cash equivalents		(23,351)	(3,467)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	35	1,874,295	2,431,910
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Interest received		476,013	507,712
Interest paid		(388,498)	(396,230)

The accompanying notes form part of these financial statements.

1. CORPORATE INFORMATION

Industrial and Commercial Bank of China Limited (the "Bank"), which was previously known as Industrial and Commercial Bank of China ("ICBC"), used to be a wholly-state-owned commercial bank established on 1 January 1984 based on the authorisation of the State Council and the People's Bank of China (the "PBC") of the People's Republic of China (the "PRC"). On 28 October 2005, with the approval of the State Council, ICBC was restructured and incorporated as a joint-stock limited company. The joint-stock limited company undertook all the assets and liabilities of ICBC upon the restructuring. On 27 October 2006, the Bank was listed on both Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

The Bank obtained authorisation to carry out banking business with an institution code of No. B0001H111000001 from China Banking Regulatory Commission (In 2023, the regulator was renamed the National Financial Regulatory Administration, hereinafter referred to as the "NFRA") of the PRC. The Bank obtained its business license with unified social credit code 91100000100003962T by the State Administration for Industry and Commerce. The legal representative is Liao Lin and the registered office is located at No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC.

The Bank's stock codes of A Shares and H Shares listed on Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited are 601398 and 1398, respectively. The Bank's domestic preference shares are listed on Shanghai Stock Exchange and the stock codes are 360011 and 360036.

The principal activities of the Bank and its subsidiaries (collectively referred to as the "Group") comprise corporate financial services, personal financial services, treasury operations, investment banking, asset management, trust, financial leasing, insurance and other financial services. Domestic establishments refer to the Head Office of the Bank, branches and subsidiaries established in Chinese mainland. Overseas establishments refer to branches and subsidiaries established in jurisdictions outside Chinese mainland.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

(1) Basis of preparation

The interim financial information has been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. It was approved by the Board of Directors on 28 August 2026.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(1) Basis of preparation (continued)

The interim financial information and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards, and should be read in conjunction with the Group's last annual financial statements for the year ended 31 December 2025.

The interim financial information has been reviewed by Ernst & Young in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the International Auditing and Assurance Standards Board.

(2) Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB which are mandatorily effective for the annual periods beginning on or after 1 January 2026 for the preparation of the interim financial information:

—Amendments to IFRS 9 and IFRS 7: *Classification and Measurement of Financial Instruments*

—Amendments to IFRS 9 and IFRS 7: *Contracts Referencing Nature-dependent Electricity*

The adoption of the above-mentioned amendments to IFRS Accounting Standards has had no material impact on the financial position and financial performance of the Group.

(3) Material accounting policy information

Other than the application of the amendments to IFRS Accounting Standards mentioned above, the accounting policies and methods of computation used in the interim financial information are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

The interim financial information has been prepared under the historical cost convention, except for certain financial instruments and certain non-financial assets measured at fair value.

(In RMB millions, unless otherwise stated)

2. BASIS OF PREPARATION (CONTINUED)

(4) Accounting judgements and estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and estimation uncertainty were the same as those applied in the preparation of the financial statements for the year ended 31 December 2025.

3. NET INTEREST INCOME

	Six months ended 30 June	
	2026	2025
Interest income on:		
Loans and advances to customers	411,856	426,672
Corporate loans and advances	274,723	277,754
Personal loans	126,652	139,207
Discounted bills	10,481	9,711
Financial investments	202,221	190,567
Due from central banks	25,073	25,685
Due from banks and other financial institutions (i)	21,627	30,679
	660,777	673,603
Interest expense on:		
Due to customers	(208,994)	(247,503)
Due to banks and other financial institutions (ii)	(78,751)	(74,092)
Debt securities issued and certificates of deposit	(31,795)	(38,432)
	(319,540)	(360,027)
Net interest income	341,237	313,576

(i) Includes interest income on reverse repurchase agreements.
(ii) Includes interest expense on due to central banks and repurchase agreements.

The above interest income and expense are related to financial instruments which are not measured at fair value through profit or loss.

(In RMB millions, unless otherwise stated)

4. NET FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2026	2025
Fee and commission income on:		
Settlement, clearing business and cash management	23,421	23,216
Investment banking business	14,468	14,775
Personal wealth management and private banking services	11,457	9,990
Corporate wealth management services	8,909	7,212
Bank card business	7,782	8,823
Asset custody business	4,597	4,274
Guarantee and commitment business	1,862	2,336
Trust and agency services	1,376	1,463
Others	2,719	2,073
	76,591	74,162
Fee and commission expense	(7,356)	(7,142)
Net fee and commission income	69,235	67,020

Included in personal wealth management and private banking services, corporate wealth management services, asset custody business, trust and agency services and so on was an amount of RMB9,806 million with respect to trust and other fiduciary activities for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB9,034 million).

5. NET TRADING INCOME

	Six months ended 30 June	
	2026	2025
Debt securities	6,576	4,638
Derivatives and others	1,354	1,484
Equity investments	2,082	1,491
	10,012	7,613

The above amounts mainly include gains and losses arising from the buying and selling of, the interest income and expense on, and the changes in fair value of financial assets and liabilities held for trading.

(In RMB millions, unless otherwise stated)

6. NET GAINS ON FINANCIAL INVESTMENTS

	Six months ended 30 June	
	2026	2025
Net gains on financial instruments measured at FVTPL, including:	9,807	3,610
Net losses on financial instruments designated as at FVTPL	(3,334)	(1,819)
Net gains on disposal of financial instruments measured at FVTOCI	3,834	2,713
Dividend income from equity investments designated as at FVTOCI, including:	1,733	1,937
Derecognised during the period	80	156
Held at the end of current period	1,653	1,781
Net gains on disposal of financial instruments measured at amortised cost	10,808	10,025
Others	267	9
	26,449	18,294

7. OTHER OPERATING (EXPENSE)/INCOME, NET

	Six months ended 30 June	
	2026	2025
Net operating lease business income	5,399	5,225
Net insurance business expense	(4,580)	(2,732)
Net gains on disposal of property and equipment, repossessed assets and other assets	488	581
Net losses from foreign exchange and foreign exchange products	(2,021)	(498)
Others	(56)	3
	(770)	2,579

(In RMB millions, unless otherwise stated)

8. OPERATING EXPENSES

	Six months ended 30 June	
	2026	2025
Staff costs:		
Salaries and bonuses	43,940	42,032
Staff benefits	12,667	12,321
Post-employment benefits – defined contribution plans (i)	10,000	9,810
	66,607	64,163
Property and equipment expenses:		
Depreciation charge for property and equipment	8,060	7,373
Depreciation charge for right-of-use assets and other leasing expense	3,243	3,524
Repairs and maintenance charges	1,326	1,328
Utility expenses	857	931
	13,486	13,156
Amortisation	2,648	2,568
Other administrative expenses	10,226	10,860
Taxes and surcharges	5,620	5,199
Others	12,792	12,624
	111,379	108,570

(i) The defined contribution plans mainly include pension insurance, unemployment insurance and the annuity plan.

(ii) For the six months ended 30 June 2026, the Group incurred RMB2,446 million (six months ended 30 June 2025: RMB2,458 million) of expensed research and development expenditures and RMB909 million (six months ended 30 June 2025: RMB907 million) of capitalized research and development expenditures.

(In RMB millions, unless otherwise stated)

9. CREDIT IMPAIRMENT LOSSES

	Six months ended 30 June	
	2026	2025
Loans and advances to customers (Note 17)	123,016	102,215
Financial investments		
Financial investments measured at amortised cost	3,653	(112)
Financial assets measured at FVTOCI	(711)	(1)
Credit commitments	991	989
Others	69	916
	127,018	104,007

10. INCOME TAX EXPENSE

(a) Income tax expense

	Six months ended 30 June	
	2026	2025
Current income tax expense		
Chinese mainland	41,692	31,020
Hong Kong SAR and Macao SAR	868	936
Other overseas jurisdictions	2,836	2,750
	45,396	34,706
Deferred income tax expense	(11,861)	(4,501)
	33,535	30,205

In December 2021, the Organisation for Economic Co-operation and Development published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“Pillar Two Model Rules”). According to the rules of Pillar Two, low-tax jurisdictions with effective tax rate below 15% may have a Top-up Tax impact.

Some jurisdictions where the Group’s overseas entities are located, had implemented Pillar Two legislation during the reporting period. The Group has assessed the impact of Top-up Tax under Pillar Two. The legislation in the aforementioned jurisdictions has no significant impact on the Group's financial position and operating results as at 30 June 2026.

(In RMB millions, unless otherwise stated)

10. INCOME TAX EXPENSE (CONTINUED)

(b) Reconciliation between income tax and accounting profit

PRC statutory income tax rate is 25%. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates in. The Group has reconciled income tax expense applicable to profit before taxation at the PRC statutory income tax rate to actual income tax expense for the Group as follows:

	Six months ended 30 June	
	2026	2025
Profit before taxation	210,010	199,008
Tax at the PRC statutory income tax rate	52,503	49,752
Effects of different applicable rates of tax prevailing in other countries/regions	(371)	(310)
Effects of non-deductible expenses (i)	22,991	18,635
Effects of non-taxable income (ii)	(40,306)	(36,705)
Effects of profits attributable to associates and joint ventures	(208)	(281)
Effects of other	(1,074)	(886)
Income tax expense	33,535	30,205

(i) The non-deductible expenses mainly represent non-deductible impairment allowance and write-offs.

(ii) The non-taxable income mainly represents interest income arising from the PRC government bonds and municipal debts.

11. DIVIDENDS

	Six months ended 30 June	
	2026	2025
Dividends on ordinary shares declared and paid or proposed:		
Year-end dividends on ordinary shares for 2025:RMB0.1689 per share (2024:RMB0.1646 per share)	60,197	58,664
Dividends or interests declared and paid to other equity instrument holders of the parent company:		
Interests on perpetual bonds distributed	4,414	3,669
Dividends on ordinary shares proposed for approval (not recognised as at 30 June):		
Interim dividends on ordinary shares for 2026: RMB0.1511 per share (2025:RMB0.1414 per share)	53,853	50,396

12. EARNINGS PER SHARE

	Six months ended 30 June	
	2026	2025
Earnings:		
Profit for the period attributable to equity holders of the parent company	173,682	168,103
Less: Profit for the period attributable to other equity instrument holders of the parent company	(4,414)	(3,669)
Profit for the period attributable to ordinary shareholders of the parent company	169,268	164,434
Shares:		
Weighted average number of ordinary shares in issue (in million shares)	356,407	356,407
Basic earnings per share (RMB yuan)	0.47	0.46
Diluted earnings per share (RMB yuan)	0.47	0.46

Basic and diluted earnings per share were calculated using the profit for the period attributable to ordinary shareholders of the parent company divided by the weighted average number of ordinary shares in issue.

(In RMB millions, unless otherwise stated)

13. CASH AND BALANCES WITH CENTRAL BANKS

	30 June 2026	31 December 2025
Cash on hand	61,791	72,868
Balances with central banks		
Mandatory reserves (i)	2,756,070	2,663,789
Surplus reserves (ii)	391,892	679,586
Fiscal deposits and others	306,509	256,607
Accrued interest	1,490	1,708
	3,517,752	3,674,558

(i) The Group is required to place mandatory reserve deposits and other restricted deposits with the PBC and certain central banks of overseas countries or regions where it has operations. They are not available for use in the Group's daily operations. As at 30 June 2026, the mandatory reserve deposits ratios of the domestic branches of the Bank in respect of customer deposits denominated in RMB and foreign currencies were 7.5% (31 December 2025: 7.5%) and 4.0% (31 December 2025: 4.0%) respectively. The mandatory reserve funds placed by domestic subsidiaries of the Group are determined by the PBC. The amounts of mandatory reserve deposits placed with the central banks of those countries or regions outside Chinese mainland are determined by local jurisdictions.

(ii) Surplus reserves with central banks include funds for the purpose of cash settlement and other kinds of unrestricted deposits.

(In RMB millions, unless otherwise stated)

14. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	31 December 2025
Deposits with banks and other financial institutions:		
Banks operating in Chinese mainland	137,844	151,978
Other financial institutions operating in Chinese mainland	146,717	42,379
Banks and other financial institutions operating outside Chinese mainland	150,839	224,832
Accrued interest	5,076	3,889
	440,476	423,078
Less: Allowance for impairment losses	(468)	(676)
	440,008	422,402
Placements with banks and other financial institutions:		
Banks operating in Chinese mainland	156,936	197,146
Other financial institutions operating in Chinese mainland	195,195	232,333
Banks and other financial institutions operating outside Chinese mainland	305,452	409,320
Accrued interest	5,056	4,880
	662,639	843,679
Less: Allowance for impairment losses	(1,145)	(2,062)
	661,494	841,617
	1,101,502	1,264,019

(In RMB millions, unless otherwise stated)

15. DERIVATIVE FINANCIAL INSTRUMENTS

A derivative is a financial instrument, the value of which changes in response to the changes in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other similar variables. The Group uses derivative financial instruments including forwards, swaps, options and futures.

The notional amount of a derivative represents the underlying amount of the specific financial instruments mentioned above. It indicates the volume of business transacted by the Group but does not reflect the risk.

The notional amounts and fair values of derivative financial instruments held by the Group are set out below:

	30 June 2026			31 December 2025		
	Notional amounts	Fair values		Notional amounts	Fair values	
		Assets	Liabilities		Assets	Liabilities
Exchange rate contracts	7,948,057	55,038	(47,648)	11,967,681	74,791	(45,520)
Interest rate contracts	5,242,277	11,827	(10,530)	3,954,950	9,135	(8,665)
Commodity derivatives and others	3,125,319	73,958	(45,413)	3,085,192	46,488	(79,897)
	16,315,653	140,823	(103,591)	19,007,823	130,414	(134,082)

(a) Cash flow hedges

The Group's cash flow hedges consist of interest rate contracts, exchange rate contracts, equity and other derivatives that are used to protect against exposures to variability of future cash flows.

Included in the above derivative financial instruments, those designated as hedging instruments in the Group's cash flow hedges are set out below:

	30 June 2026						
	Notional amounts with remaining maturity of					Fair values	
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total	Assets	Liabilities
Interest rate contracts	-	8,524	9,831	197	18,552	18	(121)
Exchange rate contracts	66,240	82,471	17,231	-	165,942	2,835	(873)
Equity and other derivatives	760	15	-	-	775	76	-
	67,000	91,010	27,062	197	185,269	2,929	(994)

	31 December 2025						
	Notional amounts with remaining maturity of					Fair values	
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total	Assets	Liabilities
Interest rate contracts	38	4,264	12,968	101	17,371	44	(2)
Exchange rate contracts	38,692	77,397	422	-	116,511	513	(427)
Equity and other derivatives	385	2,175	15	-	2,575	524	-
	39,115	83,836	13,405	101	136,457	1,081	(429)

(In RMB millions, unless otherwise stated)

15. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(a) Cash flow hedges (continued)

Details of the Group's hedged risk exposures in cash flow hedges and the corresponding effect on equity are as follows:

	30 June 2026			
	Carrying amount of hedged items		Hedging instruments	
	Assets	Liabilities	Effect on other comprehensive income during the current period	Accumulated effect on other comprehensive income
Securities (i)	16,816	(55,997)	24	(197)
Loans and advances to customers	44,937	-	(143)	(107)
Others (ii)	60,378	(10,245)	(912)	(4,331)
	122,131	(66,242)	(1,031)	(4,635)

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, debt securities issued and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions, due to banks and other financial institutions, due to customers, etc.

	31 December 2025			
	Carrying amount of hedged items		Hedging instruments	
	Assets	Liabilities	Effect on other comprehensive income during the current year	Accumulated effect on other comprehensive income
Securities (i)	13,787	(37,804)	70	(221)
Loans and advances to customers	21,909	-	(96)	36
Others (ii)	41,847	(21,819)	735	(3,419)
	77,543	(59,623)	709	(3,604)

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions, due to banks and other financial institutions, due to customers, etc.

The ineffectiveness recognised in profit or loss that arises from the cash flow hedges was immaterial for the six months ended in 2026 and 2025.

(In RMB millions, unless otherwise stated)

15. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value hedges

Fair value hedges are used by the Group to protect against changes in fair value of financial assets and financial liabilities due to movements in market interest rates and exchange rates. The Group mainly used interest rate contracts, exchange rate contracts, equity and other derivatives as hedging instruments to hedge the interest risk and exchange risk of financial assets and financial liabilities.

The changes in fair value of the hedging instruments and net gains or losses arising from the hedged risk relating to the hedged items are set out below:

	Six months ended 30 June	
	2026	2025
Gains/(losses) arising from fair value hedges, net:		
Hedging instruments	2,190	(702)
Hedged items	(2,226)	653
	(36)	(49)

Included in the above derivative financial instruments, those designated as hedging instruments in fair value hedges are set out below:

	30 June 2026						
	Notional amounts with remaining maturity of					Fair values	
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total	Assets	Liabilities
Interest rate contracts	4,323	9,340	35,793	6,832	56,288	1,208	(175)
Equity and other derivatives	1,568	4,394	-	-	5,962	795	(460)
Total	5,891	13,734	35,793	6,832	62,250	2,003	(635)

	31 December 2025						
	Notional amounts with remaining maturity of					Fair values	
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total	Assets	Liabilities
Interest rate contracts	2,884	10,989	29,470	6,884	50,227	1,030	(275)
Equity and other derivatives	680	2,580	-	-	3,260	-	(1,597)
Total	3,564	13,569	29,470	6,884	53,487	1,030	(1,872)

(In RMB millions, unless otherwise stated)

15. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value hedges (continued)

Details of the Group's hedged risk exposures in fair value hedges are set out below:

	30 June 2026			
	Carrying amount of hedged items		Accumulated changes to the fair value of hedged items	
	Assets	Liabilities	Assets	Liabilities
Securities (i)	53,024	(1,023)	(1,122)	4
Loans and advances to customers	1,285	-	(30)	-
Others (ii)	6,098	-	(340)	-
	60,407	(1,023)	(1,492)	4

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, debt securities issued and certificates of deposit.

(ii) Other hedged items are included in other assets.

	31 December 2025			
	Carrying amount of hedged items		Accumulated changes to the fair value of hedged items	
	Assets	Liabilities	Assets	Liabilities
Securities (i)	48,127	(1,409)	(828)	1
Loans and advances to customers	809	-	(23)	-
Others (ii)	140	-	1,591	-
	49,076	(1,409)	740	1

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, debt securities issued and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions and other assets.

(c) Net investment hedges

The Group's consolidated statement of financial position is affected by exchange differences between the functional currency of the Bank and functional currencies of its branches and subsidiaries. The Group hedges such exchange exposures under certain circumstances. Hedging is undertaken by using customer deposits taken in the same currencies as the functional currencies of related branches and subsidiaries which are accounted for as hedges of certain net investments in foreign operations.

As at 30 June 2026, an accumulated net gains from the hedging instrument of RMB84 million was recognised in other comprehensive income (31 December 2025: accumulated net losses of RMB756 million). The ineffectiveness recognised in profit or loss that arises from the net investment hedges was immaterial for the six months ended in 2026 and 2025.

(In RMB millions, unless otherwise stated)

15. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(d) Offsetting of financial instruments

In accordance with the principle of offsetting financial instruments, the Group offsets certain derivative financial assets, derivative financial liabilities and variation margin and presents the net amounts after offsetting in the financial statements.

	30 June 2026		31 December 2025	
	Gross amounts	Net amounts	Gross amounts	Net amounts
Derivative financial assets	121,674	54,844	156,794	57,100
Derivative financial liabilities	121,313	55,505	150,873	49,152

(e) Counterparty credit risk-weighted assets of derivative financial instruments

The credit risk-weighted assets in respect of the above derivatives of the Group as at the end of the reporting period are as follows:

	30 June 2026	31 December 2025
Counterparty credit default risk-weighted assets	204,840	160,167
Including: Non-netting settled credit default risk-weighted assets	92,740	79,356
Netting settled credit default risk-weighted assets	112,100	80,811
Credit value adjustment risk-weighted assets	57,938	46,906
Central counterparties credit risk-weighted assets	6,249	5,085
	269,027	212,158

16. REVERSE REPURCHASE AGREEMENTS

	30 June 2026	31 December 2025
Measured at amortised cost:		
Reverse repurchase agreements-bills	179,712	94,859
Reverse repurchase agreements-securities	830,602	417,701
Accrued interest	309	324
Less: Allowance for impairment losses	(16)	(32)
	1,010,607	512,852
Measured at FVTPL:		
Reverse repurchase agreements-securities	19,171	17,885
	1,029,778	530,737

(In RMB millions, unless otherwise stated)

17. LOANS AND ADVANCES TO CUSTOMERS

17.1 Loans and advances to customers by type of measurement:

	30 June 2026	31 December 2025
Measured at amortised cost:		
Corporate loans and advances	20,068,136	18,809,747
－Loans	19,902,375	18,641,761
－Finance lease	165,761	167,986
Personal loans	9,000,436	9,002,636
Discounted bills	60,095	31,090
Accrued interest	65,877	57,858
	29,194,544	27,901,331
Less: Allowance for impairment losses on loans and advances to customers measured at amortised cost (Note 17.2(a))	(895,553)	(851,750)
	28,298,991	27,049,581
Measured at FVTOCI:		
Corporate loans and advances		
－Loans	19,177	24,735
Discounted bills	2,839,452	2,630,717
Accrued interest	70	137
	2,858,699	2,655,589
Measured at FVTPL:		
Corporate loans and advances		
－Loans	4,830	7,189
	31,162,520	29,712,359

As at 30 June 2026, the Group's allowance for impairment losses on loans and advances to customers measured at FVTOCI was RMB495 million (31 December 2025: RMB524 million), refer to Note 17.2(b).

(In RMB millions, unless otherwise stated)

17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

17.2 Allowance for impairment losses on loans and advances

(a) Movements of the allowance for impairment losses on loans and advances to customers measured at amortised cost are as follows:

	Stage 1 (12-month expected credit loss ("ECL"))	Stage 2 (Lifetime ECL not credit-impaired)	Stage 3 (Lifetime ECL credit-impaired)	Total
Balance at 1 January 2026	349,667	166,682	335,401	851,750
Transfer:				
－to stage 1	24,390	(22,056)	(2,334)	-
－to stage 2	(8,299)	11,430	(3,131)	-
－to stage 3	(2,909)	(23,227)	26,136	-
Charge for the period	49,442	16,204	57,385	123,031
Write-offs and transfer out	-	-	(81,911)	(81,911)
Recoveries of loans and advances previously written off	-	-	5,351	5,351
Other movements	(328)	(1,403)	(937)	(2,668)
Balance at 30 June 2026	411,963	147,630	335,960	895,553

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	354,083	156,502	304,487	815,072
Transfer:				
－to stage 1	21,754	(18,212)	(3,542)	-
－to stage 2	(10,433)	12,981	(2,548)	-
－to stage 3	(6,356)	(32,304)	38,660	-
(Reverse)/charge for the year	(10,175)	49,820	109,882	149,527
Write-offs and transfer out	-	-	(119,958)	(119,958)
Recoveries of loans and advances previously written off	-	-	11,546	11,546
Other movements	794	(2,105)	(3,126)	(4,437)
Balance at 31 December 2025	349,667	166,682	335,401	851,750

(In RMB millions, unless otherwise stated)

17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

17.2 Allowance for impairment losses on loans and advances (continued)

(b) Movements of the allowance for impairment losses on loans and advances to customers measured at FVTOCI are as follows:

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2026	242	136	146	524
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	-	-	-	-
—to stage 3	-	(11)	11	-
(Reverse)/charge for the period	(31)	(39)	55	(15)
Other movements	(1)	(14)	1	(14)
Balance at 30 June 2026	210	72	213	495

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	353	51	21	425
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	-	-	-	-
—to stage 3	-	(20)	20	-
(Reverse)/charge for the year	(142)	86	149	93
Other movements	31	19	(44)	6
Balance at 31 December 2025	242	136	146	524

18. FINANCIAL INVESTMENTS

		30 June 2026	31 December 2025
Financial investments measured at FVTPL	(a)	1,019,652	943,953
Financial investments measured at FVTOCI	(b)	4,156,964	3,823,279
Financial investments measured at amortised cost	(c)	13,456,152	12,140,183
		18,632,768	16,907,415

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(a) Financial investments measured at FVTPL

	30 June 2026	31 December 2025
Financial investments held for trading		
Debt securities (analysed by type of issuers):		
Governments and central banks	250,545	277,067
Policy banks	25,334	44,648
Banks and other financial institutions	181,663	102,671
Corporate entities	125,982	86,128
	583,524	510,514
Equity investments	15,892	19,227
	599,416	529,741
Financial investments designated as at FVTPL		
Debt securities (analysed by type of issuers):		
Governments and central banks	8,494	8,725
Policy banks	2,812	2,384
Banks and other financial institutions	266	548
Corporate entities	590	-
	12,162	11,657
Funds and other investments	26,699	28,224
	38,861	39,881
Other financial investments measured at FVTPL		
Debt securities (analysed by type of issuers):		
Policy banks	425	463
Banks and other financial institutions	58,550	82,916
Corporate entities	1,518	688
	60,493	84,067
Equity investments	118,072	117,994
Funds and other investments	202,810	172,270
	381,375	374,331
	1,019,652	943,953
Analysed into:		
Debt securities:		
Listed in Hong Kong SAR	9,923	5,799
Listed outside Hong Kong SAR	46,238	38,347
Unlisted	600,018	562,092
	656,179	606,238

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(a) Financial investments measured at FVTPL (continued)

	30 June 2026	31 December 2025
Analysed into: (continued)		
Equity investments:		
Listed in Hong Kong SAR	3,047	6,055
Listed outside Hong Kong SAR	23,230	25,277
Unlisted	107,687	105,889
	133,964	137,221
Funds and other investments:		
Listed in Hong Kong SAR	5,003	5,222
Listed outside Hong Kong SAR	4,474	4,789
Unlisted	220,032	190,483
	229,509	200,494
	1,019,652	943,953

(b) Financial investments measured at FVTOCI

	30 June 2026	31 December 2025
Debt securities (analysed by type of issuers):		
Governments and central banks	1,401,427	1,529,473
Policy banks	1,244,897	913,419
Banks and other financial institutions	524,751	496,640
Corporate entities	851,981	746,110
Accrued interest	37,763	35,102
	4,060,819	3,720,744
Other debt investments	4,870	4,870
Equity investments	91,275	97,665
	4,156,964	3,823,279
Analysed into:		
Debt securities:		
Listed in Hong Kong SAR	156,757	147,838
Listed outside Hong Kong SAR	510,284	468,668
Unlisted	3,393,778	3,104,238
	4,060,819	3,720,744
Other debt investments:		
Unlisted	4,870	4,870
Equity investments:		
Listed in Hong Kong SAR	25,721	24,255
Listed outside Hong Kong SAR	17,735	15,713
Unlisted	47,819	57,697
	91,275	97,665
	4,156,964	3,823,279

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(b) Financial investments measured at FVTOCI (continued)

As at 30 June 2026, the accumulated unrealised fair value gains of the Group's debt securities measured at FVTOCI was RMB75,017 million (31 December 2025: the accumulated unrealized profit of RMB63,140 million), and the accumulated unrealised fair value losses of the Group's other debt investments measured at FVTOCI was RMB174 million (31 December 2025: the accumulated unrealized loss of RMB174 million).

The following table shows the movement in the Group's equity instruments measured at fair value through other comprehensive income：

			Changes in fair value of equity instruments				
	1 January 2026	Additions	Derecognised in the period	Held at the end of the period	Disposals	Cumulative gains/(losses) transferred into retained earnings from other comprehensive income after disposal	30 June 2026
Financial assets：							
Carrying amount	97,665	8,900	184	(7,448)	(8,026)	-	91,275
Cumulative gains/(losses) in other comprehensive income	8,179	-	184	(7,448)	-	(176)	739

			Changes in fair value of equity instruments				
	1 January 2025	Additions	Derecognised in the year	Held at the end of the year	Disposals	Cumulative gains/(losses) transferred into retained earnings from other comprehensive income after disposal	31 December 2025
Financial assets：							
Carrying amount	85,226	26,839	378	999	(15,777)	-	97,665
Cumulative gains/(losses) in other comprehensive income	8,120	-	378	999	-	(1,318)	8,179

The Group designates certain non-trading equity investments as financial investments measured at FVTOCI. For the six months ended 30 June 2026, dividend income from such equity investments was RMB1,733 million (six months ended 30 June 2025: RMB1,937 million). There was RMB80 million dividend income from equity investments derecognised (six months ended 30 June 2025: RMB156 million).

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(b) Financial investments measured at FVTOCI (continued)

Allowance for impairment losses on financial investments measured at FVTOCI 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 gain or loss is recognised in profit or loss. Movements of the allowance for impairment losses on financial investments measured at FVTOCI are as follows:

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2026	4,844	384	3,368	8,596
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	-	-	-	-
—to stage 3	-	-	-	-
(Reverse)/charge for the period	(572)	(144)	5	(711)
Other movements	(11)	(7)	(187)	(205)
Balance at 30 June 2026	4,261	233	3,186	7,680

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	4,565	635	3,825	9,025
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	(35)	35	-	-
—to stage 3	-	-	-	-
Charge/(reverse) for the year	416	(259)	43	200
Other movements	(102)	(27)	(500)	(629)
Balance at 31 December 2025	4,844	384	3,368	8,596

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(c) Financial investments measured at amortised cost

	30 June 2026	31 December 2025
Debt securities (analysed by type of issuers):		
Governments and central banks (i)	11,974,608	10,781,870
Policy banks	397,363	409,508
Banks and other financial institutions (ii)	897,569	777,686
Corporate entities	98,738	84,539
Accrued interest	108,275	103,527
	13,476,553	12,157,130
Other investments (iii)	19,328	19,224
Accrued interest	89	32
	19,417	19,256
	13,495,970	12,176,386
Less: Allowance for impairment losses	(39,818)	(36,203)
	13,456,152	12,140,183
Analysed into:		
Debt securities:		
Listed in Hong Kong SAR	40,754	34,314
Listed outside Hong Kong SAR	409,502	286,949
Unlisted	12,990,336	11,803,093
	13,440,592	12,124,356
Other investments:		
Unlisted	15,560	15,827
	15,560	15,827
	13,456,152	12,140,183
Market value of listed securities	456,097	322,288

(i) This includes a special government bond, which is a non-negotiable bond with a nominal value of RMB85,000 million (31 December 2025: RMB85,000 million) issued by the Ministry of Finance of the People’s Republic of China (the “MOF”) to the Bank in 1998. The bond will mature in 2028 and bears interest at a fixed rate of 2.25% per annum.

(ii) This includes Huarong bonds of RMB90,309 million (31 December 2025: RMB90,309 million). Huarong bonds are a series of long-term bonds issued by the former China Huarong Asset Management Co., Ltd. (“Huarong”) in the year of 2000 and 2001 to the Bank, with an aggregate amount of RMB312,996 million. The proceeds from the issuance of the bonds were used to purchase non-performing loans of the Bank. The bonds are non-negotiable, with a tenure of 10 years and bear interest at a fixed rate of 2.25% per annum. The MOF provides funding support for the repayment of principal and interest of the bonds. In 2010, the Bank received a notice from the MOF that the maturity dates of the Huarong bonds were extended for ten years. In 2020, the Bank received a notice from the MOF to adjust the interest rate of the Huarong bonds, starting from 1 January 2020. Interest rate would be determined on a yearly basis with reference to the average level of five-year government bond yield in the previous year. In January 2021, the Bank received a notice from the MOF that the maturity dates of Huarong bonds were further extended for ten years. As at 30 June 2026, the Bank had received accumulated early repayments amounting to RMB222,687 million (31 December 2025: RMB222,687 million).

(iii) Other investments include debt investment plans, asset management plans and trust plans with fixed or determinable payments. They will mature from September 2026 to August 2039 and bear interest rates ranging from 2.45% to 6.06% per annum.

(In RMB millions, unless otherwise stated)

18. FINANCIAL INVESTMENTS (CONTINUED)

(c) Financial investments measured at amortised cost (continued)

Movements of the allowance for impairment losses on financial investments measured at amortised cost are as follows:

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2026	33,199	305	2,699	36,203
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	-	-	-	-
—to stage 3	-	-	-	-
Charge for the period	3,198	455	-	3,653
Other movements	(37)	1	(2)	(38)
Balance at 30 June 2026	36,360	761	2,697	39,818

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	35,540	11	2,852	38,403
Transfer:				
—to stage 1	-	-	-	-
—to stage 2	(160)	160	-	-
—to stage 3	-	-	-	-
(Reverse)/charge for the year	(2,224)	134	-	(2,090)
Other movements	43	-	(153)	(110)
Balance at 31 December 2025	33,199	305	2,699	36,203

(In RMB millions, unless otherwise stated)

19. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	30 June 2026	31 December 2025
Interests in associates	77,032	76,527
Interests in joint ventures	1,606	1,786
	78,638	78,313

	30 June 2026	31 December 2025
Share of net assets	64,188	63,719
Goodwill	14,969	15,113
	79,157	78,832
Less: Allowance for impairment losses	(519)	(519)
	78,638	78,313

(a) Carrying value of the Group's associates and joint ventures are as follows:

	30 June 2026	31 December 2025
Standard Bank	30,707	30,557
Others	47,931	47,756
	78,638	78,313

Standard Bank is a listed commercial bank registered in Johannesburg, the Republic of South Africa with an issued capital of ZAR165 million and a strategic partner of the Group. As at 30 June 2026, the Group's equity interest and voting rights in Standard Bank were both 19.74% (31 December 2025: 19.74%).

(In RMB millions, unless otherwise stated)

19. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(a) Carrying value of the Group's associates and joint ventures are as follows: (continued)

The accounting policies of Standard Bank are consistent with those of the Group. Its financial information is significant to the Group and summarised as follows:

	As at/ six months ended 30 June 2026	As at/ year ended 31 December 2025
The associate		
Assets	1,575,159	1,522,554
Liabilities	1,441,800	1,391,184
Net assets	133,359	131,370
Profit from continuing operations	10,836	20,646
Equity method of the associate		
Net assets of the associate attributable to the parent company	113,092	111,603
Group's effective interest	19.74%	19.74%
Group's share of net assets of the associate	22,324	22,030
Goodwill	8,731	8,875
Closing balance of the Group's interest in Standard Bank in the consolidated statement of financial position	31,055	30,905

(In RMB millions, unless otherwise stated)

19. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(b) Movements of associates and joint ventures investments of the Group are as follows:

			Movements during the period							
	Book value at beginning of the period	Allowance for impairment at beginning of the period	Investment increase	Investment decrease	Investment income recognised under the equity method	Other comprehensive income	Declared distribution of cash dividends or profits	Others	Book value at end of the period	Allowance for impairment at end of the period
Joint ventures	1,786	-	-	-	(142)	-	-	(38)	1,606	-
Associates										
Standard Bank	30,557	(348)	-	-	2,068	(249)	(1,200)	(469)	30,707	(348)
Others	45,970	(171)	14	-	1,056	10	(707)	(18)	46,325	(171)
Subtotal	76,527	(519)	14	-	3,124	(239)	(1,907)	(487)	77,032	(519)
Total	78,313	(519)	14	-	2,982	(239)	(1,907)	(525)	78,638	(519)

(In RMB millions, unless otherwise stated)

20. PROPERTY AND EQUIPMENT

	Properties and buildings	Construction in progress	Leasehold improvements	Office equipment and motor vehicles	Aircraft and vessels	Total
Cost						
At 1 January 2025	207,476	21,152	15,704	87,620	215,222	547,174
Additions	654	11,817	767	6,766	17,529	37,533
CIP transfer in/(out)	4,713	(13,370)	-	71	8,586	-
Disposals and other movements	(2,238)	(451)	(254)	(6,439)	(29,249)	(38,631)
At 31 December 2025 and 1 January 2026	210,605	19,148	16,217	88,018	212,088	546,076
Additions	128	5,122	143	1,070	6,576	13,039
CIP transfer in/(out)	732	(1,261)	-	34	495	-
Disposals and other movements	(311)	(462)	(215)	(1,310)	(17,062)	(19,360)
At 30 June 2026	211,154	22,547	16,145	87,812	202,097	539,755
Accumulated depreciation and allowance for impairment losses						
At 1 January 2025	97,762	35	13,828	72,536	60,626	244,787
Depreciation charge for the year	7,306	-	795	7,056	7,255	22,412
Impairment charge for the year	-	1	-	4	1,043	1,048
Disposals and other movements	(984)	(2)	(195)	(6,365)	(8,461)	(16,007)
At 31 December 2025 and 1 January 2026	104,084	34	14,428	73,231	60,463	252,240
Depreciation charge for the period	4,321	-	355	3,414	3,426	11,516
Impairment charge for the period	-	-	-	-	712	712
Disposals and other movements	(442)	-	(185)	(1,334)	(6,606)	(8,567)
At 30 June 2026	107,963	34	14,598	75,311	57,995	255,901
Carrying amount						
At 31 December 2025	106,521	19,114	1,789	14,787	151,625	293,836
At 30 June 2026	103,191	22,513	1,547	12,501	144,102	283,854

As at 30 June 2026, the process of obtaining the legal titles for the Group's properties and buildings with an aggregate carrying amount of RMB4,608 million (31 December 2025: RMB6,353 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.

As at 30 June 2026, the carrying amount of aircraft and vessels leased out by the Group under operating leases was RMB144,102 million (31 December 2025: RMB151,625 million).

As at 30 June 2026, the carrying amount of aircraft and vessels owned by the Group that have been pledged as collateral for liabilities due to banks and other financial institutions was RMB20,403 million (31 December 2025: RMB19,793 million).

As at 30 June 2026, the carrying amount of aircraft and vessel construction in progress was RMB18,401 million (31 December 2025: RMB14,756 million).

(In RMB millions, unless otherwise stated)

21. DEFERRED TAX ASSETS AND LIABILITIES

(a) Analysed by nature

Deferred tax assets:

	30 June 2026		31 December 2025	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)
Allowance for impairment losses	515,653	128,015	485,136	120,376
Change in fair value of financial instruments measured at FVTPL	49	3	(29,298)	(7,347)
Change in fair value of financial instruments measured at FVTOCI	(72,846)	(18,033)	(59,032)	(14,537)
Accrued staff costs	41,055	10,308	47,289	11,862
Others	(28,395)	(7,495)	(24,192)	(6,065)
	455,516	112,798	419,903	104,289

Deferred tax liabilities:

	30 June 2026		31 December 2025	
	Taxable/ (deductible) temporary differences	Deferred tax liabilities/ (assets)	Taxable/ (deductible) temporary differences	Deferred tax liabilities/ (assets)
Allowance for impairment losses	(1,084)	(266)	(1,105)	(270)
Change in fair value of financial instruments measured at FVTPL	13,171	3,242	9,745	2,368
Change in fair value of financial instruments measured at FVTOCI	12,253	3,061	14,745	3,670
Others	(1,466)	(547)	3,904	783
	22,874	5,490	27,289	6,551

(In RMB millions, unless otherwise stated)

21. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

(b) Movements of deferred income tax

Deferred tax assets:

	1 January 2026	Recognised in profit or loss	Recognised in other comprehensive income	30 June 2026
Allowance for impairment losses	120,376	7,639	-	128,015
Change in fair value of financial instruments measured at FVTPL	(7,347)	7,350	-	3
Change in fair value of financial instruments measured at FVTOCI	(14,537)	-	(3,496)	(18,033)
Accrued staff costs	11,862	(1,554)	-	10,308
Others	(6,065)	(2,026)	596	(7,495)
	104,289	11,409	(2,900)	112,798

Deferred tax liabilities:

	1 January 2026	Recognised in profit or loss	Recognised in other comprehensive income	30 June 2026
Allowance for impairment losses	(270)	4	-	(266)
Change in fair value of financial instruments measured at FVTPL	2,368	874	-	3,242
Change in fair value of financial instruments measured at FVTOCI	3,670	-	(609)	3,061
Others	783	(1,330)	-	(547)
	6,551	(452)	(609)	5,490

(In RMB millions, unless otherwise stated)

21. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

(b) Movements of deferred income tax (continued)

Deferred tax assets:

	1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	31 December 2025
Allowance for impairment losses	117,825	2,551	-	120,376
Change in fair value of financial instruments measured at FVTPL	(10,183)	2,836	-	(7,347)
Change in fair value of financial instruments measured at FVTOCI	(28,101)	-	13,564	(14,537)
Accrued staff costs	11,477	385	-	11,862
Others	(971)	(3,220)	(1,874)	(6,065)
	90,047	2,552	11,690	104,289

Deferred tax liabilities:

	1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	31 December 2025
Allowance for impairment losses	(23)	(247)	-	(270)
Change in fair value of financial instruments measured at FVTPL	1,693	675	-	2,368
Change in fair value of financial instruments measured at FVTOCI	(81)	-	3,751	3,670
Others	2,689	(1,906)	-	783
	4,278	(1,478)	3,751	6,551

As at 30 June 2026 and 31 December 2025, the Group did not have significant unrecognised deferred tax assets.

(In RMB millions, unless otherwise stated)

22. OTHER ASSETS

		30 June 2026	31 December 2025
Settlement and clearing balances		315,080	305,933
Precious metals		546,275	330,867
Right-of-use assets	(a)	22,140	23,439
Land use rights		13,131	13,454
Goodwill	(b)	19,310	19,658
Advance payments		7,920	1,207
Repossessed assets	(c)	5,749	6,035
Interest receivable		3,796	3,749
Others		91,092	92,019
		1,024,493	796,361
Less: Allowance for impairment losses		(14,333)	(14,528)
		1,010,160	781,833

(a) Right-of-use assets

	Properties and buildings	Aircraft and vessels	Office equipment and motor vehicles	Total
Cost				
At 1 January 2025	43,607	10,763	459	54,829
Additions	6,361	-	157	6,518
Disposals and other movements	(4,089)	(239)	(69)	(4,397)
At 31 December 2025 and 1 January 2026	45,879	10,524	547	56,950
Additions	2,440	-	14	2,454
Disposals and other movements	(2,768)	(326)	(11)	(3,105)
At 30 June 2026	45,551	10,198	550	56,299
Accumulated depreciation				
At 1 January 2025	27,467	2,482	414	30,363
Depreciation charge for the year	6,234	346	57	6,637
Disposals and other movements	(3,375)	(58)	(56)	(3,489)
At 31 December 2025 and 1 January 2026	30,326	2,770	415	33,511
Depreciation charge for the period	2,894	167	32	3,093
Disposals and other movements	(2,351)	(87)	(7)	(2,445)
At 30 June 2026	30,869	2,850	440	34,159
Allowance for impairment losses				
At 1 January 2025	37	441	-	478
Impairment charge for the year	39	-	-	39
Other movements	(16)	(10)	-	(26)
At 31 December 2025 and 1 January 2026	60	431	-	491
Other movements	(2)	(13)	-	(15)
At 30 June 2026	58	418	-	476
Carrying amount				
At 31 December 2025	15,493	7,323	132	22,948
At 30 June 2026	14,624	6,930	110	21,664

(In RMB millions, unless otherwise stated)

22. OTHER ASSETS (CONTINUED)

(b) Goodwill

	30 June 2026	31 December 2025
At 1 January	19,658	19,566
Additions	-	412
Exchange difference	(348)	(320)
Subtotal	19,310	19,658
Less: Allowance for impairment losses	(786)	(796)
Net carrying amount	18,524	18,862

The goodwill is attributable to the expected synergies arising from business combination. Goodwill arising from business combinations has been reasonably allocated to the CGU, which is not larger than the reportable segment of the Group, for impairment testing. The recoverable amount of the CGU is determined based on the discounted future cash flows of the CGU. The cash flow projections are based on financial forecasts approved by management of the institutions. The average growth rates are projected based on the similar rates which do not exceed the long-term average growth rate for the business in which the CGU operates in. The discount rate is the before-tax rate and reflects the specific risk associated with the CGU.

(c) Repossessed assets

	30 June 2026	31 December 2025
Properties and buildings	5,687	5,759
Other	62	276
Subtotal	5,749	6,035
Less: Allowance for impairment losses	(2,756)	(2,862)
	2,993	3,173

(In RMB millions, unless otherwise stated)

23. IMPAIRMENT ALLOWANCE

	At 1 January 2026	(Reverse)/ charge for the period	Write-offs and transfer out	Recoveries of previous write-offs	Others	At 30 June 2026
Due from banks and other financial institutions	2,738	(1,046)	-	-	(79)	1,613
Reverse repurchase agreements	32	(13)	-	-	(3)	16
Loans and advances to customers	852,274	123,016	(81,911)	5,351	(2,682)	896,048
Financial investments	44,799	2,942	(94)	-	(149)	47,498
Investments in associates and joint ventures	519	-	-	-	-	519
Property and equipment	11,184	712	(1,417)	-	(308)	10,171
Credit commitments	24,114	991	-	-	(198)	24,907
Others	14,580	1,154	(1,392)	-	(9)	14,333
Total	950,240	127,756	(84,814)	5,351	(3,428)	995,105

	At 1 January 2025	(Reverse)/ charge for the year	Write-offs and transfer out	Recoveries of previous write-offs	Others	At 31 December 2025
Due from banks and other financial institutions	4,347	(1,575)	-	-	(34)	2,738
Reverse repurchase agreements	33	(2)	-	-	1	32
Loans and advances to customers	815,497	149,620	(119,958)	11,546	(4,431)	852,274
Financial investments	47,428	(1,890)	(504)	-	(235)	44,799
Investments in associates and joint ventures	519	-	-	-	-	519
Property and equipment	12,802	1,048	(2,516)	-	(150)	11,184
Credit commitments	25,159	(830)	-	-	(215)	24,114
Others	41,553	(23,658)	(2,857)	-	(458)	14,580
Total	947,338	122,713	(125,835)	11,546	(5,522)	950,240

24. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	31 December 2025
Deposits:		
Banks and other financial institutions operating in Chinese mainland	5,051,331	4,358,205
Banks and other financial institutions operating outside Chinese mainland	226,412	178,342
Accrued interest	12,145	32,149
	5,289,888	4,568,696
Money market takings:		
Banks and other financial institutions operating in Chinese mainland	327,208	305,753
Banks and other financial institutions operating outside Chinese mainland	237,197	224,171
Accrued interest	4,104	4,627
	568,509	534,551
	5,858,397	5,103,247

(In RMB millions, unless otherwise stated)

25. FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026	31 December 2025
Financial liabilities related to precious metals and account-based investment products (i)	223,398	133,111
Debt securities issued (i)	11,059	12,550
Others	15,457	4,535
	249,914	150,196

(i) Financial liabilities related to precious metals and account-based investment products, and certain issued debt securities have been matched with precious metals or derivatives of the Group as part of a documented risk management strategy to mitigate market risk. An accounting mismatch would arise if these financial liabilities were accounted for at amortised cost, whereas the related precious metals or derivatives were measured at fair value with movements in fair value taken through the statement of profit or loss. By designating these financial liabilities at FVTPL, the movement in their fair values is recorded in the statement of profit or loss. As at 30 June 2026 and 31 December 2025, the differences between the fair values of the financial liabilities related to precious metals, account-based investment products and issued debt securities and the amounts that the Group would be contractually required to pay to the holders of the financial liabilities related to precious metals, account-based investment products and issued debt securities upon maturity were not significant.

For the six months ended 30 June 2026 and the year ended 31 December 2025, there were no significant changes in the credit spread of the Group and therefore the amounts of changes in fair value of the financial liabilities arising from changes in the credit risk and the accumulated amounts as at the end of the respective period/year were not significant. The changes in fair value of the financial liabilities were mainly attributable to changes in other market factors.

26. REPURCHASE AGREEMENTS

	30 June 2026	31 December 2025
Measured at amortised cost:		
Repurchase agreements-bills	29,919	16,752
Repurchase agreements-securities	2,990,725	2,503,997
Accrued interest	16,159	14,933
Subtotal	3,036,803	2,535,682
Measured at FVTPL:		
Repurchase agreements-securities	1,166	694
Total	3,037,969	2,536,376

(In RMB millions, unless otherwise stated)

27. CERTIFICATES OF DEPOSIT

Certificates of deposit issued by certain of the Bank's overseas branches and subsidiaries are measured at amortised cost.

28. DUE TO CUSTOMERS

	30 June 2026	31 December 2025
Demand deposits:		
Corporate customers	7,624,751	7,519,087
Personal customers	7,051,106	6,935,021
	14,675,857	14,454,108
Time deposits:		
Corporate customers	9,827,367	8,831,506
Personal customers	14,005,565	13,269,598
	23,832,932	22,101,104
Others	238,549	251,921
Accrued interest	425,927	504,645
	39,173,265	37,311,778

As at 30 June 2026, the Group's pledged deposits included in above amounted to RMB228,813 million (31 December 2025: RMB169,335 million).

29. DEBT SECURITIES ISSUED

		30 June 2026	31 December 2025
Subordinated bonds, tier 2 capital bonds and total loss-absorbing capacity eligible non-capital bonds	(a)		
Issued by the Bank		929,975	788,003
Issued by subsidiaries		5,033	5,009
Accrued interest		11,164	11,578
		946,172	804,590
Other debt securities	(b)		
Issued by the Bank		1,546,622	1,354,643
Issued by subsidiaries		56,757	55,774
Accrued interest		2,149	1,800
		1,605,528	1,412,217
		2,551,700	2,216,807

As at 30 June 2026, the amount of debt securities issued that were due within one year was RMB1,485,225 million (31 December 2025: RMB1,286,883 million).

For the six months ended 30 June 2026, the Group has not had any defaults in respect of payments of principal or interest or other breaches with respect to the bonds (year ended 31 December 2025: Nil).

29. DEBT SECURITIES ISSUED (CONTINUED)

(a) Tier 2 capital bonds and total loss-absorbing capacity eligible non-capital bonds

The Bank:

As approved by the PBC and the NFRA, the Bank issued callable Tier 2 capital bonds and total loss-absorbing capacity eligible non-capital bonds (TLAC non-capital Bonds) in the National Interbank Bond Market through open market bidding. These Tier 2 capital bonds and TLAC non-capital bonds were traded on the National Interbank Bond Market. The relevant information is set out below:

Name	Issue date	Issue price (In RMB)	Issued and nominal amount (In RMB million)	Coupon rate	Value date	Maturity date	Circulation date
19 ICBC 02 Tier 2 Bond	21/03/2019	100 Yuan	10,000	4.51%	25/03/2019	25/03/2034	26/03/2019
19 ICBC 04 Tier 2 Bond	24/04/2019	100 Yuan	10,000	4.69%	26/04/2019	26/04/2034	28/04/2019
20 ICBC 03 Tier 2 Bond	12/11/2020	100 Yuan	10,000	4.45%	16/11/2020	16/11/2035	17/11/2020
21 ICBC 02 Tier 2 Bond	13/12/2021	100 Yuan	50,000	3.48%	15/12/2021	15/12/2031	16/12/2021
21 ICBC 03 Tier 2 Bond	13/12/2021	100 Yuan	10,000	3.74%	15/12/2021	15/12/2036	16/12/2021
22 ICBC 01 Tier 2 Bond	18/01/2022	100 Yuan	35,000	3.28%	20/01/2022	20/01/2032	21/01/2022
22 ICBC 02 Tier 2 Bond	18/01/2022	100 Yuan	5,000	3.60%	20/01/2022	20/01/2037	21/01/2022
22 ICBC 03 Tier 2 Bond	12/04/2022	100 Yuan	45,000	3.50%	14/04/2022	14/04/2032	15/04/2022
22 ICBC 04 Tier 2 Bond	12/04/2022	100 Yuan	5,000	3.74%	14/04/2022	14/04/2037	15/04/2022
22 ICBC 03A Tier-2 Capital Bonds	18/08/2022	100 Yuan	30,000	3.02%	22/08/2022	22/08/2032	23/08/2022
22 ICBC 03B Tier-2 Capital Bonds	18/08/2022	100 Yuan	10,000	3.32%	22/08/2022	22/08/2037	23/08/2022
22 ICBC 04A Tier-2 Capital Bonds	08/11/2022	100 Yuan	50,000	3.00%	10/11/2022	10/11/2032	11/11/2022
22 ICBC 04B Tier-2 Capital Bonds	08/11/2022	100 Yuan	10,000	3.34%	10/11/2022	10/11/2037	11/11/2022
22 ICBC 05A Tier-2 Capital Bonds	20/12/2022	100 Yuan	25,000	3.70%	22/12/2022	22/12/2032	23/12/2022
22 ICBC 05B Tier-2 Capital Bonds	20/12/2022	100 Yuan	5,000	3.85%	22/12/2022	22/12/2037	23/12/2022
23 ICBC 01A Tier-2 Capital Bonds	10/04/2023	100 Yuan	35,000	3.49%	12/04/2023	12/04/2033	13/04/2023
23 ICBC 01B Tier-2 Capital Bonds	10/04/2023	100 Yuan	20,000	3.58%	12/04/2023	12/04/2038	13/04/2023
23 ICBC 02A Tier-2 Capital Bonds	28/08/2023	100 Yuan	30,000	3.07%	30/08/2023	30/08/2033	31/08/2023
23 ICBC 02B Tier-2 Capital Bonds	28/08/2023	100 Yuan	25,000	3.18%	30/08/2023	30/08/2038	31/08/2023
24 ICBC 01A TLAC Non-capital Bond	15/05/2024	100 Yuan	30,000	2.25%	17/05/2024	17/05/2028	20/05/2024
24 ICBC 01B TLAC Non-capital Bond	15/05/2024	100 Yuan	10,000	2.35%	17/05/2024	17/05/2030	20/05/2024
24 ICBC T2CB01A	27/08/2024	100 Yuan	42,000	2.25%	29/08/2024	29/08/2034	30/08/2024
24 ICBC T2CB01B	27/08/2024	100 Yuan	8,000	2.40%	29/08/2024	29/08/2039	30/08/2024
24 ICBC T2CB02	24/10/2024	100 Yuan	40,000	2.37%	28/10/2024	28/10/2034	29/10/2024
24 ICBC TLACENCGB01(BC)	17/12/2024	100 Yuan	10,000	1.76%	19/12/2024	19/12/2028	20/12/2024
25 ICBC T2CN01BC	27/02/2025	100 Yuan	50,000	2.05%	03/03/2025	03/03/2035	04/03/2025
25 ICBC T2CN02BC	28/04/2025	100 Yuan	50,000	1.98%	30/04/2025	30/04/2035	06/05/2025
25 ICBC T2CN 003(BC)	10/07/2025	100 Yuan	50,000	1.88%	14/07/2025	14/07/2035	15/07/2025
25 ICBC TLACENCB01(BC)	22/10/2025	100 Yuan	10,000	2.02%	24/10/2025	24/10/2029	27/10/2025
26 ICBC T2CN01BC	08/04/2026	100 Yuan	50,000	2.00%	10/04/2026	10/04/2036	13/04/2026
26 ICBC T2CN02BC	21/05/2026	100 Yuan	60,000	1.90%	25/05/2026	25/05/2036	26/05/2026
26 ICBC T2CN03BC	11/06/2026	100 Yuan	50,000	1.95%	15/06/2026	15/06/2036	16/06/2026
26 ICBC TLACENCB01(BC)	27/04/2026	100 Yuan	50,000	1.79%	29/04/2026	29/04/2030	30/04/2026

The Bank has the option to redeem these bonds in whole or in part on specific dates at par value in future upon the approval of the relevant regulatory authorities.

29. DEBT SECURITIES ISSUED (CONTINUED)

(a) Tier 2 capital bonds and total loss-absorbing capacity eligible non-capital bonds (continued)

Subsidiaries:

On 15 March 2022, ICBC-AXA issued a capital supplementary bond with an aggregate nominal amount of RMB5,000 million, bearing an initial fixed interest rate of 3.7%. The bond will mature on 17 March 2032. The issuer has an option to redeem the capital supplementary bond in whole or in part at par value at the end of the fifth interest-bearing year. If the issuer does not exercise the redemption option, the coupon rate would increase to 4.7% from the sixth interest-bearing year.

The above tier 2 capital bond is traded on the National Interbank Bond Market.

29. DEBT SECURITIES ISSUED (CONTINUED)

(b) Other debt securities issued

The Bank:

(i) Head Office issued debt securities denominated in RMB at fixed or floating interest rates and interbank certificates of deposit denominated in RMB at zero-coupon amounting to RMB 1,453,572 million in total with maturities between the second half of 2026 to the second half of 2028. The coupon rates range from 0 to 2.70%.

(ii) Sydney Branch issued debt securities, denominated in AUD and USD at fixed interest rates amounting to an equivalent of RMB173 million in total with maturities between the second half of 2026 to the first half of 2027. The coupon rates range from 1.15% to 2.75%.

(iii) Singapore Branch issued debt securities denominated in RMB, SGD and USD at fixed or floating interest rates amounting to an equivalent of RMB17,621 million in total with maturities between the second half of 2026 to the second half of 2028. The coupon rates range from 1.80% to 4.22%.

(iv) New York Branch issued debt securities and notes denominated in USD at fixed interest rates or zero-coupon amounting to an equivalent of RMB 4,263 million in total with maturities between the second half of 2026 to the second half of 2027. The coupon rates range from 0 to 3.54%.

(v) Luxembourg Branch issued debt securities denominated in RMB, EUR and USD at fixed or floating interest rates amounting to an equivalent of RMB 11,838 million in total that will mature between the second half of 2026 to the first half of 2029. The coupon rate range from 1.64% to 4.13%.

(vi) Dubai (DIFC) Branch issued debt securities denominated in RMB and USD at fixed or floating interest rates amounting to an equivalent of RMB11,211 million in total with maturities between the first half of 2027 to the first half of 2029. The coupon rates range from 1.64% to 4.23%.

(vii) Hong Kong Branch issued debt securities denominated in USD at fixed interest rates amounting to an equivalent of RMB30,511 million in total with maturities between the second half of 2026 to the first half of 2029. The coupon rates range from 1.63% to 5.38%.

(viii) London Branch issued securities denominated in GBP, USD and EUR at fixed or floating interest rates amounting to an equivalent of RMB 14,963 million in total with maturities between the second half of 2026 to the first half of 2029. The coupon rates range from 3.70% to 4.74%.

(ix) Macau Branch issued debt securities denominated in USD at floating interest rates amounting to an equivalent of RMB2,371 million in total with maturities between the first half of 2027 to the first half of 2028. The coupon rates range from 4.11% to 4.18%.

(x) Doha Branch issued debt securities denominated in RMB at fixed interest rates amounting to RMB99 million in total that will mature in the first half of 2029. The coupon rate is 1.50%.

29. DEBT SECURITIES ISSUED (CONTINUED)

(b) Other debt securities issued (continued)

Subsidiaries:

(i) ICBC Asia issued debt securities and interbank certificates of deposit denominated in RMB and USD at fixed interest rates amounting to an equivalent of RMB6,367 million in total with maturities between the second half of 2026 to the second half of 2027. The coupon rates range from 1.94% to 3.78%.

(ii) ICBC Leasing issued debt securities denominated in RMB and USD at fixed or floating interest rates amounting to an equivalent of RMB38,569 million in total with maturities between the second half of 2026 to the second half of 2031. The coupon rates range from 1.63% to 5.20%.

(iii) ICBC Thai issued debt securities denominated in THB at fixed interest rates amounting to an equivalent of RMB4,405 million in total with maturities between the second half of 2026 to the first half of 2028. The coupon rates range from 1.11% to 3.70%.

(iv) ICBC International issued debt securities denominated in RMB and USD at fixed or floating interest rates amounting to an equivalent of RMB2,379 million in total with maturities between the first half of 2027 to the first half of 2028. The coupon rates range from 2.60% to 5.18%.

(v) ICBC New Zealand issued debt securities denominated in NZD, RMB and USD at fixed or floating interest rates amounting to an equivalent of RMB2,319 million in total with maturities between the second half of 2027 to the first half of 2029. The coupon rates range from 1.93% to 5.78%.

(vi) ICBC Austria issued interbank certificates of deposit denominated in EUR at fixed interest rates amounting to an equivalent of RMB271 million in total with maturities between the second half of 2028 to the first half of 2029. The coupon rates range from 2.82% to 2.95%.

(vii) ICBC Canada issued zero-coupon interbank certificates of deposit denominated in CAD at fixed interest rates amounting to an equivalent of RMB 1,243 million in total that will mature in the second half of 2026.

(viii) ICBC Argentina issued debt securities denominated in ARS and USD at fixed or floating interest rates amounting to an equivalent of RMB 1,204 million in total with maturities between the second half of 2026 and the first half of 2027. The coupon rates range from 3.70% to 26.19%.

(In RMB millions, unless otherwise stated)

30. OTHER LIABILITIES

		30 June 2026	31 December 2025
Settlement and clearing balances		526,396	545,081
Insurance business liabilities		346,840	325,149
Salaries, bonuses, allowances and subsidies payables	(a)	39,892	46,996
Provisions for credit commitments	(b)	24,907	24,114
Lease liabilities	(c)	18,070	19,551
Sundry tax payables		12,887	18,243
Dividends payable		855	28,820
Promissory notes		407	1,028
Early retirement benefits		5	5
Others		36,785	34,965
		1,007,044	1,043,952

(a) There were no overdue payments for staff salaries, bonuses, allowances and subsidies payable as at 30 June 2026 (31 December 2025: Nil).

(b) Provisions for credit commitments

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2026	18,591	4,256	1,267	24,114
Transfer:				
－to stage 1	59	(59)	-	-
－to stage 2	(144)	144	-	-
－to stage 3	(31)	(61)	92	-
Charge /(reverse) for the period	1,905	(912)	(2)	991
Other movements	(17)	(87)	(94)	(198)
Balance at 30 June 2026	20,363	3,281	1,263	24,907

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	19,815	5,244	100	25,159
Transfer:				
－to stage 1	184	(184)	-	-
－to stage 2	(356)	356	-	-
－to stage 3	(180)	(568)	748	-
(Reverse)/ charge for the year	(1,004)	(981)	1,155	(830)
Other movements	132	389	(736)	(215)
Balance at 31 December 2025	18,591	4,256	1,267	24,114

30. OTHER LIABILITIES (CONTINUED)

(c) Lease liabilities

	30 June 2026	31 December 2025
Less than one year	6,329	6,933
One to two years	4,455	5,499
Two to three years	3,113	3,761
Three to five years	4,588	4,504
More than five years	1,278	1,622
Undiscounted lease liabilities	19,763	22,319
Closing balance of lease liabilities	18,070	19,551

31. SHARE CAPITAL

	30 June 2026		31 December 2025	
	Number of shares (millions)	Nominal value	Number of shares (millions)	Nominal value
Issued and fully paid:				
H shares of RMB1 Yuan each	86,795	86,795	86,795	86,795
A shares of RMB1 Yuan each	269,612	269,612	269,612	269,612
	356,407	356,407	356,407	356,407

Except for the dividends of H shares which are payable in RMB or HKD equivalent, all of the ordinary A shares and H shares rank pari passu with each other in respect of dividends on ordinary shares.

32. OTHER EQUITY INSTRUMENTS

(1) Preference shares

(a) Preference shares outstanding:

Financial instruments outstanding	Issue date	Accounting classification	Dividend rate	Issue price	Amount (million shares)	In original currency (million)	In RMB (million)	Maturity	Conversion condition	Conversion
Domestic Preference Shares										
RMB2015	18/11/2015	Equity	3.14%	RMB100/Share	450	45,000	45,000	None	Mandatory	No
RMB2019	19/09/2019	Equity	3.02%	RMB100/Share	700	70,000	70,000	None	Mandatory	No
Total							115,000			

(b) Main clauses and basic information

(i) Dividend

Domestic dividends are paid annually.

Domestic dividends are set at a fixed rate for 5 years after issuance and are reset every 5 years thereafter to the sum of the benchmark rate and the fixed spread. The fixed spread is equal to the spread between the initial domestic dividend rate and the benchmark rate at the time of issuance. The fixed spread remains unchanged throughout the term of the Preference Shares.

(ii) Conditions to distribution of dividends

The Bank can pay domestic dividends when it has distributable after-tax profit after making up previous years' losses, contributing to the statutory reserve and making general provisions, and the Bank's capital adequacy ratios meet regulatory requirements. Preference shareholders of the Bank are senior to the ordinary shareholders in respect of the right to dividends. The Bank may elect to cancel all or part of domestic dividends and this shall not constitute a default for any purpose, but such cancellation will require a shareholder's resolution to be passed.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(1) Preference shares (continued)

(b) Main clauses and basic information (continued)

(iii) Dividend stopper and setting mechanism

For Domestic Preference Shares, if the Bank cancels all or part of the dividends to the Preference Shares, the Bank shall not make any dividends distribution to ordinary shareholders before the Bank pays the dividends to the preference shareholders in full for the current dividend period.

Non-cumulative dividend is a dividend on Domestic Preference Shares which does not cumulate upon omission of payment and the passed or omitted dividend of one year is not carried to the following year. After receiving a dividend at the agreed dividend rate, preference shareholders of the Bank will not participate in the distribution of residual profits with ordinary shareholders.

The Bank shall distribute dividends for Domestic Preference Shares in cash, based on the total amount of issued and outstanding Domestic Preference Shares during the corresponding period (i.e., the product of the issue price of Preference Shares and the number of the issued and outstanding Preference Shares).

(iv) Order of distribution and liquidation method

The domestic preference shareholders will be subordinated to the depositors, general creditors and holders of convertible bonds, holders of subordinated debts, holders of tier 2 capital bonds and holders of other tier 2 capital instruments of the Bank but will be senior to the ordinary shareholders of the Bank.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(1) Preference shares (continued)

(b) Main clauses and basic information (continued)

(v) Mandatory conversion trigger events

For Domestic Preference Shares, upon the occurrence of an Additional Tier 1 Capital Trigger Event (Common Equity Tier 1 Capital Adequacy Ratio of the Bank falling to 5.125% or below), the Bank shall have the right to convert all or part of the outstanding face value of Domestic Preference Shares into A shares without the need for the consent of the domestic preference shareholders, in order to restore the Common Equity Tier 1 Capital Adequacy Ratio of the Bank to above 5.125%. If Domestic Preference Shares were converted into A shares, they cannot be converted to Preference Shares again under any circumstances. Upon the occurrence of a Tier 2 Capital Trigger Event, the Bank shall have the right to convert all the outstanding face value of Domestic Preference Shares into A shares without the need for the consent of the domestic preference shareholders. If Domestic Preference Shares were converted into A share, they cannot be converted to Preference Shares again under any circumstance.

The initial mandatory conversion prices are RMB3.44 for Domestic 2015 Preference Shares and RMB5.43 for Domestic 2019 Preference Shares. In case of ordinary stock dividends distribution of the Bank or other circumstances, the Bank will make cumulative adjustment to the compulsory conversion price in turn.

(vi) Redemption conditions

Under the premise of obtaining the approval of the NFRA and compliance with relevant requirements, the Bank has the right to redeem all or part of Domestic Preference Shares, after five years since the date of issuance/the date of closing. The redemption period of Domestic Preference Shares is from the start date of redemption to the date of full redemption or conversion. Redemption price of Domestic Preference Shares is equal to book value plus any declared but unpaid dividend in the current period.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(1) Preference shares (continued)

(c) Changes in preference shares outstanding

Financial instruments outstanding	1 January 2026 Amount (million shares)	In original currency (million)	In RMB (million)	Movement during the period Amount (million shares)	In original currency (million)	In RMB (million)	30 June 2026 Amount (million shares)	In original currency (million)	In RMB (million)
Domestic Preference Shares									
RMB2015	450	45,000	45,000	-	-	-	450	45,000	45,000
RMB2019	700	70,000	70,000	-	-	-	700	70,000	70,000
Total			115,000			-			115,000

The carrying amount of Preference Shares issued by the Bank was RMB115,000 million (31 December 2025: RMB115,000 million), and net amount of related issuance fees was RMB114,927 million as at 30 June 2026 (31 December 2025: RMB114,927 million).

(2) Perpetual bonds

(a) Perpetual bonds outstanding

Financial instruments outstanding	Issue date	Accounting classification	Initial interest rate	Issue price	Amount (million units)	In original currency (million)	In RMB (million)	Maturity	Conversion condition	Conversion
Offshore										
USD Perpetual bond	24/09/2021	Equity	3.20%	Note (i)	N/A	6,160	39,793	None	None	No
Domestic										
RMB2021 Perpetual bond Series 2	24/11/2021	Equity	3.65%	RMB100/Unit	300	30,000	30,000	None	None	No
RMB2024 Perpetual bond Series 1	10/07/2024	Equity	2.35%	RMB100/Unit	500	50,000	50,000	None	None	No
RMB2025 Perpetual bond Series 1	09/05/2025	Equity	1.97%	RMB100/Unit	400	40,000	40,000	None	None	No
RMB2025 Perpetual bond Series 2	06/11/2025	Equity	2.21%	RMB100/Unit	400	40,000	40,000	None	None	No
RMB2026 Perpetual bond Series 1	16/04/2026	Equity	2.01%	RMB100/Unit	300	30,000	30,000	None	None	No
RMB2026 Perpetual bond Series 2	04/06/2026	Equity	1.89%	RMB100/Unit	200	20,000	20,000	None	None	No
Total							249,793			

(i) Offshore USD Perpetual Bond was issued in specific denomination of USD200,000 and integral multiple of USD1,000 in excess thereof at an issue price of 100%.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(2) Perpetual bonds (continued)

(b) Main clauses and basic information

With the approvals of relevant regulatory authorities, the Bank issued RMB30,000 million, RMB50,000 million, RMB40,000 million, RMB40,000 million, RMB30,000 million and RMB20,000 million of undated additional tier 1 capital bonds on 24 November 2021, 10 July 2024, 9 May 2025, 6 November 2025, 16 April 2026 and 4 June 2026 (hereinafter referred to as "2021 Domestic Perpetual Bond Series 2", "2024 Domestic Perpetual Bond Series 1", "2025 Domestic Perpetual Bond Series 1", "2025 Domestic Perpetual Bond Series 2", "2026 Domestic Perpetual Bond Series 1" and "2026 Domestic Perpetual Bond Series 2" respectively, collectively Domestic Perpetual Bonds) in the National Interbank Bond Market.

The Bank issued USD6,160 million of undated additional tier 1 capital bonds (hereinafter referred to as "Offshore Perpetual Bond") on The Stock Exchange of Hong Kong Limited on 24 September 2021.

The funds raised by the Bank from the bonds were used to supplement additional tier 1 capital of the Bank in accordance with the relevant laws and approvals by regulatory authorities.

With the approvals of relevant regulatory authorities, in June 2026, the Bank redeemed its RMB70,000 million undated additional tier 1 capital bond issued domestically on June 2021.

(i) Interest

Each Domestic Perpetual Bond has a par value of RMB100, and the interest rates of the bonds for the first five years are 3.65% for 2021 Domestic Perpetual Bond Series 2, resetting every 5 years, 2.35% for 2024 Domestic Perpetual Bond Series 1, resetting every 5 years, 1.97% for 2025 Domestic Perpetual Bond Series 1, resetting every 5 years, 2.21% for 2025 Domestic Perpetual Bond Series 2, resetting every 5 years, 2.01% for 2026 Domestic Perpetual Bond Series 1, resetting every 5 years and 1.89% for 2026 Domestic Perpetual Bond Series 2, resetting every 5 years. The rates are determined by a benchmark rate plus an initial fixed spread. The initial fixed spreads are the difference between the interest rate and the benchmark rate as determined at the time of issuance. The fixed spread will not be adjusted once determined during the duration period. The interest of Domestic Perpetual Bonds shall be paid annually.

The interest rate of Offshore Perpetual Bond for the first five years is 3.20%, resetting every 5 years. The rate is determined by a benchmark rate plus a fixed spread, and the fixed spread will remain unchanged during the duration period. The dividend shall be paid semi-annually.

(ii) Interest stopper and setting mechanism

The interest payment for both the Domestic Perpetual Bonds and Offshore Perpetual Bond is non-cumulative. The Bank shall have the right to cancel, in whole or in part, distributions on the interest payment and any such cancellation shall not constitute an event of default. The Bank may, at its sole discretion, use the proceeds from the cancelled distributions to meet other obligations as they fall due. However, the Bank shall not distribute profits to ordinary shareholders until resumption of full interest payment.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(2) Perpetual bonds (continued)

(b) Main clauses and basic information (continued)

(iii) Order of distribution and liquidation method

The claims in respect of Domestic Perpetual Bonds will be subordinated to claims of depositors, general creditors, and subordinated indebtedness that rank senior to Domestic Perpetual Bonds, and will rank in priority to all classes of shares held by shareholders of the Bank. The claims in respect of Offshore Perpetual Bond will be subordinated to claims of depositors, general creditors, tier 2 capital bond holders and subordinated indebtedness that rank senior to the Offshore Perpetual Bond, and will rank in priority to all classes of shares held by shareholders of the Bank. Domestic Perpetual Bonds and Offshore Perpetual Bond will rank pari passu with the claims in respect of any other Additional Tier 1 Capital instruments of the Bank that rank pari passu with the perpetual bonds.

(iv) Write down conditions

For 2021 Domestic Perpetual Bond Series 2, 2024 Domestic Perpetual Bond Series 1, 2025 Domestic Perpetual Bond Series 1, 2025 Domestic Perpetual Bond Series 2, 2026 Domestic Perpetual Bond Series 1 and 2026 Domestic Perpetual Bond Series 2 upon the occurrence of a Non-Viability Trigger Event, the Bank has the right to write down all or part of the nominal amount of the outstanding perpetual bonds without the need for the consent of the bond holders.

For Offshore Perpetual Bond, upon the occurrence of a Non-Viability Trigger Event, the Bank has the right to write down all or part of the perpetual bonds issued and outstanding at that time up to the total nominal value without the need for the consent of the bond holders.

(v) Redemption conditions

The duration of the Domestic Perpetual Bonds and Offshore Perpetual Bond is the same as the continuing operation of the Bank. Five years after the issuance date of the Domestic Perpetual Bonds and Offshore Perpetual Bond, the Bank shall have the right to redeem them in whole or in part on each distribution payment date (including the fifth distribution payment date since the issuance). In the event that the perpetual bonds are not classified as additional tier 1 capital due to unpredicted changes in regulations, the Bank shall have the right to redeem Domestic Perpetual Bonds and Offshore Perpetual Bond fully instead of partly.

32. OTHER EQUITY INSTRUMENTS (CONTINUED)

(2) Perpetual bonds (continued)

(c) Changes in perpetual bonds outstanding

Financial instruments outstanding	1 January 2026			Movement during the period			30 June 2026		
	Amount (million units)	In original currency (million)	In RMB (million)	Amount (million units)	In original currency (million)	In RMB (million)	Amount (million units)	In original currency (million)	In RMB (million)
Offshore									
USD Perpetual bond	N/A	6,160	39,793	-	-	-	N/A	6,160	39,793
Domestic									
RMB2021 Perpetual bond Series 1	700	70,000	70,000	(700)	(70,000)	(70,000)	-	-	-
RMB2021 Perpetual bond Series 2	300	30,000	30,000	-	-	-	300	30,000	30,000
RMB2024 Perpetual bond Series 1	500	50,000	50,000	-	-	-	500	50,000	50,000
RMB2025 Perpetual bond Series 1	400	40,000	40,000	-	-	-	400	40,000	40,000
RMB2025 Perpetual bond Series 2	400	40,000	40,000	-	-	-	400	40,000	40,000
RMB2026 Perpetual bond Series 1	-	-	-	300	30,000	30,000	300	30,000	30,000
RMB2026 Perpetual bond Series 2	-	-	-	200	20,000	20,000	200	20,000	20,000
Total			269,793			(20,000)			249,793

The carrying amount of perpetual bonds issued by the Bank was RMB249,793 million (31 December 2025: RMB269,793 million), and net amount of related issuance fees was RMB249,739 million as at 30 June 2026 (31 December 2025: RMB269,730 million).

(3) Interests attributable to equity instruments' holders

	30 June 2026	31 December 2025
1. Total equity attributable to equity holders of the parent company	4,326,994	4,244,259
(1) Equity attributable to ordinary shareholders of the parent company	3,962,328	3,859,602
(2) Equity attributable to other equity instrument holders of the parent company	364,666	384,657
2. Total equity attributable to non-controlling interests	28,850	27,765
(1) Equity attributable to ordinary shareholders of non-controlling interests	20,978	19,893
(2) Equity attributable to other equity instrument holders of non-controlling interests	7,872	7,872

33. RESERVES

(a) Capital reserve

Capital reserve mainly includes share premium arising from the issuance of new shares at prices in excess of par value.

(b) Surplus reserves

(i) Statutory surplus reserve

The Bank is required to appropriate 10% of its profit for the year, as determined under the Accounting Standards for Business Enterprises and other relevant requirements ("PRC GAAP"), pursuant to the Company Law of the PRC and the Articles of the Bank to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital.

Subject to the approval of the Shareholders' Meeting, the statutory surplus reserve may be used to offset accumulated losses of the Bank, if any, and may also be converted into capital of the Bank, provided that the balance of the statutory surplus reserve after such capitalisation is not less than 25% of the registered capital immediately before capitalisation.

(ii) Discretionary surplus reserve

After making the appropriation to the statutory surplus reserve, the Bank may also appropriate its profit for the year determined under the PRC GAAP to the discretionary surplus reserve upon approval by the Shareholders' Meeting. Subject to the approval of the shareholders, the discretionary surplus reserve may be used to offset accumulated losses of the Bank, if any, and may be converted into capital.

(iii) Other surplus reserves

The Bank's overseas entities appropriate their profits to other surplus reserves or statutory reserve in accordance with the relevant laws and regulations promulgated by the local regulatory bodies.

33. RESERVES (CONTINUED)

(c) General reserve

In accordance with the "Administrative Measures for the Provision of Reserves of Financial Enterprises" (Cai Jin [2012] No. 20) issued by the MOF, the Bank maintains a general reserve within equity, through the appropriation of profit for the year, which should not be less than 1.5% of the year-end balance of its risk assets, to partially cover unidentified possible losses.

The Bank's subsidiaries appropriate their profits to the general reserve according to the applicable local regulations.

(d) Investment revaluation reserve

The investment revaluation reserve records the fair value changes and impairment provision of financial investments measured at FVTOCI.

(e) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of the foreign operations incorporated outside Chinese mainland.

(f) Cash flow hedging reserve

The cash flow hedging reserve comprises the effective portion of the gains or losses on the hedging instruments.

(g) Other reserves

Other reserves represent reserves other than the items listed above, including other comprehensive income recognised under the equity method.

(h) Distributable profits

The Bank's distributable profit is based on its retained profits as determined under the PRC GAAP and IFRS Accounting Standards, whichever is lower. The amount that the Bank's subsidiaries can legally distribute is determined by referring to their profits as reflected in their financial statements prepared in accordance with the accounting regulations and principles promulgated by the local regulatory bodies. These profits may differ from those dealt with in these financial statements, which are prepared in accordance with IFRS Accounting Standards.

(In RMB millions, unless otherwise stated)

34. OTHER COMPREHENSIVE INCOME

(a) Other comprehensive income attributable to equity holders of the parent company in the consolidated statement of financial position

	Investment revaluation reserve	Foreign currency translation reserve	Others	Total
1 January 2025	76,965	(6,092)	(23,178)	47,695
Movement during the year	(25,720)	(8,203)	3,327	(30,596)
31 December 2025 and 1 January 2026	51,245	(14,295)	(19,851)	17,099
Movement during the period	6,926	(11,536)	(1,831)	(6,441)
30 June 2026	58,171	(25,831)	(21,682)	10,658

(b) Other comprehensive income in the consolidated statement of profit or loss and other comprehensive income

	Six months ended 30 June 2026	Six months ended 30 June 2025
Items that will not be reclassified to profit or loss:		
(i) Changes in fair value of equity instruments designated as at FVTOCI	(7,264)	2,162
Less: Income tax effect	1,870	(513)
	(5,394)	1,649
(ii) Other comprehensive income recognised under the equity method	(19)	(18)
(iii) Others	-	1
Items that may be reclassified subsequently to profit or loss:		
(i) Changes in fair value of debt instruments measured at FVTOCI	21,988	3,790
Less: Amount transferred to profit or loss from other comprehensive income	(3,834)	(2,713)
Less: Income tax effect	(4,857)	(48)
	13,297	1,029
(ii) Credit losses of debt instruments measured at FVTOCI	(998)	(161)
Less: Income tax effect	30	42
	(968)	(119)
(iii) Cash flow hedging reserve:		
(Losses)/gains during the period	(1,031)	1,941
Less: Income tax effect	(184)	(193)
	(1,215)	1,748
(iv) Other comprehensive income recognised under the equity method	(220)	(33)
(v) Foreign currency translation reserve	(11,893)	(1,755)
(vi) Others	(1,224)	(4,210)
	(7,636)	(1,708)

(In RMB millions, unless otherwise stated)

35. CASH AND CASH EQUIVALENTS

	30 June 2026	30 June 2025
Cash on hand	61,791	68,396
Balances with central banks other than restricted deposits	391,892	268,574
Deposits with banks and other financial institutions with original maturity of three months or less	353,338	380,130
Placements with banks and other financial institutions with original maturity of three months or less	147,321	287,226
Reverse repurchase agreements with original maturity of three months or less	919,953	1,427,584
	1,874,295	2,431,910

36. INTERESTS IN STRUCTURED ENTITIES

(a) Structured entities sponsored by third party institutions in which the Group holds an interest

The Group holds an interest in some structured entities sponsored by third party institutions through investments in the products issued by these structured entities. Such structured entities include investment funds, asset management plans and asset-backed securities, and trust plans and the Group does not consolidate these structured entities. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors and are financed through the issuance of investment products to investors.

The following table sets out an analysis of the carrying amounts and maximum exposure of interests held by the Group in the structured entities sponsored by third party institutions:

	30 June 2026		31 December 2025	
	Carrying amount	Maximum exposure	Carrying amount	Maximum exposure
Investment funds	96,139	96,139	78,122	78,122
Asset management plans and asset-backed securities	82,717	82,717	60,332	60,332
Trust plans	35,067	35,067	38,723	38,723
	213,923	213,923	177,177	177,177

The maximum loss exposures in the above investment funds, asset management plans and asset-backed securities, and trust plans are the carrying amounts which are measured at amortised cost, or the fair value of the investments held by the Group as at the reporting date.

(In RMB millions, unless otherwise stated)

36. INTERESTS IN STRUCTURED ENTITIES (CONTINUED)

(a) Structured entities sponsored by third party institutions in which the Group holds an interest (continued)

The following tables set out an analysis of the line items in the consolidated statement of financial position in which assets were recognised relating to the Group's interests in structured entities sponsored by third party institutions:

	30 June 2026		
	Financial investments measured at FVTPL	Financial investments measured at FVTOCI	Financial investments measured at amortised cost
Investment funds	95,736	403	-
Asset management plans and asset-backed securities	19,488	58,004	5,225
Trust plans	11,306	15,402	8,359
	126,530	73,809	13,584

	31 December 2025		
	Financial investments measured at FVTPL	Financial investments measured at FVTOCI	Financial investments measured at amortised cost
Investment funds	77,720	402	-
Asset management plans and asset-backed securities	20,221	34,649	5,462
Trust plans	11,465	19,393	7,865
	109,406	54,444	13,327

36. INTERESTS IN STRUCTURED ENTITIES (CONTINUED)

(b) Structured entities sponsored by the Group in which the Group does not consolidate but holds an interest

The types of unconsolidated structured entities sponsored by the Group include non-principal-guaranteed wealth management products and investment funds. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors. These structured entities are financed through the issuance of investment products to investors. Interest held by the Group includes investments in the products issued by these unconsolidated structured entities and fees charged for providing management services. As at 30 June 2026 and 31 December 2025, the carrying amounts of the investments in the products issued by these structured entities and fee receivables being recognised were not significant in the financial statements. Management fee income earned by the Group was included in fee and commission income of personal wealth management and private banking services and corporate wealth management services set out in Note 4.

As at 30 June 2026, the balance of the unconsolidated non-principal-guaranteed wealth management products and investment funds, which are sponsored by the Group, were RMB1,991,439 million (31 December 2025: RMB2,091,240 million) and RMB2,651,447 million (31 December 2025: RMB2,372,342 million).

For the six months ended 30 June 2026, there were no financing transactions through placements and reverse repurchase agreements from the Group with non-principal-guaranteed wealth management products sponsored by the Group (six months ended 30 June 2025 average exposure: Nil).

(c) Consolidated structured entities

The consolidated structured entities of the Group are primarily the certain investment funds, asset-backed securities and asset management plans issued or initiated and invested by the Group or purchased due to regulatory requirements related to wealth management business. 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 variable returns.

37. TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the ordinary course of business by which it transfers recognised financial assets to third parties or special purpose entities. In some cases, these transfers may give rise to full or partial derecognition of the financial assets concerned. In other cases where the transferred assets do not qualify for derecognition as the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets in the statement of financial position.

37. TRANSFERRED FINANCIAL ASSETS (CONTINUED)

Repurchase transactions and securities lending transactions

Transferred financial assets that do not qualify for derecognition mainly include debt securities held by counterparties as collateral under repurchase agreements and debt securities lent to counterparties under securities lending agreements. The counterparties are allowed to sell or repledge those securities in the absence of default by the Group but has an obligation to return the securities at the maturity of the contract. For securities lent out, if the securities increase or decrease in value, the Group may in certain circumstances require additional cash collateral from counterparties or return part of the cash collateral to counterparties. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognised them. In addition, it recognises a financial liability for cash received as collateral.

Securitisation transactions

The Group transfers credit assets to structured entities which issue asset-backed securities to investors. The Group may acquire some asset-backed securities at the subordinated tranche level and accordingly, may retain parts of the risks and rewards of the transferred credit assets. The Group would determine whether to derecognise the associated credit assets by evaluating the extent to which it retains the risks and rewards of the assets.

For those in which the Group has neither transferred nor retained substantially all the risks and rewards of the transferred credit assets, and retained control of the credit assets, the Group recognises the assets on the consolidated statement of financial position to the extent of the Group's continuing involvement and the rest is derecognised. The extent of the Group's continuing involvement is the extent of the risks and rewards undertaken by the Group with value changes of the transferred financial assets. There were no carrying amount of assets that the Group continues to recognise on the consolidated statement of financial position as at 30 June 2026 (31 December 2025: Nil).

As at 30 June 2026, the carrying amount of asset-backed securities held by the Group in securitisation transactions that were qualified for derecognition was RMB1,042 million (31 December 2025: RMB878 million) , and its maximum exposure approximated to the carrying amount.

With respect to the securitisation of financial assets that do not qualify for derecognition, the relevant financial assets are not derecognised, and the consideration received is recorded as a financial liability. As at 30 June 2026, there were no transferred credit assets that were not qualified for derecognition of the Group (31 December 2025: Nil).

(In RMB millions, unless otherwise stated)

38. ASSETS PLEDGED AS SECURITY

The Group's collaterals for liabilities or contingent liabilities include financial assets such as securities and bills, which mainly serve as collaterals for repurchase agreements, securities borrowing, or local statutory requirements. As at 30 June 2026, the par value of the financial assets of the Group pledged as collateral amounted to approximately RMB4,038,168 million (31 December 2025: approximately RMB3,415,579 million).

39. SHARE APPRECIATION RIGHTS PLAN

The Bank's share appreciation rights plan was approved in 2006, which allows share appreciation rights to be granted to eligible participants including directors, senior management and other key personnel designated by the Board of Directors. The share appreciation rights will be granted and exercised based on the price of the Bank's H shares and will be valid for 10 years. As at the approval date of these financial statements, no share appreciation rights have been granted.

40. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

At the end of the reporting period, the Group had capital commitments as follows:

	30 June 2026	31 December 2025
Contracted but not provided for	17,352	18,941

(b) Credit commitments

The Group has outstanding commitments to extend credit including approved loans and undrawn credit card limits.

The Group provides letters of credit and financial guarantees to guarantee the performance of customers to third parties.

Bank acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from the customers.

The contractual amounts of credit commitments by category are set out below. The amounts disclosed in respect of loan commitments and undrawn credit card limits are under the assumption that the amounts will be fully advanced. The amounts for bank acceptances, letters of credit and guarantees represent the maximum potential losses that would be recognised at the end of the reporting period had the counterparties failed to perform as contracted.

(In RMB millions, unless otherwise stated)

40. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(b) Credit commitments (continued)

	30 June 2026	31 December 2025
Bank acceptances	1,213,232	1,169,736
Guarantees issued		
—Financing letters of guarantees	61,263	97,311
—Non-financing letters of guarantees	728,113	677,886
Sight letters of credit	55,101	49,040
Usance letters of credit	320,842	221,942
Loan commitments		
—With an original maturity of under one year	29,205	34,731
—With an original maturity of one year or over	429,245	449,366
Undrawn credit card limits	1,155,715	1,155,462
	3,992,716	3,855,474
Credit risk-weighted assets of credit commitments	1,380,956	1,335,778

(c) Operating leases

The Group acts as a lessor principally through operating leases undertaken by its subsidiary ICBC Leasing. Under irrevocable operating lease contracts, the expected undiscounted minimum lease payments receivable by the Group in the future period amounted to:

	30 June 2026	31 December 2025
Within one year	16,381	16,042
Over one year but within two years	14,338	15,697
Over two years but within three years	12,673	13,676
Over three years but within five years	21,606	23,312
Over five years	38,054	40,361
	103,052	109,088

(In RMB millions, unless otherwise stated)

40. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(d) Legal proceedings and arbitrations

The Group is involved in lawsuits and arbitrations during its normal course of operations. As at 30 June 2026, there were a number of legal proceedings and arbitrations outstanding against the Bank and/or its subsidiaries with a total claimed amount of RMB8,091 million (31 December 2025: RMB7,183 million).

In the opinion of management, the Group has made adequate allowance for any probable losses based on the current facts and circumstances, and the ultimate outcome of these lawsuits and arbitrations will not have any significant impact on the financial position or operations of the Group.

(e) Redemption commitments of government bonds and securities underwriting commitments

As an underwriting agent of the MOF, the Bank underwrites certain PRC government bonds and sells the bonds to the general public. The Bank is obliged to redeem these bonds at the discretion of the holders at any time prior to maturity. The redemption price for the bonds is based on the nominal value of the bonds plus any interest accrued up to the redemption date. The MOF will not provide funding for the early redemption of these PRC government bonds on a back-to-back basis but is obliged to repay the principal and the respective interest upon maturity. The redemption obligations, which represent the nominal value of government bonds underwritten and sold by the Group, but not yet matured as at 30 June 2026 were RMB59,860 million (31 December 2025: RMB58,062 million). Management expects that the redemption obligations of these PRC government bonds by the Bank prior to maturity will not be material.

As at 30 June 2026, the Group had no outstanding bond underwriting commitments (31 December 2025: Nil).

(f) Designated funds and loans

	30 June 2026	31 December 2025
Designated funds	5,158,067	4,821,597
Designated loans	5,157,810	4,821,477

The designated funds represent the funding that the trustors have instructed the Group to use to make loans to third parties as designated by them. The credit risk remains with the trustors.

The designated loans represent the loans granted to specific borrowers designated by the trustors on their behalf according to the entrust agreements signed by the Group and the trustors. The Group does not bear any risk.

(In RMB millions, unless otherwise stated)

40. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(g) Fiduciary activities

The Group provides custody, trust and asset management services to third parties. Revenue from such activities is included in "net fee and commission income" set out in Note 4. Those assets held in a fiduciary capacity are not included in the Group's consolidated statement of financial position.

41. RELATED PARTY DISCLOSURES

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the reporting period:

(a) The MOF

The MOF is a ministry under the State Council of the PRC, primarily responsible for, among others, state fiscal revenues, expenses and taxation policies. As at 30 June 2026, the MOF directly owned approximately 31.14% (31 December 2025: approximately 31.14%) of the issued share capital of the Bank. The Group entered into banking transactions with the MOF in its ordinary course of business. Details of the major transactions are as follows:

	30 June 2026	31 December 2025
Balances at end of the period/year:		
The PRC government bonds and the special government bond	5,460,158	4,734,450

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on the government bonds	44,778	35,226

Other related party transactions between the Group and enterprises under the control or joint control of the MOF are disclosed in Note 41(i) "Transactions with state-owned entities in the PRC".

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Central Huijin Investment Ltd.

Central Huijin Investment Ltd. (“Huijin”) is a wholly-owned subsidiary of China Investment Corporation, and in accordance with the authorisation of the State Government, Huijin makes equity investments in major state-owned financial enterprises, and shall, to the extent of its capital contribution, exercise the rights and perform the obligations as an investor on behalf of the State Government in accordance with applicable laws, to achieve the goal of preserving and enhancing the value of state-owned financial assets. Huijin does not conduct any other businesses or commercial activities nor intervene in the day-to-day business operations of the financial enterprises in which it invests. Huijin was established on 16 December 2003 with a total registered and paid-in capital of RMB828,209 million. As at 30 June 2026, Huijin directly owned approximately 34.79% (31 December 2025: approximately 34.79%) of the issued share capital of the Bank.

As at 30 June 2026, bonds issued by Huijin (“the Huijin Bonds”) held by the Group were of an aggregate face value of RMB82,223 million (31 December 2025: RMB86,272 million), with terms ranging from two to thirty years and coupon rates ranging from 1.73% to 4.20%. The Huijin Bonds are government-backed bonds, short-term bills and medium-term notes. The Group’s subscription of the Huijin Bonds was conducted in the ordinary course of business, in compliance with relevant regulatory and the corporate governance requirements of the Group.

The Group entered into banking transactions with Huijin in the ordinary course of business under normal commercial terms and conditions, the transactions were priced based on market rates. Details of the major transactions are as follows:

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Debt securities purchased	84,014	87,471
Loans and advances to customers	-	36,424
Due to customers	300,700	98,405

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on debt securities purchased	1,030	830
Interest income on loans and advances to customers	118	772
Interest expense on amounts due to customers	1,165	163

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Central Huijin Investment Ltd. (continued)

Huijin holds equity interests in certain other banks and financial institutions under the direction of the State Government. The Group entered into transactions with these banks and financial institutions in the ordinary course of business under normal commercial terms and conditions, the transactions were priced based on market rates. Management considers that these banks and financial institutions are competitors of the Group. Details of major transactions conducted with these banks and financial institutions are as follows:

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Debt securities purchased	1,213,745	1,023,813
Due from banks and other financial institutions	262,799	377,105
Reverse repurchase agreements	59,206	39,422
Loans and advances to customers	12,297	8,657
Derivative financial assets	5,020	5,880
Due to banks and other financial institutions	565,724	570,766
Repurchase agreements	28,487	16,694
Derivative financial liabilities	4,966	6,529
Due to customers	54,373	41,794
Credit commitments	30,510	29,828

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on debt securities purchased	11,132	9,450
Interest income on amounts due from banks and other financial institutions	2,393	2,090
Interest income on reverse repurchase agreements	14	45
Interest income on loans and advances to customers	128	45
Interest expense on amounts due to banks and other financial institutions	3,661	3,225
Interest expense on repurchase agreements	51	2
Interest expense on amounts due to customers	496	157

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(c) National Council for Social Security Fund of the People's Republic of China

National Council for Social Security Fund (the "SSF") is a public institution managed by the MOF. It is the management and operating organisation of the national social security fund. As at 30 June 2026, the SSF held approximately 5.35% (31 December 2025: approximately 5.35%) of the Bank's issued share capital. The Group entered into banking transactions with the SSF in the ordinary course of business under normal commercial terms and the transactions were priced based on market rates. Details of the major transactions are as follows:

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Deposited funds	365,888	376,750

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest expense	6,825	4,959

(d) Subsidiaries

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Financial investments	38,665	37,601
Due from banks and other financial institutions	406,651	384,587
Reverse repurchase agreements	5,250	5,850
Loans and advances to customers	81,837	85,288
Derivative financial assets	14,163	4,885
Due to banks and other financial institutions	251,352	205,768
Repurchase agreements	17,876	19,324
Derivative financial liabilities	3,222	9,439
Credit commitments	47,001	14,204

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(d) Subsidiaries (continued)

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on financial investments	904	935
Interest income on amounts due from banks and other financial institutions	1,814	1,525
Interest income on reverse repurchase agreements	0	16
Interest income on loans and advances to customers	1,407	1,402
Interest expense on amounts due to banks and other financial institutions	2,297	2,694
Interest expense on repurchase agreements	20	101
Fee and commission income	2,235	2,146

The major balances and transactions with subsidiaries have been eliminated in the financial statements.

(e) Associates and affiliates

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Due from banks and other financial institutions	995	666
Reverse repurchase agreements	-	1,843
Loans and advances to customers	10,454	7,135
Derivative financial assets	1,075	2,250
Due to banks and other financial institutions	4,178	3,900
Due to customers	5,828	4,735
Derivative financial liabilities	1,439	1,973
Credit commitments	4,303	7,795

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(e) Associates and affiliates (continued)

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on amounts due from banks and other financial institutions	12	8
Interest income on reverse repurchase agreements	-	73
Interest income on loans and advances to customers	129	115
Interest expense on amounts due to banks and other financial institutions	123	149
Interest expense on amounts due to customers	40	2

Transactions between the Group and the aforementioned parties were conducted in the ordinary course of business under normal commercial terms and conditions and priced based on market rates.

(f) Joint ventures and affiliates

	30 June 2026	31 December 2025
Balances at end of the period/year:		
Due to banks and other financial institutions	628	190
Due to customers	146	87

	Six months ended 30 June	
	2026	2025
Transactions during the period:		
Interest income on loans and advances to customers	-	0
Interest expense on amounts due to banks and other financial institutions	2	0
Interest expense on amounts due to customers	0	0

Transactions between the Group and the aforementioned parties were conducted in the ordinary course of business under normal terms and conditions and priced based on market rates.

41. RELATED PARTY DISCLOSURES (CONTINUED)

(g) Key management personnel

The key management personnel are those persons who have the authority and responsibility to plan, direct and control the activities of the Group, directly or indirectly, including members of the Board of Directors and the Board of Supervisors, and executive officers.

The aggregate compensation of key management personnel is as follows:

	Six months ended 30 June	
	2026	2025
	In RMB'000	In RMB'000
Salaries and benefits	5,133	5,530

Related parties of the Group include key management personnel of the Group and their close relatives, as well as companies controlled, jointly controlled or significantly influenced by key management personnel or their close relatives.

The Supervisory Board of the Bank was formally dissolved in September 2025. The compensation and benefits disclosed in the table above for the period from January to June 2025 include all remuneration received by supervisors serving during the reporting period.

For the six months ended 30 June 2026, there were no material transactions and balances with key management personnel individually or in the aggregate (six months ended 30 June 2025: Immaterial). The Group entered into banking transactions with key management personnel in the ordinary course of business.

The aggregate balance of loans and credit card overdrafts to the persons who are considered as related parties according to the relevant rules of Shanghai Stock Exchange was RMB0.35 million as at 30 June 2026 (31 December 2025: RMB0.43 million).

The Bank's aggregate balance of loans and credit card overdrafts to the persons who are considered as related parties according to the relevant rules of the NFRA was RMB141.21 million as at 30 June 2026 (31 December 2025: RMB135.54 million).

The transactions between the Group and the aforementioned parties were conducted in the ordinary course of business under normal commercial terms and conditions and priced based on market rates.

41. RELATED PARTY DISCLOSURES (CONTINUED)

(h) Annuity fund

Apart from the obligations for defined contributions to the annuity fund established by the Bank, annuity fund held A shares of the Bank with market value of RMB2.48 million as at 30 June 2026 (31 December 2025: RMB10.81 million), and bonds issued by the Bank of RMB1,759.88 million as at 30 June 2026 (31 December 2025: RMB698.78 million).

(i) Transactions with state-owned entities in the PRC

The Group operates in an economic environment predominated by enterprises directly or indirectly owned and/or controlled by the Government through its authorities, affiliates or other organisations (collectively the “state-owned entities”). During the reporting period, the Group entered into extensive banking transactions with these state-owned entities including, but not limited to, lending and deposit taking, taking and placing of interbank balances, entrusted lending and the provision of intermediary services, the sale, purchase, underwriting and redemption of bonds issued by other state-owned entities, and the sale, purchase, and leasing of properties and other assets.

The transactions with state-owned entities are activities conducted in the ordinary course of business under normal terms and conditions and priced based on market rates, and the dealings of the Group have not been significantly or unduly affected by the fact that the Group and those state-owned entities are ultimately controlled or owned by the Government. The Group has also established pricing policies for products and services and such pricing policies do not depend on whether or not the customers are state-owned entities.

(In RMB millions, unless otherwise stated)

41. RELATED PARTY DISCLOSURES (CONTINUED)

(j) Proportion of major related party transactions

The major balances and transactions with subsidiaries have been eliminated in the financial statements. When calculating the proportion of related party transactions, transactions with the subsidiaries are excluded.

	30 June 2026		31 December 2025	
	Balance	Percentage	Balance	Percentage
Financial investments	6,757,917	36.27%	5,845,734	34.57%
Due from banks and other financial institutions	263,794	23.95%	377,771	29.89%
Reverse repurchase agreements	59,206	5.75%	41,265	7.78%
Loans and advances to customers	22,751	0.07%	52,216	0.18%
Derivative financial assets	6,095	4.33%	8,130	6.23%
Due to banks and other financial institutions	570,530	9.74%	574,856	11.26%
Repurchase agreements	28,487	0.94%	16,694	0.66%
Derivative financial liabilities	6,405	6.18%	8,502	6.34%
Due to customers	726,935	1.86%	521,771	1.40%
Credit commitments	34,813	0.87%	37,623	0.98%

	Six months ended 30 June			
	2026		2025	
	Amount	Percentage	Amount	Percentage
Interest income	59,734	9.04%	48,654	7.22%
Interest expense	12,363	3.87%	8,657	2.40%

42. SEGMENT INFORMATION

(a) Operating segments

The Group is organised into different operating segments, namely corporate banking, personal banking and treasury operations, based on internal organisation structure, management requirements and internal reporting system.

Corporate banking

The corporate banking segment covers the provision of financial products and services to corporations, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit-taking activities, corporate wealth management services, custody activities and various types of corporate intermediary services.

Personal banking

The personal banking segment covers the provision of financial products and services to individual customers. The products and services include personal loans, deposit-taking activities, card business, personal wealth management services and various types of personal intermediary services.

Treasury operations

The treasury operations segment covers the Group's treasury operations which include money market transactions, investment securities, foreign exchange transactions and the holding of derivative positions for its own accounts or on behalf of customers.

Others

This segment covers the Group's assets, liabilities, income and expenses that are not directly attributable or cannot be allocated to a segment on a reasonable basis.

Management monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

Transactions between segments mainly represent the provision of funding to and from individual segments. The internal transfer pricing of these transactions is determined with reference to the market rates and has been reflected in the performance of each segment. Net interest income and expense arising on internal fund transfer are referred to as "internal net interest income or expense". Net interest income and expense relating to third parties are referred to as "external net interest income or expense".

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(a) Operating segments (continued)

Segment revenues, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The basis for allocation is mainly based on occupation of or contribution to resources. Income taxes are managed on a group basis and are not allocated to operating segments.

	Six months ended 30 June 2026				
	Corporate banking	Personal banking	Treasury operations	Others	Total
External net interest income	196,791	6,853	137,593	-	341,237
Internal net interest income/(expense)	(30,293)	131,827	(101,534)	-	-
Net fee and commission income	45,368	23,451	416	-	69,235
Other income, net (i)	4,785	2,114	27,529	1,263	35,691
Operating income	216,651	164,245	64,004	1,263	446,163
Operating expenses	(48,108)	(52,971)	(9,825)	(475)	(111,379)
Impairment (losses)/gains on assets (ii)	(61,873)	(64,296)	(1,750)	163	(127,756)
Operating profit	106,670	46,978	52,429	951	207,028
Share of results of associates and joint ventures	-	-	-	2,982	2,982
Profit before taxation	106,670	46,978	52,429	3,933	210,010
Income tax expense					(33,535)
Profit for the period					176,475
Other segment information:					
Depreciation and amortisation	5,271	6,180	2,075	63	13,589
Capital expenditure	6,228	7,714	2,549	77	16,568

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(a) Operating segments (continued)

	30 June 2026				
	Corporate banking	Personal banking	Treasury operations	Others	Total
Segment assets	22,850,917	9,225,594	24,738,869	142,415	56,957,795
Including: Investments in associates and joint ventures	-	-	-	78,638	78,638
Property and equipment	96,303	123,329	40,508	23,714	283,854
Other non-current assets (iii)	35,255	19,915	7,519	21,838	84,527
Unallocated assets					112,798
Total assets					57,070,593
Segment liabilities	18,451,490	21,972,410	12,145,185	108,866	52,677,951
Unallocated liabilities					36,798
Total liabilities					52,714,749
Other segment information:					
Credit commitments	2,868,672	1,124,044	-	-	3,992,716

(i) Includes net trading income, net gains on financial investments and other net operating income and expense.
(ii) Includes credit impairment losses and impairment losses on other assets.
(iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(a) Operating segments (continued)

	Six months ended 30 June 2025				
	Corporate banking	Personal banking	Treasury operations	Others	Total
External net interest income/(expense)	182,289	(2,040)	133,327	-	313,576
Internal net interest income/(expense)	(32,087)	138,952	(106,865)	-	-
Net fee and commission income	42,917	23,430	673	-	67,020
Other income, net (i)	4,604	1,751	20,781	1,350	28,486
Operating income	197,723	162,093	47,916	1,350	409,082
Operating expenses	(43,143)	(55,486)	(9,061)	(880)	(108,570)
Impairment (losses)/gains on assets (ii)	(91,012)	(13,838)	220	101	(104,529)
Operating profit	63,568	92,769	39,075	571	195,983
Share of results of associates and joint ventures	-	-	-	3,025	3,025
Profit before taxation	63,568	92,769	39,075	3,596	199,008
Income tax expense					(30,205)
Profit for the period					168,803
Other segment information:					
Depreciation and amortisation	4,959	6,319	1,710	65	13,053
Capital expenditure	6,986	9,591	2,413	97	19,087

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(a) Operating segments (continued)

	31 December 2025				
	Corporate banking	Personal banking	Treasury operations	Others	Total
Segment assets	21,248,066	9,379,843	22,621,480	124,095	53,373,484
Including: Investments in associates and joint ventures	-	-	-	78,313	78,313
Property and equipment	98,818	139,438	35,098	20,482	293,836
Other non-current assets (iii)	37,164	21,477	7,772	20,619	87,032
Unallocated assets					104,289
Total assets					53,477,773
Segment liabilities	17,303,479	21,184,408	10,536,232	151,705	49,175,824
Unallocated liabilities					29,925
Total liabilities					49,205,749
Other segment information:					
Credit commitments	2,700,037	1,155,437	-	-	3,855,474

(i) Includes net trading income, net gains on financial investments and other net operating income and expense.
(ii) Includes credit impairment losses and impairment losses on other assets.
(iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

42. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information

The Group operates principally in Chinese mainland, and also has branches or subsidiaries operating outside Chinese mainland. The distribution of the geographical areas is as follows.

Chinese mainland (Head Office and domestic branches)

Head Office ("HO"):	the HO business divisions (including institutions directly managed by the HO and its offices);
Yangtze River Delta:	including Shanghai, Jiangsu, Zhejiang, Ningbo and Suzhou;
Pearl River Delta:	including Guangdong, Shenzhen, Fujian and Xiamen;
Bohai Rim:	including Beijing, Tianjin, Hebei, Shandong and Qingdao;
Central China:	including Shanxi, Henan, Hubei, Hunan, Anhui, Jiangxi and Hainan;
Western China:	including Chongqing, Sichuan, Guizhou, Yunnan, Guangxi, Shaanxi, Gansu, Qinghai, Ningxia, Xinjiang, Inner Mongolia and Xizang; and
Northeastern China:	including Liaoning, Heilongjiang, Jilin and Dalian.

Overseas and others

Branches located outside Chinese mainland, domestic and overseas subsidiaries, and investments in associates and joint ventures.

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information (continued)

	Six months ended 30 June 2026									
	Chinese mainland (HO and domestic branches)									
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China	Overseas and others	Eliminations	Total
External net interest income/(expense)	151,217	47,188	29,906	2,805	37,507	49,847	(2,024)	24,791	-	341,237
Internal net interest income/(expense)	(149,335)	22,074	15,178	77,825	13,729	7,543	15,457	(2,471)	-	-
Net fee and commission income	15,936	13,970	7,092	10,574	6,753	5,699	1,174	8,740	(703)	69,235
Other income/(expense), net (i)	18,262	(373)	(648)	129	(268)	(336)	(835)	19,134	626	35,691
Operating income	36,080	82,859	51,528	91,333	57,721	62,753	13,772	50,194	(77)	446,163
Operating expenses	(17,427)	(16,227)	(11,340)	(18,836)	(14,406)	(15,560)	(5,735)	(11,925)	77	(111,379)
Impairment losses on assets (ii)	(52,638)	(13,300)	(16,969)	(7,109)	(17,278)	(16,168)	(906)	(3,388)	-	(127,756)
Operating profit/(loss)	(33,985)	53,332	23,219	65,388	26,037	31,025	7,131	34,881	-	207,028
Share of results of associates and joint ventures	-	-	-	-	-	-	-	2,982	-	2,982
Profit/(loss) before taxation	(33,985)	53,332	23,219	65,388	26,037	31,025	7,131	37,863	-	210,010
Income tax expense										(33,535)
Profit for the period										176,475
Other segment information:										
Depreciation and amortisation	2,283	2,013	1,290	1,836	1,709	1,861	888	1,709	-	13,589
Capital expenditure	640	841	708	886	685	785	231	11,792	-	16,568

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information (continued)

	30 June 2026									
	Chinese mainland (HO and domestic branches)									
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China	Overseas and others	Eliminations	Total
Assets by geographical areas	7,175,618	15,959,026	9,916,116	8,631,225	6,573,637	6,993,182	1,874,220	5,018,597	(5,183,826)	56,957,795
Including: Investments in associates and joint ventures	-	-	-	-	-	-	-	78,638	-	78,638
Property and equipment	10,736	28,455	12,743	17,908	15,460	18,595	10,191	169,766	-	283,854
Other non-current assets (iii)	28,692	6,424	5,095	6,324	7,911	9,297	2,320	18,510	(46)	84,527
Unallocated assets										112,798
Total assets										57,070,593
Liabilities by geographical areas	3,607,890	14,303,389	8,799,044	13,749,804	6,647,233	6,510,738	2,939,485	1,304,194	(5,183,826)	52,677,951
Unallocated liabilities										36,798
Total liabilities										52,714,749
Other segment information:										
Credit commitments	1,129,200	1,924,144	1,162,787	1,646,410	1,023,351	1,174,571	201,032	1,033,106	(5,301,885)	3,992,716

(i) Includes net trading income, net gains on financial investments and other net operating income and expense.
(ii) Includes credit impairment losses and impairment losses on other assets.
(iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information (continued)

	Six months ended 30 June 2025									
	Chinese mainland (HO and domestic branches)									
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China	Overseas and others	Eliminations	Total
External net interest income/(expense)	145,458	42,300	30,517	(6,175)	34,109	46,799	(1,806)	22,374	-	313,576
Internal net interest income/(expense)	(146,885)	21,450	12,061	81,351	14,005	7,000	14,013	(2,995)	-	-
Net fee and commission income	14,934	14,399	6,727	10,467	6,555	5,913	1,168	7,693	(836)	67,020
Other income/(expense), net (i)	15,647	(645)	(533)	421	(225)	(104)	352	12,789	784	28,486
Operating income	29,154	77,504	48,772	86,064	54,444	59,608	13,727	39,861	(52)	409,082
Operating expenses	(15,101)	(15,684)	(11,099)	(18,184)	(14,621)	(15,677)	(5,235)	(13,021)	52	(108,570)
Impairment losses on assets (ii)	(34,122)	(12,076)	(15,786)	(9,452)	(15,441)	(12,426)	(1,371)	(3,855)	-	(104,529)
Operating profit/(loss)	(20,069)	49,744	21,887	58,428	24,382	31,505	7,121	22,985	-	195,983
Share of results of associates and joint ventures	-	-	-	-	-	-	-	3,025	-	3,025
Profit/(loss) before taxation	(20,069)	49,744	21,887	58,428	24,382	31,505	7,121	26,010	-	199,008
Income tax expense										(30,205)
Profit for the period										168,803
Other segment information:										
Depreciation and amortisation	2,036	2,035	1,327	1,898	1,763	1,981	685	1,328	-	13,053
Capital expenditure	1,434	1,161	578	937	1,138	875	323	12,641	-	19,087

(In RMB millions, unless otherwise stated)

42. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information (continued)

	31 December 2025									
	Chinese mainland (HO and domestic branches)									
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China	Overseas and others	Eliminations	Total
Assets by geographical areas	6,422,934	14,825,133	9,125,421	8,087,272	6,184,419	6,909,241	1,836,510	4,870,964	(4,888,410)	53,373,484
Including: Investments in associates and joint ventures	-	-	-	-	-	-	-	78,313	-	78,313
Property and equipment	11,840	29,401	13,144	18,661	16,183	19,340	10,758	174,509	-	293,836
Other non-current assets (iii)	29,410	6,712	5,334	6,552	8,082	9,917	2,414	18,611	-	87,032
Unallocated assets										104,289
Total assets										53,477,773
Liabilities by geographical areas	3,036,925	13,365,002	8,150,242	12,516,422	6,262,941	6,337,642	2,859,459	1,535,601	(4,888,410)	49,175,824
Unallocated liabilities										29,925
Total liabilities										49,205,749
Other segment information:										
Credit commitments	1,162,911	1,890,024	1,112,332	1,529,793	931,861	1,088,873	173,839	945,984	(4,980,143)	3,855,474

(i) Includes net trading income, net gains on financial investments and other net operating income and expense.
(ii) Includes credit impairment losses and impairment losses on other assets.
(iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

43. FINANCIAL RISK MANAGEMENT

The Bank's board of directors (the "Board") bears the ultimate responsibility for comprehensive risk management and the Bank's Risk Management Committee is responsible for continuously oversees the Bank's risk management system.

The President supervises risk management and reports directly to the Board. He chairs two management committees including the Risk Management and Internal Control Committee and the Asset and Liability Management Committee, which set the risk management strategies and appetite, evaluate and formulate risk management policies and procedures, and make recommendations through the President to the Risk Management Committee of the Board. The Chief Risk Officer assists the President to supervise the Bank's risk management and make decisions.

The Group has clearly defined the roles of each department in monitoring financial risks within the Group. The Credit Management Department monitors credit risk, the Risk Management Department together with the Asset and Liability Management Department monitor market and liquidity risks, and the Internal Control and Compliance Department monitors operational risk. The Risk Management Department is primarily responsible for establishing and coordinating a comprehensive risk management framework, preparing consolidated reports on credit risk, market risk and operational risk and reporting directly to the Chief Risk Officer.

The Bank maintains a dual-reporting risk management structure at the branch level. Under this structure, the risk management department of the branches report to both the Group Risk Management Department and management of the branches.

(a) Credit risk

Definition and scope

Credit risk is the risk of loss arising from a borrower or counterparty's failure to perform its obligations. Operational failures which result in unauthorised or inappropriate guarantees, financial commitments or investments by the Group may also give rise to credit risk. The Group's credit risk is mainly attributable to its credit assets, due from banks and other financial institutions and financial investments.

The Group is also exposed to credit risk in other areas. The derivative financial assets recorded in the consolidated statement of financial position also reflects the credit risk associated with derivative financial instruments. In addition, the Group provides guarantees for customers and may therefore be required to make payments on their behalf. These payments would be recovered from customers in accordance with the terms of the agreement. Therefore, the Group assumes a credit risk similar to that arising from loans and applies the same risk control procedures and policies to reduce risks.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Credit risk assessment method

Staging of financial instruments

The Group classifies financial instruments into following three stages and makes provisions for expected credit loss accordingly, depending on whether credit risk on that financial instrument has increased significantly since initial recognition and whether the assets have been credit-impaired.

Stage 1: For a financial instrument of which the credit risk has not significantly increased since initial recognition, the amount equal to 12-month expected credit losses is recognised as loss allowance.

Stage 2: For a financial instrument with a significant increase in credit risk since initial recognition but not considered to be credit-impaired, the amount equal to lifetime expected credit losses is recognised as loss allowance.

Stage 3: For a financial instrument considered to be credit-impaired as at end of the reporting period, the amount equal to lifetime expected credit losses is recognised as loss allowance.

Classification of credit risk exposures

The Group classifies credit risk exposures of expected credit losses with sufficient information by considering factors such as internal ratings-based (“IRB”) segmentation, product types, customer types, industry risk characteristics, and response to macro-economic changes.

Significant increase in credit risk

The assessment of significant increase in credit risk since initial recognition is performed at least on a quarterly basis for financial instruments held by the Group. 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 staging of financial instruments. The main considerations are regulatory and operating environment, internal and external credit risk rating, debt-servicing capacity, operating capabilities, contractual terms, and repayment behaviour and willingness. 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 end of the reporting period and its risk of default at the date of initial recognition to determine changes in the risk of default over the expected lifetime of a financial instrument or a portfolio of financial instruments. In determining whether credit risk of a financial instrument has increased significantly since initial recognition, the Group considers factors indicating whether the probability of default has risen above threshold, the background for financing have been authenticated, the financial instrument has been past due for more than 30 days, the loan has been modified in payment term of principal or interest, any significant negative issue has been arisen and any other indicators of increase in risk have been noticed.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Definition of default

The Group defines a corporate borrower as in default when it meets one or more of the following criteria:

(i) The principal or interest of any credit business is past due by more than 90 days (not inclusive) to the Group;
(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; or
(iii) The corporate borrower has the matters referred to in (i) or (ii) above with other financial institutions.

The Group defines a retail business borrower as in default when any single credit asset of a borrower meets one or more of the following criteria:

(i) The principal or interest of loan is past due by more than 90 days (not inclusive);
(ii) The retail business 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.

Impairment assessment

A financial asset is generally considered to be credit-impaired if:

— it has been overdue by more than 90 days (not inclusive);
— 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;
— it is probable that the borrower will 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; and
— there is other objective evidence that indicate the financial asset is impaired.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Parameters, assumptions and estimation techniques

Loss allowance for a financial instrument is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk on that financial instrument has occurred since initial recognition and whether an asset is considered to be credit-impaired. ECL for loans and advances to customers, other than those corporate loans and advance to customers which are credit-impaired, is measured using the risk parametric modelling method. The key parameters include Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money.

PD is the possibility that a customer will default on its obligation within a certain period of time in light of forward-looking information. The Group's PD is adjusted based on the results of the IRB approach under the New Basel Capital Accord, taking the forward-looking information into account and deducting the prudential adjustment to reflect the debtor's point-in-time PD under the current macro-economic environment.

LGD is the magnitude of the likely loss if there is a default in light of forward-looking information. LGD depends on the type of counterparty, the method and priority of the recourse, and the type of collateral, taking the forward-looking adjustments into account.

EAD refers to the total amount of on- and off-balance sheet exposures in the event of default and is determined based on the historical repayment records.

The assumptions underlying the ECL calculation, such as how the PDs and LGDs of different maturity profiles change are monitored and reviewed on a quarterly basis by the Group.

The calculation of impairment loss on credit-impaired corporate loans and advance to customers applies the discounted cash flow method. If there is objective evidence that an impairment loss on a loan or advance has incurred, the amount of the loss is measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's effective interest rate. The allowance for impairment loss is deducted in the carrying amount. The impairment loss is recognised in the consolidated statement of profit or loss. In determining allowances, the following factors are considered:

— the sustainability of the borrower's business plan;
— the borrower's ability to improve performance when a financial difficulty arises;
— the estimated recoverable cash flows from projects and liquidation;
— the availability of other financial support and the realisable value of collateral; and
— the timing of the expected cash flows.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Parameters, assumptions and estimation techniques (continued)

It may not be possible to identify a single, or discrete events that result in the impairment, but it may be possible to identify impairment through the combined effect of several events. The impairment losses are evaluated at the end of each reporting period unless there are other unforeseen circumstances.

Forward-looking information contained in ECL

The assessment of significant increase in credit risk and the calculation of ECL incorporate forward-looking information. The Group has performed historical data analysis and identified Gross Domestic Product ("GDP"), Consumer Price Index ("CPI"), Broad Money Supply ("M2"), Consumer Confidence Index and other macro-economic indicators as impacting the ECL for each portfolio. The impact of these economic variables on the PD and LGD has been determined by performing statistical regression analysis to understand the correlations among the historical changes of the economic variables, PD and LGD. The impact of these economic variables on the PD and LGD varies according to different types of business. Forecasts of these economic variables are carried out at least quarterly by the Group to provide the best estimate view of the economy over the next year.

When calculating the weighted average ECL provision, the Group determines the optimistic, neutral and pessimistic scenarios and their weightings through a combination of macro-statistical analysis and expert judgement. The optimistic and pessimistic scenarios are of comparable weightings, of which, the weighting of neutral scenario is slightly higher than that of the other two scenarios. The weightings of the scenarios are consistent with those as at 31 December 2025.

As at 30 June 2026, the Group has taken into account different macro-economic scenarios, combined with the impact of factors such as effect of prior period base data on economic development trends, and made forward-looking forecasts of macro-economic indicators. Of which, the year-on-year GDP growth rate used to estimate ECL under neutral scenario is about 5%, and forecasts under optimistic scenario and pessimistic scenario are formed by floating up and down a certain level respectively on the basis of the forecast under neutral scenario.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Financial assets contract modification

The Group might modify the terms of loan with a customer based on commercial renegotiations, or when the customer is in financial difficulty, with a view to maximising the recovery of loan.

Such modifications include restructuring the loan to provide extended payment term arrangements, payment holidays. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue, and these policies and practices are reviewed regularly. Such restructures are especially common for medium-term and long-term loans.

The following table includes carrying amount of rescheduled loans and advances to customers:

	30 June 2026	31 December 2025
Rescheduled loans and advances to customers	129,495	156,027
Including: Impaired loans and advances to customers	58,236	53,897

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements

The amount and type of collateral required depend on the assessment of 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 and marketable securities. As part of certain reverse repurchase agreements, the Group has received collateral that it is allowed to sell or repledge in the absence of default by their owners.

Corporate loans and discounted bills are mainly collateralised by properties or other assets. As at 30 June 2026, the gross carrying amount of corporate loans and discounted bills amounted to RMB22,991,690 million (31 December 2025: RMB21,503,478 million), of which credit exposure covered by collateral amounted to RMB5,651,207 million (31 December 2025: RMB5,448,852 million).

Personal loans are mainly collateralised by residential properties. As at 30 June 2026, the gross carrying amount of personal loans amounted to RMB9,000,436 million (31 December 2025: RMB9,002,636 million), of which credit exposure covered by collateral amounted to RMB7,391,857 million (31 December 2025: RMB7,449,218 million).

The Group prefers more liquid collateral with relatively stable market value and does not accept collateral that is illiquid, with difficulties in registration or high fluctuations in market value. The value of collateral should be appraised and confirmed by the Group or valuation agencies engaged by the Group. The value of collateral should adequately cover the outstanding balance of loans. The Group takes into consideration the types of collateral, state of condition, liquidity, price volatility and realisation cost to determine the loan-to-value ratio of collateral. All collateral has to be registered in accordance with the relevant laws and regulations. The credit officers inspect the collateral and assess the changes in the value of collateral regularly.

The Group monitors the market value of the collateral and when needed, require additional collateral according to agreements. The Group disposes of repossessed assets in an orderly manner.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(i) Maximum exposure to credit risk without taking into account of any collateral and other credit enhancements

As at the end of the reporting period, the maximum credit risk exposure of the Group without taking into account any collateral and other credit enhancements is set out below:

	30 June 2026	31 December 2025
Balances with central banks	3,455,961	3,601,690
Due from banks and other financial institutions	1,101,502	1,264,019
Derivative financial assets	140,823	130,414
Reverse repurchase agreements	1,029,778	530,737
Loans and advances to customers	31,162,520	29,712,359
Financial investments		
Financial investments measured at FVTPL	684,555	635,507
Financial investments measured at FVTOCI	4,065,689	3,725,614
Financial investments measured at amortised cost	13,456,152	12,140,183
Others	164,864	140,716
	55,261,844	51,881,239
Credit commitments	3,992,716	3,855,474
Maximum credit risk exposure	59,254,560	55,736,713

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(ii) Risk concentrations

Credit risk is often greater when counterparties are concentrated in one single industry or geographic location or have comparable economic features. In addition, different geographic areas and industrial sectors have their unique characteristics in terms of economic development, and could present a different credit risk.

(1) Loans and advances to customers

By geographical distribution

The composition of the Group's gross loans and advances to customers (excluding accrued interest) by geographical distribution is as follows:

	30 June 2026		31 December 2025	
	Amount	Percentage	Amount	Percentage
Head Office	785,984	2.46%	849,602	2.79%
Yangtze River Delta	7,132,786	22.29%	6,756,827	22.15%
Western China	5,957,362	18.62%	5,688,006	18.64%
Bohai Rim	5,390,545	16.85%	5,109,713	16.75%
Central China	5,181,270	16.20%	4,853,907	15.91%
Pearl River Delta	4,820,540	15.07%	4,613,631	15.12%
Northeastern China	1,199,708	3.75%	1,155,520	3.79%
Overseas and others	1,523,931	4.76%	1,478,908	4.85%
Total	31,992,126	100.00%	30,506,114	100.00%

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(ii) Risk concentrations (continued)

(1) Loans and advances to customers (continued)

By industry

The composition of the Group's gross loans and advances to customers (excluding accrued interest) by industry is as follows:

	30 June 2026	31 December 2025
Transportation, storage and postal services	4,294,929	4,207,325
Manufacturing	3,223,705	2,851,934
Leasing and commercial services	3,155,199	2,882,603
Water, environment and public utility management	2,048,438	1,924,544
Production and supply of electricity, heating, gas and water	1,960,506	1,974,823
Wholesale and retail	1,134,414	1,016,690
Real estate	1,079,309	1,087,640
Finance	819,400	813,247
Construction	655,561	558,476
Science, education, culture and sanitation	536,143	483,211
Mining	495,569	456,318
Others	688,970	584,860
Subtotal for corporate loans	20,092,143	18,841,671
Personal mortgage and business loans	7,794,640	7,806,087
Others	1,205,796	1,196,549
Subtotal for personal loans	9,000,436	9,002,636
Discounted bills	2,899,547	2,661,807
Total for loans and advances to customers	31,992,126	30,506,114

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(ii) Risk concentrations (continued)

(1) Loans and advances to customers (continued)

By collateral

The composition of the Group's gross loans and advances to customers (excluding accrued interest) by collateral is as follows:

	30 June 2026	31 December 2025
Unsecured loans	12,826,713	12,170,570
Guaranteed loans	2,793,747	2,753,819
Loans secured by mortgages	10,894,058	10,803,253
Pledged loans	5,477,608	4,778,472
Total	31,992,126	30,506,114

Overdue loans

The composition of the Group's gross overdue loans (excluding accrued interest) by collateral is as follows:

	30 June 2026				
	Overdue for 1 to 90 days	Overdue for 91 days to 1 year	Overdue for 1 to 3 years	Overdue for over 3 years	Total
Unsecured loans	40,588	47,755	50,353	10,140	148,836
Guaranteed loans	20,298	18,201	20,200	10,950	69,649
Loans secured by mortgages	99,782	80,259	77,035	25,698	282,774
Pledged loans	3,389	569	1,602	5,804	11,364
Total	164,057	146,784	149,190	52,592	512,623

	31 December 2025				
	Overdue for 1 to 90 days	Overdue for 91 days to 1 year	Overdue for 1 to 3 years	Overdue for over 3 years	Total
Unsecured loans	26,466	45,357	41,392	13,139	126,354
Guaranteed loans	13,004	15,023	24,451	11,257	63,735
Loans secured by mortgages	89,921	75,437	78,213	22,367	265,938
Pledged loans	916	1,086	1,031	3,675	6,708
Total	130,307	136,903	145,087	50,438	462,735

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(ii) Risk concentrations (continued)

(2) Debt securities investments

By issuers

The following tables present an analysis of the Group's debt securities investments (excluding accrued interest) by types of issuers and investments:

	30 June 2026			
	Financial investments measured at FVTPL	Financial investments measured at FVTOCI	Financial investments measured at amortised cost	Total
Governments and central banks	259,039	1,401,427	11,939,412	13,599,878
Policy banks	28,571	1,244,897	397,192	1,670,660
Banks and other financial institutions	240,479	524,751	897,338	1,662,568
Corporate entities	128,090	851,981	98,375	1,078,446
	656,179	4,023,056	13,332,317	18,011,552

	31 December 2025			
	Financial investments measured at FVTPL	Financial investments measured at FVTOCI	Financial investments measured at amortised cost	Total
Governments and central banks	285,792	1,529,473	10,750,122	12,565,387
Policy banks	47,495	913,419	409,316	1,370,230
Banks and other financial institutions	186,135	496,640	777,216	1,459,991
Corporate entities	86,816	746,110	84,175	917,101
	606,238	3,685,642	12,020,829	16,312,709

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(ii) Risk concentrations (continued)

(2) Debt securities investments (continued)

By rating

The Group adopts a credit rating approach to manage the credit risk of the debt securities portfolio held. The ratings are obtained from Bloomberg Composite, or major rating agencies in the countries where the issuers of debt securities are located. The carrying amounts of debt securities investments (excluding accrued interest) analysed by rating as at the end of the reporting period are as follows:

	30 June 2026					
	Unrated	AAA	AA	A	Below A	Total
Governments and central banks	5,430,325	7,822,804	148,661	134,670	63,418	13,599,878
Policy banks	1,392,275	157,192	23,062	95,897	2,234	1,670,660
Banks and other financial institutions	1,009,438	330,708	82,242	196,347	43,833	1,662,568
Corporate entities	495,861	384,079	46,986	113,616	37,904	1,078,446
	8,327,899	8,694,783	300,951	540,530	147,389	18,011,552

	31 December 2025					
	Unrated	AAA	AA	A	Below A	Total
Governments and central banks	4,718,801	7,539,925	147,224	100,709	58,728	12,565,387
Policy banks	1,155,623	123,136	17,709	73,348	414	1,370,230
Banks and other financial institutions	703,794	398,231	66,444	205,294	86,228	1,459,991
Corporate entities	370,009	366,895	36,759	104,135	39,303	917,101
	6,948,227	8,428,187	268,136	483,486	184,673	16,312,709

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(iii) Three-stage analysis of financial instruments' risk exposure

The Group's credit risk stages of financial instruments are as follows:

	30 June 2026							
	Gross carrying amount				Provision for ECL			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost:								
Cash and balances with central banks	3,517,752	-	-	3,517,752	-	-	-	-
Due from banks and other financial institutions	1,102,967	-	148	1,103,115	(1,465)	-	(148)	(1,613)
Reverse repurchase agreements	1,010,623	-	-	1,010,623	(16)	-	-	(16)
Loans and advances to customers	27,931,779	851,133	411,632	29,194,544	(411,963)	(147,630)	(335,960)	(895,553)
Financial investments	13,491,233	1,600	3,137	13,495,970	(36,360)	(761)	(2,697)	(39,818)
Total	47,054,354	852,733	414,917	48,322,004	(449,804)	(148,391)	(338,805)	(937,000)
Financial assets measured at FVTOCI:								
Loans and advances to customers	2,855,297	3,216	186	2,858,699	(210)	(72)	(213)	(495)
Financial investments	4,060,955	4,461	273	4,065,689	(4,261)	(233)	(3,186)	(7,680)
Total	6,916,252	7,677	459	6,924,388	(4,471)	(305)	(3,399)	(8,175)

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Collateral and other credit enhancements (continued)

(iii) Three-stage analysis of financial instruments' risk exposure (continued)

The Group's credit risk stages of financial instruments are as follows: (continued)

	31 December 2025							
	Gross carrying amount				Provision for ECL			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost								
Cash and balances with central banks	3,674,558	-	-	3,674,558	-	-	-	-
Due from banks and other financial institutions	1,266,605	-	152	1,266,757	(2,586)	-	(152)	(2,738)
Reverse repurchase agreements	512,884	-	-	512,884	(32)	-	-	(32)
Loans and advances to customers	26,630,931	871,568	398,832	27,901,331	(349,667)	(166,682)	(335,401)	(851,750)
Financial investments	12,171,192	2,055	3,139	12,176,386	(33,199)	(305)	(2,699)	(36,203)
Total	44,256,170	873,623	402,123	45,531,916	(385,484)	(166,987)	(338,252)	(890,723)
Financial assets measured at FVTOCI								
Loans and advances to customers	2,652,505	2,903	181	2,655,589	(242)	(136)	(146)	(524)
Financial investments	3,720,566	4,797	251	3,725,614	(4,844)	(384)	(3,368)	(8,596)
Total	6,373,071	7,700	432	6,381,203	(5,086)	(520)	(3,514)	(9,120)

As at 30 June 2026 and 31 December 2025, credit risk exposures of credit commitments were mainly classified in Stage 1.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk

Liquidity risk is the risk that funds will not be sufficient or raised at a reasonable cost in a timely manner to meet the need of asset growth or repayment of debts due, although the Group remains solvent. This may arise from amount or maturity mismatches of assets and liabilities.

The Group manages its liquidity risk through the Asset and Liability Management Department and aims at:

－optimising the structure of assets and liabilities;
－maintaining the stability of the deposit base;
－projecting cash flows and evaluating the level of current assets; and
－maintaining an efficient internal fund transfer mechanism to ensure sufficient liquidity at branch level.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(i) Maturity analysis of assets and liabilities

The tables below summarise the maturity profile of the Group's assets and liabilities. The actual remaining maturity of the Group's financial instruments may vary significantly from the following analysis. For example, demand deposits from customers are expected to maintain a stable or increasing balance although they have been classified as repayable on demand in the following tables.

	30 June 2026							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iii)	Total
Assets:								
Cash and balances with central banks	749,082	484	1,881	7,447	2,788	-	2,756,070	3,517,752
Due from banks and other financial institutions (i)	370,331	1,044,163	234,389	451,467	30,196	734	-	2,131,280
Derivative financial assets	-	38,868	29,149	54,564	15,853	2,389	-	140,823
Loans and advances to customers	85,050	1,305,712	2,124,199	7,707,843	5,581,380	14,221,898	136,438	31,162,520
Financial investments								
Financial investments measured at FVTPL	111,724	18,797	78,941	286,645	228,795	150,766	143,984	1,019,652
Financial investments measured at FVTOCI	-	74,761	259,956	628,192	2,102,204	1,000,366	91,485	4,156,964
Financial investments measured at amortised cost	-	309,319	405,868	1,434,578	5,361,332	5,944,616	439	13,456,152
Investments in associates and joint ventures	-	-	-	-	-	-	78,638	78,638
Property and equipment	-	-	-	-	-	-	283,854	283,854
Others	516,268	314,583	43,725	81,457	16,731	32,459	117,735	1,122,958
Total assets	1,832,455	3,106,687	3,178,108	10,652,193	13,339,279	21,353,228	3,608,643	57,070,593

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(i) Maturity analysis of assets and liabilities (continued)

	30 June 2026							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iii)	Total
Liabilities:								
Due to central banks	-	7,680	21,694	146,052	-	-	-	175,426
Due to banks and other financial institutions (ii)	3,014,745	1,712,244	1,248,182	2,852,959	67,363	873	-	8,896,366
Financial liabilities measured at FVTPL	239,542	1,740	218	5,447	2,328	639	-	249,914
Derivative financial liabilities	-	31,363	25,754	34,536	10,553	1,385	-	103,591
Certificates of deposit	-	49,433	121,833	246,262	103,117	-	-	520,645
Due to customers	15,046,059	2,293,724	2,630,986	10,054,768	9,122,644	25,084	-	39,173,265
Debt securities issued	135	103,274	148,455	1,233,361	239,766	826,709	-	2,551,700
Others	-	518,490	114,917	112,544	120,432	177,459	-	1,043,842
Total liabilities	18,300,481	4,717,948	4,312,039	14,685,929	9,666,203	1,032,149	-	52,714,749
Net liquidity gap	(16,468,026)	(1,611,261)	(1,133,931)	(4,033,736)	3,673,076	20,321,079	3,608,643	4,355,844

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.
(iii) Undated loans and advances to customers and financial investments are impaired or not impaired but overdue for more than one month.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(i) Maturity analysis of assets and liabilities (continued)

	31 December 2025							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iii)	Total
Assets:								
Cash and balances with central banks	997,661	2,222	2,978	5,050	2,858	-	2,663,789	3,674,558
Due from banks and other financial institutions (i)	310,734	671,040	275,882	492,675	44,425	-	-	1,794,756
Derivative financial assets	-	31,145	38,422	46,471	11,871	2,505	-	130,414
Loans and advances to customers	56,715	1,408,029	1,834,539	7,069,964	5,133,915	14,089,891	119,306	29,712,359
Financial investments								
Financial investments measured at FVTPL	126,951	19,298	79,656	207,872	190,423	182,374	137,379	943,953
Financial investments measured at FVTOCI	-	197,770	161,923	744,274	1,720,458	900,993	97,861	3,823,279
Financial investments measured at amortised cost	-	224,505	528,617	1,339,672	4,756,145	5,290,794	450	12,140,183
Investments in associates and joint ventures	-	-	-	-	-	-	78,313	78,313
Property and equipment	-	-	-	-	-	-	293,836	293,836
Others	283,207	302,189	50,067	87,116	17,024	26,556	119,963	886,122
Total assets	1,775,268	2,856,198	2,972,084	9,993,094	11,877,119	20,493,113	3,510,897	53,477,773

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(i) Maturity analysis of assets and liabilities (continued)

	31 December 2025							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iii)	Total
Liabilities:								
Due to central banks	-	14,144	41,861	120,788	-	-	-	176,793
Due to banks and other financial institutions (ii)	2,678,422	1,132,835	1,700,075	2,075,384	50,953	1,954	-	7,639,623
Financial liabilities measured at FVTPL	138,308	5,051	1,962	2,726	1,819	330	-	150,196
Derivative financial liabilities	-	35,306	33,853	52,761	10,571	1,591	-	134,082
Certificates of deposit	-	61,909	117,830	241,530	81,324	-	-	502,593
Due to customers	14,936,085	2,797,021	3,139,256	7,786,751	8,615,322	37,343	-	37,311,778
Debt securities issued	-	158,924	311,476	816,483	195,163	734,761	-	2,216,807
Others	-	537,726	150,347	101,818	115,453	168,533	-	1,073,877
Total liabilities	17,752,815	4,742,916	5,496,660	11,198,241	9,070,605	944,512	-	49,205,749
Net liquidity gap	(15,977,547)	(1,886,718)	(2,524,576)	(1,205,147)	2,806,514	19,548,601	3,510,897	4,272,024

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.
(iii) Undated loans and advances to customers and financial investments are impaired or not impaired but overdue for more than one month.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows

The tables below summarise the maturity profile of the Group's financial instruments based on the undiscounted contractual cash flows. The balances of some items in the tables below are different from the balances in the consolidated statement of financial position as the tables incorporate all cash flows relating to both principal and interest. The Group's actual cash flows on these instruments may vary significantly from the following analysis. For example, demand deposits from customers are expected to maintain a stable or increasing balance although they have been classified as repayable on demand in the following tables.

	30 June 2026							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Non-derivative cash flows:								
Financial assets:								
Cash and balances with central banks	749,082	493	1,884	7,623	2,846	-	2,756,070	3,517,998
Due from banks and other financial institutions (i)	370,631	1,045,593	236,569	464,160	39,489	837	-	2,157,279
Loans and advances to customers (ii)	86,782	1,332,016	2,167,663	7,937,956	6,093,233	16,478,188	473,618	34,569,456
Financial investments								
Financial investments measured at FVTPL	111,724	19,022	79,740	293,214	247,119	165,183	143,984	1,059,986
Financial investments measured at FVTOCI	-	75,550	265,187	678,528	2,308,319	1,201,694	91,485	4,620,763
Financial investments measured at amortised cost	-	311,063	423,531	1,623,177	6,290,898	7,080,711	439	15,729,819
Others	512,448	313,437	28,819	66,735	12,671	4,856	-	938,966
	1,830,667	3,097,174	3,203,393	11,071,393	14,994,575	24,931,469	3,465,596	62,594,267

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows (continued)

	30 June 2026							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Financial liabilities:								
Due to central banks	-	7,785	21,905	147,016	-	-	-	176,706
Due to banks and other financial institutions (iii)	3,014,745	1,716,267	1,256,110	2,886,574	75,614	1,895	-	8,951,205
Financial liabilities measured at FVTPL	239,542	1,897	290	5,897	2,710	722	-	251,058
Certificates of deposit	-	49,481	122,512	249,866	107,368	-	-	529,227
Due to customers	15,047,518	2,295,413	2,638,626	10,155,341	9,561,940	27,170	-	39,726,008
Debt securities issued	135	104,476	149,806	1,261,695	339,810	907,680	-	2,763,602
Others	-	510,505	13,628	13,062	15,185	2,907	-	555,287
	18,301,940	4,685,824	4,202,877	14,719,451	10,102,627	940,374	-	52,953,093

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows (continued)

	30 June 2026							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Derivative cash flows:								
Derivative financial instruments settled on net basis	-	(1,740)	265	226	1,414	254	-	419
Derivative financial instruments settled on gross basis								
Including: Cash inflow	-	3,699,966	1,823,107	2,579,151	564,193	42,550	-	8,708,967
Cash outflow	-	(3,703,722)	(1,775,117)	(2,562,626)	(560,129)	(42,484)	-	(8,644,078)
	-	(3,756)	47,990	16,525	4,064	66	-	64,889

(i) Includes reverse repurchase agreements.
(ii) The maturity profile of the rescheduled loans' undiscounted contractual cash flows is determined according to the negotiated terms.
(iii) Includes repurchase agreements.
(iv) Undated loans and advances to customers and financial investments are impaired or not impaired but overdue for more than one month.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows (continued)

	31 December 2025							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Non-derivative cash flows:								
Financial assets:								
Cash and balances with central banks	997,661	2,228	2,993	5,193	2,917	-	2,663,789	3,674,781
Due from banks and other financial institutions (i)	310,807	673,569	279,272	505,596	56,386	-	-	1,825,630
Loans and advances to customers (ii)	57,845	1,435,718	1,871,886	7,279,561	5,623,394	16,420,497	455,802	33,144,703
Financial investments								
Financial investments measured at FVTPL	126,951	19,364	80,228	214,780	213,329	201,720	137,379	993,751
Financial investments measured at FVTOCI	-	198,804	165,867	785,959	1,889,864	1,089,276	97,861	4,227,631
Financial investments measured at amortised cost	-	226,061	543,832	1,519,949	5,632,735	6,409,514	3,020	14,335,111
Others	279,690	341,197	33,290	73,985	13,634	4,778	-	746,574
	1,772,954	2,896,941	2,977,368	10,385,023	13,432,259	24,125,785	3,357,851	58,948,181

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows (continued)

	31 December 2025							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Financial liabilities:								
Due to central banks	-	14,254	42,080	121,777	-	-	-	178,111
Due to banks and other financial institutions (iii)	2,678,422	1,142,563	1,720,256	2,104,974	59,921	3,736	-	7,709,872
Financial liabilities measured at FVTPL	138,308	5,317	2,010	2,841	2,028	373	-	150,877
Certificates of deposit	-	62,121	118,419	246,243	84,905	-	-	511,688
Due to customers	14,937,484	2,798,865	3,149,229	7,877,497	9,036,525	40,428	-	37,840,028
Debt securities issued	-	159,314	313,056	838,341	295,794	811,690	-	2,418,195
Others	-	529,379	13,349	13,926	16,762	3,430	-	576,846
	17,754,214	4,711,813	5,358,399	11,205,599	9,495,935	859,657	-	49,385,617

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(ii) Maturity analysis of undiscounted contractual cash flows (continued)

	31 December 2025							
	Overdue/ repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Undated (iv)	Total
Derivative cash flows:								
Derivative financial instruments settled on net basis	-	(774)	23	464	602	84	-	399
Derivative financial instruments settled on gross basis								
Including: Cash inflow	-	3,785,495	3,623,839	5,679,299	526,430	42,318	-	13,657,381
Cash outflow	-	(3,813,240)	(3,601,147)	(5,680,757)	(529,203)	(42,437)	-	(13,666,784)
	-	(27,745)	22,692	(1,458)	(2,773)	(119)	-	(9,403)

(i) Includes reverse repurchase agreements.
(ii) The maturity profile of the rescheduled loans' undiscounted contractual cash flows is determined according to the negotiated terms.
(iii) Includes repurchase agreements.
(iv) Undated loans and advances to customers and financial investments are impaired or not impaired but overdue for more than one month.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

(iii) Analysis of credit commitments by contractual expiry date

Management does not expect all of the commitments to be drawn down before the expiry of the commitments.

	30 June 2026						
	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Total
Credit commitments	1,292,111	227,552	455,669	1,177,563	697,935	141,886	3,992,716

	31 December 2025						
	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	Over five years	Total
Credit commitments	1,342,234	252,229	483,272	1,023,864	577,330	176,545	3,855,474

(c) Market risk

Market risk is the risk of loss, in respect of the Group's on- and off-balance sheet activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices and stock prices. Market risk arises from both the Group's trading and non-trading businesses. The market risk disclosed in this note excludes the interest rate risk in the banking book. For analysis of the interest rate risk in the banking book, please refer to Note 43(d).

The market risk in the Group's trading book primarily arises from the exposures to exchange rate contracts, interest rate contracts and commodity derivatives held in the trading book for market-making purposes or on behalf of customers.

The Group's currency risk mainly results from the risk arising from exchange rate fluctuations on its foreign exchange exposures. Foreign exchange exposures include the foreign exchange exposures arising from currency structural imbalance between foreign currency assets and liabilities, and off-balance sheet foreign exchange exposures arising from currency derivative transactions.

The Group considers the market risk arising from stock price fluctuations in respect of its investment portfolios to be immaterial.

Sensitivity analysis and foreign exchange risk concentration analysis are the major market risk management tools used by the Group. The Bank monitors market risk separately in respect of trading and other non-trading portfolios. The Value-at-Risk (VaR) analysis is a major tool used by the Bank to measure and monitor the market risk of its trading portfolios. The following sections include a Value-at-Risk (VaR) analysis by risk type of the Group's trading portfolios and a sensitivity analysis based on the Group's currency risk exposure.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(i) Trading Book (VaR)

VaR is a measure index which estimates the potential maximum losses that could occur on risk positions taken due to movements in interest rates, foreign exchange rates or prices over a specified time horizon and at a specified level of confidence. The Bank adopts a historical simulation method to calculate and monitor the VaRs of trading portfolios with 250 days' historical market data (with a 99% confidence level, and one-day holding period) on a daily basis.

A summary of VaRs of trading book by risk type is as follows:

	Six months ended 30 June 2026			
	End of period	Average	Maximum	Minimum
Interest rate risk	86	115	172	81
Currency risk	196	229	464	155
Commodity risk	33	44	61	29
Total portfolio VaR	186	252	464	162

	Six months ended 30 June 2025			
	End of period	Average	Maximum	Minimum
Interest rate risk	303	359	475	176
Currency risk	404	329	466	173
Commodity risk	26	24	28	22
Total portfolio VaR	459	457	572	355

VaR for each risk factor is the derived largest potential loss due to fluctuations solely in that risk factor. As there is a diversification effect due to the correlation amongst the risk factors, the individual VaRs do not add up to the total portfolio VaR.

Although VaR is an important tool for measuring market risk under normal market environment, the assumptions on which the model is based do give rise to some limitations, mainly including the following:

(1) VaR does not reflect liquidity risk. In the VaR model, a one-day holding period assumes that it is possible to hedge or dispose of positions within that period without restriction, the price of the financial instruments will fluctuate in the specified range, and the correlation between these market prices will remain basically unchanged. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to hedge or dispose of all positions fully;

(2) Even though positions may change throughout the day, VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level; and

(3) VaR relies heavily on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, especially those of an exceptional nature due to significant market moves.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(ii) Currency risk

The Group conducts its businesses mainly in RMB, with certain transactions denominated in USD, HKD, and other currencies to a lesser extent. The exchange rate of RMB to USD is managed under a floating exchange rate system. The HKD exchange rate has been pegged to the USD and therefore the exchange rate of RMB to HKD has fluctuated in line with the changes in the exchange rate of RMB to USD. Transactions in foreign currencies mainly arise from the Group's foreign currency treasury operations, commissioned foreign exchange dealings for clients and overseas investments.

The Group manages its currency risk exposure through various methods, including limit management and risk hedging to hedge currency risk, and performs currency risk sensitivity analysis and stress testing regularly.

The tables below indicate a sensitivity analysis of exchange rate changes of the main foreign currencies to which the Group had significant on- and off-balance sheet exposure on its monetary assets and liabilities and its estimated future cash flows. The analysis calculates the effect of a reasonably possible movement in the currency rates against RMB, with all other variables held constant, on profit before taxation and equity. The impact on equity only includes the impact on other comprehensive income. A negative amount in the table reflects a potential net reduction in profit before taxation or equity, while a positive amount reflects a potential net increase. While the table below indicates the effect on profit before taxation and equity of a 1% depreciation of USD and HKD against RMB, there will be an opposite effect with the same amount if the currencies appreciate by the same percentage. This effect, however, is based on the assumption that the Group's foreign exchange exposures as at the end of the reporting period are kept unchanged and, therefore, has not incorporated actions that would be taken by the Group to mitigate the adverse impact of this currency risk.

		Effect on profit before taxation		Effect on equity	
Currency	Change in exchange rate	30 June 2026	31 December 2025	30 June 2026	31 December 2025
USD	-1%	(316)	(63)	(577)	(575)
HKD	-1%	572	460	(1,529)	(1,552)

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(ii) Currency risk (continued)

A breakdown of the assets and liabilities analysed by currency is as follows:

	30 June 2026				
	RMB	USD (in RMB equivalent)	HKD (in RMB equivalent)	Other (in RMB equivalent)	Total (in RMB equivalent)
Assets:					
Cash and balances with central banks	3,210,448	170,214	4,944	132,146	3,517,752
Due from banks and other financial institutions (i)	1,456,549	418,809	39,665	216,257	2,131,280
Derivative financial assets	64,882	58,067	327	17,547	140,823
Loans and advances to customers	29,797,929	700,058	278,964	385,569	31,162,520
Financial investments					
Financial investments measured at FVTPL	955,822	35,663	8,689	19,478	1,019,652
Financial investments measured at FVTOCI	3,432,661	509,642	37,031	177,630	4,156,964
Financial investments measured at amortised cost	13,006,404	230,511	56,830	162,407	13,456,152
Investments in associates and joint ventures	46,875	755	162	30,846	78,638
Property and equipment	131,319	146,777	3,698	2,060	283,854
Others	479,246	140,982	6,784	495,946	1,122,958
Total assets	52,582,135	2,411,478	437,094	1,639,886	57,070,593
Liabilities:					
Due to central banks	175,426	-	-	-	175,426
Due to banks and other financial institutions (ii)	8,097,444	530,234	56,944	211,744	8,896,366
Financial liabilities measured at FVTPL	15,813	1,541	1	232,559	249,914
Derivative financial liabilities	47,126	42,697	2,699	11,069	103,591
Certificates of deposit	206,918	186,859	88,074	38,794	520,645
Due to customers	37,285,940	1,071,086	395,374	420,865	39,173,265
Debt securities issued	2,438,224	92,434	-	21,042	2,551,700
Others	840,527	159,783	7,841	35,691	1,043,842
Total liabilities	49,107,418	2,084,634	550,933	971,764	52,714,749
Net long/(short) position	3,474,717	326,844	(113,839)	668,122	4,355,844
Credit commitments	3,168,514	527,896	49,886	246,420	3,992,716

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(ii) Currency risk (continued)

A breakdown of the assets and liabilities analysed by currency is as follows: (continued)

	31 December 2025				
	RMB	USD (in RMB equivalent)	HKD (in RMB equivalent)	Other (in RMB equivalent)	Total (in RMB equivalent)
Assets:					
Cash and balances with central banks	3,278,259	266,907	5,837	123,555	3,674,558
Due from banks and other financial institutions (i)	804,913	676,240	49,416	264,187	1,794,756
Derivative financial assets	63,076	52,972	2,350	12,016	130,414
Loans and advances to customers	28,403,139	647,011	285,188	377,021	29,712,359
Financial investments					
Financial investments measured at FVTPL	889,993	26,602	9,267	18,091	943,953
Financial investments measured at FVTOCI	3,149,531	467,177	54,675	151,896	3,823,279
Financial investments measured at amortised cost	11,741,057	216,791	28,006	154,329	12,140,183
Investments in associates and joint ventures	46,502	922	161	30,728	78,313
Property and equipment	132,365	154,917	4,485	2,069	293,836
Others	487,891	123,720	7,581	266,930	886,122
Total assets	48,996,726	2,633,259	446,966	1,400,822	53,477,773
Liabilities:					
Due to central banks	175,842	951	-	-	176,793
Due to banks and other financial institutions (ii)	6,864,354	521,108	65,475	188,686	7,639,623
Financial liabilities measured at FVTPL	4,106	2,728	1	143,361	150,196
Derivative financial liabilities	79,838	43,505	2,588	8,151	134,082
Certificates of deposit	173,010	219,860	82,291	27,432	502,593
Due to customers	35,503,269	1,036,830	356,438	415,241	37,311,778
Debt securities issued	2,095,243	102,421	-	19,143	2,216,807
Others	827,714	208,073	7,959	30,131	1,073,877
Total liabilities	45,723,376	2,135,476	514,752	832,145	49,205,749
Net long/(short) position	3,273,350	497,783	(67,786)	568,677	4,272,024
Credit commitments	3,010,379	525,204	47,792	272,099	3,855,474

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Interest rate risk in the banking book

Interest rate risk in the banking book is defined as the risk of loss in the overall return and the economic value of the banking book arising from adverse movements in interest rate and term structure. This type of risk may occur in the following situations:

—the repricing period of different financial instruments are different when the interest rate changes;
—despite the similarities in maturity periods, changes in the benchmark interest rate vary among on- and off-balance sheet businesses in the banking book with different pricing benchmark interest rates;
—the Bank or the counterparty can elect to change the level or the maturity of future cash flows of financial instruments when the Bank holds option derivatives or when there are embedded option terms or implied options in the on- and off-balance sheet businesses in the banking book; and
—due to changes in expected default levels or market liquidity, the market's assessment of the credit quality of financial instruments changes, leading to changes in credit spreads.

The Group manages the interest rate risk in the banking book through the Asset and Liability Management Department, and the following methods have been adopted:

—interest rate prediction: analysing the macro-economic factors that may impact the PBC benchmark interest rates and market interest rates;
—duration management: optimising the differences in timing between contractual repricing (or maturities) of interest-generating assets and interest-bearing liabilities;
—pricing management: managing the deviation of the pricing of interest-generating assets and interest-bearing liabilities from the benchmark interest rates or market interest rates;
—limit management: optimising the positions of interest-generating assets and interest-bearing liabilities and controlling the impact on profit or loss and equity; and
—hedging: using interest rate derivatives for hedging management in a timely manner.

The Group measures interest rate risk mainly by analysing the sensitivity of projected net interest income under various interest rate movements (scenario analysis). The Group aims to mitigate the impact of prospective interest rate movements which might reduce future net interest income, while balancing the cost of hedging on the current revenue.

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, on the Group's net interest income and equity.

The effect on net interest income is the impact of the assumed changes in interest rates on the net interest income, arising from the financial assets and financial liabilities held at the end of the reporting period that are subject to repricing within the coming year, including the effect of hedging instruments. The effect on equity is the impact of the assumed changes in interest rates on other comprehensive income, calculated by revaluing fixed rate financial assets measured at FVTOCI held at the end of the reporting period, including the effect of any associated hedging instruments.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Interest rate risk in the banking book (continued)

	30 June 2026			
	Increased by 100 basis points		Decreased by 100 basis points	
Currency	Effect on net interest income	Effect on equity	Effect on net interest income	Effect on equity
RMB	(51,100)	(127,036)	51,100	142,926
USD	(128)	(14,662)	128	16,301
HKD	(743)	(398)	743	429
Others	552	(3,607)	(552)	3,811
Total	(51,419)	(145,703)	51,419	163,467

	31 December 2025			
	Increased by 100 basis points		Decreased by 100 basis points	
Currency	Effect on net interest income	Effect on equity	Effect on net interest income	Effect on equity
RMB	(45,324)	(114,670)	45,324	125,935
USD	1,994	(10,383)	(1,994)	11,945
HKD	(510)	(202)	510	203
Others	1,115	(2,935)	(1,115)	3,187
Total	(42,725)	(128,190)	42,725	141,270

The interest rate sensitivities set out in the tables above are for illustration only and are based on simplified scenarios. The figures represent the estimated movements in net interest income and equity based on the projected yield curve scenarios and the Group's current interest rate risk profile. This effect, however, does not incorporate actions other than hedging that would be taken by management to mitigate the impact of interest rate risk. The projections above also assume that interest rates of all maturities move by the same degree and, therefore, do not reflect the potential impact on net interest income and equity in the case where some rates change while others remain unchanged.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Interest rate risk in the banking book (continued)

The tables below summarise the contractual repricing or maturity dates, whichever is earlier, of the Group's assets and liabilities:

	30 June 2026					
	Less than three months	Three months to one year	One to five years	Over five years	Non-interest-bearing	Total
Assets:						
Cash and balances with central banks	3,060,239	7,324	2,774	-	447,415	3,517,752
Due from banks and other financial institutions (i)	1,615,772	448,755	29,854	733	36,166	2,131,280
Derivative financial assets	-	-	-	-	140,823	140,823
Loans and advances to customers	11,349,485	19,299,526	310,362	138,893	64,254	31,162,520
Financial investments						
Financial investments measured at FVTPL	93,861	280,118	184,007	119,541	342,125	1,019,652
Financial investments measured at FVTOCI	314,344	610,880	2,102,200	1,000,366	129,174	4,156,964
Financial investments measured at amortised cost	649,836	1,391,831	5,361,233	5,944,569	108,683	13,456,152
Investments in associates and joint ventures	-	-	-	-	78,638	78,638
Property and equipment	-	-	-	-	283,854	283,854
Others	-	997	-	-	1,121,961	1,122,958
Total assets	17,083,537	22,039,431	7,990,430	7,204,102	2,753,093	57,070,593
Liabilities:						
Due to central banks	29,374	146,052	-	-	-	175,426
Due to banks and other financial institutions (ii)	5,926,675	2,819,678	56,960	641	92,412	8,896,366
Financial liabilities measured at FVTPL	3,313	5,447	2,328	639	238,187	249,914
Derivative financial liabilities	-	-	-	-	103,591	103,591
Certificates of deposit	187,655	240,230	90,486	-	2,274	520,645
Due to customers	19,622,044	9,877,521	8,961,258	24,638	687,804	39,173,265
Debt securities issued	293,327	1,217,631	200,720	826,709	13,313	2,551,700
Others	1,447	4,802	11,115	2,758	1,023,720	1,043,842
Total liabilities	26,063,835	14,311,361	9,322,867	855,385	2,161,301	52,714,749
Interest rate exposure	(8,980,298)	7,728,070	(1,332,437)	6,348,717	N/A	N/A

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.

The data set out in the above table includes trading book data.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Interest rate risk in the banking book (continued)

The tables below summarise the contractual repricing or maturity dates, whichever is earlier, of the Group's assets and liabilities: (continued)

	31 December 2025					
	Less than three months	Three months to one year	One to five years	Over five years	Non-interest-bearing	Total
Assets:						
Cash and balances with central banks	3,268,854	4,993	2,843	-	397,868	3,674,558
Due from banks and other financial institutions (i)	1,236,433	486,483	40,337	-	31,503	1,794,756
Derivative financial assets	-	-	-	-	130,414	130,414
Loans and advances to customers	12,739,269	16,487,862	299,302	129,534	56,392	29,712,359
Financial investments						
Financial investments measured at FVTPL	95,663	201,865	171,441	162,456	312,528	943,953
Financial investments measured at FVTOCI	342,067	727,555	1,720,178	900,599	132,880	3,823,279
Financial investments measured at amortised cost	697,676	1,291,893	4,755,990	5,290,751	103,873	12,140,183
Investments in associates and joint ventures	-	-	-	-	78,313	78,313
Property and equipment	-	-	-	-	293,836	293,836
Others	-	1,037	-	-	885,085	886,122
Total assets	18,379,962	19,201,688	6,990,091	6,483,340	2,422,692	53,477,773
Liabilities:						
Due to central banks	56,005	120,788	-	-	-	176,793
Due to banks and other financial institutions (ii)	5,452,321	2,059,591	39,170	590	87,951	7,639,623
Financial liabilities measured at FVTPL	8,135	2,726	1,819	330	137,186	150,196
Derivative financial liabilities	-	-	-	-	134,082	134,082
Certificates of deposit	195,372	240,666	63,842	-	2,713	502,593
Due to customers	20,451,265	7,631,176	8,418,490	36,845	774,002	37,311,778
Debt securities issued	498,316	804,592	165,762	734,759	13,378	2,216,807
Others	1,518	5,032	12,056	3,185	1,052,086	1,073,877
Total liabilities	26,662,932	10,864,571	8,701,139	775,709	2,201,398	49,205,749
Interest rate exposure	(8,282,970)	8,337,117	(1,711,048)	5,707,631	N/A	N/A

(i) Includes reverse repurchase agreements.
(ii) Includes repurchase agreements.

The data set out in the above table includes trading book data.

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Capital management

The Group has set the following capital management objectives:

—maintain sound capital adequacy to meet regulatory and policy requirements on capital, keep stable capital base to ensure the implementation of the Group's business growth and strategic plans in order to achieve comprehensive, balanced, and sustainable development;
—adopt the advanced capital measurement approach, improve the internal capital adequacy assessment process (ICAAP), publicly disclose information on capital management, cover all types of material risks, and ensure stable operations of the Group;
—leverage on the results of quantitative assessments of material risks fully, establish a bank-wide value management mechanism with a core of economic capital, improve the aligned policies, processes, and applications in business management, strengthen the capital constraints and capital incentives mechanism, enhance the abilities of product pricing and decision-making support, and improve the capital allocation efficiency; and
—make effective use of various capital instruments, continuously enhance capital strengths, refine the capital structure, improve capital quality, reduce capital costs, and maximise shareholders' returns.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the risk profiles of its business operations. In order to maintain or adjust the capital structure, the Group may adjust its profit distribution policies, issue or repurchase its own shares, eligible additional tier 1 capital instruments, eligible tier 2 capital instruments, or convertible bonds.

The Group monitors the capital adequacy ratios regularly based on regulations issued by the NFRA. The required information is quarterly filed with the NFRA by the Group and the Bank.

Since 1 January 2024, the Group commenced calculating the capital adequacy ratios in accordance with the Rules on Capital Management of Commercial Banks and other relevant regulations, according to the scope of implementing the advanced capital measurement approaches as approved by the regulatory authorities, an enterprise that meets the regulatory requirements shall adopt the foundation IRB approach for its corporate credit risk exposures, the advanced IRB approach for its retail credit risk exposures, the weighted approach for its credit risk uncovered by the IRB approach, the standardised approach for its market risk exposures and the standardised approach for its operational risk exposures.

According to Rules on Capital Management of Commercial Banks, Measures for the Assessment of Systemically Important Banks, Additional Regulation of Systemically Important Banks (Provisional), and the capital surcharge applied to global systemically important banks as required by the Basel Committee on Banking Supervision, the minimum common equity tier 1 capital adequacy ratio, the tier 1 capital adequacy ratio and the capital adequacy ratio of the Group shall not be lower than 9%, 10% and 12% respectively. In addition, overseas entities are directly regulated by local banking regulators, and the required capital adequacy ratios differ by countries or regions.

The Group calculates the following common equity tier 1 capital adequacy ratio, the tier 1 capital adequacy ratio and the capital adequacy ratio in accordance with the Rules on Capital Management of Commercial Banks and relevant requirements. The requirements pursuant to these regulations may be different from those applicable in Hong Kong SAR and other jurisdictions.

(In RMB millions, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Capital management (continued)

The capital adequacy ratios and related data of the Group are calculated based on the statutory financial statements of the Group prepared under the PRC GAAP. During the reporting period, the Group has complied in full with all its externally imposed regulatory capital requirements.

The common equity tier 1 capital adequacy ratio, the tier 1 capital adequacy ratio and the capital adequacy ratio of the Group calculated in accordance with the advanced capital measurement approaches in the Rules on Capital Management of Commercial Banks are as follows:

	30 June 2026	31 December 2025
Common equity tier 1 capital	3,964,614	3,863,157
Paid-in capital	356,407	356,407
Valid portion of capital reserve	143,789	143,871
Surplus reserve	500,727	500,576
General reserve	660,653	660,329
Retained profits	2,278,371	2,172,125
Valid portion of minority interests	4,282	4,494
Accumulated other comprehensive income	20,385	25,355
Common equity tier 1 capital deductions	23,834	26,008
Goodwill	18,045	18,383
Other intangible assets other than land use rights	10,378	11,212
Cash flow hedging reserve that relates to the hedging of items that are not fair-valued on the balance sheet	(4,589)	(3,587)
Net common equity tier 1 capital	3,940,780	3,837,149
Additional tier 1 capital	365,498	385,527
Additional tier 1 capital instruments and related premiums	364,666	384,657
Valid portion of minority interests	832	870
Net tier 1 capital	4,306,278	4,222,676
Tier 2 capital	1,232,812	1,080,120
Valid portion of tier 2 capital instruments and related premiums	819,979	690,003
Surplus provision for impairment	411,568	388,783
Valid portion of minority interests	1,265	1,334
Net capital base	5,539,090	5,302,796
Risk-weighted assets (i)	29,832,780	28,269,948
Common equity tier 1 capital adequacy ratio	13.21%	13.57%
Tier 1 capital adequacy ratio	14.43%	14.94%
Capital adequacy ratio	18.57%	18.76%

(i) Refers to risk-weighted assets after the capital floor and adjustments.

44. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group has established policies and internal controls with respect to the measurement of fair values, specifically the framework of fair value measurement of financial instruments, fair value measurement methodologies and operating procedures. Fair value measurement methodologies specify valuation techniques, parameter selection and relevant concepts, models and parameter-seeking methods. Operating procedures specify measurement procedures, timing of valuation, market parameter selection and corresponding allocation of responsibilities. In the process of fair value measurement, front office is responsible for daily transaction management. The Finance and Accounting Department plays a lead role in formulating accounting policies of fair value measurement, valuation methodologies and system implementation. The Risk Management Department is responsible for verifying trade details and validating models.

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 inputs: quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs: valuation techniques are used, for which certain inputs that have a significant effect on the recorded fair value are not based on observable market data.

The following is a description of the fair value of financial instruments measured at fair value which are determined using valuation techniques. They incorporate the Group’s estimate of assumptions that a market participant would make when valuing the instruments.

<u>Financial investments</u>

Financial investments that use valuation techniques for their valuation include debt securities, asset-backed securities, investment funds, unlisted equity instruments and asset management plans. The Group values such investments by incorporating either only observable data or both observable and unobservable data. Observable inputs include assumptions regarding current interest rates; unobservable inputs include assumptions regarding expected default rates, prepayment rates, discount rates and market liquidity.

The majority of the debt securities investments classified as level 2 are RMB bonds. The fair values of these bonds are determined based on the valuation results provided by China Central Depository & Clearing Co., Ltd., which are determined based on a valuation technique for which all significant inputs are observable market data.

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Derivatives

Derivatives that use valuation techniques with market observable inputs are mainly interest rate swaps, currency forwards, swaps and options. The most frequently applied valuation techniques include discounted cash flow model and Black-Scholes model. The models incorporate various inputs including foreign exchange spot and forward rates, foreign exchange rate volatility, interest rate yield curves.

Structured derivatives are mainly valued using dealer’s quotations.

Loans and advances to customers

The loans and advances to customers that use valuation techniques for valuation are mainly bills and discounted cash flow model is used. For bank acceptance bill, based on the different credit risk of the acceptor, interest rate yield curve is set up using the actual market data; for commercial bill, based on the interbank offered rate, interest rate yield curve is constructed, with spreads adjusted for credit risk and liquidity.

Other liabilities at fair value through profit or loss

For unquoted other liabilities at FVTPL, discounted cash flow model is used based on current yield curve appropriate for the remaining term to maturity adjusted for market liquidity and credit spreads; and Heston model is applied based on parameters including yields, foreign exchange forward rates, foreign exchange rate volatilities, which are calibrated by active market quotes of standard European option with the same underlying items.

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments measured at fair value

	30 June 2026			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative financial assets	5,573	135,233	17	140,823
Reverse repurchase agreements measured at FVTPL	-	19,171	-	19,171
Loans and advances to customers measured at FVTPL	-	4,727	103	4,830
Loans and advances to customers measured at FVTOCI	-	2,858,699	-	2,858,699
Financial investments measured at FVTPL				
Debt securities investments	22,637	630,453	3,089	656,179
Equity investments	25,563	560	107,841	133,964
Funds and other investments	46,948	75,181	107,380	229,509
	95,148	706,194	218,310	1,019,652
Financial investments measured at FVTOCI				
Debt securities investments	361,003	3,699,816	-	4,060,819
Other debt investments	-	4,047	823	4,870
Equity investments	37,964	8,237	45,074	91,275
	398,967	3,712,100	45,897	4,156,964
	499,688	7,436,124	264,327	8,200,139
Financial liabilities:				
Due to customers	-	428,608	-	428,608
Repurchase agreements	-	1,166	-	1,166
Financial liabilities measured at FVTPL	1,032	247,422	1,460	249,914
Derivative financial liabilities	4,781	98,423	387	103,591
	5,813	775,619	1,847	783,279

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments measured at fair value (continued)

	31 December 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative financial assets	8,001	122,365	48	130,414
Reverse repurchase agreements measured at FVTPL	-	17,885	-	17,885
Loans and advances to customers measured at FVTPL	-	7,080	109	7,189
Loans and advances to customers measured at FVTOCI	-	2,655,589	-	2,655,589
Financial investments measured at FVTPL				
Debt securities investments	22,927	581,692	1,619	606,238
Equity investments	30,572	666	105,983	137,221
Funds and other investments	38,918	58,333	103,243	200,494
	92,417	640,691	210,845	943,953
Financial investments measured at FVTOCI				
Debt securities investments	372,043	3,348,701	-	3,720,744
Other debt investments	-	4,047	823	4,870
Equity investments	34,493	7,826	55,346	97,665
	406,536	3,360,574	56,169	3,823,279
	506,954	6,804,184	267,171	7,578,309
Financial liabilities:				
Due to customers	-	210,557	-	210,557
Repurchase agreements	-	694	-	694
Financial liabilities measured at FVTPL	8	148,728	1,460	150,196
Derivative financial liabilities	4,071	129,873	138	134,082
	4,079	489,852	1,598	495,529

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Movement of level 3 financial instruments measured at fair value

The following tables show the movement of level 3 financial assets and financial liabilities measured at fair value:

	1 January 2026	Total gains /(losses) recorded in profit or loss	Total effects in other comprehensive income	Additions	Disposals and settlements	Transfer (out of)/in level 3	30 June 2026
Financial assets:							
Derivative financial assets	48	72	-	4	(57)	(50)	17
Loans and advances to customers measured at FVTPL	109	60	-	-	(66)	-	103
Financial investments measured at FVTPL							
Debt securities investments	1,619	(328)	-	2,087	(289)	-	3,089
Equity investments	105,983	2,129	-	690	(961)	-	107,841
Funds and other investments	103,243	3,557	-	14,162	(13,582)	-	107,380
Financial investments measured at FVTOCI							
Equity investments	55,346	-	(3,450)	-	(6,420)	(402)	45,074
Funds and other investments	823	-	-	-	-	-	823
	267,171	5,490	(3,450)	16,943	(21,375)	(452)	264,327
Financial liabilities:							
Financial liabilities measured at FVTPL	(1,460)	108	-	(606)	498	-	(1,460)
Derivative financial liabilities	(138)	(129)	-	(323)	146	57	(387)
	(1,598)	(21)	-	(929)	644	57	(1,847)

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Movement of level 3 financial instruments measured at fair value (continued)

The following tables show the movement of level 3 financial assets and financial liabilities measured at fair value: (continued)

	1 January 2025	Total gains/(losses) recorded in profit or loss	Total effects in other comprehensive income	Additions	Disposals and settlements	Transfer (out of)/in level 3	31 December 2025
Financial assets:							
Derivative financial assets	55	79	-	33	(109)	(10)	48
Loans and advances to customers measured at FVTPL	76	7	-	99	(73)	-	109
Financial investments measured at FVTPL							
Debt securities investments	2,925	(1,127)	-	924	(1,056)	(47)	1,619
Equity investments	87,028	378	-	29,623	(11,034)	(12)	105,983
Funds and other investments	44,010	(1,530)	-	61,970	(9,569)	8,362	103,243
Financial investments measured at FVTOCI							
Equity investments	65,703	-	38	5,055	(15,450)	-	55,346
Funds and other investments	-	-	(182)	-	-	1,005	823
	199,797	(2,193)	(144)	97,704	(37,291)	9,298	267,171
Financial liabilities:							
Financial liabilities measured at FVTPL	(2,322)	344	-	(477)	747	248	(1,460)
Derivative financial liabilities	(139)	(131)	-	(14)	49	97	(138)
	(2,461)	213	-	(491)	796	345	(1,598)

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Movement of level 3 financial instruments measured at fair value (continued)

Net gains or losses on level 3 financial instruments of the Group are set out below:

	Six months ended 30 June	
	2026	2025
Realised	175	651
Unrealised	5,294	(590)
	5,469	61

(c) Transfers between levels

(i) Transfers between level 1 and level 2

Due to changes in market conditions for certain securities, quoted prices in active markets were available for these securities. Therefore, these securities were transferred from level 2 to level 1 of the fair value hierarchy as at the end of the reporting period.

Due to changes in market conditions for certain securities, quoted prices in active markets were no longer available for these securities. However, there was sufficient information available to measure the fair values of these securities based on observable market inputs. Therefore, these securities were transferred from level 1 to level 2 of the fair value hierarchy as at the end of the reporting period.

For the six months ended 30 June 2026 and 30 June 2025, the transfers between level 1 and level 2 of the fair value hierarchy for financial assets and liabilities measured at fair value of the Group were not significant.

(ii) Transfers between level 2 and level 3

At the end of the reporting period, certain financial instruments were transferred out from level 2 to level 3 of the fair value hierarchy for financial assets and liabilities when significant inputs used in their fair value measurements, which were previously observable became unobservable.

At the end of the reporting period, certain financial instruments were transferred out from level 3 of the fair value hierarchy for financial assets and liabilities, when significant inputs used in their fair value measurements, which were previously unobservable became observable, or when there was a change in valuation technique.

(In RMB millions, unless otherwise stated)

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Valuation of financial instruments with significant unobservable inputs

Financial instruments valued with significant unobservable inputs primarily include certain structured financial derivatives, asset-backed securities, investment funds, unlisted equity instruments and asset management plans. These financial instruments are valued using discounted cash flow model, net asset value method and market comparison approach. The models incorporate various unobservable assumptions such as expected default rates, prepayment rates, discount rates and market liquidity.

As at 30 June 2026, the effects of changing the significant unobservable assumptions to reasonably possible alternative assumptions were not significant (31 December 2025: not significant).

(e) Fair value of financial assets and financial liabilities not carried at fair value

There are no significant differences between the carrying amount and the fair value of financial assets and financial liabilities not measured at fair value, except for the following items:

	30 June 2026				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Financial investments measured at amortised cost	13,456,152	13,987,912	35,534	13,860,765	91,613
Financial liabilities:					
Tier 2 capital bonds and TLAC non-capital bonds	946,172	956,032	-	956,032	-

	31 December 2025				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Financial investments measured at amortised cost	12,140,183	12,585,295	36,672	12,457,693	90,930
Financial liabilities:					
Subordinated bonds, tier 2 capital bonds and TLAC non-capital bonds	804,590	821,265	-	821,265	-

44. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value of financial assets and financial liabilities not carried at fair value (continued)

Subject to the existence of an active market, such as an authorised stock exchange, the market value is the best reflection of the fair value of a financial instrument. As there is no available market value for certain financial assets held and financial liabilities issued by the Group, discounted cash flow or other valuation methods described below are adopted to determine the fair values of these financial assets and financial liabilities:

(i) The fair values of financial investments measured at amortised cost relating to the restructuring of the Bank are estimated on the basis of the stated interest rates and the consideration of the relevant special clauses of the instruments evaluated in the absence of any other relevant observable market data, and the fair values approximate to their carrying amounts. The fair values of financial investments measured at amortised cost irrelevant to the restructuring of the Bank are determined based on the available market values. If quoted market prices are not available, fair values are estimated on the basis of pricing models or discounted cash flows.

(ii) The fair values of Subordinated bonds, tier 2 capital bonds and TLAC non-capital bonds issued are determined with reference to the available market values. If quoted market prices are not available, fair values are estimated on the basis of pricing models or discounted cash flows.

All of the aforementioned assumptions and methods provide a consistent basis for the calculation of the fair values of the Group’s financial assets and financial liabilities. However, other institutions may use different assumptions and methods. Therefore, the fair values disclosed by different financial institutions may not be entirely comparable.

45. EVENTS AFTER THE REPORTING PERIOD

On 28 August 2026, the Board of Directors of the Bank proposed the distribution of interim cash dividends for ordinary shares of RMB1.511 per ten shares (pre-tax) of 356,406,257,089 ordinary shares for 2026, totaling about RMB53,853 million. The distribution plan will be submitted to the Shareholders' Meeting for approval.

In July 2026, the Bank completed the issuance of the 2026 undated additional tier 1 capital bonds (Series 3) (the "Perpetual Bonds") and the issuance size of the Perpetual Bonds is RMB20,000 million.

In July 2026, the Bank completed the issuance of the 2026 tier 2 capital bonds (Series 4) (the "Bonds") and the issuance size of the Bonds is RMB60,000 million. The proceeds from the issuance of the Bonds are used to replenish the tier 2 capital of the Bank.

In August 2026, the Bank completed the issuance of the 2026 tier 2 capital bonds (Series 5) (the "Bonds") and the issuance size of the Bonds is RMB60,000 million. The proceeds from the issuance of the Bonds are used to replenish the tier 2 capital of the Bank.

The Bank reviewed and approved the distribution of dividends on "工行優2" at the meeting of the Board of Directors on 28 August 2026, planning to distribute the dividends on "工行優2" on 24 September 2026 at the dividend rate of 3.02% (pre-tax, and the tax payable on dividends received by holders of domestic preference shares should be borne by them in compliance with relevant laws and regulations) and the total dividends distributed will be RMB2,114 million.

46. COMPARATIVE FIGURES

Certain comparative amounts have been reclassified to conform to the current period's presentation.

47. APPROVAL OF THE FINANCIAL STATEMENTS

The interim financial statements were approved by the Board of Directors on 28 August 2026.

(In RMB millions, unless otherwise stated)

1. Statement of differences between the financial statements prepared under IFRS Accounting Standards and those prepared in accordance with PRC GAAP

There are no differences between the profit attributable to equity holders of the parent company under IFRS Accounting Standards and PRC GAAP for the six months ended 30 June 2026 and 30 June 2025. There are no differences between the equity attributable to equity holders of the parent company under IFRS Accounting Standards and PRC GAAP as at 30 June 2026 and 31 December 2025.

2. Currency concentrations

	30 June 2026			
	USD	HKD	Others	Total
Spot assets	2,205,879	432,907	1,589,433	4,228,219
Spot liabilities	(2,041,937)	(548,234)	(960,695)	(3,550,866)
Forward purchases	2,728,363	432,895	692,854	3,854,112
Forward sales	(2,990,662)	(189,251)	(1,232,425)	(4,412,338)
Net option position	(45,725)	(5,109)	956	(49,878)
Net (short)/long position	(144,082)	123,208	90,123	69,249
Net structural position	147,532	3,860	32,906	184,298

	31 December 2025			
	USD	HKD	Others	Total
Spot assets	2,477,420	442,320	1,368,025	4,287,765
Spot liabilities	(2,135,476)	(514,752)	(832,145)	(3,482,373)
Forward purchases	4,955,069	347,615	492,674	5,795,358
Forward sales	(5,512,671)	(150,364)	(898,800)	(6,561,835)
Net option position	(10,334)	(1,571)	(12,362)	(24,267)
Net (short)/long position	(225,992)	123,248	117,392	14,648
Net structural position	155,839	4,646	32,797	193,282

The net option position is calculated using the delta equivalent approach required by the Hong Kong Monetary Authority. The net structural position of the Group includes the structural positions of the Bank's overseas branches, banking subsidiaries and other subsidiaries substantially involved in foreign exchange transactions. Structural assets and liabilities include:

－property and equipment, net of depreciation charges;
－capital and statutory reserves of overseas branches; and
－investments in overseas subsidiaries, associates and joint ventures.

(In RMB millions, unless otherwise stated)

3. Loans and advances to customers (excluding accrued interest)

(i) Overdue loans and advances to customers

	30 June 2026	31 December 2025
Gross loans and advances to customers of the Group which have been overdue with respect to either principal or interest for periods of:		
Between 3 and 6 months	66,351	47,847
Between 6 and 12 months	80,433	89,056
Over 12 months	201,782	195,525
	348,566	332,428
As a percentage of the total gross loans and advances to customers:		
Between 3 and 6 months	0.21%	0.16%
Between 6 and 12 months	0.25%	0.29%
Over 12 months	0.63%	0.64%
	1.09%	1.09%

The definition of overdue loans and advances to customers is as follows:

Loans and advances to customers with a specific repayment date are classified as overdue when the principal or interest is overdue.

For loans and advances to customers repayable by regular instalments, if part of the instalments is overdue, the whole amount of the loans and advances would be classified as overdue.

(ii) Overdue loans and advances to customers by geographical distribution

	30 June 2026	31 December 2025
Head Office	47,138	49,666
Bohai Rim	67,749	61,888
Western China	90,127	62,848
Central China	68,959	64,270
Pearl River Delta	111,008	101,171
Yangtze River Delta	71,545	67,607
Northeastern China	24,650	21,769
Overseas and others	31,447	33,516
	512,623	462,735

(In RMB millions, unless otherwise stated)

3. Loans and advances to customers (excluding accrued interest) (continued)

(iii) Rescheduled loans and advances to customers

	30 June 2026		31 December 2025	
		% of total loans and advances to customers		% of total loans and advances to customers
Rescheduled loans and advances to customers	129,495	0.40%	156,027	0.51%
Less: Rescheduled loans and advances to customers overdue for more than three months	(43,901)	(0.14%)	(39,606)	(0.13%)
Rescheduled loans and advances to customers overdue for less than three months	85,594	0.26%	116,421	0.38%

4. Exposures to non-bank entities in Chinese mainland

The Bank is a commercial bank incorporated in Chinese mainland with its banking business primarily conducted in Chinese mainland. As at 30 June 2026 and 31 December 2025, substantial amounts of the Bank's exposures arose from businesses with entities or individuals in Chinese mainland. Analyses of various types of exposures by counterparty have been disclosed in the respective notes to the financial statements.