中原銀行股份有限公司*
ZHONGYUAN BANK CO., LTD.*

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

(Stock Code: 1216)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND CHANGE OF COMPANY SECRETARY, AUTHORIZED REPRESENTATIVE AND PROCESS AGENT

The board of directors (the "**Board**") of Zhongyuan Bank Co., Ltd.* (the "**Bank**") is pleased to announce the unaudited consolidated interim results (the "**Interim Results**") of the Bank and its subsidiaries for the six months ended June 30, 2026 (the "**Reporting Period**") which were prepared in accordance with the International Financial Reporting Standards. The Board and the audit committee of the Board have reviewed and confirmed the Interim Results.

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Bank (www.zybank.com.cn). The interim report for the six months ended June 30, 2026 will be published and will be available on the above websites in due course.

The Board also announces that, with effect from August 28, 2026, there have been changes to the Bank's Company Secretary, Authorized Representative and Process Agent, details of which are set out in the section headed "3.3 Changes of the Company Secretary" under "V. Directors, Senior Management and Employees" of this results announcement.

On behalf of the Board
ZHONGYUAN BANK CO., LTD.*
ZHOU Feng
Chairman

Zhengzhou, the People's Republic of China
August 28, 2026

As at the date of this announcement, the Board comprises Mr. ZHOU Feng as executive Director; Mr. FENG Ruofan, Mr. LI Wenqiang and Ms. ZHANG Shu as non-executive Directors; and Mr. XU Yiguo, Ms. ZHAO Zijian, Mr. WANG Maobin, Mr. PAN Xinmin and Mr. GAO Pingyang as independent non-executive Directors.

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

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I. Corporate Information

Legal Name of the Company

中原銀行股份有限公司[1] (abbreviated as 中原銀行)

English Name of the Company

ZHONGYUAN BANK CO., LTD. [1] (abbreviated as ZYBANK)

Registered Office

No. 9 Waihuan Road, Financial Island, Zhengdong New District, Zhengzhou, Henan Province, PRC

Headquarters in China

No. 9 Waihuan Road, Financial Island, Zhengdong New District, Zhengzhou, Henan Province, PRC

Principal Business Place in Hong Kong

40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong

Board of Directors

Executive Director:

Mr. ZHOU Feng

Non-executive Directors:

Mr. FENG Ruofan
Mr. LI Wenqiang
Ms. ZHANG Shu

Independent non-executive Directors:

Mr. XU Yiguo
Ms. ZHAO Zijian
Mr. WANG Maobin
Mr. PAN Xinmin
Mr. GAO Pingyang

Legal Representative

Mr. ZHOU Feng

Authorized Representatives

Mr. ZHOU Feng
Ms. HAU Hei Man, Sonya

Company Secretary

Ms. HAU Hei Man, Sonya

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

I. Corporate Information

Unified Social Credit Code

9141000031741675X6

Financial License Institution Number

B0615H241010001

Auditors

PRC Auditor

Baker Tilly China Certified Public Accountants
Building 12, Sci-tech Cultural Park for Global Communication, 19 Chegongzhuang West Road, Haidian District, Beijing, China

International Auditor

Baker Tilly Hong Kong Limited
8/F, 728 King's Road, Quarry Bay, Hong Kong

Legal Advisor as to PRC mainland Laws

King & Wood
17-18/F, East Tower, World Financial Center, 1 Dongsanhuan Zhonglu, Chaoyang District, Beijing, PRC

Legal Advisor as to Hong Kong Laws

Clifford Chance
27th Floor, Jardine House, One Connaught Place, Central, Hong Kong

H Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

Domestic Shares Trustee Agency

China Securities Depository and Clearing Corporation Limited
Western Hall, 2/F, Shenzhen Stock Exchange Building, 2012 Shennan Avenue, Futian District, Shenzhen

H Share Stock Code

1216

Investor's Enquiry

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II. Summary of Accounting Information and Financial Indicators

	For the six months ended June 30,		
	2026	2025	Change over the corresponding period of last year
	(Expressed in millions of Renminbi, unless otherwise stated)		
Operating Results			**Rate of Change *(%)***
Net interest income	**12,010.9**	11,050.6	8.7
Net fee and commission income	**992.6**	1,236.5	(19.7)
Operating income	**14,271.3**	13,562.5	5.2
Operating expenses	**(3,892.7)**	(4,069.2)	(4.3)
Impairment losses on assets	**(8,121.0)**	(8,070.9)	0.6
Profit before tax	**1,851.5**	1,505.8	23.0
Net profit	**2,149.8**	2,129.0	1.0
Net profit attributable to equity shareholders of the Bank	**2,118.5**	2,033.6	4.2
Calculated on a per share basis (RMB)			**Rate of Change *(%)***
Net assets per share attributable to equity shareholders of the Bank [(1)]	**2.34**	2.27	3.1
Earnings per share[(2)]	**0.05**	0.05	0.0
Profitability Indicators (%)			**Change**
Return on average total assets[(3)]	**0.30**	0.31	(0.01)
Return on average equity[(4)]	**4.85**	4.73	0.12
Net interest spread[(5)]	**1.62**	1.58	0.04
Net interest margin[(6)]	**1.71**	1.66	0.05
Net fee and commission income to operating income	**6.96**	9.12	(2.16)
Cost-to-income ratio[(7)]	**26.39**	29.13	(2.74)

II. Summary of Accounting Information and Financial Indicators

	June 30, 2026	December 31, 2025	Change over the end of last year
	(Expressed in millions of Renminbi, unless otherwise stated)		
Capital adequacy ratio indicators[8] (%)			**Change**
Calculated based on the Capital Administrative Measures			
Core Tier-one capital adequacy ratio	**9.08**	8.89	0.19
Tier-one capital adequacy ratio	**11.20**	11.38	(0.18)
Capital adequacy ratio	**13.33**	13.52	(0.19)
Total equity to total assets	**6.60**	7.02	(0.42)
Asset quality indicators (%)			**Change**
Non-performing loans to total loans[9]	**1.96**	1.96	0.00
Allowance for loan impairment losses to non-performing loans[10]	**170.71**	165.75	4.96
Allowance for loan impairment losses to total loans[11]	**3.35**	3.25	0.10
Other indicators (%)			
Loan-to-deposit ratio	**74.77**	76.52	(1.75)
Scale indicators			**Rate of Change *(%)***
Total assets	**1,496,467.1**	1,414,293.4	5.8
Of which: Net loans and advances to customers	**728,113.9**	716,699.7	1.6
Total liabilities	**1,397,671.2**	1,314,968.0	6.3
Of which: deposits from customers	**1,014,327.8**	981,289.4	3.4
Share capital	**36,549.8**	36,549.8	–
Equity attributable to equity shareholders of the Bank	**95,685.7**	96,236.6	(0.6)
Non-controlling interests	**3,110.2**	3,088.8	0.7
Total equity	**98,795.9**	99,325.4	(0.5)

II. Summary of Accounting Information and Financial Indicators

Notes:

(1) 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.

(2) The ratio of net profit (net of dividends of preference shares distributed during the year) attributable to shareholders of the Bank to weighted average number of ordinary shares.

(3) Represents net profit for the period as a percentage of average balance of total assets at the beginning and the end of the period.

(4) Calculated based on the "Rules on the Preparation and Submission of Information Disclosed 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 China Securities Regulatory Commission. Represents net profit attributable to shareholders of the Bank for the period as a percentage of weighted average balance attributable to shareholders of the Bank for the period.

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

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

(7) Calculated by dividing operating expenses after deduction of taxes and surcharges by operating income.

(8) The Administrative Measures for the Capital of Commercial Banks came into effect on January 1, 2024.

(9) Calculated by dividing total non-performing loans and advances to customers by gross loans and advances to customers. Gross loans and advances to customers are exclusive of accrued interest.

(10) Calculated by dividing allowance for impairment losses on loans and advances to customers by total non-performing loans. Total allowance for impairment losses on loans and advances to customers included allowance for impairment losses on loans at amortized cost and allowance for impairment losses on loans at fair value through other comprehensive income.

(11) Calculated by dividing allowance for impairment losses on loans and advances to customers by gross loans and advances to customers.

III. Management Discussion and Analysis

1 Past Economic and Financial Environment

During the Reporting Period, while global economic growth remained resilient with stable labor markets, geopolitical conflicts and economic and trade frictions occurred frequently, and the impact of supply shocks and imported inflationary pressures persisted, intensifying global inflation and prompting central banks of major economies to adjust their monetary policies.

During the Reporting Period, faced with multiple challenges including complex evolution in the international environment and domestic economic transformation pressures, China adhered to the general principle of pursuing progress while maintaining stability and implemented more proactive and effective macroeconomic policies. As a result, production and supply grew at an accelerated pace, market demand continued to improve, and prices rebounded moderately, further demonstrating the resilience and vitality of development and laying a solid foundation for a successful start to the "15th Five-Year Plan". Gross domestic product ("GDP") reached RMB69,570.4 billion, representing a year-on-year increase of 4.7% at constant prices. The consumer market continued to expand, with total retail sales of consumer goods amounting to RMB24,872.2 billion, up 1.3% year-on-year. The service sector grew steadily, with value added in the service sector increasing by 5.2% year-on-year. Imports and exports of goods saw rapid growth, totaling RMB25,468.6 billion, a year-on-year increase of 16.9%. Prices rose moderately, with the consumer price index ("CPI") up 1.0% year-on-year. Resident income grew steadily, with per capita disposable income reaching RMB22,981, a real year-on-year increase of 4.2%. Overall, the Chinese economy withstood pressures and sustained its generally steady development trajectory toward innovation and high-quality growth.

During the Reporting Period, Henan Province focused on the target system of "1+2+4+N", continuously expanded domestic demand and optimized supply, enhanced the quality of new growth and revitalized existing assets. It also intensified efforts to integrate into and serve the unified national big market and develop new quality productive forces tailored to local conditions, thereby achieving overall stable economic performance with steady progress, characterized by an improving economic structure and enhanced quality and efficiency. The GDP of Henan Province reached RMB3,352.158 billion, representing a year-on-year increase of 5.0%. The industrial production maintained rapid growth, with value added of industries above designated size in the province rising by 8.1% year-on-year, 0.2 percentage points higher than the first quarter. Fixed asset investment in the province continued to expand, up 0.3% year-on-year. Market sales expanded steadily, with total retail sales of consumer goods in the province amounting to RMB1,457.815 billion, up 2.7% year-on-year. Foreign trade remained stable in transaction volume alongside quality enhancement, with the province's total value of imports and exports amounting to RMB520.36 billion, exceeding RMB500.0 billion for the first time in history during the same period and representing a year-on-year increase of 26%.

III. Management Discussion and Analysis

During the Reporting Period, the Central Bank continued to implement a moderately accommodative monetary policy, leveraged the synergistic effects of existing and new policies, and strengthened counter-cyclical and cross-cyclical policy adjustments, so as to create a favorable monetary and financial environment for sustained and enhanced economic development. The broad money supply (M2) reached RMB356.7 trillion, up 8% year-on-year. Aggregate social financing maintained reasonable growth, with outstanding social financing at RMB462.06 trillion, up 7.4% year-on-year. The total volume of credit rose steadily, with the balance of domestic and foreign currency loans of financial institutions reaching RMB286.4 trillion, up 5.1% year-on-year. Going forward, the Central Bank will further deepen financial reforms and high-level opening-up, accelerate the development of a financial powerhouse, improve the central banking system, establish a scientific and stable monetary policy system and a comprehensive macro prudent management system, with a view to ensuring the smooth function in transmission mechanism of monetary policy and continuously consolidating and strengthening the positive economic trend toward progress amid stability.

2 Overall Operation Overview

During the Reporting Period, the Bank sustained its market positioning of "serving local economic development, serving small and medium-sized enterprises, and serving urban and rural residents" and anchored in its established goal of "building a first-class city commercial bank and becoming the vanguard in the Henan financial army", while closely aligning its efforts with the major requirements of "Two High-level Priorities and Four Areas of Emphasis" and focusing on the target system of "1+2+4+N". Upholding the guidance of the Party building, the Bank stayed true to the original mission of finance, adopted a market and customer-oriented approach, took risk prevention and control as its bottom line, and relied on foundational management as its pillar, thereby propelling the Bank's high-quality development to new heights. The Bank ranked 162nd amongst the top 1,000 banks in the world by The Banker (UK) in 2026, won the seventh session "Iron Horse – Top Ten Small and Medium-sized Banks (鐵馬十佳中小銀行)" award, and ranked 313th on the Fortune China 500 in 2026.

The Bank remained committed to its functional positioning, focused on its principal responsibilities and core business, deepened the reform to defuse risks, and proactively served local economic development, thereby comprehensively enhancing its customer management capabilities, continuously strengthening its asset management capabilities, and gradually building new growth momentum. As of the end of the Reporting Period, the Bank's total assets amounted to RMB1,496.467 billion, representing an increase of RMB82.174 billion, or 5.8%, compared with the end of the previous year. Total loans (excluding accrued interest) reached RMB745.779 billion, up RMB11.874 billion, or 1.6%, compared with the end of the previous year. Deposits (excluding accrued interest) amounted to RMB997.398 billion, representing an increase of RMB38.271 billion, or 4.0%, compared with the end of the previous year. Operating income reached RMB14.271 billion, representing an increase of 5.2%, while net profit amounted to RMB2.150 billion, representing an increase of 1.0%. The non-performing loan ratio was 1.96%, which remained the same level with the end of the previous year; the allowance coverage ratio was 170.71%, up 4.96 percentage points from the end of the previous year. The core tier-1 capital adequacy ratio, tier-1 capital adequacy ratio and capital adequacy ratio stood at 9.08%, 11.20% and 13.33%, respectively, representing an increase of 0.19 percentage points, a decrease of 0.18 percentage points, and a decrease of 0.19 percentage points compared with the end of the previous year.

3 Analysis on Income Statement

For the six months ended June 30, 2026, the Bank recorded operating income of RMB14.271 billion, representing a year-on-year increase of RMB709 million or 5.2% and net profit of RMB2.150 billion, representing a year-on-year increase of RMB21 million, or 1.0%.

	For the six months ended June 30,			
	2026	2025	Change	Rate of change
	(in millions of RMB, except percentages)			
Interest income	**21,924.0**	22,871.1	(947.1)	(4.1%)
Interest expense	**(9,913.1)**	(11,820.5)	1,907.4	(16.1%)
Net interest income	**12,010.9**	11,050.6	960.3	8.7%
Fee and commission income	**1,350.6**	1,410.5	(59.9)	(4.2%)
Fee and commission expense	**(358.0)**	(174.0)	(184.0)	105.7%
Net fee and commission income	**992.6**	1,236.5	(243.9)	(19.7%)
Net trading gains	**247.3**	342.3	(95.0)	(27.8%)
Net gains arising from investment securities	**865.2**	875.6	(10.4)	(1.2%)
Other operating income(1)	**155.3**	57.5	97.8	170.1%
Operating income	**14,271.3**	13,562.5	708.8	5.2%
Operating expenses	**(3,892.7)**	(4,069.2)	176.5	(4.3%)
Impairment losses on assets	**(8,121.0)**	(8,070.9)	(50.1)	0.6%
Investment (losses)/gains on associate and joint venture	**(406.1)**	83.4	(489.5)	(586.9%)
Operating profit	**1,851.5**	1,505.8	345.7	23.0%
Profit before tax	**1,851.5**	1,505.8	345.7	23.0%
Income tax	**298.3**	623.2	(324.9)	(52.1%)
Net profit	**2,149.8**	2,129.0	20.8	1.0%
Net profit attributable to equity shareholders of the Bank	**2,118.5**	2,033.6	84.9	4.2%
Non-controlling interests	**31.3**	95.4	(64.1)	(67.2%)

Note:

(1) Other operating income includes government subsidies, rental income, net gains arising from disposal of property and equipment, etc.

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

For the six months ended June 30, 2026, the Bank recorded net interest income of RMB12.011 billion, representing a year-on-year increase of RMB960 million or 8.7%. Among this, an increase in net interest income of RMB678 million as compared to last year was attributable to the changes in the Bank's business scale and an increase in net interest income of RMB282 million was attributable to the changes in yield or cost rate.

The following table sets forth the average balance of the Bank's interest-earning assets and interest-bearing liabilities, interest income and expense from these assets and liabilities, and the average yield of these interest-earning assets and the average cost rate of these interest-bearing liabilities for the six months ended June 30, 2026 and 2025.

III. Management Discussion and Analysis

	For the six months ended June 30,					
	2026			2025		
	Average balance	Interest income/ expense	Average yield/cost(1)	Average balance	Interest income/ expense	Average yield/cost(1)
	(in millions of RMB, except percentages)					
Interest-earning assets						
Loans and advances to customers	**727,805.0**	**13,788.4**	**3.79%**	707,346.3	14,800.7	4.18%
Investment securities and other financial assets(2)	**388,798.6**	**4,456.0**	**2.29%**	358,410.2	4,390.2	2.45%
Lease receivables	**84,683.7**	**2,096.0**	**4.95%**	77,675.8	2,061.4	5.31%
Deposits with the Central Bank	**55,772.2**	**407.2**	**1.46%**	53,958.4	388.0	1.44%
Deposits with banks and other financial institutions	**39,121.9**	**236.2**	**1.21%**	38,718.5	275.9	1.43%
Financial assets held under resale agreements	**45,279.0**	**321.4**	**1.42%**	30,056.0	287.8	1.92%
Placements with banks and other financial institutions	**62,022.0**	**618.8**	**2.00%**	61,876.7	667.1	2.16%
Total interest-earning assets	**1,403,482.4**	**21,924.0**	**3.12%**	1,328,041.9	22,871.1	3.44%
Interest-bearing liabilities						
Deposits from customers	**971,104.1**	**6,951.4**	**1.43%**	923,604.0	8,446.5	1.83%
Financial assets sold under repurchase agreements	**30,984.7**	**206.9**	**1.34%**	34,195.1	327.0	1.91%
Placements from banks and other financial institutions	**70,127.4**	**691.8**	**1.97%**	65,927.6	738.3	2.24%
Borrowings from the Central Bank	**65,451.3**	**495.7**	**1.51%**	36,365.6	339.9	1.87%
Deposits from banks and other financial institutions	**91,876.8**	**744.4**	**1.62%**	54,176.8	463.2	1.71%
Debt securities issued(3)	**96,401.8**	**822.9**	**1.71%**	155,736.6	1,505.6	1.93%
Total interest-bearing liabilities	**1,325,946.1**	**9,913.1**	**1.50%**	1,270,005.7	11,820.5	1.86%
Net interest income		**12,010.9**			11,050.6	
Net interest spread(4)			**1.62%**			1.58%
Net interest margin(5)			**1.71%**			1.66%

Notes:

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

(2) Such interest-earning assets consist of financial assets at amortized cost and financial assets at fair value through other comprehensive income.

(3) Mainly consists of certificates of interbank deposits issued, financial bonds and tier-2 capital bonds.

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

(5) Calculated by dividing net interest income by the average balance of total interest-earning assets, and based on daily average interest-earning assets.

III. Management Discussion and Analysis

The following table sets forth the changes in the Bank's interest income and interest expense due to changes in volume and rate for the periods indicated. Changes in volume are measured by changes in the average balances of the Bank's interest-earning assets and interest-bearing liabilities and changes in rate are measured by changes in the average rates of the Bank's interest-earning assets and interest-bearing liabilities. Effects of changes caused by both volume and rate have been allocated to changes in interest.

	For the six months ended June 30, 2026 vs 2025		
	Reasons for increase/(decrease)		
	Volume(1)	Rate(2)	Net increase/ (decrease)(3)
	(in millions of RMB)		
Interest-earning assets			
Loans and advances to customers	428.1	(1,440.4)	(1,012.3)
Investment securities and other financial assets	372.2	(306.4)	65.8
Lease receivables	186.0	(151.4)	34.6
Deposits with the Central Bank	13.0	6.2	19.2
Deposits with banks and other financial institutions	2.9	(42.6)	(39.7)
Financial assets held under resale agreements	145.8	(112.2)	33.6
Placements with banks and other financial institutions	1.6	(49.9)	(48.3)
Changes in interest income	1,149.6	(2,096.7)	(947.1)
Interest-bearing liabilities			
Deposits from customers	434.4	(1,929.5)	(1,495.1)
Financial assets sold under repurchase agreements	(30.7)	(89.4)	(120.1)
Placements from banks and other financial institutions	47.0	(93.5)	(46.5)
Borrowings from the Central Bank	271.9	(116.1)	155.8
Deposits from banks and other financial institutions	322.3	(41.1)	281.2
Debt securities issued	(573.6)	(109.1)	(682.7)
Changes in interest expense	471.3	(2,378.7)	(1,907.4)

Notes:

(1) Represents the average balance for the current Reporting Period minus the average balance for the same period of the last year, multiplied by the average yield/cost for the previous period.

(2) Represents the average yield/cost for the current Reporting Period minus the average yield/cost for the same period of the last year, multiplied by the average balance for the current period.

(3) Represents the interest income/expense for the current Reporting Period minus the interest income/expense for the same period of the last year.

3.2 Interest Income

For the six months ended June 30, 2026, the Bank recorded an interest income of RMB21,924 million, representing a decrease of RMB947 million or 4.1% as compared with the same period of last year, primarily attributable to the decrease in the interest income from loans and advances to customers.

3.2.1 Interest income from loans and advances to customers

For the six months ended June 30, 2026, the Bank's interest income from loans and advances to customers was RMB13,788 million, representing a decrease of RMB1,012 million or 6.8% as compared to the same period of last year, primarily attributable to the Bank's active support to the development of the real economy by further lowering the interest rate in order to reduce the financing costs of enterprises.

The following table sets out, for the periods indicated, the average balance, interest income and average yield for each component of the Bank's loans and advances to customers.

	For the six months ended June 30,					
	2026			2025		
	Average balance	**Interest income**	**Average yield**	Average balance	Interest income	Average yield
	(in millions of RMB, except percentages)					
Corporate loans	**433,733.7**	**8,712.8**	**4.02%**	416,884.2	9,598.5	4.60%
Discounted bills	**22,230.7**	**97.3**	**0.88%**	23,834.6	92.6	0.78%
Personal loans	**271,840.6**	**4,978.3**	**3.66%**	266,627.5	5,109.6	3.83%
Total	**727,805.0**	**13,788.4**	**3.79%**	707,346.3	14,800.7	4.18%

3.2.2 Interest income from investment securities and other financial assets

For the six months ended June 30, 2026, the Bank's interest income from investment securities and other financial assets was RMB4,456 million, representing an increase of RMB66 million or 1.5% as compared to the same period of last year, primarily attributable to the increase in the average balance of investment securities and other financial assets.

3.2.3 Interest income from lease receivables

For the six months ended June 30, 2026, the Bank's interest income from lease receivables was RMB2,096 million, representing a year-on-year increase of RMB35 million or 1.7%, primarily attributable to the increase in the average balance of finance lease receivables.

3.2.4 Interest income from deposits with the Central Bank

For the six months ended June 30, 2026, the Bank's interest income from deposits with the Central Bank was RMB407 million, representing an increase of RMB19 million or 4.9% as compared to the same period of last year, primarily attributable to the increases in the average balance and average yield of deposits with the Central Bank.

3.2.5 Interest income from deposits with banks and other financial institutions

For the six months ended June 30, 2026, the Bank's interest income from deposits with banks and other financial institutions was RMB236 million, representing a decrease of RMB40 million or 14.4% as compared to the same period of last year, primarily attributable to the decrease in the average yield of deposits with banks and other financial institutions.

3.2.6 Interest income from financial assets held under resale agreements

For the six months ended June 30, 2026, the Bank's interest income from financial assets held under resale agreements was RMB321 million, representing an increase of RMB34 million or 11.7% as compared to the same period of last year, primarily attributable to the increase in the average balance of financial assets held under resale agreements.

3.2.7 Interest income from placements with banks and other financial institutions

For the six months ended June 30, 2026, the Bank's interest income from placements with banks and other financial institutions was RMB619 million, representing a decrease of RMB48 million or 7.2% as compared to the same period of last year, primarily attributable to the decrease in the average yield of placements with banks and other financial institutions.

3.3 Interest expense

For the six months ended June 30, 2026, the Bank's interest expense was RMB9,913 million, representing a decrease of RMB1,907 million or 16.1% as compared to the same period of last year, primarily attributable to the decrease in deposits from customers and interest expenses on debt securities issued.

3.3.1 Interest expense on deposits from customers

For the six months ended June 30, 2026, the Bank's interest expense on deposits from customers was RMB6,951 million, representing a decrease of RMB1,495 million or 17.7% as compared to the same period of last year, primarily attributable to a decrease in the average cost of deposits from customers of the Bank.

	For the six months ended June 30,					
	2026			2025		
	Average balance	**Interest expense**	**Average cost**	Average balance	Interest expense	Average cost
	(in millions of RMB, except percentages)					
Corporate deposits						
Demand	**130,824.5**	**363.5**	**0.56%**	131,279.3	427.8	0.65%
Time	**222,037.5**	**1,761.2**	**1.59%**	208,972.6	2,031.9	1.94%
Sub-total	**352,862.0**	**2,124.7**	**1.20%**	340,251.9	2,459.7	1.45%
Personal deposits						
Demand	**111,799.8**	**37.0**	**0.07%**	108,047.4	40.9	0.08%
Time	**506,442.3**	**4,789.7**	**1.89%**	475,304.7	5,945.9	2.50%
Sub-total	**618,242.1**	**4,826.7**	**1.56%**	583,352.1	5,986.8	2.05%
Total deposits from customers	**971,104.1**	**6,951.4**	**1.43%**	923,604.0	8,446.5	1.83%

3.3.2 Interest expense on debt securities issued

For the six months ended June 30, 2026, the Bank's interest expense on debt securities issued was RMB823 million, representing a decrease of RMB683 million or 45.3% as compared to the same period of last year, primarily attributable to the decreases in the average balance and average cost of debt securities issued.

3.3.3 Interest expense on placements from banks and other financial institutions

For the six months ended June 30, 2026, the Bank's interest expense on placements from banks and other financial institutions was RMB692 million, representing a decrease of RMB47 million or 6.3% as compared to the same period of last year, primarily attributable to the decrease in the average cost of placements from banks and other financial institutions.

3.3.4 Net interest spread and net interest margin

For the six months ended June 30, 2026, the Bank's net interest spread was 1.62%, representing an increase of 0.04 percentage points as compared to the same period of last year, while the Bank's net interest margin was 1.71%, representing an increase of 0.05 percentage points as compared to the same period of last year.

3.4 Non-interest income

3.4.1 Net fee and commission income

For the six months ended June 30, 2026, the Bank's net fee and commission income was RMB993 million, representing a decrease of RMB244 million or 19.7% as compared to the same period of last year, primarily attributable to the increase in fee and commission expenses.

	For the six months ended June 30,			
	2026	2025	Change	Rate of change
	(in millions of RMB, except percentages)			
Fee and commission income				
Bank card services fees	**197.9**	226.2	(28.3)	(12.5%)
Settlement and clearing services fees	**407.5**	441.1	(33.6)	(7.6%)
Agency services fees	**146.9**	116.8	30.1	25.8%
Underwriting fees	**178.6**	178.3	0.3	0.2%
Acceptance and guarantee services fees	**94.0**	99.8	(5.8)	(5.8%)
Advisory and consulting fees	**186.3**	137.1	49.2	35.9%
Custodial services fees	**28.6**	2.8	25.8	921.4%
Wealth management business fees	**110.8**	208.4	(97.6)	(46.8%)
Sub-total	**1,350.6**	1,410.5	(59.9)	(4.2%)
Fee and commission expenses	**(358.0)**	(174.0)	(184.0)	105.7%
Net fee and commission income	**992.6**	1,236.5	(243.9)	(19.7%)

3.4.2 Net trading gains

For the six months ended June 30, 2026, the Bank's net trading gains were RMB247 million, representing a decrease of RMB95 million or 27.8% as compared to the same period of last year, primarily attributable to a year-on-year decrease in net gains from debt securities.

3.4.3 Net gains arising from investment securities

For the six months ended June 30, 2026, the Bank's net gains arising from investment securities amounted to RMB865 million, representing a decrease of RMB10 million or 1.2% as compared to the same period of last year, primarily attributable to the decrease in the gains of financial investments at FVOCI.

3.5 Operating expenses

For the six months ended June 30, 2026, the Bank's operating expenses decreased by RMB177 million or 4.3% to RMB3,893 million as compared to the same period of last year.

	For the six months ended June 30,			
	2026	2025	Change	Rate of change
	(in millions of RMB, except percentages)			
Staff costs				
Salaries, bonuses and allowances	**1,438.2**	1,521.7	(83.5)	(5.5%)
Staff welfare	**73.1**	81.2	(8.1)	(10.0%)
Social insurance and annuity	**565.0**	601.5	(36.5)	(6.1%)
Housing fund	**191.2**	206.3	(15.1)	(7.3%)
Employee education expenses and labor union expenses	**75.2**	58.5	16.7	28.5%
Others[1]	**30.7**	37.7	(7.0)	(18.6%)
Sub-total of staff costs	**2,373.4**	2,506.9	(133.5)	(5.3%)
Tax and surcharges	**127.2**	118.5	8.7	7.3%
Depreciation and amortisation	**687.7**	630.7	57.0	9.0%
Other general and administrative expenses	**704.4**	813.1	(108.7)	(13.4%)
Total	**3,892.7**	4,069.2	(176.5)	(4.3%)

Note:

(1) Primarily included dispatched labor fees and supplementary retirement benefits.

3.6 Impairment losses

For the six months ended June 30, 2026, the Bank's impairment losses increased by RMB50 million or 0.6% to RMB8,121 million as compared to the same period of last year.

	For the six months ended June 30,			
	2026	2025	Change	Rate of change
	(in millions of RMB, except percentages)			
Loans and advances to customers	**4,106.2**	2,397.4	1,708.8	71.3%
Investment securities and other financial assets[(1)]	**2,822.0**	4,751.6	(1,929.6)	(40.6%)
Lease receivables	**957.3**	543.3	414.0	76.2%
Other assets[(2)]	**235.5**	378.6	(143.1)	(37.8%)
Total impairment losses	**8,121.0**	8,070.9	50.1	0.6%

Notes:

(1) The impairment losses on such assets include impairment losses on financial investments at amortized cost and financial investments at fair value through other comprehensive income.

(2) The impairment losses on such assets mainly include impairment losses on deposits with banks and other financial institutions, placements with banks and other financial institutions, financial assets held under resale agreements, off-balance sheet credit assets, repossessed assets, fixed assets, interest receivables and other receivables.

3.7 Income tax

For the six months ended June 30, 2026, the Bank's income tax decreased by RMB325 million to RMB-298 million as compared to the same period of last year, primarily attributable to the combined effect of the non-taxable income and temporary differences in tax accounting.

	For the six months ended June 30,			
	2026	2025	Change	Rate of change
	(in millions of RMB, except percentages)			
Current income tax	**501.1**	664.5	(163.4)	(24.6%)
Deferred income tax	**(799.4)**	(1,287.7)	488.3	(37.9%)
Total income tax	**(298.3)**	(623.2)	324.9	(52.1%)

4 Analysis on Major Items of Assets and Liabilities

4.1 Assets

As of June 30, 2026, the Bank's total assets increased by RMB82,174 million or 5.8% to RMB1,496,467 million as compared to the end of last year. The principal components of the Bank's assets consist of (i) loans and advances to customers (net); and (ii) investment securities and other financial assets (net), representing 48.6% and 29.4% of the Bank's total assets as of June 30, 2026, respectively.

The following table sets forth the components of the Bank's total assets as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total**	Amount	% of total
	(in millions of RMB, except percentages)			
Gross loans and advances to customers	**753,218.8**	**50.3%**	740,596.7	52.4%
Allowance for impairment losses	**(25,104.9)**	**(1.7%)**	(23,897.0)	(1.7%)
Net loans and advances to customers	**728,113.9**	**48.6%**	716,699.7	50.7%
Lease receivables	**76,977.0**	**5.1%**	67,209.3	4.8%
Investment securities and other financial assets	**439,622.0**	**29.4%**	410,999.9	29.1%
Financial assets held under resale agreements	**62,781.1**	**4.2%**	38,560.2	2.7%
Cash and deposits with Central Bank	**85,205.7**	**5.7%**	58,607.8	4.1%
Deposits with banks and other financial institutions	**20,768.6**	**1.4%**	36,555.5	2.6%
Placements with banks and other financial institutions	**48,588.7**	**3.2%**	52,214.3	3.7%
Derivative financial assets	**16.5**	**0.0%**	57.0	0.0%
Investments in associate and joint venture	**2,061.1**	**0.1%**	2,038.8	0.1%
Other assets[(1)]	**32,332.5**	**2.3%**	31,350.9	2.2%
Total assets	**1,496,467.1**	**100.0%**	1,414,293.4	100.0%

Note:

(1) Primarily consist of properties and equipment, deferred income tax assets, goodwill and other assets.

4.1.1 Loans and advances to customers

As of June 30, 2026, the Bank's gross loans and advances to customers increased by RMB12,622 million or 1.7% to RMB753,219 million as compared to the end of last year. The Bank's loans and advances to customers consist of corporate loans, personal loans and discounted bills, representing 57.6%, 37.0% and 4.4% of the Bank's gross loans and advances to customers as of June 30, 2026, respectively.

The following table sets forth the distribution of the Bank's loans by business line as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total**	Amount	% of total
	(in millions of RMB, except percentages)			
Corporate loans	**434,135.4**	**57.6%**	421,838.3	57.0%
Personal loans	**278,804.9**	**37.0%**	272,967.0	36.8%
Discounted bills	**32,838.9**	**4.4%**	39,099.8	5.3%
Sub-total	**745,779.2**	**99.0%**	733,905.1	99.1%
Accrued interest	**7,439.6**	**1.0%**	6,691.6	0.9%
Total loans and advances to customers	**753,218.8**	**100.0%**	740,596.7	100.0%

(1) *Corporate loans*

As of June 30, 2026, the Bank's corporate loans increased by RMB12,297 million or 2.9% to RMB434,135 million as compared to the end of last year, primarily attributable to the Bank's continuously increasing support to the real economy.

The following table sets forth a breakdown of the Bank's corporate loans by collateral as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total**	Amount	% of total
	(in millions of RMB, except percentages)			
Unsecured loans	**99,955.8**	**23.0%**	92,599.1	22.0%
Guaranteed loans	**172,427.9**	**39.7%**	172,417.5	40.8%
Collateralised loans	**88,784.7**	**20.5%**	90,122.6	21.4%
Pledged loans	**72,967.0**	**16.8%**	66,699.1	15.8%
Total corporate loans	**434,135.4**	**100.0%**	421,838.3	100.0%

(2) *Personal loans*

As of June 30, 2026, the Bank's personal loans increased by RMB5,838 million or 2.1% to RMB278,805 million as compared to the end of last year, primarily attributable to the Bank's further increased support for the growth of social consumption.

The following table sets forth a breakdown of the Bank's personal loans by product type as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	% of total	Amount	% of total
	(in millions of RMB, except percentages)			
Personal residential mortgage loans	127,898.1	45.9%	126,939.9	46.5%
Personal business loans	75,786.2	27.2%	71,624.0	26.2%
Personal consumption loans	56,894.0	20.4%	55,865.1	20.5%
Credit card loans	18,226.6	6.5%	18,538.0	6.8%
Total personal loans	278,804.9	100.0%	272,967.0	100.0%

(3) *Discounted bills*

As of June 30, 2026, the Bank's discounted bills decreased by RMB6,261 million or 16.0% to RMB32,839 million as compared to the end of last year, which was primarily due to the Bank's adjustment of the size of discounted bills according to customers' financing demand.

4.1.2 Investment securities and other financial assets

As of June 30, 2026, the Bank's net investment securities and other financial assets increased by RMB28,622 million or 7.0% to RMB439,622 million as compared to the end of last year, primarily attributable to an increase in the Bank's holding of debt securities issued by policy banks and other financial institutions.

The following table sets forth the composition of the Bank's investment securities and other financial assets as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	% of total	Amount	% of total
	(in millions of RMB, except percentages)			
Financial assets at fair value through profit or loss	69,800.2	15.2%	55,528.5	13.0%
Financial assets at fair value through other comprehensive income	109,763.3	23.9%	108,461.0	25.3%
Financial assets at amortized cost	279,513.0	60.9%	264,713.6	61.7%
Total investment securities and other financial assets	459,076.5	100.0%	428,703.1	100.0%
Accrued interest	3,552.4		4,061.0	
Impairment provisions	(23,006.9)		(21,764.2)	
Net investment securities and other financial assets	439,622.0		410,999.9	

The following table sets forth the distribution of the Bank's investment securities and other financial assets as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total**	Amount	% of total
	(in millions of RMB, except percentages)			
Debt securities				
Debt securities issued by the PRC government	**216,796.8**	**49.3%**	207,415.8	50.5%
Debt securities issued by PRC policy banks and other financial institutions	**185,676.1**	**42.2%**	158,836.5	38.6%
Debt securities issued by corporate issuers	**13,797.9**	**3.1%**	12,240.4	3.0%
Sub-total	**416,270.8**	**94.6%**	378,492.7	92.1%
Other financial assets				
Asset management plans	**–**	**0.0%**	53.6	0.0%
Trust plans	**8,340.3**	**1.9%**	9,071.2	2.2%
Others	**11,458.5**	**2.6%**	19,321.4	4.7%
Sub-total	**19,798.8**	**4.5%**	28,446.2	6.9%
Accrued interest	**3,552.4**	**0.9%**	4,061.0	1.0%
Net investment securities and other financial assets	**439,622.0**	**100.0%**	410,999.9	100.0%

4.1.3 Other components of the Bank's assets

Other components of the Bank's assets consist primarily of (i) financial assets held under resale agreements; (ii) cash and deposits with the Central Bank; (iii) deposits with banks and other financial institutions; (iv) placements with banks and other financial institutions; (v) lease receivables; and (vi) other assets.

As of June 30, 2026, the balance of financial assets held under resale agreements increased by RMB24,221 million or 62.8% to RMB62,781 million as compared to the end of last year, primarily attributable to the Bank's adjustment of the size of the financial assets held under resale agreements after taking comprehensive consideration of interbank asset structure, market prices of interbank assets and the Bank's liquidity.

As of June 30, 2026, the balance of cash and deposits with the Central Bank increased by RMB26,598 million or 45.4% to RMB85,206 million as compared to the end of last year, primarily attributable to the Bank's appropriate increase in excess reserves to fully satisfy payment and settlement needs and ensure liquidity security.

As of June 30, 2026, the balance of deposits with banks and other financial institutions decreased by RMB15,787 million or 43.2% to RMB20,769 million as compared to the end of last year, primarily attributable to the Bank's adjustment of the size of the deposits with banks and other financial institutions after taking comprehensive consideration of interbank asset structure, market prices of interbank assets and the Bank's liquidity.

As of June 30, 2026, the balance of placements with banks and other financial institutions decreased by RMB3,626 million or 6.9% to RMB48,589 million as compared to the end of last year, primarily attributable to the Bank's adjustment of the size of the placements with banks and other financial institutions in accordance with its own asset allocation demand and asset market price.

As of June 30, 2026, the balance of lease receivables increased by RMB9,768 million or 14.5% to RMB76,977 million as compared to the end of last year.

4.2 Liabilities

As of June 30, 2026, the Bank's total liabilities increased by RMB82,703 million or 6.3% to RMB1,397,671 million as compared to the end of last year.

	As of June 30, 2026		As of December 31, 2025	
	Amount	% of total	Amount	% of total
	(in millions of RMB, except percentages)			
Deposits from customers	1,014,327.8	72.6%	981,289.4	74.6%
Deposits from banks and other financial institutions	81,616.5	5.8%	78,075.9	5.9%
Debt securities issued	109,729.4	7.9%	92,650.7	7.0%
Financial assets sold under repurchase agreements	36,445.8	2.6%	25,631.3	2.1%
Placements from banks and other financial institutions	71,713.2	5.1%	64,752.8	4.9%
Borrowings from the Central Bank	71,275.7	5.1%	58,404.6	4.4%
Tax payable	287.7	0.0%	252.2	0.0%
Derivative financial liabilities	20.4	0.0%	2.9	0.0%
Other liabilities(1)	12,254.7	0.9%	13,908.2	1.1%
Total liabilities	**1,397,671.2**	**100.0%**	1,314,968.0	100.0%

Note:

(1) Consist of payment and collection clearance accounts, staff salaries payable, finance lease deposits payable, lease liabilities, other tax payable, dividends payable, provisions, continuing involvement liabilities, financial liabilities at fair value through profit or loss and other payables.

4.2.1 Deposits from customers

As of June 30, 2026, the Bank's total deposits from customers increased by RMB33,038 million or 3.4% to RMB1,014,328 million as compared to the end of last year, primarily attributable to the Bank's continued efforts to improve financial service capabilities, which effectively drove an increase in deposits.

The following table sets forth the Bank's deposits from customers by product type and maturity profile of deposits as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	% of total	Amount	% of total
	(in millions of RMB, except percentages)			
Corporate deposits				
Demand	**130,406.8**	**12.9%**	136,165.1	13.9%
Time	**233,150.4**	**23.0%**	221,176.8	22.5%
Sub-total	**363,557.2**	**35.9%**	357,341.9	36.4%
Personal deposits				
Demand	**114,902.4**	**11.3%**	112,898.4	11.5%
Time	**518,938.9**	**51.1%**	488,886.8	49.8%
Sub-total	**633,841.3**	**62.4%**	601,785.2	61.3%
Accrued interest	**16,929.3**	**1.7%**	22,162.3	2.3%
Total deposits from customers	**1,014,327.8**	**100.0%**	981,289.4	100.0%

4.2.2 Deposits from banks and other financial institutions

As of June 30, 2026, the Bank's balance of deposits from banks and other financial institutions increased by RMB3,541 million or 4.5% to RMB81,617 million as compared to the end of last year, primarily attributable to the Bank's adjustment of interbank liability structure and appropriate increase of deposits from banks and other financial institutions.

4.2.3 Placements from banks and other financial institutions

As of June 30, 2026, the Bank's balance of placements from banks and other financial institutions increased by RMB6,960 million or 10.7% to RMB71,713 million as compared to the end of last year, primarily because of the Bank's adjustments of placements from banks and other financial institutions after taking comprehensive consideration of the Bank's liquidity, interbank financing costs and liability structure.

4.2.4 Debt securities issued

As of June 30, 2026, the Bank's balance of debt securities issued increased by RMB17,079 million or 18.4% to RMB109,729 million as compared to the end of last year, primarily due to the Bank's adjustment of its interbank liabilities and an appropriate increase in financing scale of certificates of interbank deposits.

4.2.5 Financial assets sold under repurchase agreements

As of June 30, 2026, the Bank's balance of financial assets sold under repurchase agreements increased by RMB10,815 million or 42.2% to RMB36,446 million as compared to the end of last year, primarily because of the Bank's adjustments of financial assets sold under repurchase agreements after taking comprehensive consideration of the Bank's liquidity, interbank financing costs and liability structure.

4.3 Shareholders' Equity

As of June 30, 2026, the Bank's total shareholders' equity decreased by RMB530 million or 0.5% to RMB98,796 million as compared to the end of last year; the total equity attributable to shareholders of the Bank decreased by RMB551 million or 0.6% to RMB95,686 million as compared to the end of last year.

	As of June 30, 2026		As of December 31, 2025	
	Amount	% of total	Amount	% of total
	(in millions of RMB, except percentages)			
Share capital	**36,549.8**	**37.0%**	36,549.8	36.8%
Other equity instrument	**9,999.2**	**10.1%**	12,998.9	13.1%
Capital reserve	**18,938.0**	**19.2%**	18,938.2	19.1%
Surplus reserve	**3,739.8**	**3.8%**	3,739.8	3.8%
General reserve	**18,716.7**	**18.9%**	18,716.7	18.8%
Re-evaluation and impairment reserve	**845.2**	**0.9%**	370.7	0.4%
Retained earnings	**6,897.0**	**7.0%**	4,922.5	4.9%
Equity attributable to shareholders of the Bank	**95,685.7**	**96.9%**	96,236.6	96.9%
Non-controlling interests	**3,110.2**	**3.1%**	3,088.8	3.1%
Total shareholders' equity	**98,795.9**	**100.0%**	99,325.4	100.0%

III. Management Discussion and Analysis

5 Off-Balance Sheet Commitments

The following table sets forth the amounts of the Bank's off-balance sheet credit commitments as of the dates indicated.

	As of June 30, 2026	As of December 31, 2025
	(in millions of RMB)	
Credit commitments		
Loan commitments	**15,934.4**	20,254.2
Bank acceptance	**88,831.2**	87,501.1
Letters of credit	**37,779.7**	34,085.4
Letters of guarantees	**4,489.8**	3,921.0
Total	**147,035.1**	145,761.7

6 Analysis on Loan Quality

During the Reporting Period, in the face of the complicated economic and financial situation, the Bank further deepened the adjustment of credit structure, continued to strengthen credit risk management, optimized credit procedures and strengthened post-loan management measures to step up its efforts on the collection and disposal of non-performing loans, so as to keep the loan quality at a generally manageable level. As of June 30, 2026, the balance of non-performing loans of the Bank amounted to RMB14,621 million, representing an increase of RMB232 million as compared to the end of last year. The non-performing loan ratio was 1.96%, unchanged from the end of last year.

6.1 Distribution of Loans by Five-Category Loan Classification

The following table sets forth, as of the dates indicated, the Bank's loans by its five-category loan classification. According to the five-category loan classification system, the Bank classified its non-performing loans into substandard, doubtful and loss categories.

	As of June 30, 2026		As of December 31, 2025	
	Amount	%	Amount	%
	(in millions of RMB, except percentages)			
Normal	**700,674.9**	**93.95%**	695,472.0	94.76%
Special mention	**30,483.2**	**4.09%**	24,043.5	3.28%
Substandard	**4,070.6**	**0.55%**	3,727.1	0.51%
Doubtful	**1,050.5**	**0.14%**	725.8	0.10%
Loss	**9,500.0**	**1.27%**	9,936.7	1.35%
Total loans and advances to customers	**745,779.2**	**100.00%**	733,905.1	100.00%
Non-performing loans and non-performing loan ratio	**14,621.1**	**1.96%**	14,389.6	1.96%

Note: Non-performing loan ratio is calculated by dividing the amount of non-performing loans by total loans and advances to customers.

6.2 Distribution of Loans and Non-Performing Loans by Product Type

	As of June 30, 2026				As of December 31, 2025			
	Loan amount	%	NPL amount	NPL ratio(4)	Loan amount	%	NPL amount	NPL ratio
	(in millions of RMB, except percentages)							
Corporate loans								
Short-term loans(1)	**177,215.1**	**23.80%**	**2,474.2**	**1.40%**	163,651.2	22.30%	1,946.0	1.19%
Medium-to-long-term loans(2)	**256,920.3**	**34.50%**	**4,256.4**	**1.66%**	258,187.1	35.20%	4,792.9	1.86%
Sub-total	**434,135.4**	**58.30%**	**6,730.6**	**1.55%**	421,838.3	57.50%	6,738.9	1.60%
Personal loans								
Personal residential mortgage loans	**127,898.1**	**17.10%**	**2,072.7**	**1.62%**	126,939.9	17.30%	2,037.2	1.60%
Personal consumption loans	**56,894.0**	**7.60%**	**1,882.8**	**3.31%**	55,865.1	7.60%	1,895.1	3.39%
Personal business loans	**75,786.2**	**10.20%**	**2,484.5**	**3.28%**	71,624.0	9.80%	2,734.9	3.82%
Others(3)	**18,226.6**	**2.40%**	**1,450.5**	**7.96%**	18,538.0	2.50%	983.5	5.31%
Sub-total	**278,804.9**	**37.30%**	**7,890.5**	**2.83%**	272,967.0	37.20%	7,650.7	2.80%
Discounted bills	**32,838.9**	**4.40%**	**0.0**	**0.00%**	39,099.8	5.30%	0.0	0.00%
Total	**745,779.2**	**100.00%**	**14,621.1**	**1.96%**	733,905.1	100.00%	14,389.6	1.96%

Notes:

(1) Short-term loans include loans with a maturity of one year or less and advances.

(2) Medium-to-long-term loans include loans with a maturity of more than one year.

(3) Others mainly include credit cards.

(4) Non-performing loan ratio is calculated by dividing non-performing loans in each product type by gross loans in that product type.

As at June 30, 2026, the balance of corporate non-performing loans of the Bank amounted to approximately RMB6,731 million, representing a decrease of approximately RMB8 million as compared with the end of last year. The non-performing loan ratio was 1.55%, representing a decrease of approximately 0.05 percentage points as compared with the end of last year. The decrease in corporate non-performing loans of the Bank was primarily due to the impact of economic environment on enterprises, leading to fluctuations in operational and solvency capabilities, which has resulted in a normal and reasonable range of variation in non-performing loans. The decrease in bill scale was mainly due to the impact of the new regulations on bills, coupled with relatively low bill yields. The Bank has optimized asset structure and reduced the bill scale.

6.3 Distribution of Loans and Non-Performing Loans by Industry

	As of June 30, 2026				As of December 31, 2025			
	Loan amount	%	NPL amount	NPL ratio	Loan amount	%	NPL amount	NPL ratio
	(in millions of RMB, except percentages)							
Manufacturing	60,039.9	8.10%	1,096.8	1.83%	56,740.5	7.80%	1,298.7	2.29%
Leasing and business services	145,891.8	19.60%	296.4	0.20%	147,707.7	20.10%	292.3	0.20%
Wholesale and retail	50,680.2	6.80%	2,102.2	4.15%	43,342.7	5.90%	1,536.9	3.55%
Real estate	24,795.9	3.30%	1,507.7	6.08%	25,002.1	3.40%	1,473.5	5.89%
Construction	42,980.5	5.80%	809.4	1.88%	43,525.0	6.00%	792.9	1.82%
Water, environment and public facility management	30,194.7	4.00%	42.3	0.14%	30,950.8	4.20%	120.8	0.39%
Electricity, gas and water production and supply	20,213.1	2.70%	3.9	0.02%	18,570.2	2.50%	302.1	1.63%
Agriculture, forestry, animal husbandry and fishery	2,786.9	0.40%	167.1	6.00%	3,518.1	0.50%	201.6	5.73%
Accommodation and catering	2,770.3	0.40%	120.4	4.35%	2,501.1	0.40%	135.2	5.41%
Education	7,439.5	1.00%	29.5	0.40%	6,914.3	0.90%	29.8	0.43%
Health and social work	10,661.0	1.40%	68.8	0.65%	10,432.4	1.40%	80.3	0.77%
Mining	10,305.5	1.40%	21.3	0.21%	9,777.9	1.30%	21.3	0.22%
Transportation, storage and postal services	6,986.7	0.90%	26.3	0.38%	7,383.2	1.00%	28.6	0.39%
Others	18,389.4	2.50%	438.5	2.38%	15,472.3	2.10%	424.9	2.75%
Total corporate loans	434,135.4	58.30%	6,730.6	1.55%	421,838.3	57.50%	6,738.9	1.60%
Total personal loans	278,804.9	37.30%	7,890.5	2.83%	272,967.0	37.20%	7,650.7	2.80%
Discounted bills	32,838.9	4.40%	0.0	0.00%	39,099.8	5.30%	0.0	0.00%
Total	745,779.2	100.00%	14,621.1	1.96%	733,905.1	100.00%	14,389.6	1.96%

Note: Non-performing loan ratio of an industry is calculated by dividing the balance of non-performing loans of the industry by the balance of loans granted to the industry.

As of June 30, 2026, the industries where the non-performing loan ratios of the corporate loans of the Bank were relatively high, mainly concentrated in the real estate, agriculture, forestry, animal husbandry and fishery and the accommodation and catering, with non-performing loan ratios of approximately 6.08%, 6.00% and 4.35%, respectively, of which:

(i) the balance of non-performing loans in the real estate industry increased by approximately RMB34.2 million as compared with the end of last year, with an increase of approximately 0.19 percentage points in the non-performing loan ratio, mainly due to the decline in market demand and the increased pressure on corporate to repay debt maturity.

(ii) the balance of non-performing loans in the agriculture, forestry, animal husbandry and fishery sectors decreased by approximately RMB34.5 million as compared with the end of last year, with an increase of approximately 0.27 percentage points in the non-performing loan ratio, mainly due to increased policy support, enhanced operational stability within the industry and the recovery of agricultural product prices, both of these factors improved corporate profitability and repayment capabilities and reduced the balance of non-performing loans.

(iii) the balance of non-performing loans in the accommodation and catering decreased by approximately RMB14.8 million as compared with the end of last year, with a decrease of approximately 1.06 percentage points in the non-performing loan ratio, mainly due to the recovery of residents' consumption level, boosting good performance in accommodation and catering sector, and quality in relevant asset improved accordingly.

6.4 Distribution of Loans and Non-Performing Loans by Collateral

	As of June 30, 2026				As of December 31, 2025			
	Loan amount	%	NPL amount	NPL ratio	Loan amount	%	NPL amount	NPL ratio
	(in millions of RMB, except percentages)							
Unsecured loans	175,556.0	23.50%	3,645.0	2.08%	163,652.7	22.30%	3,247.4	1.98%
Guaranteed loans	183,274.0	24.60%	3,323.6	1.81%	182,272.7	24.80%	3,672.1	2.01%
Collateralised loans	286,842.0	38.50%	7,144.5	2.49%	287,700.9	39.20%	7,216.9	2.51%
Pledged loans	100,107.2	13.40%	508.0	0.51%	100,278.8	13.70%	253.2	0.25%
Total	745,779.2	100.00%	14,621.10	1.96%	733,905.1	100.00%	14,389.60	1.96%

Note: Non-performing loan ratio is calculated by dividing non-performing loans in each product type secured by each type of collateral by gross loans in that type of collateral.

As of June 30, 2026, the balance of our unsecured non-performing loans increased by approximately RMB398 million as compared with the end of last year, representing an increase of approximately 0.1 percentage points in the non-performing loan ratio; the balance of guaranteed non-performing loans decreased by RMB349 million as compared with the end of last year, representing a decrease of 0.2 percentage points in the non-performing loan ratio; the balance of collateralised non-performing loans decreased by approximately RMB72 million as compared with the end of last year, representing a decrease of approximately 0.02 percentage points in the non-performing loan ratio; the balance of pledged non-performing loans increased by approximately RMB255 million as compared with the end of last year, representing an increase of approximately 0.26 percentage points in the non-performing loan ratio.

6.5 Borrowers Concentration

As of June 30, 2026, the balance of loans to any single borrower of the Bank did not exceed 10% of the Bank's net capital. The following table sets forth, as of the dates indicated, the loan balance of the top ten single borrowers (excluding group borrowers) of the Bank.

	Industry	As of June 30, 2026 Balance	% of total loans	% of net capital
		(in millions of RMB, except percentages)		
Borrower A	L-Leasing and commercial services	7,404.1	1.0%	6.5%
Borrower B	F-Wholesale and retail	4,610.0	0.6%	4.0%
Borrower C	L-Leasing and commercial services	4,063.8	0.5%	3.5%
Borrower D	L-Leasing and commercial services	3,683.0	0.5%	3.2%
Borrower E	L-Leasing and commercial services	3,559.3	0.5%	3.1%
Borrower F	L-Leasing and commercial services	2,717.0	0.4%	2.4%
Borrower G	L-Leasing and commercial services	2,664.0	0.4%	2.3%
Borrower H	D-Electricity, heat, gas and water production and supply	2,154.2	0.3%	1.9%
Borrower I	L-Leasing and commercial services	2,073.9	0.3%	1.8%
Borrower J	L-Leasing and commercial services	2,054.1	0.2%	1.8%
Total		**34,983.4**	**4.7%**	**30.5%**

As of June 30, 2026, the loan balance of the largest single borrower of the Bank was approximately RMB7,404 million, accounting for approximately 1.0% of the total amount of loans of the Bank, and the total amount of loans to the top ten single borrowers was approximately RMB34,983 million, accounting for approximately 4.7% of the total amount of loans of the Bank and accounting for approximately 30.5% of the net capital.

6.6 Overdue Loans

Overdue loans classification	As of June 30, 2026 Amount	%	As of December 31, 2025 Amount	%
	(in millions of RMB, except percentages)			
Current loans	**712,679.4**	**95.56%**	705,238.5	96.09%
Overdue loans				
Up to 3 months	**20,252.1**	**2.71%**	16,101.0	2.19%
Over 3 months up to 1 year	**3,790.9**	**0.51%**	3,189.2	0.43%
Over 1 year up to 3 years	**4,752.8**	**0.64%**	5,347.2	0.73%
Over 3 years	**4,304.0**	**0.58%**	4,029.2	0.55%
Sub-total	**33,099.8**	**4.44%**	28,666.6	3.91%
Total	**745,779.2**	**100.00%**	733,905.1	100.00%

Note: Overdue loans represent the principal amount of the loans on which principal or interest is overdue.

As of June 30, 2026, the amount of overdue loans of the Bank totaled approximately RMB33,100 million, representing an increase of approximately RMB4,433 million as compared with the end of the last year. Overdue loans accounted for approximately 4.44% of the total loans, representing an increase of approximately 0.53 percentage points as compared with the end of the last year.

7 Business Operation Segment Report

The table below sets forth the Bank's total operating income by business segments for the periods as indicated.

	For the six months ended June 30, 2026 Amount	% of total	For the six months ended June 30, 2025 Amount	% of total
	(in millions of RMB, except percentages)			
Corporate banking business	**7,704.7**	**54.0%**	6,454.2	47.6%
Retail banking business	**4,115.3**	**28.9%**	4,494.9	33.1%
Treasury business	**2,336.7**	**16.4%**	2,580.6	19.0%
Other businesses	**114.6**	**0.7%**	32.8	0.2%
Total operating income	**14,271.3**	**100.0%**	13,562.5	100.0%

III. Management Discussion and Analysis

8 Analysis on Capital Adequacy Ratio

As of June 30, 2026, the core tier-1 capital adequacy ratio, tier-1 capital adequacy ratio and capital adequacy ratio of the Bank stood at 9.08%, 11.20% and 13.33%, respectively, representing an increase of 0.19 percentage points, a decrease of 0.18 percentage points, and a decrease of 0.19 percentage points compared with the end of the previous year. The measurement of capital and risk-weighted assets fulfilled the requirements of the Administrative Measures for the Capital of Commercial Banks.

In accordance with the Administrative Measures for the Capital of Commercial Banks, the capital adequacy ratio of the Bank was calculated as follows:

	As of June 30, 2026	As of December 31, 2025
	(in millions of RMB, except percentages)	
Share capital	36,549.8	36,549.8
Valid portion of capital reserve	18,938.0	18,938.2
Valid portion of other reserve	845.2	370.7
Surplus reserve	3,739.8	3,739.8
General reserve	18,716.7	18,716.7
Retained earnings	6,897.0	4,922.5
Valid portion of minority interests	1,853.2	2,062.2
Total core tier-1 capital	87,539.7	85,299.9
Core tier-1 capital regulatory deductions	(9,384.0)	(9,129.6)
Net core tier-1 capital	78,155.7	76,170.3
Other tier-1 capital	18,246.3	21,273.9
Net tier-1 capital	96,402.0	97,444.2
Net tier-2 capital	18,338.5	18,357.7
Total net capital	114,740.5	115,801.9
Total risk-weighted assets	860,463.8	856,521.0
Core tier-1 capital adequacy ratio	9.08%	8.89%
Tier-1 capital adequacy ratio	11.20%	11.38%
Capital adequacy ratio	13.33%	13.52%

III. Management Discussion and Analysis

9 Business Review

9.1 Corporate Banking Business

9.1.1 Corporate deposits

During the Reporting Period, the Bank continued to strengthen its liability base by focusing on improving the quality and increasing the volume of corporate deposits and optimizing their structure. By targeting core customer segments such as government agencies, state-owned enterprises and leading enterprises in industrial chains, the Bank deepened the cooperation among governments, banks and enterprises and reinforced the consolidation of source funds with special emphasis on key scenarios. The Bank established a tiered customer service system and tailored comprehensive financial solutions to enhance the retention of funds. The Bank enhanced coordination between deposits and loans as well as between corporate banking and retail banking, optimized product portfolios covering corporate settlement and cash management, and expanded channels for deposit accumulation, thereby driving steady growth in volumes and continuous increase in market share of its corporate deposits.

As of June 30, 2026, the balance of corporate deposits of the Bank was RMB363.557 billion, and the market share ranked first in Henan Province.

9.1.2 Corporate loans

During the Reporting Period, the Bank firmly implemented various decisions and arrangements of the national and Henan province governments and strived to fulfill its role as a provincial corporate bank. The Bank continued to deepen the cooperation among governments, banks and enterprises, constantly optimized financial services, and strived to enhance both the quality and efficiency of serving the real economy. By executing “five priorities (technology finance, green finance, inclusive finance, pension finance and digital finance)” in the financial sector, focusing on the requirements of the “Two High-level Priorities and Four Areas of Emphasis” and aligning with Henan Province’s “1+2+4+N” target framework, the Bank intensified its efforts to meet the financing needs of major strategies and key projects of the nation and of the province, and fully supported ecological protection and high-quality development in the Yellow River valley. The Bank continued to increase credit allocation for key areas including the private economy, manufacturing, and emerging industries and promoted the real estate financing coordination mechanism and the small and micro enterprises financing coordination mechanism on a regular basis. To actively support industrial transformation and upgrading, the Bank has targeted key industries, deepened cooperation among leading enterprises and upstream and downstream players along industrial chains, enhanced project coordination and services to strengthen, supplement and extend industrial chains.

As of June 30, 2026, the Bank’s corporate loan balance was RMB434.135 billion, ranking fourth in the province in terms of market shares.

9.1.3 Corporate customers

During the Reporting Period, the Bank closely aligned with national and local development strategies and adhered to being customer-oriented to deepen its presence in the local market. Focusing on key customer segments such as strategic customers, institutional customers, key industries, technology enterprises and small and micro enterprises, the Bank continued to strengthen its product offerings and service support, and constantly enhanced the quality, efficiency and responsiveness of its services through targeted initiatives, differentiated measures and category-based operations, thereby achieving synergistic and high-quality development of the business benefits, quality and scale of the Company.

As of June 30, 2026, the Bank had 518,100 corporate customers in total, representing an increase of 19,000 as compared to the end of the previous year.

9.1.3.1 Strategic customers

During the Reporting Period, the Bank adhered to the customer-oriented approach. With category-based operations, one policy for one household (一戶一策), comprehensive services and ecosystem expansion as the four key drivers, the Bank comprehensively deepened the cooperation among banks and enterprises, and enhanced the overall service quality and efficiency for strategic customers. Specifically, the Bank deepened its category-based operations and established a differentiated service system to ensure the precise allocation of resources. Upholding the guideline of "one policy for one household", the Bank rolled out tailored comprehensive financial service solutions that closely align with customers' individual needs to enhance the compatibility of its services. The Bank enhanced its comprehensive services by increasing the utilization of its corporate product portfolios such as investment banking and transaction banking and expanding the retail product matrix tailored for strategic customers, so as to facilitate coordination between the corporate banking and retail banking. To promote the ecosystem expansion, the Bank strengthened cross-departmental coordination by focusing on the industrial chains and upstream and downstream sectors of its strategic customers while further engaging in key links within the industrial chains, thereby fostering a symbiotic and win-win industrial ecosystem centered on its strategic customers, with close coordination among upstream and downstream partners, and deep integration of the Bank.

As of June 30, 2026, the balance of loans of strategic customers at the head office level of the Bank amounted to RMB191.112 billion.

9.1.3.2 *Institutional customers*

During the Reporting Period, in close alignment with the major work arrangements of the Provincial Party Committee and the Provincial People's Government of Henan Province, the Bank fully gave play to the role and resource advantages as a provincial corporate bank, actively aligned with the financial needs of governments at all levels, and continuously advanced two-way collaboration and in-depth coordination between banks and governments. The Bank proactively seized business development opportunities and innovated diversified service solutions, delivering notable results in core business sectors such as improving the efficiency of integrated fiscal fund management and project financing services, enhancing the quality of centralized treasury payment agency services, ensuring the smooth issuance and implementation of specialized debt and promoting the establishment of intelligent digital government platforms, thereby contributing to solidify financial support for local development.

As of June 30, 2026, the Bank has provided issuance services of local government special debt to 18 cities and 176 counties (including unincorporated functional counties) in Henan Province, with its market share ranking at the first tier in Henan Province. In addition, the Bank was at a leading position in the province in terms of the settlement scale of the funds generated from centralized treasury payment agency, demonstrating its constantly strengthened competitive advantages in core business markets. The Bank closely aligned with local strategies, accurately coordinated key projects and kept pace with local development, thereby consolidating its development foundation, establishing a positive reputation and fostering a good relationship of long-term and win-win cooperation with governments at all levels.

As of June 30, 2026, the balance of deposits of the Bank's institutional customers amounted to RMB140.502 billion.

9.1.3.3 *Sci-tech customer groups*

During the Reporting Period, the Bank thoroughly implemented the spirit of the Several Policy Measures for Accelerating the Development of a Technology Finance System to Strongly Support Greater Self-reliance and Strength in Science and Technology (《加快構建科技金融體制有力支撐高水平科技自立自強的若干政策舉措》). Focusing on Henan Province's "1+2+4+N" target framework and the requirements of the "Two High-level Priorities and Four Areas of Emphasis", the Bank centered its efforts on three key areas of upgrading traditional industries, cultivating emerging industries, and laying out future industries, thereby deepening its services for sci-tech customer groups. The Bank advanced service optimization, product development, channel construction, and digital and intelligent empowerment to establish a differentiated approval and authorization system for sci-tech financial loans and conduct targeted marketing toward white-list customers among technology enterprises, while fully leveraging the People's Bank of China's re-lending policy tools to significantly enhance the quality and efficiency of its sci-tech finance services. The Bank has developed a multi-tiered product system, constantly improved the sci-tech finance systems and mechanisms and resource allocation, deepened research and loan release in key industries such as computing power, semiconductors, optical modules and superhard materials, and fostered a virtuous cycle of technological breakthroughs, industrial upgrading and financial growth, thereby continuously enhancing the brand influence of its sci-tech finance service. During the Reporting Period, the Bank was rated "Excellent" in the sci-tech credit policy assessment conducted by the Henan Branch of the People's Bank of China.

As of June 30, 2026, the balance of sci-tech financial loans of the Bank amounted to RMB82.230 billion, including the balance of loans to technology enterprises of RMB58.175 billion, and the balance of loans to technology-related industries of RMB49.506 billion.

9.1.4 Key areas

During the Reporting Period, the Bank innovated product strategies, optimized product functions, continuously enhanced comprehensive product system, strengthened all-around service capabilities, and improved customers' experience and satisfaction.

9.1.4.1 Sci-tech finance

During the Reporting Period, the Bank provided financial services centered around the entire life cycle of technology enterprises. The Bank strengthened the concepts of early-stage investment, small-scale investment, long-term investment, and investment in key and core technologies. The Bank launched initiatives to facilitate first loans for technology enterprises and to expand the coverage of credit loans. As of the end of the Reporting Period, the Bank served 3,304 technology enterprises with outstanding loans. The Bank strengthened multi-level collaboration among banks and governments and established in-depth cooperation with local sci-tech finance authorities in areas including industrial upgrading, enterprise cultivation, and investment promotion. Focusing on the development of sci-tech finance ecosystems, the Bank aligned with policy resources, drew on peer experience, and deepened collaboration among banks, governments and enterprises, so as to expand its service scope and enhance resource integration through open collaboration. In collaboration with the Central China Equity Exchange, the Bank provided services to enterprises listed on the "Apply Special, Sophisticated Techniques to Produce Unique and Novel Products" board, further strengthening cooperation with such eligible enterprises.

As of June 30, 2026, the balance of "Loan to Enterprises that Apply Special, Sophisticated Techniques to Produce Unique and Novel Products" of the Bank amounted to RMB5.433 billion, representing an increase of RMB0.582 billion as compared to the end of the previous year. The balance of "Science and Technology Loan" amounted to RMB1.338 billion, representing an increase of RMB0.113 billion as compared to the end of the previous year. For four consecutive years, the Bank has been recognized as an "Excellent Partner Bank" in the performance evaluation of the "Science and Technology Loan" in the sci-tech finance business of Henan Province.

9.1.4.2 Green finance

During the Reporting Period, the Bank firmly established the concept of "lucid waters and lush mountains are invaluable assets", aligned with the major requirements of "Two High-level Priorities and Four Areas of Emphasis", and closely focused on the strategy of "green and low-carbon transition" put forward by the Provincial Party Committee and the Provincial People's Government of Henan Province. The Bank kept a closer interconnection with the government, integrated resources, gathered joint efforts for development, and provided targeted green finance services according to the industrial layout and policy orientation of the province.

Focusing on nine major green areas, such as energy saving and carbon reduction, environmental protection, resource recycling, green and low-carbon energy transformation, and the green upgrading of infrastructure, the Bank built a "Zhongyuan Green Finance" product system covering industry, trading and consumption, while enhancing its credit support. It supported the green and low-carbon transformation of traditional industries by launching the first batch of financial loans for the transformation of the steel industry in Henan Province, providing fixed-asset loans of RMB31 million to clients and saving 35,000 metric tons of standard coal annually upon completion of the project upgrading. The Bank accelerated the development of products with asset characteristics, launched the province's first loan for the "green grain warehouse + smart warehousing" project, supported the construction of water ecosystem governance projects through a combined credit model of "green syndicate + upfront project loan", and launched the first "geographical indication + corporate equipment mortgage" green loan of the Bank. These enabled the Bank to provide powerful support for project development in key areas such as energy saving and carbon reduction, green agriculture, ecological conservation, restoration and utilization, clean energy, and the green upgrading of infrastructure.

As of June 30, 2026, the green credit balance of the Bank reached RMB53.824 billion, representing an increase of RMB2.362 billion as compared to the end of the previous year. The number of customers for green finance services amounted to 30,900, representing an increase of 2,800 as compared to the end of the previous year.

9.1.4.3 *Transaction banking*

During the Reporting Period, the Bank remained firmly committed to its primary mission of serving the real economy to promote the quality and efficiency enhancement of its transaction banking services, while adhering to a customer-oriented approach to develop scenario-based innovative service models centered on the province's traditional competitive and distinctive industries. By leveraging digital and intelligent technologies to upgrade products and system services, the Bank focused on core areas such as treasury management, supply chain finance, international business and electronic channels, improving its product system and promoting the implementation of innovative businesses to gradually foster the comparative advantages of transaction banking business.

Treasury management The Bank has continued to expand scenarios for its treasury management services, iteratively refining its online service system and steadily improving the quality and efficiency of its operations. The Bank has enriched its value-added product supply system to offer customers with diverse options for capital value preservation and appreciation. The Bank has established a diversified product lineup featuring "self-operation + agency sales" by expanding cooperation with wealth management consignment agencies, and newly launched an online service channel via its WeChat official account to enhance the convenience and immediacy of customer services. By constantly deepening scenario-based services and providing full-process online monitoring solutions for educational funds through the product portfolios such as "one-account-for-all (一戶通)" and "cash pool", the Bank created a model for scenario-based operations, setting a benchmark for the large-scale replication and promotion of similar businesses. As of June 30, 2026, the Bank had 43,600 customers for treasury management services, with continuous enhancement in its customer service capabilities.

Supply chain finance The Bank has continued to develop an innovative supply chain finance service model focusing on the liquidity financial needs of industry chain participants in procurement, production, sales and other links. The Bank has improved the customer service experience by enhancing the quality and efficiency of online financing services, optimizing the online experience for online factoring, asset pool, order financing and other products, and enhancing the approval efficiency of financing services for accounts receivable. The Bank has strengthened its digital risk management capabilities for movable properties through optimizing digital risk management models covering online withdrawal, repayments and redemptions, and market price monitoring and early warning, further improving the quality and efficiency of business services. During the Reporting Period, the Bank has cumulatively provided enterprises with supply chain financing of RMB135.092 billion.

International business The Bank has successfully established a direct connection to the Cross-border Interbank Payment System (CIPS), becoming the first local corporate bank in the six provinces in central China to directly access the system. This enables the Bank to realize direct fund transfers, real-time settlements and full-process traceability, significantly reducing the time costs and settlement fees associated with intermediary steps. Meanwhile, the Bank has intensified its efforts in stabilizing foreign trade by increasing financing support for import and export enterprises. During the Reporting Period, it has cumulatively provided financial support of RMB69.309 billion to foreign-related enterprises.

Corporate digital channels The Bank has continued to enhance the online service capabilities of its corporate channels. By establishing an online business hall, the Bank enabled customers to independently add or remove accounts, set account limits and other account management scenarios, empowering enterprises to conduct refined account management independently. The Bank upgraded the security authentication system for corporate mobile banking and launched Bluetooth token authentication to achieve omnichannel compatibility and consistent user experience for USB token, ensuring both convenience of financial services and the security of fund transactions, and comprehensively enhancing its corporate mobile financial service capabilities. As of June 30, 2026, the number of customers for corporate digital channels of the Bank was 345,300, representing an increase of 15,200 customers as compared with the end of the previous year.

9.1.4.4 Investment banking

During the Reporting Period, the Bank vigorously promoted the steady transformation and development of investment banking business, actively expanding innovative businesses including non-financial corporate debt financing instruments underwriting, syndicate loans, merger and acquisition loans, and fund matching, thereby enriching investment banking business product portfolio, and providing customers with comprehensive financial service solutions. During the Reporting Period, the Bank helped enterprises secure financing of RMB31.429 billion, including the underwriting of 12 non-financial corporate debt financing instruments, with a total scale of RMB10.46 billion.

Building on its position as a provincial corporate bank and leveraging its qualification as a general lead underwriter for non-financial corporate debt financing instruments, the Bank optimized interbank cooperations and deepened its presence in the provincial interbank bond market to meet the direct financing needs of enterprises. It promoted business initiatives in close alignment with the province’s industrial development and major strategies and supported private enterprises and technology innovation entities in raising funds through the public market, precisely empowering the high-quality development of the modern industrial system. The Bank continued to increase the underwriting scale of non-financial corporate debt financing instruments, constantly solidifying its core competitiveness in the regional market. During the Reporting Period, the underwriting market share of the Bank ranked among the top three in the industry within the province.

The Bank continued to enhance its systematic service capabilities in investment banking business by deepening interbank cooperations and integrating credit resources across the industry. Through syndicate loans, merger and acquisition loans and other means, the Bank focused on supporting high-quality industrial projects in areas such as advanced computing power, intelligent manufacturing, new materials, and agricultural deep processing, while promoting the revitalization and specialized integration of state-owned enterprise assets to support urban renewal and industrial upgrading and transformation, thereby meeting customers' diversified financing needs and continuously enhancing its market competitiveness and customer recognition.

9.2 Retail Banking Business

9.2.1 Retail deposits

During the Reporting Period, the Bank deepened its operations in customer groups and optimized the structure of its deposit products to boost steady growth in savings deposits. By targeting key customer groups such as payment agency business and elderly customers, the Bank implemented refined operation strategies to comprehensively enhance customer loyalty. It expanded payroll disbursement, payment settlement, and other basic businesses to accelerate the accumulation and further increase the proportion of demand deposits. The Bank strengthened coordination between online and offline channels by leveraging multiple channels such as in-branch marketing, platform dissemination, rural outreach activities and community operation to expand its customer reach, while intensifying the promotion of specialized deposit products to solidify the base of retail deposits.

As of June 30, 2026, the balance of savings deposits of the Bank was RMB633.841 billion, representing an increase of RMB32.056 billion or 5.33% as compared with the end of the previous year.

9.2.2 Retail loans

During the Reporting Period, in close alignment with market changes and customer needs, the Bank deepened product and business model innovation and drove improvements in the quality and efficiency of its personal loan business. In terms of product pricing, the Bank launched self-service pricing function for the "Shangyi Loan (商易貸)" and "Shangchao Loan (商超貸)" to enhance the differentiated pricing capabilities and flexibly respond to market fluctuations, thereby better meeting customers' diverse financing needs. In terms of delivering benefits for the public and benefiting customers, the Bank launched activities including preferential interest rates and referral rewards on a regular basis to reduce customers' financing costs and support the real economy. In terms of customer assistance, the Bank launched the "Online Repayment Schedule Adjustment (還款計劃線上調整)" function and established a long-term operation mechanism for tiered financial assistance to effectively alleviate repayment pressures on business entities.

As of June 30, 2026, the Bank's personal loan balance was RMB278.805 billion, representing an increase of RMB5.838 billion or 2.14% as compared with the end of the previous year.

9.2.3 Retail customers

During the Reporting Period, the Bank launched the initiative of "Year of Customer Acquisition (客戶拓展年)" and formulated an action plan to clarify core customer acquisition targets. For the customer group in the payment agency business, the Bank strengthened its financial payment agency service, achieving breakthroughs in customer acquisition at the provincial, municipal, and county levels, while carrying out specialized operations via WeCom to enhance service quality and efficiency. For the customer group in the social security card business, the Bank coordinated efforts across funding, equipment and marketing to apply for special business funds and procure additional card-issuing equipment. For the elderly customer group, the Bank advanced age-friendly services at branches and anti-fraud awareness campaigns closely according to the work arrangements for pension financial services. For acquiring customers, the Bank focused on core commercial districts, specialized markets, and distinctive cultural and tourism projects, providing comprehensive financial services with the "Acquiring Loan (收單貸)" product to support merchants' working capital needs.

As of June 30, 2026, the Bank had 37,914,000 retail customers, representing an increase of 1,091,000 or 2.96% as compared with the end of the previous year.

9.2.4 Wealth and private banking business

During the Reporting Period, the Bank deepened its transformation toward comprehensive wealth management. Focusing on the growth of households' property-related income, it optimized the product offering system, strengthened digital marketing empowerment, and improved investment research and advisory services, so as to boost growth in both the scale and quality of its products. As of June 30, 2026, the Bank's balances of private asset management and trust products amounted to RMB20.550 billion, representing an increase of RMB2.500 billion as compared with the end of the previous year, with the market share ranking first in the industry of the province in terms of sales. The balance of the distributed publicly-offered mutual fund products of the Bank reached RMB6.689 billion, marking a new record high in the scale of funds held, and representing an increase of RMB0.579 billion as compared with the end of the previous year. The Bank continued to focus on its wealth inheritance trust business, recording an increase of RMB0.227 billion in the scale of family trust, insurance trust, and family service trust businesses.

9.2.5 Credit card business

During the Reporting Period, the Bank closely followed the national policy direction of promoting consumption, stabilizing people's livelihoods and expanding domestic demand, and intensified its efforts across multiple dimensions including channels, interests and scenarios to consolidate the foundation of its credit card business. In terms of channel processes, the Bank leveraged digital tools such as PAD terminals and credit card mini programs to streamline application procedures and enhance the convenience of card issuance. In terms of business synergy, the Bank implemented standardized processes for loan-credit linkage and increased the proportion of customers holding both debit cards and credit cards, enhancing its capacity to deliver comprehensive financial services. In terms of consumption stimulation, the Bank, in close alignment with the policy initiatives to boost consumption, implemented tiered benefit offerings to precisely match households' consumption demand, cumulatively serving 1,343,300 customers and contributing to consumption transaction volume of RMB48.999 billion.

As of June 30, 2026, the Bank issued a total of 4,685,800 credit cards, representing an increase of 44,100 cards as compared with the end of the previous year.

9.3 Financial market business

9.3.1 Treasury business

During the Reporting Period, the Bank adhered to the guiding principle of high-quality development and carried out monetary market business in a prudent manner. It actively fulfilled its responsibilities as a primary dealer in the open market, effectively transmitted the central bank's monetary policy, and played the role of a market "stabilizer". The Bank was consecutively ranked in the list of "Top 30 National Active Dealers in Repurchasing (全國回購活躍交易商三十強)", with steady improvement in market trading activity.

During the Reporting Period, the domestic bond market showed an overall volatile upward trend. By continuously strengthening its investment and research system, the Bank analyzed market trends and seized investment opportunities to proactively increase bond allocations at appropriate times, dynamically optimize its asset allocation structure, and strictly manage the duration of its investment portfolio, thereby achieving steady growth in investment returns. The Bank earnestly fulfilled its duties as a market maker and dynamically adjusted market-making strategies and trading rhythms in response to market conditions, recording a significant year-on-year increase in bond market-making trading volume. The Bank continued to deepen its engagement in the local market and strengthen local financial empowerment by actively participating in investments in provincial credit bonds to increase support for the real economy. It also deeply participated in the development of local bond market in Henan Province, enhancing the liquidity and market-based pricing efficiency of local bonds. "Zhongyuan Basket (中原籃子)", an innovative local bond product launched by the Bank, has been recognized as the monthly "Active Basket Product (活躍籃子產品)" in the market for multiple times, continuously enhancing its brand influence.

9.3.2 Interbank business

During the Reporting Period, the Bank carried out the interbank business in close alignment with its overall development strategies, and coordinated business expansion with risk prevention and control, driving improvements in the quality and efficiency of all operation activities with high standards. In terms of business operations, the Bank dynamically optimized its asset allocation structure in response to market conditions, consolidated the foundation of its liability business, and carefully managed the pace and scale of business expansion, ensuring both business quality and efficiency and operation stability. It continued to broaden the scope of cooperation within the interbank ecosystem and deepened cross-institutional coordination mechanisms, expanding effective pathways for the Bank's diversified operations. In terms of risk management, the Bank improved the full-process closed-loop risk control system for interbank business to standardize the entry criteria for cooperative institutions and strictly control the risks associated with interbank cooperation.

Leveraging the advantages of being a primary participant in CFETS interbank deposit services, the Bank intensified its efforts to promote interbank deposit services, expanded the pool of counterparties, and enhanced operation efficiency of transactions. As of the end of the Reporting Period, the Bank has established cooperation with over 100 CFETS interbank deposit institutions, recording a significantly year-on-year increase in the cumulative transaction volume.

9.3.3 Bill business

During the Reporting Period, the Bank deeply integrated the bill business into its main mission of serving the real economy and vigorously promoted online discounting services to meet enterprises' financing needs. The Bank steadily improved its bill trading capabilities and accurately capitalized on market opportunities based on its professional trading analysis capabilities, with trading volume ranking among the top financial institutions nationwide and a broad counterparty base covering various market participants.

By giving full play to the role of a transmission carrier for monetary policies, the Bank leveraged policy tools such as re-lending and rediscounting to address the financing needs of key sectors including small and micro enterprises, green initiatives, and science and technology innovation, while supporting the real economy in quality and efficiency improvement and reducing enterprises' overall financing costs through the targeted allocation of policy funds.

9.3.4 Asset management

During the Reporting Period, the Bank strictly implemented regulatory requirements, closely followed the Bank's overall strategic deployment and development, adhered to our original aspiration of "being entrusted by customers and making wealth management on behalf of customers", took customers as the center, deepened its presence in the central China, met customers' diverse allocation needs and promoted the sustained and stable development of wealth management business. As of June 30, 2026, the scale of the Bank's wealth management products was RMB57.907 billion, all of which were net-worth products that met the requirements of the new asset management regulations.

During the Reporting Period, the Bank continued to optimize its wealth management product portfolio, refining a multi-tiered product matrix covering cash, fixed income, and hybrid products. The Bank strengthened investment and research support and enhanced its allocation capabilities across major asset classes to dynamically optimize its asset structure, while reinforcing the promotion of wealth management products and investor engagement to strictly implement product suitability management, thereby continuously improving the quality and efficiency of wealth management services. During the Reporting Period, the Bank was granted with prestigious awards such as the “Golden Reputation Award” from Puyi Standard, the “Golden Toad Award” from Lianhe Zhiping, the “Qunxinghui” award from Ji’an FinTech Corporation, and the “Five-Star Wealth Management Product” award from The Investment Association of China, continuously enhancing its brand recognition and market influence.

9.4 Inclusive Finance Business

9.4.1 Small and micro finance

During the Reporting Period, the Bank adhered to the positioning of providing financial services for the real economy and supporting small and micro enterprises. It optimized the structure of its inclusive finance services, enhanced the precision of services in key areas, and developed a financial service system for small and micro enterprises that aligned with the development of the real economy. It effectively enhanced the accessibility to and satisfaction with financial services for small and micro enterprises, providing targeted empowerment for the steady growth of regional small and micro enterprises and the high-quality transformation and upgrading of the real economy. During the Reporting Period, the Bank disbursed inclusive small and micro loans totalling RMB55.304 billion. As of June 30, 2026, the balance of inclusive small and micro loans amounted to RMB105.687 billion. The Bank had 180,900 inclusive small and micro enterprise customers.

The Bank resolutely implemented provincial policies for easing the difficulties of small and micro enterprises, launched the “100-Day Action” to enhance the quality and efficiency of the financing coordination mechanism for small and micro enterprises, and coordinated efforts across the Bank to tackle challenges. The Bank comprehensively identified the financing needs of small and micro enterprises in key areas and established and implemented the “demand list and service list”, achieving full coverage in connecting with key customer groups. The implementation results of the two lists continued to rank among the top tier of peers in Henan Province. As of June 30, 2026, the number of customers on the Bank’s “application list” has exceeded 270,000, with cumulative loans of RMB111.5 billion disbursed.

Focusing on the industrial layout of Henan Province, the Bank conducted surveys on 3.15 million small and micro enterprises, targeting 96 core characteristic industries and 85,000 high-quality potential small and micro enterprise customers in various regions. Leveraging the industrialized bulk customer acquisition model, the Bank continued to expand its foundation for credit allocation. The Bank innovatively organized an industry-specific customer group service case competition, collecting 53 outstanding cases in aggregate, of which 16 benchmark cases were selected to advance to the final round. The Bank established a suite of marketing tool system covering targeted customer acquisition, differentiated credit granting and standardized customer acquisition templates, supporting the rapid replication and comprehensive promotion of advanced industry service models.

The Bank established a stratified and classified inclusive finance product system and enhanced service efficiency through a two-pronged approach of "scenario-based customization + iterative upgrade of existing products". The Bank innovatively launched "Hangsu Loan (航速貸)", an inclusive exclusive product for supply chains, and implemented a new business model involving pledges of accounts receivable pools. The Bank completed research on key industry scenarios, including plastic packaging in Zhumadian and logistics and express delivery in Xinxiang, and initiated the customized development of a dedicated digital credit granting system. In terms of iterations on its existing flagship products, the Bank introduced the function of authorized verification of capital flow and invoice data for the "Government Procurement Loan (政採貸)"; as for the "Shangyi Loan (商易貸) (for enterprises)", the Bank updated the electronic contract templates and launched an online electronic signing channel for loan renewal without principal repayment. By further leveraging corporate capital flow data to empower business approval, the Bank comprehensively enhanced the online and convenient service experience of inclusive small and micro enterprises.

The Bank upgraded its risk control model to reinforce the risk defence line for small and micro businesses. The Bank iterated on its general intelligent risk control model for small and micro enterprises and established a tiered rating system for small and micro enterprise clients in the science and technology innovation sector, accompanied by differentiated access criteria and credit limit strategies. Following the implementation of the model, the approval rate increased by over 22%. Concurrently, the Bank upgraded its intelligent decision-support platform for small and micro businesses, expanded multi-dimensional profiling data dashboards covering invoice, actual controllers and their spouses, streamlined the mobile due diligence and screening process, and established connectivity among risk control data across the front, middle and back-office departments. Through these digital measures, the Bank comprehensively strengthened the risk management barriers for small and micro businesses.

9.4.2 Rural revitalization finance

During the Reporting Period, the Bank firmly adhered to the strategy of "expanding the rural revitalization bank" in line with the national strategy of rural revitalization and the requirements for building Henan into a strong agricultural province. Focusing on the goals of revitalizing industries, strengthening counties, and enriching the people, the Bank improved the accessibility, convenience, and satisfaction of financial services at the county level. As of June 30, 2026, the Bank's county-level general loan balance amounted to RMB182.578 billion, representing an increase of RMB15.567 billion as compared with the end of the previous year.

III. Management Discussion and Analysis

The Bank actively assisted in the revitalization of rural industries and promoted the establishment of a product portfolio for rural revitalization covering "agricultural guarantees + industries + farmers". The Bank developed customized service solutions for specific client groups, including the crop industry chain, the cash crop industry chain, the livestock industry chain and the distinctive industrial chains of local regions, so as to support rural revitalization in Henan Province and the development of industries that enrich the people at the county level. The Bank strengthened its cooperation with guarantee and agricultural insurance companies to establish a model of "jointly developing solutions, jointly expanding the customer base, sharing risks, and jointly delivering services". As of June 30, 2026, the balance of full-scale agriculture-related loans of the Bank was RMB143.118 billion, representing an increase of RMB8.702 billion as compared with the end of the previous year.

The Bank insisted on promoting service channel penetration, continuously optimizing and improving the four-in-one county channel service system of "county outlets + township outlets + rural financial service managers + online platforms", opening up the "last mile" of financial services. As of June 30, 2026, the Bank has set up over 180 county outlets and over 110 township outlets, assigned over 400 rural financial service managers and served over 11 million county customers; mobile banking (rural online version) served 4.9742 million users, representing an increase of 339,800 users as compared with the end of the previous year.

9.5 Distribution Channels

9.5.1 Mobile banking

During the Reporting Period, the Bank continued to advance product iterations and service upgrades and released version 7.0 of its mobile banking app. In terms of customer service, the Bank leveraged AI large-model technology to empower intelligent customer service, optimizing core capabilities such as intent recognition, intelligent navigation and remote assistance, to enable more convenient and efficient online services. The Bank has upgraded its "Full Lifecycle Wealth Management System", introduced smart investment advisory services for funds, and optimized its core product portfolio, including wealth management products, certificate of deposit and insurance agency services to cover a full range of scenarios, from idle cash management to asset appreciation, retirement planning, and family wealth succession, providing customers with professional, hassle-free, and flexible wealth management solutions. As of the end of the Reporting Period, the number of registered users of the Bank's mobile banking reached 19.7574 million, representing a new increase of 700,600 as compared with the end of the previous year, and the number of customers of the Bank's mobile banking reached 16.8496 million, representing a new increase of 638,100 as compared with the end of the previous year.

9.5.2 WeChat banking

During the Reporting Period, the Bank optimized high-frequency services on its WeChat Banking platform, such as transaction reminders and account inquiries, and leveraged customer segmentation to deliver targeted push notifications, thereby enhancing the customer experience and increasing customer retention and engagement. The Bank strengthened the operation of the WeChat banking channel, focused on the targeted promotion of key products, events promotion, brand communication, consumer protection awareness and other activities. During the Reporting Period, a total of 24 issues were released, comprising 143 articles, attracting a cumulative readership of 1.985 million individuals. As at the end of the Reporting Period, the number of followers of the official account of the Bank's WeChat banking reached 12.1260 million, representing an increase of 663,500 as compared with the end of the previous year, of which there were 8.5449 million card binding customers, representing an increase of 547,200 as compared with the end of the previous year.

9.5.3 Personal online banking

During the Reporting Period, the Bank continued to enhance personal online banking experience by optimizing frequently used functions such as fund transfers and account management and introducing a larger font version of the personal online banking platform to improve its elderly-friendly services. As of the end of the Reporting Period, the Bank's personal online banking attracted 35,000 new users, with the total number of users reaching 1.7271 million. The total number of personal online banking transactions reached 5.9171 million, and the total transaction amount reached RMB374.338 billion.

9.5.4 Remote customer service centre

During the Reporting Period, the Bank vigorously advanced its digital transformation efforts and explored the in-depth application of cutting-edge technologies, such as large language models, in areas including customer service, agent support, and operational management. The Bank continuously improved the response speed, accuracy, and personalized care of our remote services to effectively meet our customers' diverse needs for financial services. The customer service centre handled 1.9891 million customer service calls via the telephone channel, including 1,182,000 calls transferred to automated voice service, accounting for 59.42% and 807,100 calls to manual service, accounting for 40.58%. 2,320,100 customer calls, including 164,800 calls transferred to manual service, were received by online customer service, and 92.90% of the calls were transferred to intelligent text service.

9.5.5 Joint innovation centre

The Bank coordinated efforts to advance the integrated development of technology, data and smart banking, established a standardized system for the joint innovation and delivery of products, and expanded external partnerships in areas such as mortgage loans, big data-driven targeted marketing, collaborative development of risk control models, and digital transformation training. As of June 30, 2026, a total of 43 cooperative banks have signed agreements with us on jointly innovative products of "perpetual loans". The cooperative banks have granted RMB74.598 billion of loans in total. The Bank has launched a comprehensive big data-driven end-to-end solution for customer management, covering model building, supporting services, implementation and talent development. This solution has been implemented at seven peer institutions, generating RMB240,800 in intermediary business income. The business team has established partnerships with more than 30 city commercial banks and rural commercial banks at municipal and provincial levels, with its service footprint spanning 11 provinces across the country. To date, it has provided partner institutions with a total of 280,000 targeted marketing leads, driving an increase of over RMB7 billion in their clients' assets. In terms of product innovation, the Bank enhanced functional modules such as real estate valuation services, intelligent statement analysis, rapid institutional onboarding, post-loan management, and electronic signatures, while continuing to strengthen our risk control modelling capabilities.

9.6 Information Technology

During the Reporting Period, the Bank closely focused on the goal of "enhancing efficiency, optimizing services and building core competitiveness", enhanced technology-driven service, deepened the empowerment of digital and intelligent applications, promoted the development of digital finance, and supported the high-quality development of its business.

9.6.1 Further advancing digital finance to empower business growth and enhance efficiency

Deepening the digital and intelligent transformation. The Bank improved the digital finance governance mechanism, formulated an annual digital and intelligent transformation plan, identified 11 key transformation projects, and advanced their implementation. The Bank's digital financial service capabilities continued to strengthen. Leveraging AI large language models to develop an intelligent outbound calling system, the Bank established a digital and intelligent customer management system based on human-machine collaboration. Targeting its entire retail customer base, the Bank launched a cumulative total of 322 batches of AUM-related telephone marketing campaigns, resulting in sales of AUM-related products totalling RMB2.205 billion; a total of 81 batches of telephone marketing campaigns were launched for retail loan customers, reaching 2.902 million customers and engaging with 1.121 million of them, bringing 3,770 new applications. The innovative smart outbound calling initiative won the FiNAI Intelligent Marketing Innovation Award. The Bank optimized and launched a low-regulation order-based financing product which enables dynamic monitoring of repayment cash flows. The digital management of business has steadily progressed. The integration of the intelligent industry research system with the credit system has been completed, contributing to enhance a seamless user experience; with respect to the intelligent platform for comprehensive monitoring, the first phase of feature development has been completed, and business testing is progressing in an orderly manner; planning for five major application scenarios of smart office solutions has been finalized, with the cloud document platform registering a total of 6,800 users and an average of over 20,000 uses per week, effectively enhancing office collaboration efficiency.

Continuously strengthening the digital and intelligent application empowerment. Focusing on scenarios such as holiday marketing, asset growth, and payroll clients at county-level branches, the Bank launched a campaign case marketplace to compile replicable templates and standardized tools, thereby enhancing their ability to operate independently. During the Reporting Period, the Bank supported a total of 437 localized digital marketing campaigns, contributing to an increase of RMB10.5 billion in AUM, and the Zhongyuan Micro Activities mini-program reached 199,000 new users. Focusing on key scenarios such as AI-driven office efficiency improvements, process automation, and intelligent agent applications, the Bank conducted four sessions of specialized training on AI digital employees and launched the "Digital Intelligence Talent Program (數智英才計劃)" online learning programme, thereby establishing the initial framework for a comprehensive, tiered training system for digital intelligence talent. The online courses attracted more than 5,300 participants.

Continuously enhancing the brand's influence through transformation. The Bank took the lead in convening a joint meeting of the Digital Finance Specialized Committee of the Henan Banking Association to clarify annual work objectives and task assignments, thereby supporting the high-quality development of digital finance across the province.

9.6.2 Focusing on building core capabilities and strengthening the technology-based supporting system

Breakthroughs in technological capabilities. The development of the new-generation core business system project portfolio was successfully completed, achieving a comprehensive upgrade of capabilities across six key areas: customers, channels, products, business operations, risk management, and data. In terms of the technology intermediate platform, the intelligent R&D platform undergone iterative upgrades, and the AI coding agent has been widely applied, effectively improving the quality and efficiency of R&D delivery. In terms of the business intermediate platform, the corporate banking channel completed the restructuring of cash management products and the IT transformation of the online banking assistant, with the launch of features such as reverse factoring and financing without account opening. The intermediate platform of retail channels launched features such as login, red packets and payment controls. In terms of data middle platform, the Data Lake accumulated 721TB of historical data, supporting the ingestion of more than 100,000 data tables into the Lake. The one-stop AI-powered data analysis assistant "Yuan Xiaoxi (原小析)" officially gone live, covering core scenarios such as intelligent Q&A and spreadsheet-based Q&A.

The application of data continued to deepen. By focusing on business areas such as marketing, operations, risk control and decision-making, the Bank strengthened the large-scale and standardized use of data to fully unlock the value of data as a key resource. During the Reporting Period, the Bank supported the creation of nearly 3,000 marketing campaigns, distributed nearly 1 billion leads, reached more than 10 million retail customers across the bank, and facilitated product purchases totalling RMB158.2 billion. The Bank refined the intelligent cockpit indicator system, adding and optimizing 16 data models and 54 indicators, and launched intelligent insights for 17 business indicators, driving the intelligent upgrade of core business indicator analysis.

Operational security remained robust and reliable. The Bank's application systems reached a cloudification rate of 96% and the average availability rate for the Top 37 key information systems reached 99.96%. During the Reporting Period, the Bank's information systems operated stably, with no production liability incidents of Level-3 or above. The Bank analyzed more than 28,000 security alerts and blocked more than 86,000 attacking IP addresses, achieving "zero security incidents" during the cybersecurity protection period for major events. The core business system achieved full-stack, single-track operation for IT innovation. Following an acceptance evaluation by the People's Bank of China, the Bank ranked third among 28 banking institutions in the Central China region for its efforts in IT innovation in 2025.

9.6.3 Accelerating the adoption of artificial intelligence to build a smart finance matrix

During the Reporting Period, the Bank actively advanced the application of cutting-edge technologies such as big data and artificial intelligence (AI) and was granted 5 software copyrights and applied for 1 invention patent.

AI enabled efficiency improvement in business operations. The Bank completed the planning for an integrated digital and intelligent service portal and rolled out 18 agent services across six major categories. The Bank enhanced the intelligent credit assistant and launched features such as the one-page visit and intelligent financial statement recognition, serving a cumulative total of over 8,500 users and generating more than 11,000 reports. The Bank built an intelligent business assistant for frontline functions, defined the product's core features, established Skill design specifications, and initiated validation of core use cases along with project approval and procurement. The Bank advanced model iteration and the development of a data flywheel, forming a closed-loop workflow of "outbound call execution – effectiveness evaluation – data feedback – model optimization". This reduced the fine-tuning cycle from one month to two weeks and improved speech recognition accuracy from 73% to 89%.

AI has driven improvements in R&D quality and efficiency, and has been deeply integrated into every stage of the project R&D lifecycle. For the requirements management platform, a requirements framework can be generated in 10 minutes and requirements quality checks can be completed in 3 minutes, and the architecture AI assistant's asset query feature has gone live. The wide application of intelligent R&D assistants has enhanced R&D delivery efficiency, with AI-generated code accounting for 58.06% of the total, and 7,200 Q&A responses for intelligent R&D per week.

9.7 Investment Business of Subsidiaries, Associates and Joint Ventures

9.7.1 Business of county banks

9.7.1.1 Percentage of shareholding of the Bank in county banks

Name	Percentage of shareholding of the Bank
Linzhou Zhongyuan County Bank Co., Ltd. (林州中原村鎮銀行股份有限公司)	51.00%
Qixian Zhongyuan County Bank Co., Ltd. (淇縣中原村鎮銀行股份有限公司)	51.00%
Xinxiang Zhongyuan County Bank Co., Ltd. (新鄉中原村鎮銀行股份有限公司)	78.46%
Xinyang Pingqiao Zhongyuan County Bank Co., Ltd. (信陽平橋中原村鎮銀行股份有限公司)	51.73%
Xiping Zhongyuan County Bank Co., Ltd. (西平中原村鎮銀行股份有限公司)	43.69%
Suiping Zhongyuan County Bank Co., Ltd. (遂平中原村鎮銀行股份有限公司)	51.02%
Shenzhen Nanshan Baosheng County Bank Co., Ltd. (深圳南山寶生村鎮銀行股份有限公司)	42.05%
Luohe Yancheng Zhongyuan County Bank Co., Ltd. (漯河郾城中原村鎮銀行有限責任公司)	51.00%

9.7.1.2 Business development during the Reporting Period

During the Reporting Period, with the focus on promoting the reform and development of its subsidiary county banks, the Bank strengthened the control of risk, finance and personnel, and provided support for strategic synergy, technology, liquidity and personnel empowerment. It supervised them to firmly adhere to their market positions and return to their financial origins. During the Reporting Period, the 8 county banks always focused on the actual financial needs of the rural customer groups of "agriculture, rural areas, farmers, and migrant workers (四農)" within their jurisdiction, optimized their products and processes, brought their staff and services down to the primary level, improved their ability to serve rural revitalization, along with intensified support to agriculture and small and micro enterprises.

9.7.2 Consumer finance company

During the Reporting Period, Zhongyuan Consumer Finance Company always adhered to the guidance of the Party building, adhered to the political nature and people-oriented principles of financial work, pursued high-quality development, focused on its core business, fulfilled its mission of inclusive finance, and supported the upgrading of consumer spending among residents. By optimizing its asset structure and strictly adhering to operational compliance, the company achieved steady growth in its asset size and accelerated the pace of business transformation.

9.7.3 Financial leasing companies

During the Reporting Period, AB Leasing thoroughly implemented the spirit of the 20th National Congress of the Party and its plenary sessions, implemented the directives of the Central Financial Work Conference, the Central Economic Work Conference and the Provincial Party Committee's Economic Work Conference. Focusing on its development strategy of "specialized and refined, small yet exquisite (專而精、小而美)", the company advanced core tasks such as improving the quality and efficiency of its core business and implementing comprehensive risk management. During the Reporting Period, its business indicators steadily improved, key reform initiatives were implemented in an orderly manner, and its efforts to serve the real economy yielded notable results.

During the Reporting Period, BOL Financial Leasing comprehensively strengthened the leadership of the Party. Guided by the targets of "smooth business transformation, stable asset quality, and a solid workforce," it iterated and upgraded its end-to-end risk compliance system, advanced the transformation of its business model and customer structure, and consistently implemented rigorous asset quality control. By optimizing the structure of its liabilities and reducing capital costs through diverse channels, it achieved robust and positive performance across all key operating indicators, continuing to improve its development quality and efficiency.

10 Risk Management

During the Reporting Period, the Bank resolutely implemented the spirit of the 20th National Congress of the Party and its plenary sessions, actively supported the sound start of the "15th Five-Year Plan" and the strategic deployment of "a strong province in six areas (六個強省)" initiative, adhered to a path of characteristic operation and differentiated development, strictly safeguarded asset quality as the cornerstone, strengthened a problem-solving mindset, advanced meticulous risk prevention and control, and facilitated growth characterized by quality, profitability and a margin of safety.

10.1 Credit Risk Management

The Bank dynamically updated credit risk management strategies and enhanced the guiding role of policies. It formulated and dynamically optimized credit policies guidelines on key industries, products and areas in accordance with the changes in regulatory policies and the macroeconomic situation to lead the steady business development, optimize its credit structure and serve the real economy. The Bank stringently implemented management and control measures of customer risk limits, and strengthened the active management of credit limits to improve the risk control and guiding role on the credit business.

The Bank focused on the development of the real economy and was committed to improving the quality and efficiency of its credit approval processes. It provided greater credit support in key areas such as advanced manufacturing and technological innovation. Adhering to a prudent business philosophy, the Bank strengthened the foundation of credit risk management, enhanced proactive risk forecasting and management, improved our institutional framework, and refined the decision-making mechanisms. The Bank advanced the iterative upgrades of its credit system and system functions to optimize the approval process and business workflows.

The Bank enhanced the quality and efficiency of credit management by strengthening the credit risk prevention and control. The Bank formulated annual targets and plans on the management and control of the quality of assets, and optimized asset structure to promote a steady improvement in credit quality. The Bank closely monitored the risks associated with key clients and the resolution thereof and the disposal of major non-performing items, making every effort to reduce the scale of non-performing assets. It launched a new credit risk early-warning system to accelerate the digital and intelligent transformation of post-loan management and enhance its risk identification and response capabilities. The Bank regularly conducted off-site monitoring and on-site inspections, improved the rapid response mechanism for corporate default incidents and refined the rigorous management process of the near-due and collections. It strengthened the management and control of priority areas and capital utilization, steadily reduced the credit business in other regions, and proactively withdrew from business with potential risk exposures.

The Bank strengthened the foundation for risk quantification and enhanced risk management capabilities. The Bank continued to deepen the development of its internal credit risk rating system and refine the optimization path for its non-retail rating system. It strengthened the full-lifecycle management of retail scorecard models, completed the annual review and update of parameters for the expected credit loss model along with independent third-party validation, and advanced the functional upgrade of the impairment system for new financial assets. The Bank implemented the new capital regulations, optimized its capital measurement and management system, and promoted the development of credit risk exposure classification and capital measurement management towards a more refined and structured mode.

The Bank stringently controlled the large amount risk exposures and strengthened concentration management. In strict compliance with the requirements of regulatory policies on the management of large amount risk exposure, the Bank regularly carried out the measurement, monitoring and reporting of large amount risk exposure and effectively implemented the management of various risk limits.

During the Reporting Period, the Bank’s large amount risk exposure indicators all met the regulatory requirements, and the credit risk was stable and controllable.

10.2 Market Risk Management

During the Reporting Period, in adherence to the regulatory guidance and market trends, the Bank enhanced the market risk management system and comprehensively improved management quality and efficiency.

The Bank optimized its market risk management policies. In accordance with the latest regulatory policies and taking into account the current state of market risk management within the Bank as well as operational and development needs, the Bank revised its market risk management policy to improve the market risk policy framework. The Bank formulated an annual limit management plan in accordance with business development plans and regulatory requirements. It also reinforced the forward-looking guidance of limit management through daily monitoring and dynamic reinspection, so as to ensure the sound operation of the business.

The Bank enhanced market risk measurement capabilities, optimized market risk management system functions, and deepened full-process management of financial market operations, thereby improving the automation and intelligence level. The Bank advanced the development of the new market risk system, completed the review and evaluation of core business functions such as valuation curves, sensitivity measurement, and limit management, launched the first phase of system design and development, and exerted efforts to enhance measurement capabilities and the quality and efficiency of management.

The Bank conducted market risk monitoring and reporting. Keeping a close eye on macroeconomic and policy trends, the Bank enhanced high-frequency measurement, monitoring and analysis on risk exposure and level based on the risk characteristics of different types of financial market businesses and improved the timeliness and effectiveness of market risk response.

During the Reporting Period, all market risk indicators of the Bank remained stable, and the overall risk situation was controllable.

10.3 Operational Risk Management

During the Reporting Period, the Bank strictly adhered to regulatory requirements and continued to strengthen its operational risk management system. The Bank established a “three lines of defense” system for operational risk management, comprising various business lines and branches, the Compliance and Risk Management Department, and the Internal Audit Department. The operational risk management system defined the organizational structure and management responsibilities, as well as a comprehensive management mechanism covering the entire process of risk identification, assessment, control, mitigation, monitoring and reporting. Taking into account both regulatory requirements and the realities of business operations, the Bank formulated an operational risk appetite policy that clearly defined the risk appetite statement and risk tolerance standards, and specified performance evaluation indicators for operational risk and compliance management.

The Bank deepened the regular application of the three major operational risk management tools. It conducted regular monitoring of key risk indicators, and optimized indicator parameters in accordance with actual management practices. The Bank conducted periodic process reviews and risk self-assessments to identify control defects and hidden risks in key products and management processes, advance data governance for loss events and improve the loss event identification mechanism.

The Bank enhanced internal control and compliance management. By adopting a combination of off-site monitoring and on-site inspections, the Bank coordinated efforts to identify risks in key business areas, detect employee misconduct, and assess case-related risks, thereby strengthening the closed-loop process for rectifying issues and promoting the early identification, early warning and early resolution of potential risks. The Bank further developed information systems related to operational risk and enhanced the effectiveness of digital and intelligent management. It also conducted compliance training and awareness programs at different levels to continuously foster a culture of business compliance.

The Bank enhanced the management systems for business continuity, outsourcing risks, cybersecurity, and data security. It standardized business continuity management and strengthened its emergency response plan system and drill mechanisms. The Bank strengthened end-to-end control over outsourcing risks, continuously optimized outsourcing risk management mechanisms and enhanced risk assessments and ongoing oversight of outsourced services. The Bank fulfilled its cybersecurity and data security management responsibilities, coupled with regular publicity and education of security.

During the Reporting Period, the Bank did not experience any major operational risk event, and overall operational risk remained stable and controllable.

10.4 Liquidity Risk Management

During the Reporting Period, the Bank continually improved its liquidity risk management system. Taking into account regulatory guidance and internal management requirements, the Bank dynamically refined its liquidity risk management system, so that the system will better match its actual business. The Bank continually optimized the organizational structure for liquidity risk management, clarified management responsibilities at all levels, refined liquidity management tools and strategy system while improving the coordinated management and control mechanism of the Group's integrated liquidity risk and strengthened liquidity management and guidance to subsidiaries. It conducted regular monitoring, analysis and assessment of liquidity risk to constantly enhance its liquidity risk prevention and control capabilities.

The Bank continued to promote the development of its mechanisms such as gap management, limit management, financing management, liquid assets reserve management, stress test and emergency drill, and enhance active management capabilities of liquidity. It constantly facilitated the development of its liquidity management information system and improved the timeliness of daily liquidity monitoring. The Bank dynamically optimized the maturity profile of its business to maintain the mismatch and liquidity gap within a reasonable range. It expanded diversified and active financing channels and consolidated its stable liability sources. The Bank seized the opportunities to increase the allocation of high-quality bonds and replenished high-quality liquid assets reserve. The Bank conducted quarterly liquidity risk-related stress test and applied the test results to its asset-liability strategies adjustment. The Bank has put in place a tiered emergency plans for liquidity risk and conducted regular emergency drills, incorporating its subsidiaries into drill scenario and enhancing the capabilities of joint prevention and control, as well as coordinated response across the Group. The Bank actively disseminated the monetary policy of the central bank and maintained the safety and stability of regional liquidity.

During the Reporting Period, the Bank's business operation remained stable, and the overall liquidity risk of the Bank was controllable.

10.5 Information Technology Risk Management

During the Reporting Period, the Bank continually enhanced its information technology risk management system, strengthened its governance mechanisms for information technology risk, enhanced capabilities to identify, assess, monitor and address risks, and promoted in-depth integration of information technology risk management into business development.

The Bank improved its assessment mechanisms for information technology risk. Focusing on key areas including information system establishment and operations, network and data security, information and technology outsourcing, business continuity management, as well as major projects and significant system changes, the Bank conducted risk assessments, specialized assessments and post-risk evaluations to strengthen risk control at source and promote risk management to an earlier stage.

The Bank enhanced the monitoring and early warning management of information and technology. It improved its information technology risk monitoring system, strengthened risk monitoring and analysis in key areas including information system operation and information security. Risk identification, trend analysis and early warning disposal were carried out to promote rectification and implementation of risk issues.

The Bank enhanced the business continuity and improved its ability to safeguard information and technology operation. It improved business continuity management mechanism, made greater efforts to support the operation of important information system and key infrastructure, enhanced capabilities of emergency management and risk response, so as to ensure the sound and stable operation of material business and information system.

During the Reporting Period, the Bank's overall information technology risk maintained stable and controllable with sound and stable operation of its information system, and there was no major information and technology risk event.

10.6 Reputational Risk Management

During the Reporting Period, the Bank maintained a dual emphasis on the prevention and disposal of reputational risk, and upheld the principles of "forward-looking", "matching", "full coverage" and "effectiveness" to continually enhance its full-process risk prevention and incident response capabilities. Through the optimization of closed-loop management system encompassing the full process of "monitoring – early warning – disposal – rectification", the Bank enhanced its 24/7 monitoring mechanism and dedicated emergency response plans. The Bank intensified its efforts to implement regular risk investigations and risk list tracking mechanisms, conducted regular targeted investigations into potential risks, and advanced root-cause rectification. With a focus on the implementation of the spirit of the Central Financial Work Conference, supporting a sound start of the "15th Five-Year Plan", the publication of annual results announcement, and significant internal events, the Bank carried out a series of themed publicity, demonstrating the Bank's good image of serving the real economy and maintaining prudent operations.

During the Reporting Period, the Bank's reputational risk was stable and controllable.

10.7 Exchange Rate Risk Management

During the Reporting Period, the Bank incorporated the exchange rate risk into the market risk capital measurement. The Bank maintained its prudent risk preference, monitored the changing trend of exchange rates, analyzed the fluctuation of global exchange rate market, formulated staged foreign exchange hedging strategies, and reduced foreign exchange exposure risk. The Bank scientifically formulated foreign exchange quota indicators, conducted the quota review on a regular basis, paid continuous attention to the exposure positions of various foreign currencies held by the Bank, carried out foreign exchange risk stress tests, and continuously strengthened its management of foreign exchange business and quota.

During the Reporting Period, the Bank's exchange rate risk was generally stable and controllable.

11 OPERATING STRATEGIES AND PROSPECTS

During the Reporting Period, the Bank adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the guiding principles from the 20th CPC National Congress and the plenary sessions of the 20th CPC Central Committee, diligently studied and applied the important directives of General Secretary Xi Jinping on financial work, faithfully executed the major decisions and deployments of the Provincial Party Committee and the Provincial People's Government, and fulfilled the major requirements of "Two High-level Priorities and Four Areas of Emphasis (兩高四著力)". Focusing on the "1+2+4+N" goal framework, the Bank stayed committed to its core business, pursued differentiated competition, accelerated its differentiated development through characteristic operations, and served as the pioneer of financial reform in Henan Province.

Adhering to our duties and positioning, and steering toward the correct direction for development. First, we will return to the very foundation of finance. We will uphold the political nature and people-oriented principles of financial work, and stay loyal to the fundamental mission of serving the real economy and preventing financial risks. Second, we will return to the essence of a city commercial bank. We will remain committed to the market positioning of "serving local economic development, serving small and medium-sized enterprises, and serving urban and rural residents", strive to refine and excel in our principle responsibilities and core businesses, deeply integrate our development into the regional economy, diligently implement the "Five Priorities" in finance, and fully support the construction of "a strong province in six areas (六個強省)". Third, we will transform our development mindset. Instead of pursuing larger scale and faster growth, we will shift toward a model that prioritizes "efficiency and quality". We will strengthen our awareness of market competitiveness, and uphold a "customer-centered and market-oriented" principle.

III. Management Discussion and Analysis

Refining the implementation of our strategy to drive steady growth in performance. Firstly, advance the implementation of our strategy. Guided by the Bank's "15th Five-Year" (2026-2030) development plan, we will break down the plan's objectives into annual and quarterly priorities to accelerate our efforts to become a benchmark in corporate finance, enhance our retail finance brand, and strengthen our interbank profit center, thereby achieving the goals of strengthening our presence in urban areas, expanding our operations in rural counties, and optimizing the performance of our subsidiaries. Secondly, strengthen our customer base. The Bank will maintain a balanced approach to manage "large, medium, and small" enterprises. In terms of corporate business, the Bank will pursue targeted breakthroughs, actively collaborate with major state-owned banks and leading peer banks, and participate in high-quality projects through syndicated modes. In terms of personal business, the Bank will adopt a coordinated and team-based approach to deeply cultivate characteristic customer groups such as payment agency business, social security card holders, and wealth management clients, thereby increasing our market share and elevating our ranking among peers. In terms of interbank business, the Bank will prioritize quality over quantity by selecting optimal cooperative institutions and continuously optimizing transaction strategies. Driven by the two wheels of "allocation + transaction", the Bank will implement low-volatility and prudent operations to pursue overall returns amid long-term volatility. Thirdly, strengthen support and safeguards. Centered on the implementation of our strategy, we will establish a scientific and reasonable performance appraisal and incentive mechanism to stimulate the enthusiasm for career development and entrepreneurship across operating institutions. The Bank will actively expand businesses such as commission, investment banking, and transaction banking to broaden sources of intermediary business income. It will also refine capital management and control, exerting greater effort to develop businesses with lower capital outflow, such as inclusive finance for small and micro enterprises and transaction with high-quality private enterprises, thereby improving the efficiency of capital utilization.

Strictly adhering to the risk bottom line to ensure overall sound development. Firstly, improve the risk management system. The Bank will put into practice the comprehensive risk management philosophy of "all employees, the entire process, new approach, and full amount", strengthen credit granting management, implement differentiated authorization, and build a solid defense for risk prevention and control. Secondly, deepen and solidify our efforts to control new exposure while addressing the existing ones. The Bank will strengthen risk monitoring, early warning, and early correction in key areas, more actively terminate relationships with high-risk customers, and strictly prevent the spread of risks. The Bank will establish the concept of pragmatic collection, strictly preventing new exposure from arising while the existing ones are being addressed, and implement list-based management of existing risk assets to continuously improve the quality of assets. Thirdly, accelerate the reform to defuse risks. The Bank will prudently advance the absorption and merger of county banks, accelerate the business transformation of consumer finance companies, and orderly complete the absorption and merger of financial leasing companies.

Strengthening compliance management to build a solid foundation for safe operation. Firstly, improve the compliance management system. Adhering to the concept of "compliance creating value", the Bank will comprehensively advance the grid-based compliance management and refine the compliance culture concept, to form a compliance culture system that is in line with the characteristics of Zhongyuan Bank. Secondly, focus on improving the quality and effectiveness of consumer protection. The Bank will improve the diversified dispute resolution mechanism, refine the petition work mechanism, strengthen consumer rights protection, and drive internal control management towards a more refined and scientific level, thereby promoting the steady improvement in regulatory ratings. Thirdly, implement security management thoroughly and meticulously. The Bank will maintain a dual emphasis on development and security by strengthening the security protection system in an all-round way to create a secure and stable operating environment for high-quality development.

IV. Changes in Share Capital and Information on Shareholders

1 Changes in Ordinary Shares of the Bank during the Reporting Period

As of the end of the Reporting Period, the total issued ordinary share capital of the Bank was 36,549,823,322 Shares[1], comprising 6,945,000,000 H Shares and 29,604,823,322 Domestic Shares.

2 Shareholdings of Top Ten Non-Overseas Listed Domestic Shareholders of the Bank

As of June 30, 2026, there was no controlling shareholder and actual controller of the Bank. As at June 30, 2026, the shareholdings of the Bank's top ten non-overseas listed domestic Shareholders of ordinary Shares were as follows:

No.	Name of Shareholders	Nature of Shareholders	Number of Shares held at the end of the Reporting Period	Approximate percentage of the total share capital of issued ordinary shares of the Bank at the end of the Reporting Period
1	Henan Investment Group Co., Ltd. (河南投資集團有限公司)	State-owned Legal Person Shares	2,500,372,826	6.84%
2	Luoyang Municipal Finance Bureau (洛陽市財政局)[2]	State Shares	1,361,571,120	3.73%
3	China Tourism Group Corporation Limited (中國旅遊集團有限公司)	State-owned Legal Person Shares	1,061,521,911	2.90%
4	Zhongyuan Trust Co., Ltd. (中原信託有限公司)	State-owned Legal Person Shares	791,131,350	2.16%
5	Henan Zhaoteng Investment Group Co., Ltd. (河南省兆騰投資集團有限公司)	Privately-owned Legal Person Shares	683,252,415	1.87%
6	Bank of Jiujiang Co., Ltd. (九江銀行股份有限公司)	Privately-owned Legal Person Shares	632,000,000	1.73%
7	Xiamen International Bank Co., Ltd. (廈門國際銀行股份有限公司)	Privately-owned Legal Person Shares	600,000,000	1.64%
8	Henan Asset Management Co., Ltd. (河南資產管理有限公司)	State-owned Legal Person Shares	513,168,457	1.40%
9	Henan State-owned Capital Operation Group Investment Co., Ltd. (河南國有資本運營集團投資有限公司)	State-owned Legal Person Shares	506,751,425	1.39%
10	Luoyang Urban and Rural Construction Investment Group Co., Ltd. (洛陽城鄉建設投資集團有限公司)	State-owned Legal Person Shares	504,435,685	1.38%
Total			9,154,205,189	25.05%

1 The registered capital of Zhongyuan Bank was changed from RMB20,075,000,000 to RMB36,549,823,322 as approved by the former CBIRC Henan Office. As of the date of this report, the registration of registered capital for change with the competent authority of industry and commerce is still in progress.

2 On January 20, 2026, the Henan Financial Regulatory Bureau approved the acquisition of 1,361,571,120 Shares of Luoyang Municipal Finance Bureau by Luoyang Guosheng Investment Holding Group Co., Ltd. (洛陽國晟投資控股集團有限公司). Luoyang Guosheng Investment Holding Group Co., Ltd. completed transfer procedures on August 4, 2026.

IV. Changes in Share Capital and Information on Shareholders

3 Interests and Short Positions of Substantial Shareholders and Other Persons in the Shares and Underlying Shares

As of June 30, 2026, so far as is known to the Bank and the Directors, substantial Shareholders of the Bank and other persons (other than Directors and chief executive officer of the Bank) who had interests and short positions in the Shares and underlying Shares of the Bank which were required to be notified to the Bank or the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Bank under Section 336 of the SFO were as follows:

Name of Shareholders	Class of Shares	Nature of interests	Number of Shares[1]	Approximate percentage of the total issued share capital of the relevant class of the Bank (%)[2]	Approximate percentage of the total issued share capital of ordinary shares of the Bank (%)[2]
Henan Investment Group Co., Ltd. (河南投資集團有限公司)[3]	Domestic Shares	Beneficial owner	2,500,372,826(L)	8.45	6.84
	Domestic Shares	Interest in controlled corporation	1,321,996,733(L)	4.47	3.62
AMTD Group Company Limited[4]	H Shares	Interest in controlled corporation	482,288,000(L)	6.94	1.32
L.R. Capital Management Company (Cayman) Limited[4]	H Shares	Interest in controlled corporation	482,288,000(L)	6.94	1.32
NEW MERIT GROUP LIMITED	H Shares	Beneficial owner	453,636,000(L)	6.53	1.24
GOLD LEADING CAPITAL LIMITED	H Shares	Holding a security interest in the Shares	573,964,000(L)	8.26	1.57
Piramid Park Co., Ltd[5]	H Shares	Beneficial owner	999,831,000(L)	14.40	2.74
XU Yan (徐雁)	H Shares	Interest in controlled corporation	999,831,000(L)	14.40	2.74

Notes:

(1) (L) represents the long position, (S) represents short position.

(2) As at June 30, 2026, the number of total issued Shares of the Bank was 36,549,823,322, comprising 6,945,000,000 H Shares and 29,604,823,322 Domestic Shares. As of the date of this report, the registration for change with the competent authority of industry and commerce is still in progress.

(3) Henan Investment Group Co., Ltd. (河南投資集團有限公司) is wholly owned by the Finance Department of Henan Province (河南省財政廳). Henan Investment Group Co., Ltd. directly holds 2,500,372,826 Domestic Shares of the Bank (long positions), indirectly holds 17,696,926 Domestic Shares of the Bank (long positions) through its controlled corporation, Henan Huirong Industrial Operation and Management Co., Ltd. (河南匯融產業運營管理有限公司), and indirectly holds 791,131,350 Domestic Shares of the Bank (long positions) through controlled corporation, Zhongyuan Trust Co., Ltd. (中原信託有限公司), and indirectly holds 513,168,457 Domestic Shares of the Bank (long positions) through controlled corporation, Henan Asset Management Co., Ltd. (河南資產管理有限公司).

(4) L.R. Capital Management Company (Cayman) Limited, through its controlled corporations, namely L.R. Capital Financial Holdings Limited, AMTD Group Company Limited and AMTD Asia (Holdings) Limited, indirectly holds 482,288,000 H Shares of the Bank (long positions) held by AMTD Asia Limited. Therefore, by virtue of the SFO, each of L.R. Capital Management Company (Cayman) Limited, L.R. Capital Financial Holdings Limited, AMTD Group Company Limited and AMTD Asia (Holdings) Limited is deemed to be interested in the H Shares of the Bank (long positions) held by AMTD Asia Limited.

(5) Piramid Park Co., Ltd is wholly owned by XU Yan (徐雁).

IV. Changes in Share Capital and Information on Shareholders

Save as disclosed above, to the knowledge of the Bank, none of the other substantial Shareholders or persons had, as at June 30, 2026, any interests or short positions in the Shares or underlying Shares of the Bank as recorded in the register required to be kept under Section 336 of the SFO.

4 Shareholdings of Top Ten Shareholders as at the End of the Reporting Period

As of June 30, 2026, the top ten Shareholders of the Bank together held 42.37% of the Bank's total share capital. Among the top ten Shareholders, the largest Shareholder of Non-overseas Listed Shares was Henan Investment Group Co., Ltd., which held 6.84% of the total share capital, the second largest Shareholder was Luoyang Municipal Finance Bureau with 3.73% of the total share capital, and the third largest Shareholder was China Tourism Group Corporation Limited with 2.90% of the total share capital. The largest and third largest Shareholders of Non-overseas Listed Shares are wholly state-owned enterprises, and the second is a local financial department.

The shareholdings of the top ten Shareholders were as follows:

No.	Name of Shareholders	Class of Shares	Nature of Shareholders	Number of Shares held as at June 30, 2026	Approximate percentage of the total share capital of issued ordinary shares of the Bank as at June 30, 2026[1]
1	HKSCC Nominees Limited[2]	H Shares	Other	6,836,866,429	18.71%
2	Henan Investment Group Co., Ltd. (河南投資集團有限公司)	Domestic Shares	State-owned Legal Person Shares	2,500,372,826	6.84%
3	Luoyang Municipal Finance Bureau (洛陽市財政局)[3]	Domestic Shares	State Shares	1,361,571,120	3.73%
4	China Tourism Group Corporation Limited (中國旅遊集團有限公司)	Domestic Shares	State-owned Legal Person Shares	1,061,521,911	2.90%
5	Zhongyuan Trust Co., Ltd. (中原信託有限公司)	Domestic Shares	State-owned Legal Person Shares	791,131,350	2.16%
6	Henan Zhaoteng Investment Group Co., Ltd. (河南省兆騰投資集團有限公司)	Domestic Shares	Privately-owned Legal Person Shares	683,252,415	1.87%
7	Bank of Jiujiang Co., Ltd. (九江銀行股份有限公司)	Domestic Shares	Privately-owned Legal Person Shares	632,000,000	1.73%
8	Xiamen International Bank Co., Ltd. (廈門國際銀行股份有限公司)	Domestic Shares	Privately-owned Legal Person Shares	600,000,000	1.64%
9	Henan Asset Management Co., Ltd. (河南資產管理有限公司)	Domestic Shares	State-owned Legal Person Shares	513,168,457	1.40%
10	Henan State-owned Capital Operation Group Investment Co., Ltd. (河南國有資本運營集團投資有限公司)	Domestic Shares	State-owned Legal Person Shares	506,751,425	1.39%
Total				15,486,635,933	42.37%

Notes:

(1) It was calculated on the basis of the total share capital of the Bank of 36,549,823,322 shares.

(2) HKSCC Nominees Limited, as a nominee, held 6,836,866,429 H Shares in aggregate of the Bank on behalf of several clients, representing 18.71% of the issued share capital of the Bank. As a member of the Central Clearing and Settlement System, HKSCC Nominees Limited conducts registration and custodian business for clients.

IV. Changes in Share Capital and Information on Shareholders

(3) On January 20, 2026, the Henan Financial Regulatory Bureau approved the acquisition of 1,361,571,120 Shares of Luoyang Municipal Finance Bureau by Luoyang Guosheng Investment Holding Group Co., Ltd.. Luoyang Guosheng Investment Holding Group Co., Ltd. completed transfer procedures on August 4, 2026.

5 Shareholders Holding 5% or More of the Total Ordinary Share Capital of the Bank

Please refer to the relevant section "Changes in Share Capital and Information on Shareholders" for details of the Shareholders with an interest in 5% or more of the share capital of the Bank.

6 Information on Substantial Shareholders Disclosed Under the Interim Measures for the Equity Management of Commercial Banks

As of June 30, 2026, according to the Interim Measures for the Equity Management of Commercial Banks (《商業銀行股權管理暫行辦法》) issued by the former CBRC, in addition to the one Shareholder mentioned above, namely Henan Investment Group Co., Ltd. (河南投資集團有限公司), there are another two Shareholders who are also substantial Shareholders of the Bank.

(1) Jiangsu Wuzhong Group Co., Ltd. (江蘇吳中集團有限公司), holding 420,238,000 Domestic Shares of the Bank, was incorporated in Wuzhong District, Suzhou City, Jiangsu Province on May 26, 1992 with a registered capital of RMB100 million. The company's business scope includes construction of municipal public facilities; investment in education, tourism and other industries; business management; domestic trade (where the business scope involves special approval stipulated by the state, approvals should be obtained prior to the commencement of operation); house leasing; property management; investment management consulting services; sales of gold, gold jewelry, handicrafts and non-ferrous metal materials; setting up branches operating in the design, production, agency and publishing of various domestic and foreign advertisements; real estate development and operation; (for projects subject to approval in accordance with law, approvals from the relevant authorities must be obtained prior to the commencement of operation) general projects: sales of building materials; sales of ecological environment materials; sales of specialized equipment for environmental protection; sales of mechanical and electrical equipment (except for projects subject to the approval, the business activities shall be conducted independently with the business licences in accordance with the laws). The company assigned a director, namely ZHANG Shu (張姝), to the Bank.

(2) Luoyang Guosheng Investment Holding Group Co., Ltd. (洛陽國晟投資控股集團有限公司) acquired 1,361,571,120 Domestic Shares of the Bank held by Luoyang Municipal Finance Bureau. On January 20, 2026, the Henan Office of the National Financial Regulatory Administration approved the acquisition of 1,361,571,120 Shares of Luoyang Municipal Finance Bureau by Luoyang Guosheng Investment Holding Group Co., Ltd.. Luoyang Guosheng Investment Holding Group Co., Ltd. completed transfer procedures on August 4, 2026. The company was established on November 5, 2007, with a registered capital of RMB20 billion. Its registered address is 7/F, West Tower, Civic Center, 237 Kaiyuan Avenue, Luolong District, Luoyang City. It is a limited liability company (wholly state-owned), with the State-owned Assets Supervision and Administration Commission of the People's Government of Luoyang City serving as its sole shareholder and actual controller. The company's business scope includes: engaging in investment activities with its own funds; asset management services for investments made with its own funds; venture capital investment (limited to investments in unlisted enterprises); financing consultancy services; non-financing guarantee services; corporate headquarters management; enterprise management consulting; brand management; agricultural professional and auxiliary activities; services related to agricultural production and operation, such as technology, information, and facility construction and operation (except for projects subject to the approval, the business activities shall be conducted independently with the business licences in accordance with the laws). Its affiliates, namely Luoyang Urban and Rural Construction Investment Group Co., Ltd. (洛陽城鄉建設投資集團有限公司), Luoyang Municipal Construction Investment Co., Ltd. (洛陽市市政建設投資有限公司), Luoyang City Development Investment Group Co., Ltd. (洛陽城市發展投資集團有限公司) and Luoyang Water Group Co., Ltd. (洛陽水務集團有限公司), hold 504,435,685, 289,664,050, 240,136,000, and 56,431,960 Domestic Shares of the Bank, respectively. Luoyang Guosheng and its affiliates together hold 2,452,238,815 Domestic Shares of Zhongyuan Bank, accounting for 6.71% of the total share capital of the Bank.

7 Equity Pledge and Freezing

As of June 30, 2026, so far as is known to the Bank, the Bank's 3,452,560,441 Domestic Shares were subject to pledge, accounting for 9.45% of the total number of issued ordinary shares (of which, the Domestic Shares pledged by the Bank's substantial Shareholders accounted for 0.99% of the total number of issued ordinary shares). In addition, there were 1,072,266,221 Domestic Shares that were judicially frozen.

8 Purchase, Sale or Redemption of the Listed Securities of the Bank

The Bank or any of its subsidiaries have not purchased, sold or redeemed any listed securities of the Bank (including the sale of treasury shares (as defined in the Hong Kong Listing Rules)) during the Reporting Period.

As at June 30, 2026, the Bank did not hold treasury shares (as defined in the Hong Kong Listing Rules).

V. Directors, Senior Management and Employees[3]

1 Existing Directors and Senior Management

The composition of the Board of Directors and the senior management of the Bank as of the date of this report is as follows:

The Board of Directors of the Bank consisted of a total of 9 Directors, including 1 executive Director, namely Mr. ZHOU Feng; 3 non-executive Directors, namely Mr. FENG Ruofan, Mr. LI Wenqiang and Ms. ZHANG Shu; and 5 independent non-executive Directors, namely Mr. XU Yiguo, Ms. ZHAO Zijian, Mr. WANG Maobin, Mr. PAN Xinmin and Mr. GAO Pingyang.

The senior management of the Bank consisted of a total of 15 members, including 1 president, namely Mr. ZHANG Tao (whose qualification as the president is subject to approval by the regulatory authorities); 4 vice presidents, namely Mr. ZHOU Litao, Mr. YAO Huiyuan, Mr. LIU Qingfen and Mr. WANG Tianqi; 6 assistants to the president, namely Mr. SHAO Qiang, Mr. WANG Le, Ms. LIU Juan, Mr. YAO Hongbo, Ms. SUO Jia and Mr. ZHANG Ke; 1 chief information officer, namely Mr. HU Hao; 1 business director, namely Mr. NIE Guoqing; 1 chief compliance officer, namely Mr. PAN Wenyao; and 1 secretary to the Board, namely Mr. WANG Yong.

2 Changes in the Information of Directors

During the Reporting Period, Mr. GAO Pingyang, an independent non-executive Director of the Bank, served as an independent non-executive director of Distinct Healthcare Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 2677) since February 2026.

Save as disclosed above, during the Reporting Period and as of the date of this report, there was no change in the information of Directors.

3 Changes of Directors and Senior Management during the Reporting Period

3.1 Changes of Directors

On January 4, 2026, the Henan Office of the National Financial Regulatory Administration approved the qualification of Mr. ZHOU Feng as a Director and the vice chairman of the Board.

On April 21, 2026, Mr. GUO Hao resigned as the executive Director, the chairman of the Board and the Chairman of the Strategy and Development Committee of the Board of the Bank due to work rearrangement.

On April 21, 2026, the Bank convened a Board meeting, at which Mr. ZHOU Feng was elected as the chairman of the Board and the Chairman of the Strategy and Development Committee of the Board, and Mr. ZHANG Tao was proposed for appointment as an executive Director. On June 25, 2026, the Henan Office of the National Financial Regulatory Administration approved the qualification of Mr. ZHOU Feng as the chairman of the Board.

3 The dissolution of the Board of Supervisors of the Bank came into effect on January 5, 2026. For details, please refer to the announcement of the Bank dated January 8, 2026.

On June 29, 2026, the Bank convened the 2025 shareholders' general meeting, at which the appointment of Mr. ZHANG Tao as an executive Director of the third session of the Board of the Bank was approved. On the same day, the Bank convened a Board meeting, at which Mr. ZHANG Tao was elected as the vice chairman of the Board. His qualification as a Director and the vice chairman of the Board is subject to approval by the Henan Office of the National Financial Regulatory Administration.

3.2 Changes of Senior Management

On April 21, 2026, Mr. ZHOU Feng resigned as the president of the Bank. On the same day, the Bank convened a Board meeting, at which Mr. ZHANG Tao was appointed as the president of the Bank. His qualification as the president is subject to approval by the Henan Office of the National Financial Regulatory Administration.

Mr. PAN Wenyao resigned as the secretary to the Board of the Bank on March 30, 2026. On the same day, the Bank convened a Board meeting, at which Mr. PAN Wenyao was appointed as the chief compliance officer. His qualification was approved by the Henan Office of the National Financial Regulatory Administration on July 14, 2026.

Mr. WANG Yong was approved by the Board of Directors to serve as the secretary to the Board of the Bank on March 30, 2026. His qualification was approved by the Henan Office of the National Financial Regulatory Administration on July 17, 2026.

Save as disclosed above, as of the date of this report, there was no change in the Directors and senior management members.

3.3 Changes of the Company Secretary

Ms. CHAN Yin Wah ("Ms. CHAN") has resigned as the company secretary of the Bank (the "Company Secretary"), an authorized representative of the Bank (the "Authorized Representative") under Rule 3.05 of the Hong Kong Listing Rules and the authorized representative (the "Process Agent") under Rule 19A.13(2) of the Hong Kong Listing Rules and under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) due to job reallocation, with effect from August 28, 2026.

Ms. CHAN confirmed that she has no disagreement with the Board and there is no matter relating to her resignation that needs to be brought to the attention of the Hong Kong Stock Exchange and the shareholders.

Following the resignation of Ms. CHAN, Ms. HAU Hei Man, Sonya ("Ms. HAU") has been appointed as the Company Secretary, an Authorized Representative and the Process Agent, with effect from August 28, 2026. The biographical details of Ms. HAU are set out as follows:

Ms. HAU is currently a vice president of SWCS Corporate Services Group (Hong Kong) Limited. She has extensive experience in company secretarial and corporate governance matters for listed companies. Ms. HAU is an associate of both The Chartered Governance Institute and The Hong Kong Chartered Governance Institute, holding chartered secretary and chartered governance professional designations. Ms. HAU holds a Bachelor of Laws (Honours) degree from Manchester Metropolitan University in United Kingdom and a Master of Science degree in Professional Accounting and Corporate Governance from City University of Hong Kong.

4 Interests and Short Positions of Directors and Chief Executives in Shares, Underlying Shares and Debentures

As of June 30, 2026, none of the Directors or chief executives of the Bank had interests and short positions in the shares, underlying shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept by the Bank under Section 352 of the SFO, or which were required to be notified to the Bank and the Hong Kong Stock Exchange under Divisions 7 and 8 of Part XV of the SFO and the Model Code.

5 Securities Transactions by Directors and Relevant Employees

The Bank has adopted the Model Code as the code of conduct for securities transactions of the Bank by all Directors. The Bank has also put in place guidelines in respect of dealings in securities of the Bank with terms no less exacting than those of the Model Code, for the relevant employees (as defined in the Hong Kong Listing Rules). Having made specific enquiries to all Directors regarding their compliance with the Model Code, each of the Directors confirmed that those standards as provided thereunder have been complied with during the Reporting Period. Having made specific enquiries to the relevant employees regarding their compliance with the guidelines of dealing in securities of the Bank, the Bank is not aware of any incompliance with the guidelines.

6 Employees' Remuneration Policies and Training Programs

6.1 Information of Employees

As of June 30, 2026, we had 18,459 employees in total, of which 1,786 employees were at our head office and 16,673 employees at our branches and sub-branches (including direct sub-branches). We had 187 dispatched labor staff, who normally held non-key positions in the Bank. Of which, 16,449 employees or approximately 89.11% had bachelor's degrees or above, with the average age of 38. There were 9,390 male employees (accounting for 50.9% of the total employees) and 9,069 female employees (accounting for 49.1% of the total employees).

6.2 Remuneration Policies

The remuneration management of the Bank adheres to the principles of unifying the strengthening of the Party's leadership with the improvement of corporate governance, balancing efficiency and fairness, and combining incentives and constraints, thereby establishing a sound remuneration management mechanism that pays for position and value. The Bank gave full play to the guiding role of remuneration in operation and risk management and control. In accordance with the principle of combining immediate incentives with long-term incentives and combining effective incentives and responsibility constraints, the Bank implemented deferred payment of performance-based remuneration for applicable personnel, and improved the management measures of performance-based remuneration recovery and deduction, so as to motivate the senior management and employees' stable operation and sustainable long-term development of the Bank.

The remuneration management system of the Bank should be submitted to the Standing Party Committee, Employees' Representative Meeting, Nomination and Remuneration Committee under the Board and the Board of Directors for review. The Bank did not have any equity incentive plan or employee share ownership plan during the Reporting Period.

6.3 Training Programs

Based on the business development strategy and under the people-oriented philosophy, the Bank developed its education and training plans. It implemented a management mechanism of unified principles and plans, hierarchical management and classified implementation for employee training, with a focus on enhancing the comprehensive capability of key personnel and the job skills of all employees across the Bank. It also established a hierarchical training system of "navigating (領航)", "voyaging (遠航)", "piloting (引航)" and "sailing (啟航)", targeting key personnel such as middle and senior management, heads of secondary departments, heads of branch departments, presidents at the sub-branch level, outstanding employees and newly recruited college graduates. Additionally, the trainings were managed in accordance with a three-tier training system comprising "head office, branch, sub-branch (sector) (總、分、支)", comprehensively covering core businesses such as corporate, retail, interbank, risk and compliance and promoting the enhancement of job skills for all employees in the Bank.

During the Reporting Period, the Bank held a total of 61 head office-level training sessions with a total of 14,400 participants, and 271 branch-level training sessions with a total of 32,500 participants. 3,156 online courses were provided through online learning platforms, and the total number of courses attended by the trainees reached 1,576,000, with the learning time coming to 650,000 hours.

7 Basic Information of Institutions under the Bank

As of June 30, 2026, the Bank had 18 branches and 1 direct sub-branch, with a total of 696 business outlets. Among them, there were 399 urban sub-branches, 181 county sub-branches, 115 township sub-branches and 1 small and micro sub-branch.

V. Directors, Senior Management and Employees

No.	Region	Name of Branch	Business Address	Remarks
1	Zhengzhou, Henan	Headquarters	No. 9 Waihuan Road, Financial Island, Zhengdong New District, Zhengzhou, Henan Province	In charge of one directly affiliated sub-branch
2	Zhengzhou, Henan	Zhengzhou branch	No. 6, Fengyi Road, Jinshui District, Zhengzhou City, Henan Province	In charge of one business department, 62 sub-branch institutions
3	Luoyang, Henan	Luoyang branch	Intersection of Kaiyuan Avenue and Tongji Street, Luolong District, Luoyang City, Henan Province	In charge of one business department, 94 sub-branch institutions
4	Kaifeng, Henan	Kaifeng branch	No. 246, West Daliang Road, Kaifeng City, Henan Province	In charge of one business department, 29 sub-branch institutions
5	Xinyang, Henan	Xinyang branch	Xinshi Street, Yangshan New District, Xinyang City, Henan Province	In charge of one business department, 32 sub-branch institutions
6	Anyang, Henan	Anyang branch	Northwest Corner, Intersection of Wenfeng Avenue and Guangming Road, Wenfeng District, Anyang City, Henan Province	In charge of one business department, 27 sub-branch institutions
7	Hebi, Henan	Hebi branch	Finance Centre, Northeast Corner, Intersection of Qishui Avenue and Chaoge Road, Qibin District, Hebi City, Henan Province	In charge of one business department, 14 sub-branch institutions
8	Luohe, Henan	Luohe branch	Northwest Corner, Intersection of Huangshan Road and Songjiang Road, Luohe City, Henan Province	In charge of one business department, 17 sub-branch institutions
9	Nanyang, Henan	Nanyang branch	Building 2, Financial Centre, Intersection of Guangwu Road and Laojieling Road, Nanyang City, Henan Province	In charge of one business department, 48 sub-branch institutions
10	Pingdingshan, Henan	Pingdingshan branch	No. 7, Yaodian Avenue, Zhanhe District, Pingdingshan City, Henan Province	In charge of one business department, 60 sub-branch institutions
11	Puyang, Henan	Puyang branch	No. 444, Shenglizhong Road, Puyang City, Henan Province	In charge of one business department, 32 sub-branch institutions
12	Sanmenxia, Henan	Sanmenxia branch	No. 2 Commercial Street South, Yingbin Avenue West, Central Business District, Sanmenxia City, Henan Province	In charge of one business department, 39 sub-branch institutions
13	Shangqiu, Henan	Shangqiu branch	No. 195, Middle Wenhua Road, Suiyang District, Shangqiu City, Henan Province	In charge of one business department, 44 sub-branch institutions
14	Xinxiang, Henan	Xinxiang branch	No. 599 Pingyuan Road, Xinxiang City, Henan Province	In charge of one business department, 33 sub-branch institutions
15	Xuchang, Henan	Xuchang branch	East Jianan Avenue, Xuchang City, Henan Province	In charge of one business department, 36 sub-branch institutions
16	Zhoukou, Henan	Zhoukou branch	Changjian MOCO New World Business Office Building, Intersection of Qingfeng East Road and Zhoukou Avenue, Zhoukou City, Henan Province	In charge of one business department, 28 sub-branch institutions
17	Zhumadian, Henan	Zhumadian branch	No. 168, Wenming Road, Zhumadian City, Henan Province	In charge of one business department, 36 sub-branch institutions
18	Jiaozuo, Henan	Jiaozuo branch	No. 1, Yingbin Road, Jiaozuo City, Henan Province	In charge of one business department, 42 sub-branch institutions
19	Jiyuan, Henan	Jiyuan branch	No. 481, Middle Yellow River Road, Jiyuan City, Henan Province	In charge of one business department, 4 sub-branch institutions

VI. Corporate Governance

1 Compliance with the Corporate Governance Code

During the Reporting Period, the Bank has complied with all the code provisions in the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules, and adopted most of the recommended best practices set out therein.

2 Information Regarding the Convening of the Shareholders' General Meetings

The Bank held two Shareholders' general meetings during the Reporting Period.

On April 29, 2026, in Zhengzhou, Henan, the Bank held the 2026 first extraordinary general meeting, at which 3 proposals were considered and approved, including Proposal on the Capital Replenishment and Use Planning for 2026-2028 of Zhongyuan Bank Co., Ltd., Proposal on the Issuance of Sci-Tech Innovation Bonds by Zhongyuan Bank Co., Ltd., and Proposal on the Issuance of Indefinite Term Capital Bonds by Zhongyuan Bank Co., Ltd..

On June 29, 2026, in Zhengzhou, Henan, the Bank held the 2025 annual general meeting, at which 9 proposals were considered and approved, including Proposal on the Work Report of the Board of Directors of Zhongyuan Bank Co., Ltd. for 2025, Proposal on the Final Account Report of Zhongyuan Bank Co., Ltd. for 2025, Proposal on Profit Distribution Plan of Zhongyuan Bank Co., Ltd. for 2025 and Proposal on the Financial Budget Report of Zhongyuan Bank Co., Ltd. for 2026.

3 Information Regarding the Convening of Meetings of the Board of Directors and its Special Committees

During the Reporting Period, eight meetings of the Board of Directors were held, at which 94 items of business were heard or considered. The Strategic Development Committee of the Board of Directors met 4 times and heard or considered 19 items of business; the Audit Committee of the Board of Directors met 6 times and heard or considered 64 items of business; the Related Party Transactions Control Committee of the Board of Directors met 3 times and heard or considered 7 items of business; the Risk Management Committee of the Board of Directors met 4 times and heard or considered 31 items of business; the Nomination and Remuneration Committee of the Board of Directors met 5 times and heard or considered 17 items of business; and the Consumer Rights Protection Committee of the Board of Directors met 4 times and heard or considered 5 items of business.

4 Public Float

Based on the public information available to the Bank and to the knowledge of our Directors, as of the date of this report, the Bank had maintained sufficient public float in compliance with the minimum requirement of the Hong Kong Listing Rules and the exemption granted by the Hong Kong Stock Exchange upon the Bank's listing.

5 Internal Control

Focusing on the four targets of "compliant operations, strategic implementation, accurate information and controllable risks", and upholding the principles of full coverage, checks and balances, prudence, compatibility and materiality, the Bank has established a relatively scientific and standardized internal control system in strict compliance with relevant laws and regulations, such as the Commercial Banking Law of the PRC (《中華人民共和國商業銀行法》) and the Internal Control Guidelines for Commercial Banks (《商業銀行內部控制指引》), and the relevant requirements of the Hong Kong Stock Exchange.

VI. Corporate Governance

The Bank has established an internal control governance and organizational structure comprising the Board of Directors, the senior management, the internal control department, the audit department, and various departments and branches of the head office, and continues to strengthen the collaboration mechanism comprising three lines of defense for internal control. The first line of defense for internal control consists of various branches and operating units, which have to undertake primary responsibilities for self-risk control in the course of their business operation, including the formulation of internal control at the front lines, the implementation of policies, the business examination, the reporting of control deficiencies and the implementation of rectification measures. The second line of defense for internal control consists of the internal control and risk management departments at all levels, which are responsible for the overall planning, organizing and implementing, and examining and assessing of risk management and internal control. The third line of defense for internal control consists of the audit department, which independently performs the supervision function and is responsible for performing internal audit on the adequacy and effectiveness of internal control and risk management.

The Bank, following the principle of "prudential operation with risk-based supervision", continued to improve its rules and regulations systems by establishing a three-tier system comprising "basic norms, administrative measures and operational rules". The Bank had established a mechanism to assess internal control system and promptly modified and improved its internal control system in accordance with the changing requirements of the external laws and regulations and the regulatory requirements, to ensure that all systems comply with external laws and regulations and regulatory requirements, and to provide a basis and support for the Bank's operational management, business operations and effective risk prevention and control. The Bank continued to promote the culture building of internal control compliance and actively organized compliance training courses and publicity activities for all of its staff. Through continuously organizing case warning and education activities, and special trainings on compliance and campaigns at different levels throughout the Bank, the Bank continued to enhance employees' risk awareness and commitment to compliance, thereby laying a solid foundation for the effectiveness of its internal control.

VII. Important Events

1 Use of Proceeds

On September 19, 2024, the Bank publicly issued the 2024 special financial bonds for loans to small and micro enterprises of Zhongyuan Bank Co., Ltd. (the first tranche) in the national inter-bank bond market, with an issuance size of RMB5.0 billion, and a coupon rate of 2.1%, which were 3-year fixed interest rate bonds. The proceeds were specially used to issue loans to small and micro enterprises in accordance with applicable laws and the approval of the regulatory authorities. Please refer to the announcement of the Bank dated September 20, 2024 for details.

On July 10, 2024, the Bank publicly issued the 2024 tier 2 capital bonds of Zhongyuan Bank Co., Ltd. (the first tranche) in the national inter-bank bond market, with an issuance size of RMB8.0 billion, which were 10-year fixed interest rate bonds. The issuer shall have a conditional redemption right at the end of the fifth year with a coupon rate of 2.35%. The proceeds were used to replenish the Bank's tier 2 capital in accordance with applicable laws and the approval of the regulatory authorities. As at June 30, 2026, such bond has not been redeemed. Please refer to the announcement of the Bank dated July 11, 2024 for details.

On August 15, 2023, the Bank publicly issued the 2023 undated capital bonds of Zhongyuan Bank Co., Ltd. (the first tranche) in the national inter-bank bond market, with an issuance size of RMB10.0 billion, and a coupon rate of 4.6% for the first 5 years, which will be reset every 5 years, and the issuer shall have a conditional redemption right on every dividend payment date from the fifth year onwards. The proceeds were used to replenish other tier 1 capital of the Bank in accordance with applicable laws and the approval of the regulatory authorities. As at June 30, 2026, such bond has not been redeemed. Please refer to the announcement of the Bank dated August 15, 2023 for details.

In January 2023, the Bank entered into a convertible negotiated deposit agreement (the "Agreement") with Zhengzhou Finance Bureau as designated by the Finance Department of Henan Province, and received RMB8.0 billion from Zhengzhou Finance Bureau in the form of convertible negotiated deposit, which has been fully used to replenish other tier 1 capital. As of the date of this report, the conditions for conversion set out in the Agreement have not been met, and the Bank has not issued any shares in accordance with the Agreement. Please refer to the circular dated October 5, 2022 and the announcement dated February 6, 2023 of the Bank for details.

2 Profits and Dividends

The Board has not made any proposal on the payment of an interim dividend for the six months ended June 30, 2026.

With the approval of the Board of Directors of the Bank on June 5, 2026, it was recommended not to distribute the 2025 final dividend to all Shareholders. Such resolution of no dividend distribution was approved by the Bank at the 2025 annual general meeting held on June 29, 2026.

VII. Important Events

3 Related Party (Connected) Transactions

3.1 Related Party Transactions under the Requirements of the National Financial Regulatory Administration

According to Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions (2025 Revision) (《銀行保險機構關聯交易管理辦法(2025修正)》), the overall situation of related party transactions under the regulatory standards of the Bank during the Reporting Period is as follows:

3.1.1 Related parties

As of the end of the Reporting Period, the Bank has a total of 8,875 related parties, including 1,658 related legal persons and 7,217 related natural persons.

3.1.2 The implementation of supervision proportion

As of the end of the Reporting Period, the maximum credit balance of a single related party of the Bank accounted for 3.43% of the net capital of the Bank at the end of the previous quarter; the maximum credit balance of a group customer that includes a single related legal person or an unincorporated organization accounted for 7.53% of the net capital of the Bank; and the credit balance of all related parties accounted for 22.79% of the net capital of the Bank. None of the above indicators exceeds the following limits specified by the regulatory authorities: the balance of credit granted by the banking institution to a single related party shall not exceed 10% of the net capital of the banking institution at the end of the previous quarter; the total balance of credit granted by the banking institution to a group customer that includes a single related legal person or an unincorporated organization shall not exceed 15% of the net capital of the banking institution at the end of the previous quarter; the balance of credit granted by the banking institution to all related parties shall not exceed 50% of the net capital of the banking institution at the end of the previous quarter.

3.2 Connected Transactions under the Hong Kong Listing Rules

In the ordinary and usual course of business, the Bank offers commercial banking services and products to the public in China, including certain connected persons of the Bank such as the Shareholders, Directors, former supervisors, President and/or their respective associates. Pursuant to the Hong Kong Listing Rules, such transactions, being conducted on normal commercial terms in the ordinary and usual course of business of the Bank, shall be exempt from the reporting, annual review, disclosure and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. The Bank has reviewed all its connected transactions and acknowledged that it had complied with the requirements under Chapter 14A of the Hong Kong Listing Rules. During the Reporting Period, there were no other events that constituted material connected transactions of the Bank.

3.3 Related Party Transactions under the International Accounting Standards

For further details, please refer to Note 41 to the financial statements in this report. The definition of connected persons under Chapter 14A of the Hong Kong Listing Rules is different from the definition of related parties under the International Accounting Standard, and its interpretations by the International Accounting Standards Board. Some of the related party transactions set out in the notes to the financial statements also constitute connected transactions or continuing connected transactions as defined under the Hong Kong Listing Rules, but none of them constitutes a disclosable connected transaction as defined under the Hong Kong Listing Rules.

4 Material Litigations and Arbitrations

As of June 30, 2026, the disputed amount involved in the outstanding litigation cases in which the Bank was the defendant was RMB1,174.70 million. The Bank does not expect such litigation to have a material adverse effect on the Bank's business, financial condition and results of operations.

5 Penalties for the Bank and its Directors, Former Supervisors and Senior Management

During the Reporting Period, none of the Bank, its Directors, former supervisors and senior management had been subject to any material administrative penalty by the regulatory authorities that affected the Bank's normal operations.

6 Performance of Commitments by the Bank and Shareholders with 5% or more of Shares

The Bank's major Shareholders, their related parties and persons acting in concert have issued to the Bank a statement on the conditions and requirements for investment in the Bank, a statement on the equity relationship, a statement on the tax situation, a statement on the purpose of the shareholding and the source of funds, a statement on non-occurrence of non-compliance related party transactions, a statement on non-significant violations, a statement on the authenticity of materials, a statement on compliance holdings, and a statement on equity status and shareholder performance. They have also made commitments on compliance with laws and regulations, the Bank's Articles of Association and other relevant provisions, legal exercise of rights and performance of obligations and other matters.

7 Material Contracts and their Performance

During the Reporting Period, no material contracts (including the provision of relevant services) in relation to the Bank's business to which the Bank or its subsidiaries was a party and in which any of the Directors, former supervisors or members of its management had a material interest, whether directly or indirectly, subsisted.

8 Significant Investment, Acquisitions and Disposals of Assets and Business Mergers

During the Reporting Period, AB Leasing and BOL Financial Leasing, subsidiaries of the Bank, held their respective board meetings on March 27, 2026, and considered and approved the resolutions regarding the commencement of work in relation to the absorption and merger of BOL Financial Leasing by AB Leasing (the "**Potential Absorption and Merger**").

On August 28, 2026, AB Leasing and BOL Financial Leasing entered into a restructuring agreement. Pursuant to the agreement, AB Leasing will absorb and merge BOL Financial Leasing, with AB Leasing acting as the merging party and BOL Financial Leasing as the merged party. AB Leasing will issue consideration shares to all shareholders of BOL Financial Leasing listed on its register of shareholders as of the record date, in exchange for the shares of BOL Financial Leasing held by them. Upon completion of the merger and restructuring, BOL Financial Leasing will undergo procedures for the deregistration of its legal entity status. As the surviving entity, AB Leasing will assume all assets, liabilities, businesses, personnel, contracts, and all other rights and obligations of BOL Financial Leasing. Please refer to the announcement of the Bank dated August 28, 2026 for details.

Save as disclosed above, no significant investment, acquisitions and disposals of assets and business mergers have occurred during the Reporting Period.

9 Replenishment of Other Tier-1 Capital through a Convertible Negotiated Deposit

In order to actively implement the government's special debt policy of RMB8 billion, enhance the Bank's capital strength and risk resistance level, the Bank carried out the convertible negotiated deposit business to replenish its other tier-1 capital. The extraordinary general meeting, the domestic Share class meeting and the H Share class meeting held by the Bank on November 11, 2022 reviewed and approved the Bank's replenishment of other tier-1 capital through a convertible negotiated deposit. The Bank has entered into Convertible Negotiated Deposit Agreement (the "**Agreement**") with Zhengzhou Finance Bureau, an authority designated by the Finance Department of Henan Province, under which special bonds of RMB8 billion undertaken through a convertible negotiated deposit by the Bank were all used to replenish the Bank's other tier-1 capital.

The parties agreed that the conversion of the convertible negotiated deposit into ordinary shares of the Bank should satisfy the following conditions at the same time:

(1) the core tier-1 capital adequacy ratio of the Bank is lower than 5.125%;

(2) Zhengzhou Finance Bureau reported to the Finance Department of Henan Province for approval; and

(3) the class and number of the converted ordinary shares and the shareholding structure of the Bank after the conversion should satisfy the specific requirements of the Hong Kong Stock Exchange for the Minimum Public Float, otherwise the conversion shall be terminated.

If the above conditions are satisfied, all or part of the convertible negotiated deposit placed in the Bank by Zhengzhou Finance Bureau will be converted into the Shares of the Bank. Their shareholding ratios will be determined based on the conversion price standards set out in the Agreement. When the core tier-1 capital adequacy ratio of the Bank is lower than 5.125% while the above conditions (2) and (3) are not satisfied, Zhengzhou Finance Bureau shall not convert the Shares in a mandatory manner. The convertible negotiated deposit can be converted to a maximum of 8,000,000,000 H Shares of the Bank (taking up approximately 17.96% of the enlarged total share capital of the Bank), with a par value of RMB1.00 per Share, provided that the conditions for conversion are satisfied. Based on that and the conversion price of RMB1.00 per Share, the conversion will not result in a theoretical dilution effect. The Bank has complied with the theoretical dilution effect requirement in accordance with Rule 7.27B of the Hong Kong Listing Rules at the time of entering into the Agreement, and will also ensure to comply with the theoretical dilution effect requirement in accordance with Rule 7.27B of the Hong Kong Listing Rules at the time of implementation of the convertible negotiated deposit.

As of the date of this report, the conditions for conversion set out in the Agreement have not been met, and the Bank has not issued any shares in accordance with the Agreement. For details about the replenishment of other tier-one capital through the convertible negotiated deposit, please refer to the circular of the Bank dated October 5, 2022 and announcement dated February 6, 2023.

10 Implementation of Share Schemes during the Reporting Period

During the Reporting Period, the Bank had not implemented any share schemes.

11 Appointment and Dismissal of Auditors

After consideration and approval at the 2025 annual general meeting convened on June 29, 2026, the Bank has reappointed Baker Tilly China Certified Public Accountants and Baker Tilly Hong Kong Limited as the Bank's domestic and overseas auditors in 2026 respectively, with term of office till the end of the 2026 annual general meeting.

12 Pledge of Significant Assets

During the Reporting Period, the Bank had not pledged any significant assets.

13 Contingent Liabilities

As at June 30, 2026, save as disclosed in Note 46(c) of the consolidated financial statements in this interim report, the Group has no other contingent liabilities.

14 Events after the End of the Reporting Period

Save as disclosed in "Significant Investment, Acquisitions and Disposals of Assets and Business Mergers" above, as of the date of this interim report, there are no significant events after the end of the Reporting Period that need to be disclosed.

15 Review of the Interim Report

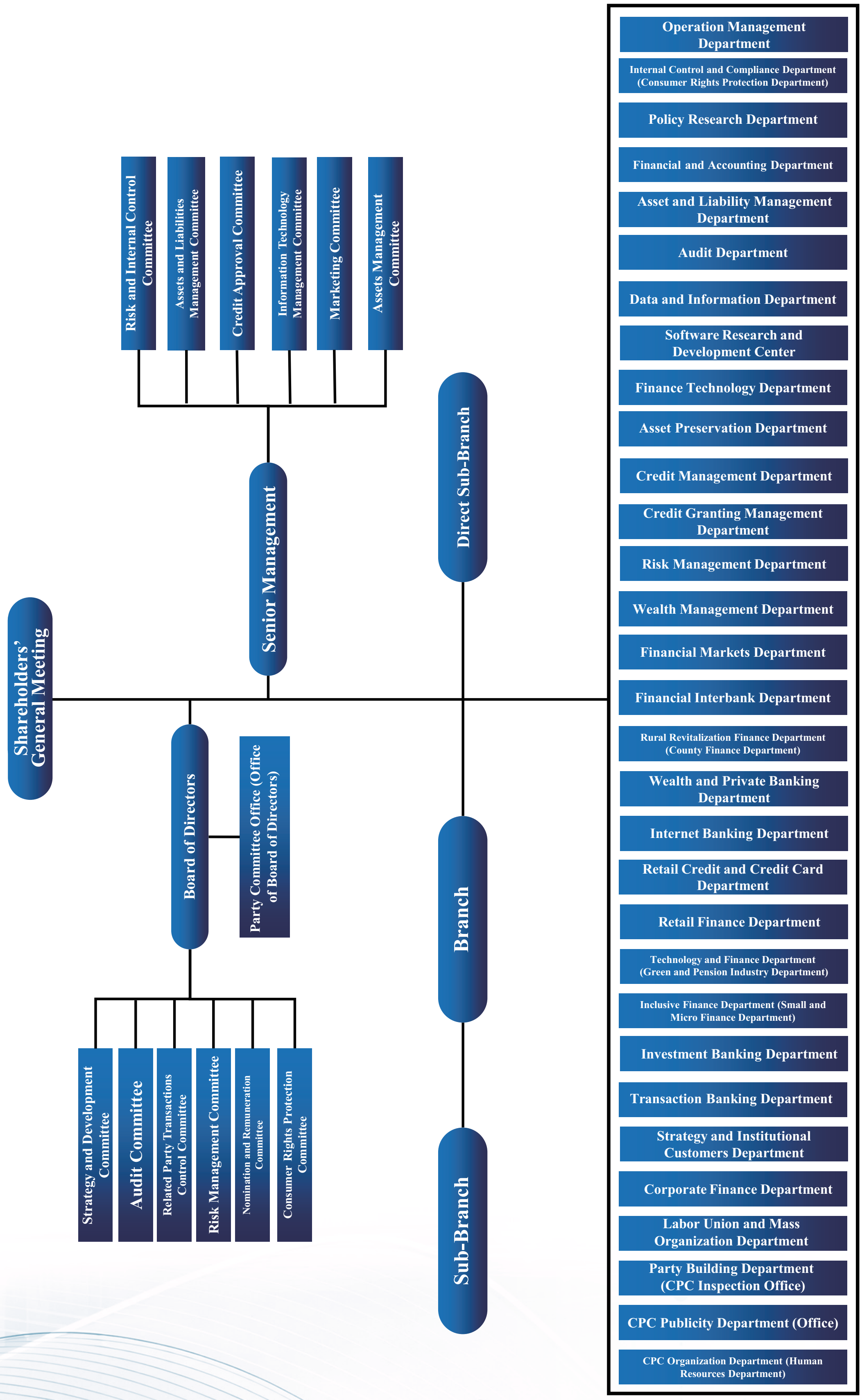
The interim financial statements disclosed in this report have not been audited. Baker Tilly Hong Kong Limited has reviewed the interim financial statements of the Bank for the six months ended June 30, 2026, which were prepared in accordance with the International Accounting Standards issued by the International Accounting Standards Board, pursuant to the Hong Kong Standards on Review Engagements.

On August 26, 2026, the Audit Committee of the Board of Directors reviewed and confirmed the interim results announcement of the Group for the six months ended June 30, 2026, the 2026 interim report and the unaudited interim financial statements for the six months ended June 30, 2026 prepared in accordance with the requirements of the International Accounting Standards.

16 Interim Results

The interim results announcement of the Group for the six months ended June 30, 2026 was published on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Bank's website (www.zybank.com.cn) on August 28, 2026.

VIII. Organizational Structure



Review report to the board of directors of Zhongyuan Bank Co., Ltd.
(A joint stock company incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 76 to 174 which comprises the consolidated statement of financial position of Zhongyuan Bank Co., Ltd. (the "Bank") and its subsidiaries as of 30 June 2026 and the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board. The directors of the Bank are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion 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 Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, as issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of 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 Hong Kong 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 report as at 30 June 2026 is not prepared, in all material respects, in accordance with IAS 34.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 28 August 2026
Gao Yajun
Practising certificate number P06391

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Interest income		**21,924,001**	22,871,039
Interest expense		**(9,913,063)**	(11,820,458)
Net interest income	4	**12,010,938**	11,050,581
Fee and commission income		**1,350,585**	1,410,511
Fee and commission expense		**(357,957)**	(173,982)
Net fee and commission income	5	**992,628**	1,236,529
Net trading gains	6	**247,308**	342,310
Net gains arising from investment securities	7	**865,206**	875,561
Other operating income	8	**155,268**	57,483
Operating income		**14,271,348**	13,562,464
Operating expenses	9	**(3,892,710)**	(4,069,154)
Impairment losses on assets	10	**(8,121,037)**	(8,070,870)
Investment (losses)/gains on associate and joint venture		**(406,112)**	83,402
Profit before tax		**1,851,489**	1,505,842
Income tax credit	11	**298,268**	623,129
Profit for the period		**2,149,757**	2,128,971
Profit for the period attributable to:			
Equity shareholders of the Bank		**2,118,510**	2,033,566
Non-controlling interests		**31,247**	95,405
Profit for the period		**2,149,757**	2,128,971
Basic and diluted earnings per share (in RMB)	12	**0.05**	0.05

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

		Six months ended 30 June	
	Note	**2026 (Unaudited)**	2025 (Unaudited)
Profit for the period		**2,149,757**	2,128,971
Other comprehensive income/(expense)			
Other comprehensive income/(expense) attributable to equity shareholders of the Bank, net of tax			
Items that may be reclassified subsequently to profit or loss:			
– Financial assets at fair value through other comprehensive income: net movement in fair value reserve	35(d)(i)	**500,986**	(673,262)
– Financial assets at fair value through other comprehensive income: net movement in impairment losses	35(d)(ii)	**(11,769)**	(439,097)
– Share of other comprehensive expense of associate	35(d)(iv)	**–**	(394)
		489,217	(1,112,753)
Item that will not be reclassified subsequently to profit or loss:			
– Remeasurement of net defined benefit liability	35(d)(iii)	**(14,752)**	(17,043)
Other comprehensive expense attributable to non-controlling interests, net of tax		**(9,730)**	(21,314)
Other comprehensive income/(expense) for the period, net of tax		**464,735**	(1,151,110)
Total comprehensive income for the period		**2,614,492**	977,861
Total comprehensive income for the period attributable to:			
Equity shareholders of the Bank		**2,592,975**	903,770
Non-controlling interests		**21,517**	74,091
Total comprehensive income for the period		**2,614,492**	977,861

The notes on pages 85 to 174 form part of this interim financial report.

Consolidated Statement of Financial Position

As at 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and deposits with the central bank	13	**85,205,672**	58,607,766
Deposits with banks and other financial institutions	14	**20,768,551**	36,555,530
Placements with banks and other financial institutions	15	**48,588,697**	52,214,306
Derivative financial assets	16	**16,488**	56,986
Financial assets held under resale agreements	17	**62,781,060**	38,560,219
Loans and advances to customers	18	**728,113,881**	716,699,719
Financial investments:	19		
– Financial investments at fair value through profit or loss		**69,800,242**	55,528,451
– Financial investments at fair value through other comprehensive income		**110,790,621**	109,535,351
– Financial investments at amortised cost		**259,031,140**	245,936,055
Lease receivables	20	**76,976,996**	67,209,287
Investments in associate and joint venture	21	**2,061,061**	2,038,819
Property and equipment	22	**7,938,615**	8,363,588
Deferred tax assets	23	**14,382,336**	13,748,496
Goodwill	24	**1,982,050**	1,982,050
Other assets	25	**8,029,721**	7,256,758
TOTAL ASSETS		**1,496,467,131**	1,414,293,381
LIABILITIES AND EQUITY			
Liabilities			
Borrowings from the central bank	27	**71,275,684**	58,404,636
Deposits from banks and other financial institutions	28	**81,616,523**	78,075,855
Placements from banks and other financial institutions	29	**71,713,242**	64,752,787
Derivative financial liabilities	16	**20,407**	2,862
Financial liabilities at fair value through profit or loss		**–**	45,788
Financial assets sold under repurchase agreements	30	**36,445,797**	25,631,281
Deposits from customers	31	**1,014,327,779**	981,289,393
Income tax payable		**287,661**	252,194
Debt securities issued	32	**109,729,446**	92,650,704
Other liabilities	33	**12,254,676**	13,862,457
Total liabilities		**1,397,671,215**	1,314,967,957

Consolidated Statement of Financial Position

As at 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Equity			
Share capital	34	**36,549,823**	36,549,823
Other equity instruments	37	**9,999,217**	12,998,937
Reserves	35	**42,239,618**	41,765,433
Retained earnings	36	**6,897,009**	4,922,499
Total equity attributable to equity shareholders of the Bank		**95,685,667**	96,236,692
Non-controlling interests		**3,110,249**	3,088,732
Total equity		**98,795,916**	99,325,424
TOTAL LIABILITIES AND EQUITY		**1,496,467,131**	1,414,293,381

Approved and authorised for issue by the board of directors on 28 August 2026.

Zhou Feng
Chairman of the Board of Directors
Executive Director

Zhang Tao
President (Acting)
Person in charge of Financial Accounting Department

Zhao Yixin
General Manager of the
Financial Accounting Department

Zhongyuan Bank Co., Ltd.
(Company chop)

The notes on pages 85 to 174 form part of this interim financial report.

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Attributable to equity shareholders of the Bank									
	Share capital	Other equity instruments	Capital reserve*	Surplus reserve*	General reserve*	Other reserves*	Retained earnings	Sub-total	Non-controlling interests	Total
Balance at 1 January 2026 (audited)	36,549,823	12,998,937	18,938,233	3,739,799	18,716,701	370,700	4,922,499	96,236,692	3,088,732	99,325,424
Changes in equity for the six months ended 30 June 2026:										
Profit for the period	–	–	–	–	–	–	2,118,510	2,118,510	31,247	2,149,757
Other comprehensive income/ (expense)	–	–	–	–	–	474,465	–	474,465	(9,730)	464,735
Total comprehensive income						474,465	2,118,510	2,592,975	21,517	2,614,492
Distribution of interest on perpetual bonds	–	–	–	–	–	–	(144,000)	(144,000)	–	(144,000)
Redemption of perpetual bonds	–	(2,999,720)	(280)	–	–	–	–	(3,000,000)	–	(3,000,000)
Balance at 30 June 2026 (unaudited)	36,549,823	9,999,217	18,937,953*	3,739,799*	18,716,701*	845,165*	6,897,009	95,685,667	3,110,249	98,795,916

* These reserve accounts are included in the consolidated reserves of RMB42,239,618 thousands in the consolidated statement of financial position for the period ended 30 June 2026.

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Attributable to equity shareholders of the Bank									
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Other reserves	Retained earnings	Sub-total	Non-controlling interests	Total
Balance at 1 January 2025 (audited)	36,549,823	13,998,937	19,004,374	3,419,254	16,679,124	2,123,625	4,782,621	96,557,758	3,825,556	100,383,314
Changes in equity for the six months ended 30 June 2025:										
Profit for the period	–	–	–	–	–	–	2,033,566	2,033,566	95,405	2,128,971
Other comprehensive expense	–	–	–	–	–	(1,129,796)	–	(1,129,796)	(21,314)	(1,151,110)
Total comprehensive (expense)/income	–	–	–	–	–	(1,129,796)	2,033,566	903,770	74,091	977,861
Appropriation to general reserve	–	–	–	–	810,358	–	(810,358)	–	–	–
Distribution of interest on perpetual bonds	–	–	–	–	–	–	(144,000)	(144,000)	–	(144,000)
Dividend distribution	–	–	–	–	–	–	(438,598)	(438,598)	–	(438,598)
Balance at 30 June 2025 (unaudited)	36,549,823	13,998,937	19,004,374	3,419,254	17,489,482	993,829	5,423,231	96,878,930	3,899,647	100,778,577

The notes on pages 85 to 174 form part of this interim financial report.

Consolidated Cash Flow Statement

For the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit before tax	**1,851,489**	1,505,842
Adjustments for:		
– Impairment losses on assets	**8,121,037**	8,070,870
– Depreciation and amortisation	**686,402**	630,741
– Depreciation of investment properties	**1,249**	1,310
– Unrealised foreign exchange gains	**(206,967)**	(183,672)
– Gains on disposal of property and equipment	**(35,625)**	(15,895)
– Unrealised net trading (gains)/losses	**(3,126)**	211,021
– Losses/(gains) arising from fair value changes of derivatives financial instruments	**58,043**	(192,126)
– Net gains arising from investment securities	**(865,206)**	(875,561)
– Investment losses/(gains) on associate and joint venture	**406,112**	(83,402)
– Interest expense on debt securities issued	**822,922**	1,505,559
– Interest expense on lease liabilities	**3,450**	8,139
	10,839,780	10,582,826
Changes in operating assets:		
Increase in deposits with the central bank	**(1,718,457)**	(2,628,844)
Decrease/(increase) in deposits and placements with banks and other financial institutions	**4,528,603**	(18,094,638)
Increase in financial assets held for trading	**(18,637,705)**	(22,939,470)
Increase in loans and advances to customers	**(14,288,786)**	(2,690,374)
Increase in lease receivables	**(10,722,649)**	(5,602,841)
(Increase)/decrease in other operating assets	**(2,618,197)**	14,939,977
	(43,457,191)	(37,016,190)

Consolidated Cash Flow Statement

For the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Cash flows from operating activities (continued)		
Changes in operating liabilities:		
Increase/(decrease) in borrowings from the central bank	**12,715,825**	(4,202,428)
Increase/(decrease) in deposits from banks and other financial institutions	**3,276,343**	(5,313,888)
Increase in placements from banks and other financial institutions	**6,944,616**	7,588,300
Increase/(decrease) in financial assets sold under repurchase agreements	**10,814,138**	(12,056,830)
Increase in deposits from customers	**38,271,322**	54,240,849
Decrease in other operating liabilities	**(5,562,113)**	(3,592,575)
	66,460,131	36,663,428
Cash generated from operations	**33,842,720**	10,230,064
Income tax paid	**(465,693)**	(342,875)
Net cash generated from operating activities	**33,377,027**	9,887,189
Cash flows from investing activities		
Proceeds from disposal and redemption of investments	**105,909,222**	362,344,673
Proceeds from disposal of property and equipment, intangible assets and other assets	**322,107**	47,657
Payments on acquisition of investments	**(117,977,724)**	(363,051,847)
Payments on acquisition of property and equipment, intangible assets and other assets	**(267,665)**	(569,961)
Net cash used in investing activities	**(12,014,060)**	(1,229,478)

Consolidated Cash Flow Statement

For the six months ended 30 June 2026
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Cash flows from financing activities			
Proceeds from issue of debt securities		**80,237,660**	123,396,321
Repayment of debt securities issued		**(63,116,909)**	(118,002,380)
Interest paid on debt securities issued		**(864,931)**	(1,507,468)
Dividends paid		**(149,969)**	(144,843)
Redemption of perpetual bonds		**(3,000,000)**	–
Capital element of lease liabilities paid		**(130,515)**	(132,784)
Interest element of lease liabilities paid		**(3,450)**	(8,139)
Net cash generated from financing activities		**12,971,886**	3,600,707
Effect of foreign exchange rate changes		**(30,184)**	(13,855)
Net increase in cash and cash equivalents	40(a)	**34,304,669**	12,244,563
Cash and cash equivalents at 1 January		**82,468,799**	63,630,220
Cash and cash equivalents at 30 June	40(b)	**116,773,468**	75,874,783
Interest received		**20,822,944**	21,122,182
Interest paid (excluding interest expense on debt securities issued)		**(13,887,312)**	(11,701,556)

The notes on pages 85 to 174 form part of this interim financial report.

Notes to the Unaudited Interim Financial Statements

(Expressed in thousands of Renminbi, unless otherwise stated)

1 Background information

Zhongyuan Bank Co., Ltd. (the "Bank") was established in Zhengzhou, Henan Province, the People's Republic of China (the "PRC") on 23 December 2014 with the approval of the former China Banking Regulatory Commission (the former "CBRC"). Prior to its establishment, the banking business (the "Business") was carried out by thirteen city commercial banks (the "Predecessor Entities"), each being located in Henan Province.

Pursuant to the reorganisation initiated by the People's Government of Henan Province (the "Henan Government"), the Bank was established through the merger and reorganisation of the Predecessor Entities.

The Bank obtained its financial institution license No. B0615H241010001 from the former CBRC, and obtained its business license with unified social credit code 9141000031741675X6 from the State Administration for Industry and Commerce of the PRC. The Bank is regulated by the National Financial Regulatory Administration ("NFRA") authorised by the State Council.

In July 2017, the Bank's H-shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock code: 01216).

On 25 May 2022, the Bank received the approval for the merger by absorption of Bank of Luoyang Co., Ltd. ("Bank of Luoyang"), Bank of Pingdingshan Co., Ltd. ("Bank of Pingdingshan") and Bank of Jiaozuo China Travel Service Co., Ltd. ("Bank of JZCTS") from the former China Banking and Insurance Regulatory Commission (the former "CBIRC") and completed the merger by absorption.

The principal activities of the Bank and its subsidiaries (collectively referred to as the "Group") are the provision of corporate and personal deposits, loans and advances, settlement, financial market business, financial leasing and other financial services as approved by the former CBRC.

2 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the "IASB").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual consolidated financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual consolidated financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

2 Basis of preparation (Continued)

This interim financial report contains condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements 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.

The interim financial report is unaudited, but has been reviewed by Baker Tilly Hong Kong Limited in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants.

3 Changes in accounting policies

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to this interim financial report for the current accounting period.

- Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosure – Amendments to the Classification and Measurement of Financial Instruments

- Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosure – Contracts Referencing Nature-dependent Electricity

- Annual improvements to IFRS Accounting Standards – Volume 11

The above amendments do not have a material impact on this interim financial report.

The Group has not applied any new or revised standard or interpretation that is not yet effective for the current accounting period.

Notes to the Unaudited Interim Financial Statements

(Expressed in thousands of Renminbi, unless otherwise stated)

4 Net interest income

	Six months ended 30 June	
	2026	2025
Interest income arising from		
Deposits with the central bank	**407,224**	388,040
Deposits with banks and other financial institutions	**236,221**	275,852
Placements with banks and other financial institutions	**618,812**	667,040
Loans and advances to customers		
– Corporate loans and advances	**8,712,675**	9,598,479
– Personal loans and advances	**4,978,326**	5,109,640
– Discounted bills	**97,320**	92,582
Financial assets held under resale agreements	**321,404**	287,797
Financial investments	**4,456,021**	4,390,169
Lease receivables	**2,095,998**	2,061,440
Sub-total	**21,924,001**	22,871,039
Interest expenses arising from		
Borrowings from the central bank	**(495,688)**	(339,892)
Deposits from banks and other financial institutions	**(744,350)**	(463,163)
Placements from banks and other financial institutions	**(691,841)**	(738,336)
Deposits from customers	**(6,951,322)**	(8,446,499)
Financial assets sold under repurchase agreements	**(206,940)**	(327,009)
Debt securities issued	**(822,922)**	(1,505,559)
Sub-total	**(9,913,063)**	(11,820,458)
Net interest income	**12,010,938**	11,050,581

The above interest income and expenses are related to financial instruments which are not measured at fair value through profit or loss ("FVPL").

(Expressed in thousands of Renminbi, unless otherwise stated)

5 Net fee and commission income

	Six months ended 30 June	
	2026	2025
Fee and commission income		
Underwriting fees	**178,596**	178,314
Wealth management business fees	**110,792**	208,385
Bank card services fees	**197,929**	226,163
Settlement and clearing services fees	**407,523**	441,117
Advisory and consulting fees	**186,271**	137,134
Acceptance and guarantee services fees	**93,962**	99,839
Agency services fees	**146,930**	116,751
Custodial services fees	**28,582**	2,808
Sub-total	**1,350,585**	1,410,511
Fee and commission expense	**(357,957)**	(173,982)
Net fee and commission income	**992,628**	1,236,529

6 Net trading gains

		Six months ended 30 June	
	Note	**2026**	2025
Net gains from debt securities	(a)	**372,063**	475,156
Net foreign exchange losses	(b)	**(124,275)**	(133,287)
Net (losses)/gains from interest rate swaps		**(480)**	441
Total		**247,308**	342,310

(a) Net gains from debt securities include gains arising from the buying and selling of, and changes in the fair value of debt securities held for trading.

(b) Net foreign exchange losses mainly include net (losses)/gains from foreign currency derivatives, the purchase and sale of foreign currency spot, and translation of foreign currency monetary assets and liabilities into Renminbi (“RMB”).

(Expressed in thousands of Renminbi, unless otherwise stated)

7 Net gains arising from investment securities

	Note	Six months ended 30 June 2026	2025
Net gains of financial investments at fair value through profit or loss ("FVPL")	(a)	**205,111**	104,638
Net gains of financial investments at fair value through other comprehensive income ("FVOCI")		**173,149**	459,102
Net gains of financial investments at amortised cost		**487,682**	311,978
Others		**(736)**	(157)
Total		**865,206**	875,561

(a) Net gains of financial investments at FVPL include the investment income and fair value changes of financial investments at FVPL except for debt securities held for trading.

8 Other operating income

	Six months ended 30 June 2026	2025
Government grants	**6,859**	15,724
Rental income	**100,078**	15,639
Net gains on disposal of property and equipment	**35,625**	15,895
Others	**12,706**	10,225
Total	**155,268**	57,483

(Expressed in thousands of Renminbi, unless otherwise stated)

9 Operating expenses

	Six months ended 30 June	
	2026	2025
Staff costs		
– Salaries, bonuses and allowances	**1,438,214**	1,521,653
– Social insurance and annuity	**564,986**	601,509
– Staff welfares	**73,062**	81,155
– Housing allowances	**191,196**	206,324
– Employee education expenses and labour union expenses	**75,156**	58,495
– Supplementary retirement benefits	**8,602**	6,812
– Others	**22,255**	30,911
Sub-total	**2,373,471**	2,506,859
Office expenses	**457,614**	479,717
Depreciation and amortisation	**572,456**	511,300
Depreciation of right-of-use assets	**115,195**	119,441
Taxes and surcharges	**127,198**	118,507
Interest expense on lease liabilities	**3,450**	8,139
Rental and property management expenses	**51,104**	47,972
Other general and administrative expenses	**192,222**	277,219
Total	**3,892,710**	4,069,154

10 Impairment losses on assets

	Six months ended 30 June	
	2026	2025
Loans and advances to customers	**4,106,232**	2,397,449
Financial investments	**2,821,970**	4,751,587
Credit commitments	**(61,454)**	133,443
Lease receivables	**957,300**	543,267
Others	**296,989**	245,124
Total	**8,121,037**	8,070,870

11 Income tax

	Six months ended 30 June	
	2026	2025
Current tax	**501,160**	664,487
Deferred tax	**(799,428)**	(1,287,616)
Total	**(298,268)**	(623,129)

12 Basic and diluted earnings per share

	Note	Six months ended 30 June	
		2026	2025
Earnings:			
Net profit attributable to equity shareholders of the Bank		**2,118,510**	2,033,566
Less: Profit for the period attributable to other equity instruments holders of the Bank		**(144,000)**	(144,000)
Net profit attributable to ordinary shareholders of the Bank		**1,974,510**	1,889,566
Shares:			
Weighted average number of ordinary shares (in thousands)	(i)	**36,549,823**	36,549,823
Basic and diluted earnings per share attributable to ordinary shareholders of the Bank (in RMB)		**0.05**	0.05

There is no difference between basic and diluted earnings per share as there were no potentially dilutive shares outstanding both periods.

(i) Weighted average number of ordinary shares (in thousands)

	Six months ended 30 June	
	2026	2025
Number of ordinary shares as at 1 January	**36,549,823**	36,549,823
Addition for the period	**–**	–
Weighted average number of ordinary shares	**36,549,823**	36,549,823

(Expressed in thousands of Renminbi, unless otherwise stated)

13 Cash and deposits with the central bank

	Note	30 June 2026	31 December 2025
Cash on hand		**2,380,508**	2,119,587
Deposits with the central bank			
– Statutory deposit reserves	(a)	**50,591,690**	48,360,863
– Surplus deposit reserves	(b)	**31,793,005**	7,173,506
– Fiscal deposits	(c)	**417,373**	929,742
Sub-total		**82,802,068**	56,464,111
Accrued interest		**23,096**	24,068
Total		**85,205,672**	58,607,766

(a) The Group places statutory deposit reserves with the People's Bank of China ("PBOC") in accordance with relevant regulations. As at 30 June 2026 and 31 December 2025, the statutory deposit reserve ratios applicable to the Bank were as follows:

	30 June 2026	31 December 2025
Reserve ratio for RMB deposits	**5.00%**	5.00%
Reserve ratio for foreign currency deposits	**4.00%**	4.00%

The above statutory deposit reserves are not available for the Bank's daily business. The subsidiaries of the Bank are required to place statutory RMB deposits reserve at rates determined by the PBOC.

(b) The surplus deposit reserves are maintained with the PBOC for the purpose of clearing.

(c) The fiscal deposits arise from fiscal institution and are placed with the PBOC in accordance with relevant regulations. The fiscal deposits are not available for the Bank's daily business.

(Expressed in thousands of Renminbi, unless otherwise stated)

14 Deposits with banks and other financial institutions

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
Deposits in Chinese Mainland		
– Banks	**14,843,047**	31,554,272
– Other financial institutions	**5,086,816**	4,126,444
Sub-total	**19,929,863**	35,680,716
Deposits outside Chinese Mainland		
– Banks	**819,409**	847,814
Total	**20,749,272**	36,528,530
Accrued interest	**24,168**	37,765
Less: Provision for impairment losses	**(4,889)**	(10,765)
Net carrying amount	**20,768,551**	36,555,530

15 Placements with banks and other financial institutions

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
Placements in Chinese Mainland		
– Banks	**14,070**	424,934
– Other financial institutions	**47,034,958**	51,374,958
Sub-total	**47,049,028**	51,799,892
Placements not in Chinese Mainland		
– Banks	**1,205,617**	–
Sub-total	**48,254,645**	51,799,892
Accrued interest	**361,702**	443,088
Less: Provision for impairment losses	**(27,650)**	(28,674)
Net carrying amount	**48,588,697**	52,214,306

(Expressed in thousands of Renminbi, unless otherwise stated)

16 Derivative financial instruments

A derivative is a financial instrument, the value of which changes in response to the change in a specified interest rate, commodity price, foreign exchange rate, or other similar variables. The Group uses derivative financial instruments mainly including foreign exchange forwards and interest rate swaps.

The notional amount of a derivative represents the amount of an underlying asset upon which the value of the derivative is based. It indicates the volume of business transacted by the Group but does not reflect the risk.

		30 June 2026 Fair value	
	Notional amount	**Assets**	**Liabilities**
Interest rate swaps	400,000	**3,155**	**3,153**
Foreign exchange forwards	5,108,175	**13,333**	**17,254**
Total	5,508,175	**16,488**	**20,407**

		31 December 2025 Fair value	
	Notional amount	Assets	Liabilities
Interest rate swaps	1,540,000	2,384	2,862
Foreign exchange forwards	2,460,080	54,602	–
Total	4,000,080	56,986	2,862

(Expressed in thousands of Renminbi, unless otherwise stated)

17 Financial assets held under resale agreements

(a) Analysed by type and location of counterparty

	30 June 2026	31 December 2025
In Chinese Mainland		
– Banks	**23,244,317**	13,843,695
– Other financial institutions	**39,530,147**	24,710,481
Total	**62,774,464**	38,554,176
Accrued interest	**13,383**	9,079
Less: Provision for impairment losses	**(6,787)**	(3,036)
Net carrying amount	**62,781,060**	38,560,219

(b) Analysed by type of collateral

	30 June 2026	31 December 2025
Debt securities	**62,074,623**	38,554,176
Bills	**699,841**	–
Accrued interest	**13,383**	9,079
Less: Provision for impairment losses	**(6,787)**	(3,036)
Net carrying amount	**62,781,060**	38,560,219

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers

(a) Analysed by nature

	30 June 2026	31 December 2025
Measured at amortised cost:		
Corporate loans and advances	**405,259,223**	397,620,215
Personal loans and advances		
– Residential mortgage	**127,898,086**	126,939,852
– Personal consumption loans	**56,894,041**	55,865,104
– Personal business loans	**75,786,189**	71,624,046
– Others	**18,226,609**	18,538,031
Sub-total	**278,804,925**	272,967,033
Accrued interest	**7,439,570**	6,691,614
Less: Provision for impairment losses on loans and advances to customers measured at amortised cost	**(25,104,931)**	(23,897,029)
Sub-total	**666,398,787**	653,381,833
Measured at FVOCI:		
Corporate loans and advances	**28,876,207**	24,218,130
Discounted bills	**32,838,887**	39,099,756
Sub-total	**61,715,094**	63,317,886
Net loans and advances to customers	**728,113,881**	716,699,719

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(b) Analysed by economic sector

	30 June 2026		
	Amount	Percentage	Pledged and collateralised loans and advances
Renting and business activities	145,891,750	19.57%	53,072,375
Manufacturing	60,039,882	8.05%	11,024,543
Wholesale and retail trade	50,680,103	6.80%	16,827,883
Construction	42,980,439	5.76%	19,989,672
Water, environment and public utility	30,194,729	4.05%	13,858,746
Real estate	24,795,822	3.32%	18,301,307
Production and supply of electric power, gas and water	20,213,134	2.71%	7,523,729
Mining	10,305,451	1.38%	1,589,433
Education	7,439,513	1.00%	2,971,326
Transportation, storage and postal services	6,986,973	0.94%	2,565,112
Agriculture, forestry, animal husbandry and fishery	2,786,860	0.37%	647,683
Accommodation and catering	2,770,348	0.37%	1,846,947
Others	29,050,426	3.90%	11,532,918
Sub-total of corporate loans and advances	434,135,430	58.22%	161,751,674
Personal loans and advances	278,804,925	37.38%	198,805,624
Discounted bills	32,838,887	4.40%	26,391,921
Gross loans and advances to customers	745,779,242	100.00%	386,949,219

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(b) Analysed by economic sector (Continued)

	31 December 2025		
	Amount	Percentage	Pledged and collateralised loans and advances
Renting and business activities	147,707,653	20.13%	51,547,926
Manufacturing	56,740,472	7.73%	11,820,245
Construction	43,525,041	5.93%	20,015,437
Wholesale and retail trade	43,342,664	5.91%	14,847,807
Water, environment and public utility	30,950,759	4.22%	13,946,617
Real estate	25,002,094	3.41%	18,598,813
Production and supply of electric power, gas and water	18,570,207	2.53%	7,059,423
Health and social work	10,432,412	1.42%	2,702,330
Mining	9,777,884	1.33%	1,463,188
Transportation, storage and postal services	7,383,179	1.01%	2,543,787
Education	6,914,265	0.94%	2,549,695
Scientific research and technical services	4,982,749	0.68%	2,141,916
Others	16,508,966	2.24%	7,584,521
Sub-total of corporate loans and advances	421,838,345	57.48%	156,821,705
Personal loans and advances	272,967,033	37.19%	197,984,390
Discounted bills	39,099,756	5.33%	33,173,624
Gross loans and advances to customers	733,905,134	100.00%	387,979,719

(c) Analysed by type of security

	30 June 2026	31 December 2025
Unsecured loans	**175,556,032**	163,652,749
Guaranteed loans	**183,273,991**	182,272,666
Collateralised loans	**286,842,003**	287,700,940
Pledged loans	**100,107,216**	100,278,779
Gross loans and advances to customers	**745,779,242**	733,905,134
Accrued interest	**7,439,570**	6,691,614
Less: Provision for impairment losses on loans and advances to customers measured at amortised cost	**(25,104,931)**	(23,897,029)
Net loans and advances to customers	**728,113,881**	716,699,719

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(d) Overdue loans analysed by overdue period

	30 June 2026				
	Overdue within three months (inclusive)	**Overdue more than three months to one year (inclusive)**	**Overdue more than one year to three years (inclusive)**	**Overdue more than three years**	**Total**
Unsecured loans	**1,249,463**	**1,581,427**	**1,428,555**	**610,506**	**4,869,951**
Guaranteed loans	**7,849,945**	**700,245**	**1,267,346**	**1,258,296**	**11,075,832**
Collateralised loans	**9,821,211**	**1,448,107**	**2,012,909**	**2,247,888**	**15,530,115**
Pledged loans	**1,331,490**	**61,092**	**43,971**	**187,303**	**1,623,856**
Total	**20,252,109**	**3,790,871**	**4,752,781**	**4,303,993**	**33,099,754**
As a percentage of gross loans and advances to customers	**2.71%**	**0.51%**	**0.64%**	**0.58%**	**4.44%**

	31 December 2025				
	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	Overdue more than one year to three years (inclusive)	Overdue more than three years	Total
Unsecured loans	1,371,181	1,221,523	1,356,286	633,736	4,582,726
Guaranteed loans	4,014,538	553,605	1,516,538	1,198,424	7,283,105
Collateralised loans	9,306,925	1,395,363	2,272,971	2,173,113	15,148,372
Pledged loans	1,408,380	18,748	201,413	23,962	1,652,503
Total	16,101,024	3,189,239	5,347,208	4,029,235	28,666,706
As a percentage of gross loans and advances to customers	2.20%	0.43%	0.73%	0.55%	3.91%

Overdue loans represented loan, of which the whole or part of the principal or interest were overdue for one day or more.

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(e) Loans and advances and provision for impairment losses

	30 June 2026			
	Loans and advances that are assessed for 12-month expected credit losses ("ECL"s)	Loans and advances that are not credit-impaired and assessed for lifetime ECLs	Credit-impaired loans and advances that are assessed for lifetime ECLs	Total
Total loans and advances to customers measured at amortised cost	**632,106,452**	**35,992,714**	**15,964,982**	**684,064,148**
Accrued interest	**7,439,570**	**–**	**–**	**7,439,570**
Less: Provision for impairment losses	**(8,432,936)**	**(6,807,831)**	**(9,864,164)**	**(25,104,931)**
Carrying amount of loans and advances to customers measured at amortised cost	**631,113,086**	**29,184,883**	**6,100,818**	**666,398,787**
Carrying amount of loans and advances to customers measured at FVOCI	**61,715,094**	**–**	**–**	**61,715,094**
Total carrying amount of loans and advances to customers	**692,828,180**	**29,184,883**	**6,100,818**	**728,113,881**

	31 December 2025			
	Loans and advances that are assessed for 12-month ECLs	Loans and advances that are not credit-impaired and assessed for lifetime ECLs	Credit-impaired loans and advances that are assessed for lifetime ECLs	Total
Total loans and advances to customers measured at amortised cost	626,048,542	30,147,977	14,390,729	670,587,248
Accrued interest	6,691,614	–	–	6,691,614
Less: Provision for impairment losses	(7,819,042)	(6,056,017)	(10,021,970)	(23,897,029)
Carrying amount of loans and advances to customers measured at amortised cost	624,921,114	24,091,960	4,368,759	653,381,833
Carrying amount of loans and advances to customers measured at FVOCI	63,317,886	–	–	63,317,886
Total carrying amount of loans and advances to customers	688,239,000	24,091,960	4,368,759	716,699,719

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(f) Movements of provision for impairment losses

(i) Movements of provision for impairment losses on loans and advances to customers measured at amortised cost:

	Six months ended 30 June 2026			
	Loans and advances that are assessed for 12-month ECLs	**Loans and advances that are not credit-impaired and assessed for lifetime ECLs**	**Credit-impaired loans and advances that are assessed for lifetime ECLs**	**Total**
As at 1 January 2026	**7,819,042**	**6,056,017**	**10,021,970**	**23,897,029**
Transfers:				
– to 12-month ECLs	**2,020,503**	**(1,359,518)**	**(660,985)**	**–**
– to lifetime ECLs:				
– not credit-impaired loans	**(1,208,222)**	**1,982,815**	**(774,593)**	**–**
– credit-impaired loans	**(6,278)**	**(788,742)**	**795,020**	**–**
(Release)/charge for the period	**(192,109)**	**917,259**	**3,370,445**	**4,095,595**
Recoveries	**–**	**–**	**252,761**	**252,761**
Write-offs and disposals	**–**	**–**	**(3,006,970)**	**(3,006,970)**
Others	**–**	**–**	**(133,484)**	**(133,484)**
As at 30 June 2026	**8,432,936**	**6,807,831**	**9,864,164**	**25,104,931**

	Year ended 31 December 2025			
	Loans and advances that are assessed for 12-month ECLs	Loans and advances that are not credit-impaired and assessed for lifetime ECLs	Credit-impaired loans and advances that are assessed for lifetime ECLs	Total
As at 1 January 2025	5,962,388	4,072,913	11,772,729	21,808,030
Transfers:				
– to 12-month ECLs	2,278,800	(1,349,457)	(929,343)	–
– to lifetime ECLs:				
– not credit-impaired loans	(260,271)	985,574	(725,303)	–
– credit-impaired loans	(54,070)	(428,727)	482,797	–
(Release)/charge for the year	(107,805)	2,775,714	4,357,562	7,025,471
Recoveries	–	–	650,015	650,015
Write-offs and disposals	–	–	(5,357,977)	(5,357,977)
Others	–	–	(228,510)	(228,510)
As at 31 December 2025	7,819,042	6,056,017	10,021,970	23,897,029

(Expressed in thousands of Renminbi, unless otherwise stated)

18 Loans and advances to customers (Continued)

(f) Movements of provision for impairment losses (Continued)

(ii) Movements of provision for impairment losses on loans and advances to customers measured at FVOCI:

	Six months ended 30 June 2026			
	Loans and advances that are assessed for 12-month ECLs	**Loans and advances that are not credit-impaired and assessed for lifetime ECLs**	**Credit-impaired loans and advances that are assessed for lifetime ECLs**	**Total**
As at 1 January 2026	**5,279**	**–**	**–**	**5,279**
Charge for the period	**10,637**	**–**	**–**	**10,637**
As at 30 June 2026	**15,916**	**–**	**–**	**15,916**

	Year ended 31 December 2025			
	Loans and advances that are assessed for 12-month ECLs	Loans and advances that are not credit-impaired and assessed for lifetime ECLs	Credit-impaired loans and advances that are assessed for lifetime ECLs	Total
As at 1 January 2025	605,647	–	–	605,647
Release for the year	(600,368)	–	–	(600,368)
As at 31 December 2025	5,279	–	–	5,279

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments

	Note	30 June 2026	31 December 2025
Financial investments at FVPL	(a)	**69,800,242**	55,528,451
Financial investments at FVOCI	(b)	**110,790,621**	109,535,351
Financial investments at amortised cost	(c)	**259,031,140**	245,936,055
Total		**439,622,003**	410,999,857

(a) Financial investments at FVPL

	30 June 2026	31 December 2025
Debt securities		
– Government	**4,775,132**	1,805,318
– Policy banks	**10,238,239**	5,337,380
– Banks and other financial institutions	**44,515,529**	31,919,109
– Corporate	**1,334,244**	–
Sub-total	**60,863,144**	39,061,807
Investment management products under public funds	**8,297,708**	15,786,311
Investment management products managed by trust plans	**43,476**	43,490
Sub-total	**8,341,184**	15,829,801
Equity investments	**595,914**	636,843
Total	**69,800,242**	55,528,451

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments (Continued)

(a) Financial investments at FVPL (Continued)

	30 June 2026	31 December 2025
Analysed into:		
Debt securities:		
Listed	**4,775,132**	1,805,318
Unlisted	**56,088,012**	37,256,489
Sub-total	**60,863,144**	39,061,807
Funds and other investment:		
Unlisted	**8,341,184**	15,829,801
Equity investments:		
Listed	**28,263**	33,729
Unlisted	**567,651**	603,114
Total	**69,800,242**	55,528,451

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments (Continued)

(b) Financial investments at FVOCI

	Note	30 June 2026	31 December 2025
Debt securities	(i)		
– Government		**45,866,296**	47,881,607
– Policy banks		**30,197,804**	26,313,555
– Banks and other financial institutions		**23,579,129**	26,639,822
– Corporate		**10,027,050**	7,503,074
Sub-total		**109,670,279**	108,338,058
Accrued interest		**1,027,381**	1,074,335
Equity investments	(ii)	**92,961**	122,958
Total		**110,790,621**	109,535,351
Analysed into:			
Debt securities:			
Listed		**46,697,783**	49,697,286
Unlisted		**63,999,877**	59,715,107
Sub-total		**110,697,660**	109,412,393
Equity investments:			
Unlisted		**92,961**	122,958
Total		**110,790,621**	109,535,351

(i) As at the end of the reporting period, certain debt securities were pledged for repurchase agreements (Note 26(a)). No other investments were subject to material restrictions in the realisation.

(ii) The Group designates non-trading equity investments as financial investments at FVOCI. The Group did not dispose of any such equity investment, nor transfer any cumulative gain or loss from other comprehensive income to retained earnings during the reporting period.

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments (Continued)

(b) Financial investments at FVOCI (Continued)

(iii) Movements of provision for impairment losses on financial investments at FVOCI are as follows:

	Six months ended 30 June 2026			
	12-month ECLS	**Lifetime ECLs: not credit-impaired**	**Lifetime ECLs: credit-impaired**	**Total**
Balance at 1 January 2026	**55,666**	**–**	**–**	**55,666**
Release for the period	**(26,328)**	**–**	**–**	**(26,328)**
Balance at 30 June 2026	**29,338**	**–**	**–**	**29,338**

	Year ended 31 December 2025			
	12-month ECLS	Lifetime ECLs: not credit-impaired	Lifetime ECLs: credit-impaired	Total
Balance at 1 January 2025	21,680	–	–	21,680
Charge for the year	33,986	–	–	33,986
Balance at 31 December 2025	55,666	–	–	55,666

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments (Continued)

(c) Financial investments at amortised cost

	Note	30 June 2026	31 December 2025
Debt securities	(i)		
– Government		**166,193,268**	157,765,007
– Policy banks		**74,303,055**	66,307,612
– Banks and other financial institutions		**2,859,497**	2,335,272
– Corporate		**7,993,000**	7,447,805
Sub-total		**251,348,820**	233,855,696
Investment management products under trust plans		**23,748,573**	25,573,104
Private debt financing plans		**2,805,301**	3,430,658
Investment fund managed by private fund manager		**590,284**	631,756
Investment management products managed by securities companies		**200,000**	357,410
Others		**820,000**	865,000
Sub-total		**28,164,158**	30,857,928
Accrued interest		**2,525,053**	2,986,654
Less: Provision for impairment losses	(ii)	**(23,006,891)**	(21,764,223)
Total		**259,031,140**	245,936,055
Analysed into:			
Debt securities:			
Listed		**168,543,892**	160,069,545
Unlisted		**79,647,178**	73,974,411
Sub-total		**248,191,070**	234,043,956
Other investments:			
Unlisted		**10,840,070**	11,892,099
Total		**259,031,140**	245,936,055

(Expressed in thousands of Renminbi, unless otherwise stated)

19 Financial investments (Continued)

(c) Financial investments at amortised cost (Continued)

(i) As at the end of the reporting period, certain debt securities were pledged for repurchase agreements (Note 26(a)). No other investments were subject to material restrictions in the realisation.

(ii) Movements of provision for impairment losses on financial investments at amortised cost are as follows:

	Six months ended 30 June 2026			
	12-month ECLs	**Lifetime ECLs: not credit-impaired**	**Lifetime ECLs: credit-impaired**	**Total**
Balance at 1 January 2026	**118,731**	**513,097**	**21,132,395**	**21,764,223**
Transfers:				
– to lifetime ECLs:				
– credit-impaired	**(1,199)**	**(192,918)**	**194,117**	**–**
(Release)/charge for the period	**(52,023)**	**(123,365)**	**3,023,686**	**2,848,298**
Write-offs and disposals	**–**	**–**	**(1,444,800)**	**(1,444,800)**
Others	**–**	**–**	**(160,830)**	**(160,830)**
Balance at 30 June 2026	**65,509**	**196,814**	**22,744,568**	**23,006,891**

	Year ended 31 December 2025			
	12-month ECLs	Lifetime ECLs: not credit-impaired	Lifetime ECLs: credit-impaired	Total
Balance at 1 January 2025	334,016	21,468	17,538,858	17,894,342
Transfers:				
– to lifetime ECLs:				
– not credit-impaired	(17,094)	17,094	–	–
– credit-impaired	(84,033)	(13,872)	97,905	–
(Release)/charge for the year	(114,158)	488,407	4,566,722	4,940,971
Recoveries	–	–	7,246	7,246
Write-offs and disposals	–	–	(852,125)	(852,125)
Others	–	–	(226,211)	(226,211)
Balance at 31 December 2025	118,731	513,097	21,132,395	21,764,223

(Expressed in thousands of Renminbi, unless otherwise stated)

20 Lease receivables

	Note	30 June 2026	31 December 2025
Minimum finance lease receivables	(i)	**9,503,793**	10,029,040
Less: unearned finance lease income	(i)	**(1,448,747)**	(1,387,061)
Present value of finance lease receivables	(i)	**8,055,046**	8,641,979
Receivables from sale-and-leaseback transactions		**73,819,757**	62,498,297
Sub-total		**81,874,803**	71,140,276
Less: provision for impairment losses	(ii)	**(4,897,807)**	(3,930,989)
Carrying amount		**76,976,996**	67,209,287

(i) Finance lease receivables, unearned finance lease income and minimum finance lease receivables analysed by remaining period are listed as follows:

	30 June 2026		
	Minimum finance lease receivables	Unearned finance lease income	Present value of finance lease receivables
Within 1 year	**470,275**	**(10,969)**	**459,306**
1 year to 2 years	**1,613,878**	**(85,147)**	**1,528,731**
2 years to 3 years	**1,290,014**	**(88,930)**	**1,201,084**
3 years to 5 years	**2,334,761**	**(248,532)**	**2,086,229**
More than 5 years	**3,794,865**	**(1,015,169)**	**2,779,696**
Total	**9,503,793**	**(1,448,747)**	**8,055,046**

	31 December 2025		
	Minimum finance lease receivables	Unearned finance lease income	Present value of finance lease receivables
Within 1 year	734,177	(4,571)	729,606
1 year to 2 years	1,409,617	(76,247)	1,333,370
2 years to 3 years	1,833,061	(144,853)	1,688,208
3 years to 5 years	2,892,145	(322,525)	2,569,620
More than 5 years	3,160,040	(838,865)	2,321,175
Total	10,029,040	(1,387,061)	8,641,979

(Expressed in thousands of Renminbi, unless otherwise stated)

20 Lease receivables (Continued)

(ii) Movements of provision for impairment losses:

	Six months ended 30 June 2026			
	12-month ECLs	Lifetime ECLs: not credit-impaired	Lifetime ECLs: credit-impaired	Total
Balance at 1 January 2026	**1,051,487**	**1,464,716**	**1,414,786**	**3,930,989**
Transfers:				
– to 12-month ECLs	**328,417**	**(328,417)**	**–**	**–**
– to lifetime ECLs				
– not credit-impaired	**(20,951)**	**127,376**	**(106,425)**	**–**
– credit-impaired	**–**	**(358,815)**	**358,815**	**–**
(Release)/charge for the period	**(140,320)**	**1,037,355**	**60,265**	**957,300**
Recoveries	**–**	**–**	**73,069**	**73,069**
Write-offs	**–**	**–**	**(63,551)**	**(63,551)**
Balance at 30 June 2026	**1,218,633**	**1,942,215**	**1,736,959**	**4,897,807**

	Year ended 31 December 2025			
	12-month ECLs	Lifetime ECLs: not credit-impaired	Lifetime ECLs: credit-impaired	Total
Balance at 1 January 2025	1,240,906	927,791	608,135	2,776,832
Transfers:				
– to 12-month ECLs	119	(119)	–	–
– to lifetime ECLs				
– not credit-impaired	(65,217)	65,217	–	–
– credit-impaired	(38,553)	(422,135)	460,688	–
(Release)/charge for the year	(85,768)	893,962	638,278	1,446,472
Recoveries	–	–	278,578	278,578
Write-offs	–	–	(570,893)	(570,893)
Balance at 31 December 2025	1,051,487	1,464,716	1,414,786	3,930,989

(Expressed in thousands of Renminbi, unless otherwise stated)

21 Investments in subsidiaries, associate and joint venture

(a) Investments in subsidiaries

The Group's subsidiaries as at the end of the reporting period are as follows:

Name	Note	The bank's carrying amount		Percentage of equity interest		Voting rights	Registered capital	Establishment date	Place of registration	Business sector
		30 June 2026	31 December 2025	30 June 2026 %	31 December 2025 %	30 June 2026 %	30 June 2026 RMB million			
AB Leasing Co., Ltd. ("邦銀金融租賃股份有限公司")	(ii)	**4,525,199**	4,525,199	**90.00**	90.00	**90**	**3,000.00**	16 August 2013	Zhengzhou, Henan Province	Leasing
BOL Financial Leasing Co., Ltd. ("洛銀金融租賃股份有限公司")	(ii)	**2,228,739**	2,228,739	**57.50**	57.50	**57.5**	**2,000.00**	18 December 2014	Luoyang, Henan Province	Leasing
Xiping Zhongyuan County Bank Co., Ltd. ("西平中原村鎮銀行股份有限公司")	(i)/(ii)	**176,686**	176,686	**43.69**	43.69	**67.64**	**208.52**	17 December 2009	Zhumadian, Henan Province	Banking
Xinyang Pingqiao Zhongyuan County Bank Co., Ltd. ("信陽平橋中原村鎮銀行股份有限公司")	(ii)	**38,341**	38,341	**51.73**	51.73	**51.73**	**83.52**	13 December 2010	Xinyang, Henan Province	Banking
Qixian Zhongyuan County Bank Co., Ltd. ("淇縣中原村鎮銀行股份有限公司")	(ii)	**41,531**	41,531	**51.00**	51.00	**51**	**50.00**	23 December 2010	Hebi, Henan Province	Banking
Xinxiang Zhongyuan County Bank Co., Ltd. ("新鄉中原村鎮銀行股份有限公司")	(ii)	**150,306**	150,306	**78.46**	78.46	**78.46**	**130.00**	23 March 2010	Xinxiang, Henan Province	Banking
Linzhou Zhongyuan County Bank Co., Ltd. ("林州中原村鎮銀行股份有限公司")	(ii)	**29,771**	29,771	**51.00**	51.00	**51**	**75.00**	30 September 2011	Linzhou, Henan Province	Banking
Suiping Zhongyuan County Bank Co., Ltd. ("遂平中原村鎮銀行股份有限公司")	(ii)	**35,084**	35,084	**51.02**	51.02	**51.02**	**56.15**	12 March 2012	Zhumadian, Henan Province	Banking
Luohe Yancheng Zhongyuan County Bank Co., Ltd. ("漯河郾城中原村鎮銀行有限責任公司")	(ii)	**245,201**	245,201	**51.00**	51.00	**51.00**	**300.00**	12 July 2011	Luohe, Henan Province	Banking
Sub-total		**7,470,858**	7,470,858							
Less: Impairment losses on investments in subsidiaries		**-**	-							
Total		**7,470,858**	7,470,858							

Note:

(i) As at 30 June 2026 and 31 December 2025, the Bank holds 43.69% of equity interest of Xiping Zhongyuan County Bank Co., Ltd. ("Xiping Zhongyuan") and, according to the concerted action arrangement between the Bank and other shareholders, the voting rights ratio of the Bank for Xiping Zhongyuan is 67.64% (2025: 67.64%). Xiping Zhongyuan is deemed to be controlled by the Bank.

(ii) Except for Luohe Yancheng Zhongyuan County Bank Co., Ltd., which is a limited liability company incorporated under the laws of the PRC, all other subsidiaries of the Group are joint stock companies.

(Expressed in thousands of Renminbi, unless otherwise stated)

21 Investments in subsidiaries, associate and joint venture (Continued)

(b) Investment in associate

	Note	30 June 2026	31 December 2025
Investment in associate	(i)/(ii)	–	–

Note:

(i) Shenzhen Nanshan Baosheng County Bank Co., Ltd. ("Nanshan Baosheng") is an associate in which the Bank has significant influence and a 42.05% ownership interest. Nanshan Baosheng is not publicly listed.

(ii) On 23 June 2026, the Bank entered into an equity transfer agreement to dispose of its entire equity interest in Nanshan Baosheng. As at 30 June 2026, the equity disposal was still in progress. In accordance with the terms of the agreement, the Bank has recognised the related losses arising from the transaction during the reporting period.

	Percentages of voting rights			
Name	**30 June 2026**	31 December 2025	**Place of registration**	**Business sector**
Nanshan Baosheng	**42.05%**	42.05%	Nanshan, Shenzhen, China	Banking

The following table illustrates the aggregate information of the Bank's associate:

	30 June 2026	31 December 2025
Aggregate carrying amount of the associate in the consolidated statements of financial position of the Bank	–	–
Aggregate amounts of the Bank's share of results of the associate		
– Loss from continuing operations	–	(256,511)
– Other comprehensive income	–	(661)
– Total comprehensive income	–	(257,172)

(Expressed in thousands of Renminbi, unless otherwise stated)

21 Investments in subsidiaries, associate and joint venture (Continued)

(c) Investment in joint venture

	Note	**30 June 2026**	31 December 2025
Investment in joint venture	(i)	**2,061,061**	2,038,819

Note:

(i) Henan Zhongyuan Consumer Finance Co., Ltd. ("Consumer Finance") is a joint venture in which the Bank has joint control and a 49.25% ownership interest. Consumer Finance is not publicly listed.

	Percentages of equity/voting rights			
Name	**30 June 2026**	31 December 2025	**Place of registration**	**Business sector**
Consumer Finance	**49.25%**	49.25%	Zhengzhou, Henan Province, China	Consumer credit

The following table illustrates the aggregate information of the Bank's joint venture:

	30 June 2026	31 December 2025
Aggregate carrying amount of the joint venture in the consolidated statements of financial position of the Bank	**2,061,061**	2,038,819
Aggregate amounts of the Bank's share of results of the joint venture		
– Profit from continuing operations	**22,242**	248,543
– Total comprehensive income	**22,242**	248,543

Notes to the Unaudited Interim Financial Statements

(Expressed in thousands of Renminbi, unless otherwise stated)

22 Property and equipment

	Premises	Investment properties	Electronic equipment	Motor vehicles	Office equipment & others	Construction in progress	Total
Cost							
As at 1 January 2025	9,019,402	36,285	1,725,226	23,997	1,468,938	1,752,006	14,025,854
Additions	718,211	–	190,838	1,607	616,473	90,664	1,617,793
Disposals	(86,137)	(2,850)	(187,363)	(9,127)	(69,626)	–	(355,103)
Transfers out of construction in progress	–	–	–	–	–	(639,516)	(639,516)
As at 31 December 2025 and 1 January 2026	9,651,476	33,435	1,728,701	16,477	2,015,785	1,203,154	14,649,028
Additions	20,205	–	11,295	6	4,174	8,992	44,672
Disposals	(116,577)	–	(46,396)	(1,120)	(16,322)	–	(180,415)
Transfers out of construction in progress	–	–	–	–	–	(8,250)	(8,250)
As at 30 June 2026	9,555,104	33,435	1,693,600	15,363	2,003,637	1,203,896	14,505,035
Accumulated depreciation							
As at 1 January 2025	(3,815,231)	(15,800)	(1,501,499)	(21,732)	(512,877)	–	(5,867,139)
Additions	(521,098)	(2,552)	(105,717)	(1,717)	(73,938)	–	(705,022)
Disposals	81,962	2,489	158,446	8,884	68,224	–	320,005
As at 31 December 2025 and 1 January 2026	(4,254,367)	(15,863)	(1,448,770)	(14,565)	(518,591)	–	(6,252,156)
Additions	(267,795)	(1,249)	(63,968)	(320)	(38,067)	–	(371,399)
Disposals	31,410	–	44,563	1,089	10,337	–	87,399
As at 30 June 2026	(4,490,752)	(17,112)	(1,468,175)	(13,796)	(546,321)	–	(6,536,156)
Impairment							
As at 1 January 2025	(9,153)	–	(414)	(242)	(1,592)	–	(11,401)
Addition	–	–	–	–	–	(22,916)	(22,916)
Disposals	167	–	133	222	511	–	1,033
As at 31 December 2025 and 1 January 2026	(8,986)	–	(281)	(20)	(1,081)	(22,916)	(33,284)
Addition	–	–	–	–	–	–	–
Disposals	2,462	–	281	9	268	–	3,020
As at 30 June 2026	(6,524)	–	–	(11)	(813)	(22,916)	(30,264)
Net book value							
As at 30 June 2026	5,057,828	16,323	225,425	1,556	1,456,503	1,180,980	7,938,615
As at 31 December 2025	5,388,123	17,572	279,650	1,892	1,496,113	1,180,238	8,363,588

(Expressed in thousands of Renminbi, unless otherwise stated)

22 Property and equipment (Continued)

The carrying amount of the premises with incomplete title deeds as at 30 June 2026 was RMB3,447.76 million (31 December 2025: RMB3,110.94 million). The Group is still in the progress of application for the outstanding title deeds for these premises. The Group expects that there would be no significant cost in obtaining the title deeds.

The net book values of premises as at the end of the reporting period are analysed by the remaining terms of the leases as follows:

	30 June 2026	31 December 2025
Held in Chinese Mainland		
– Long-term leases (over 50 years)	**561,955**	587,077
– Medium-term leases (10 – 50 years)	**4,258,385**	4,401,468
– Short-term leases (less than 10 years)	**237,488**	399,578
Total	**5,057,828**	5,388,123

23 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)
Deferred tax assets/(liabilities):				
Provision for impairment losses	**58,555,472**	**14,638,868**	55,383,556	13,845,889
Accrued staff cost payable	**2,037,476**	**509,369**	1,904,788	476,197
Supplementary retirement benefits	**52,168**	**13,042**	57,232	14,308
Fair value changes of financial assets	**(952,716)**	**(238,179)**	(130,152)	(32,538)
Assets appraisal and related depreciation	**(3,055,304)**	**(763,826)**	(3,167,368)	(791,842)
Others	**892,248**	**223,062**	945,928	236,482
Net balances	**57,529,344**	**14,382,336**	54,993,984	13,748,496

(Expressed in thousands of Renminbi, unless otherwise stated)

24 Goodwill

	Goodwill
Cost:	
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	1,982,050
Accumulated impairment losses:	
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	–
Carrying amount:	
At 31 December 2025, 1 January 2026 and 30 June 2026	1,982,050

As there were no indicators for impairment of goodwill, the Group determined that no impairment provision on goodwill was required as at the end of the reporting period.

25 Other assets

	Note	**30 June 2026**	31 December 2025
Interest receivable	(a)	**2,089,199**	1,851,186
Repossessed assets	(b)	**1,005,231**	1,030,798
Intangible assets	(c)	**827,888**	969,234
Land use rights		**881,767**	898,058
Other right-of-use assets	(d)	**415,488**	498,128
Leasehold improvements		**175,221**	224,129
Prepaid income tax		**9,598**	11,770
Other receivables		**2,625,329**	1,773,455
Total		**8,029,721**	7,256,758

(Expressed in thousands of Renminbi, unless otherwise stated)

25 Other assets (Continued)

(a) Interest receivable

	30 June 2026	31 December 2025
Interest receivable arising from:		
Financial investments	**993,648**	790,552
Loans and advances to customers	**2,399,036**	2,133,254
Total	**3,392,684**	2,923,806
Less: Provision for impairment losses	**(1,303,485)**	(1,072,620)
Net carrying amount	**2,089,199**	1,851,186

Interest receivable only includes interest that has been due for the relevant financial instruments but not yet received at the end of the reporting period. Interest on financial instruments based on the effective interest method has been reflected in the balance of corresponding financial instruments.

(b) Repossessed assets

	30 June 2026	31 December 2025
Repossessed assets	**2,040,897**	2,046,791
Less: Provision for impairment losses	**(1,035,666)**	(1,015,993)
Net carrying amount	**1,005,231**	1,030,798

(Expressed in thousands of Renminbi, unless otherwise stated)

25 Other assets (Continued)

(c) Intangible assets

	Leasing license	Computer software	Total
Cost			
As at 1 January 2025	357,880	2,335,667	2,693,547
Additions	–	207,382	207,382
Disposals	–	(632)	(632)
As at 31 December 2025 and 1 January 2026	357,880	2,542,417	2,900,297
Additions	–	10,875	10,875
Disposals	–	(371)	(371)
As at 30 June 2026	357,880	2,552,921	2,910,801
Accumulated amortisation			
As at 1 January 2025	–	(1,629,578)	(1,629,578)
Additions	–	(301,863)	(301,863)
Disposals	–	378	378
As at 31 December 2025 and 1 January 2026	–	(1,931,063)	(1,931,063)
Additions	–	(152,207)	(152,207)
Disposals	–	357	357
As at 30 June 2026	–	(2,082,913)	(2,082,913)
Net book value			
As at 30 June 2026	357,880	470,008	827,888
As at 31 December 2025	357,880	611,354	969,234

(Expressed in thousands of Renminbi, unless otherwise stated)

25 Other assets (Continued)

(d) Other right-of-use assets

	Leased properties and buildings	Leased equipment	Total
Cost			
As at 1 January 2025	1,559,651	13,672	1,573,323
Additions	362,017	2,749	364,766
Disposals	(760,051)	(11,048)	(771,099)
As at 31 December 2025 and 1 January 2026	1,161,617	5,373	1,166,990
Additions	34,789	–	34,789
Disposals	(183,933)	(303)	(184,236)
As at 30 June 2026	1,012,473	5,070	1,017,543
Accumulated depreciation			
As at 1 January 2025	(1,087,254)	(9,448)	(1,096,702)
Additions	(246,073)	(1,443)	(247,516)
Disposals	667,420	7,936	675,356
As at 31 December 2025 and 1 January 2026	(665,907)	(2,955)	(668,862)
Additions	(114,845)	(350)	(115,195)
Disposals	181,832	170	182,002
As at 30 June 2026	(598,920)	(3,135)	(602,055)
Net book value			
As at 30 June 2026	413,553	1,935	415,488
As at 31 December 2025	495,710	2,418	498,128

(Expressed in thousands of Renminbi, unless otherwise stated)

26 Pledged assets

(a) Assets pledged as collateral

	30 June 2026	31 December 2025
Bonds	**114,674,078**	87,113,494

(b) Received pledged assets

The Group conducts resale agreements under the usual and customary terms of placements, and holds collaterals for these transactions. As at 30 June 2026, fair value of the received pledged assets is RMB65,302.44 million (31 December 2025: RMB40,241.37 million).

27 Borrowings from the central bank

	30 June 2026	31 December 2025
Due to central bank	**70,981,266**	58,265,441
Accrued interest	**294,418**	139,195
Total	**71,275,684**	58,404,636

Borrowings from the central bank mainly includes borrowings from the central bank and rediscounting with the central bank.

28 Deposits from banks and other financial institutions

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
In Chinese Mainland		
– Banks	**7,556,116**	6,318,476
– Other financial institutions	**73,336,034**	71,297,331
Sub-total	**80,892,150**	77,615,807
Accrued interest	**724,373**	460,048
Total	**81,616,523**	78,075,855

(Expressed in thousands of Renminbi, unless otherwise stated)

29 Placements from banks and other financial institutions

	30 June 2026	31 December 2025
In Chinese Mainland		
– Banks	**62,385,208**	58,345,674
– Other financial institutions	**8,049,810**	5,684,470
Sub-total	**70,435,018**	64,030,144
Outside Chinese Mainland		
– Banks	**869,650**	329,908
Sub-total	**71,304,668**	64,360,052
Accrued interest	**408,574**	392,735
Total	**71,713,242**	64,752,787

30 Financial assets sold under repurchase agreements

(a) Analysed by type and location of counterparty

	30 June 2026	31 December 2025
In Chinese Mainland		
– Banks	**36,442,094**	25,457,956
– Other financial institutions	**–**	170,000
Accrued interest	**3,703**	3,325
Total	**36,445,797**	25,631,281

(b) Analysed by type of collateral

	30 June 2026	31 December 2025
Debt securities	**36,442,094**	25,627,956
Accrued interest	**3,703**	3,325
Total	**36,445,797**	25,631,281

(Expressed in thousands of Renminbi, unless otherwise stated)

31 Deposits from customers

	Note	30 June 2026	31 December 2025
Demand deposits			
– Corporate customers		**127,310,794**	131,536,471
– Individual customers		**114,896,902**	112,892,800
Sub-total		**242,207,696**	244,429,271
Time deposits			
– Corporate customers		**152,123,992**	155,765,599
– Individual customers		**518,938,450**	488,886,300
Sub-total		**671,062,442**	644,651,899
Pledged deposits		**76,105,880**	62,020,680
Convertible negotiated deposits	(a)	**8,000,000**	8,000,000
Inward and outward remittances		**22,449**	25,295
Sub-total		**997,398,467**	959,127,145
Accrued interest		**16,929,312**	22,162,248
Total		**1,014,327,779**	981,289,393

Notes:

(a) On 19 January 2023, after obtaining the proceeds from issuance of Local Government Special Debt by Henan Provincial Department of Finance, Zhengzhou Finance Bureau deposited the relevant funds in the form of negotiated deposit into the special RMB deposit account it opened with the Bank. With the Henan Provincial Department of Finance's Consents to the conversion, when the core tier-1 capital adequacy ratio of the Bank is lower than 5.125%, and upon the satisfaction of specific requirements on the Minimum Public Float prescribed by The Stock Exchange of Hong Kong Limited, Zhengzhou Finance Bureau shall convert the negotiated deposits into ordinary shares of the Bank in accordance with laws and regulations. If the conversion conditions are not satisfied, the principal of the convertible negotiated deposit is repayable by equal annual instalments based on the total par value of the convertible negotiated deposit from 2028, i.e. 20% of the principal is repaid annually, amounting to RMB1.6 billion.

During the term of the convertible negotiated deposits, the Bank shall report the changes in the core tier-1 capital adequacy ratio of the previous quarter by the twentieth day of the first month of each quarter to Zhengzhou Finance Bureau. When the core tier-1 capital adequacy ratio of the Bank drops to 7.50%, and early warning is triggered, the Bank shall promptly inform Zhengzhou Finance Bureau of the situation, formulate emergency plans, and actively take emergency measures to improve the ability to resist risks and avoid the occurrence of triggering events.

(Expressed in thousands of Renminbi, unless otherwise stated)

32 Debt securities issued

	Note	30 June 2026	31 December 2025
Certificates of interbank deposits	(a)	**96,468,036**	79,535,039
Financial bonds	(b)	**4,998,778**	4,998,295
Tier-2 capital bonds	(c)	**7,999,462**	7,999,496
Sub-total		**109,466,276**	92,532,830
Accrued interest		**263,170**	117,874
Total		**109,729,446**	92,650,704

Notes:

(a) As at 30 June 2026, the total face value of certificates of interbank deposits issued by the Bank and outstanding amounted to RMB97,640.00 million with maturities between 3 to 12 months. The coupon rates ranged from 1.38% to 1.82% per annum. As at 31 December 2025, the total face value of certificates of interbank deposits issued by the Bank and outstanding amounted to RMB80,290.00 million with maturities between 1 to 12 months. The coupon rates ranged from 1.60% to 2.07% per annum.

As at 30 June 2026, the fair value of interbank deposits issued was RMB96,983.05 million (31 December 2025: RMB79,819.00 million).

(b) On 12 May 2022, 9 June 2022 and 19 September 2024, the Bank issued three fixed-rate financial bonds with a total notional amount of RMB10,000.00 million. Pursuant to the agreement, all of the three bonds have a term of 3 years. The coupon rates were 2.95%, 2.90% and 2.10% per annum respectively. The Bank redeemed two financial bonds with a total notional amount of RMB5,000.00 million during the year ended 31 December 2025.

As at 30 June 2026, the fair value of financial bonds issued was RMB5,115.40 million (31 December 2025: RMB5,048.83 million).

(c) Fixed rate tier-2 capital bonds of RMB8,000.00 million with a term of 10 years was issued by the Bank in July 2024 and will mature in July 2034. The coupon rate is 2.35% per annum.

As at 30 June 2026, the fair value of tier-2 capital bonds issued was RMB8,298.19 million (31 December 2025: RMB8,092.92 million).

(Expressed in thousands of Renminbi, unless otherwise stated)

33 Other liabilities

	Note	30 June 2026	31 December 2025
Accrued staff cost	(a)	**2,953,752**	4,137,842
Finance lease deposits		**2,162,688**	2,580,633
Payment and collection clearance accounts		**654,435**	812,668
Other tax payable		**986,418**	1,086,950
Lease liabilities		**422,548**	478,293
Provisions	(b)	**670,896**	710,941
Dividend payable		**264,396**	270,365
Other payables		**4,139,543**	3,784,765
Total		**12,254,676**	13,862,457

(a) Accrued staff cost

	30 June 2026	31 December 2025
Salary, bonuses and allowances payable	**2,062,658**	3,255,686
Supplementary retirement benefits payable	**542,816**	538,485
Labour union fee, staff and workers' education fee	**249,392**	238,373
Social insurance payable	**85,827**	93,471
Housing allowances payable	**13,059**	11,827
Total	**2,953,752**	4,137,842

Pursuant to the relevant laws and regulations in the PRC, the Group has joined a defined contribution plan for the employees arranged by local government labour and social security organisations. The Group makes contributions to the retirement plan at the applicable rates based on the amounts stipulated by the relevant government organisations. The contributions by the Group for the defined contribution plan above are charged to profit or loss as they become payable in accordance with the rules of the respective defined contribution plan. The only obligation of the Group with respect to such defined contribution plan is to make the specified contributions. As at 30 June 2026 and 31 December 2025, there was no forfeited contributions under the defined contribution plan. Accordingly, no forfeited contribution was utilised during the year, and there was no forfeited contribution available as at 30 June 2026 and 31 December 2025 to reduce level of contributions.

(Expressed in thousands of Renminbi, unless otherwise stated)

33 Other liabilities (Continued)

(b) Provisions

	Note	30 June 2026	31 December 2025
Litigations and disputes provision		**234,318**	212,664
Credit commitments provision	(i)	**436,578**	498,277
Total		**670,896**	710,941

(i) Movements of credit commitments provision are as follows:

	Six months ended 30 June 2026			
	12-month ECLs	Lifetime ECLs not credit-impaired	Lifetime ECLs credit-impaired	Total
Balance at 1 January 2026	**363,089**	**135,188**	**–**	**498,277**
Transfers:				
– to 12-month ECLs	**315**	**(315)**	**–**	**–**
– to lifetime ECLs				
– not credit-impaired	**(42)**	**42**	**–**	**–**
– credit-impaired	**–**	**(6,139)**	**6,139**	**–**
Charge/(release) for the period	**60,728**	**(127,677)**	**5,495**	**(61,454)**
Exchange differences and others	**(245)**	**–**	**–**	**(245)**
Balance at 30 June 2026	**423,845**	**1,099**	**11,634**	**436,578**

	Year ended 31 December 2025			
	12-month ECLs	Lifetime ECLs not credit-impaired	Lifetime ECLs credit-impaired	Total
Balance at 1 January 2025	334,092	2,971	–	337,063
Transfers:				
– to lifetime ECLs				
– not credit-impaired	(10,016)	10,016	–	–
Charge for the year	39,246	122,201	–	161,447
Exchange differences and others	(233)	–	–	(233)
Balance at 31 December 2025	363,089	135,188	–	498,277

(Expressed in thousands of Renminbi, unless otherwise stated)

34 Share capital

The share capital of the Group as at 30 June 2026 and 31 December 2025 represents the paid-up share capital of the Bank.

	30 June 2026	31 December 2025
Ordinary shares in Chinese Mainland	**29,604,823**	29,604,823
Ordinary shares listed in Hong Kong (H-share)	**6,945,000**	6,945,000
Total	**36,549,823**	36,549,823

All the above H-shares have been listed on The Stock Exchange of Hong Kong Limited. The H-shares rank pari passu in all respects with the existing ordinary shares in Chinese Mainland including the right to receive all dividends and distributions declared or made.

35 Reserves

(a) Capital reserve

	30 June 2026	31 December 2025
Share premium	**19,181,249**	19,181,529
Other capital reserve	**(243,296)**	(243,296)
Total	**18,937,953**	18,938,233

(b) Surplus reserve

The surplus reserve at the end of reporting period represented statutory surplus reserve fund and discretionary surplus reserve fund. Pursuant to the Company Law of the PRC and the Article of Association of the Bank, the Bank is required to appropriate 10% of its net profit as on an annual basis determined under the China Accounting Standards for Business Enterprises, after making good prior year's accumulated loss, to statutory surplus reserve fund until the reserve fund balance reaches 50% of its registered capital.

The Bank may also appropriate discretionary surplus reserve fund in accordance with the resolution of the shareholders.

(Expressed in thousands of Renminbi, unless otherwise stated)

35 Reserves (Continued)

(c) General reserve

Pursuant to the "Measures on Impairment Allowances for Financial Enterprises (Cai Jin[2012] No. 20)" issued by the Ministry of Finance, the Bank is required to set aside a general reserve through profit appropriation which should not be lower than 1.5% of the ending balance of its gross risk-bearing assets on an annual basis. If this is difficult to reach 1.5% at one time, general reserve could be set aside by years, which should not exceed 5 years in principle.

(d) Other reserves

	Note	**30 June 2026**	31 December 2025
Investment revaluation reserve	(i)	**870,534**	369,548
Impairment reserve	(ii)	**33,985**	45,754
Deficit on remeasurement of net defined benefit liability	(iii)	**(59,354)**	(44,602)
Share of other comprehensive income of an associate	(iv)	**–**	–
Total		**845,165**	370,700

(i) Investment revaluation reserve

	2026	2025
As at 1 January	**369,548**	1,725,537
Changes in fair value recognised in other comprehensive income	**713,935**	(1,008,873)
Transfer to profit or loss upon disposal	**(43,438)**	(799,612)
Less: deferred tax	**(169,511)**	452,496
As at 30 June/31 December	**870,534**	369,548

(Expressed in thousands of Renminbi, unless otherwise stated)

35 Reserves (Continued)

(d) Other reserves (Continued)

(ii) Impairment reserve

	2026	2025
As at 1 January	**45,754**	470,481
Impairment losses reversed in other comprehensive income	**(11,769)**	(424,727)
As at 30 June/31 December	**33,985**	45,754

(iii) Deficit on remeasurement of net defined benefit liability

Deficit on remeasurement of net defined benefit liability represents actuarial gains or losses, net of tax, from remeasuring the net defined benefit liability.

	2026	2025
As at 1 January	**(44,602)**	(73,054)
Remeasurement of net defined benefit liability	**(14,752)**	28,452
As at 30 June/31 December	**(59,354)**	(44,602)

(iv) Share of other comprehensive income of associate

	2026	2025
As at 1 January	**–**	661
Changes in fair value recognised in other comprehensive income	**–**	(661)
As at 30 June/31 December	**–**	–

36 Retained earnings

(a) Appropriation of profits

(i) Ordinary share dividend

In accordance with the Company Law of the PRC and the Articles of Association of the Bank, the profit after tax as reported in the statutory financial statements prepared in accordance with the China Accounting Standards for Business Enterprises may be distributed as dividends only after the following appropriations have been made:

(i) to offset accumulated losses, if any;

(ii) an appropriation of 10% of the Bank's net profit to the non-distributable statutory surplus reserve; and

(iii) an appropriation to the general reserve.

Pursuant to the relevant regulations, the amount of distributable profit of the Bank shall be the lower of (i) the distributable profit calculated in accordance with the China Accounting Standards for Business Enterprises and (ii) the distributable profit calculated in accordance with IFRS Accounting Standards.

(b) Distribution of interest on perpetual bonds

The Bank distributed interest of RMB144.00 million to the perpetual bond holders during the period ended 30 June 2026 (for the year ended 31 December 2025: RMB652.00 million).

(Expressed in thousands of Renminbi, unless otherwise stated)

37 Other equity instruments

Perpetual Bond

(a) Perpetual Bond outstanding:

	30 June 2026						
Financial instrument outstanding	**Time issued**	**Classifications**	**Initial interest rate**	**Issue Price (RMB)**	**Quantities**	**In original currency million**	**In RMB million**
Zhongyuan Bank Co., Ltd. 2023 Undated Capital Bonds (First Tranche)	**15 August 2023**	**Equity**	**4.60%**	**100**	**100,000,000**	**10,000.00**	**10,000.00**
Total						**10,000.00**	**10,000.00**
Less: issuing cost							**(0.78)**
Book value							**9,999.22**

	31 December 2025						
Financial instrument outstanding	Time issued	Classifications	Initial interest rate	Issue Price (RMB)	Quantities	In original currency million	In RMB million
Bank of Pingdingshan Co., Ltd. 2021 Undated Capital Bonds	25 June 2021	Equity	4.80%	100	10,000,000	1,000.00	1,000.00
Bank of Luoyang Co., Ltd. 2021 Undated Capital Bonds	25 June 2021	Equity	4.80%	100	20,000,000	2,000.00	2,000.00
Zhongyuan Bank Co., Ltd. 2023 Undated Capital Bonds (First Tranche)	15 August 2023	Equity	4.60%	100	100,000,000	10,000.00	10,000.00
Total						13,000.00	13,000.00
Less: issuing cost							(1.06)
Book value							12,998.94

37 Other equity instruments (Continued)

Perpetual Bond (Continued)

(b) Main clause

With the approvals of relevant regulatory authorities, Bank of Pingdingshan issued RMB1,000.00 million of Perpetual Bonds on 25 June 2021 in the National Inter-bank Bond Market. Bank of Luoyang issued RMB2,000 million of Perpetual Bond on 25 June 2021 in the National Inter-bank Bond Market. The Bank inherited the above Perpetual Bonds after the completion of the merger by absorption.

Bank of Pingdingshan Co., Ltd. 2021 Undated Capital Bonds and Bank of Luoyang Co., Ltd. 2021 Undated Capital Bonds are callable bonds. On 29 June 2026, the Bank exercised the option and fully redeemed the Bank of Pingdingshan Co., Ltd. 2021 Undated Capital Bonds and the Bank of Luoyang Co., Ltd. 2021 Undated Capital Bonds, with nominal amounts of RMB1,000.00 million and RMB2,000.00 million, respectively.

With the approvals of relevant regulatory authorities, the Bank issued RMB10,000 million of Perpetual Bonds on 15 August 2023 in the National Inter-bank Bond Market. The funds raised by the Bank from the bonds are used to supplement other tier-1 capital of the Bank in accordance with the relevant laws and approvals by regulatory authorities.

(i) Interest

The unit coupon amount of the perpetual bonds is RMB100. The first 5-year coupon rate of the perpetual bonds inherited by the Bank in 2022 is 4.80%, with the interest rate resettable every 5 years. The first 5-year coupon rate of the perpetual bonds in 2023 is 4.60%, with the interest rate resettable every 5 years. The coupon rate of the bonds consists of two components, a base rate and a fixed spread.

37 Other equity instruments (Continued)

Perpetual Bond (Continued)

(b) Main clause (Continued)

(ii) Interest stopper and setting mechanism

The interest payment for Perpetual Bonds 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.

(iii) Order of distribution and liquidation method

The claims in respect of Perpetual Bonds will be subordinated to claims of depositors, general creditors, and subordinated indebtedness that rank senior to the Perpetual Bonds, and will rank in priority to all classes of shares held by shareholders of the Bank. The Perpetual Bond will rank pari passu with the claims in respect of any other tier-1 capital instruments of the Bank that rank pari passu with the Perpetual Bonds.

(iv) Write down conditions

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.

(v) Redemption

The duration of the Perpetual Bonds is the same as the continuing operation of the Bank. Five years after the issuance date of the Perpetual Bonds, 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 Bond is not classified as other tier-1 capital instruments due to unpredicted changes in regulations, the Bank shall have the right to redeem the Perpetual Bonds fully instead of partly.

(Expressed in thousands of Renminbi, unless otherwise stated)

38 Structured entities

(a) Consolidated structured entities

The structured entities consolidated by the Group primarily comprise certain publicly offered funds invested by the Group, investment management products under trust plans, and investment management products managed by securities companies. The Group controls these structured entities as it has power over them, is exposed, or has rights, to variable returns from its involvement with them, and has the ability to use its power to affect those returns.

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

The Group holds interests in certain structured entities sponsored by third-party institutions through direct investments. These structured entities are not consolidated into the Group's consolidated financial statements, include investment management products under trust scheme, investment management products managed by securities companies and wealth management products issued by financial institutions. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of third party investors. These vehicles are financed through the issue of units to investors.

The following table sets out an analysis of the carrying amounts of interests held by the Group, in structured entities sponsored by third-parties institutions, through direct investments, in structured entities sponsored by third parties, as well as an analysis of the line items in the consolidated statements of financial position in which relevant assets are recognised as at 30 June 2026 and 31 December 2025:

	30 June 2026	
	Carrying amount	**Maximum exposure**
Financial investments at FVPL	**8,341,184**	**8,341,184**
Financial investments at amortised cost	**8,369,264**	**8,369,264**
Total	**16,710,448**	**16,710,448**

	31 December 2025	
	Carrying amount	Maximum exposure
Financial investments at FVPL	15,829,801	15,829,801
Financial investments at amortised cost	9,521,614	9,521,614
Total	25,351,415	25,351,415

As at 30 June 2026 and 31 December 2025, the maximum exposures in the unconsolidated structural entities are equal to their carrying amounts.

38 Structured entities (Continued)

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

The types of unconsolidated structured entities sponsored by the Group include non-principal guaranteed wealth management products. 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 issue of units to investors. Interest held by the Group includes investments in units issued by these structured entities and fees charged by providing management services.

As at 30 June 2026 and 31 December 2025, the carrying amounts of the investments in the units issued by these structured entities and management fee receivables being recognised are not material to the consolidated statement of financial position.

As at 30 June 2026, the amount of assets held by the unconsolidated non-principal guaranteed wealth management products, which are sponsored by the Group, was RMB57,907.14 million (31 December 2025: RMB60,167.11 million).

(d) Structured entities sponsored by the Group during the reporting period which the Group does not consolidate but have an interest in during the reporting period

As at 30 June 2026, the aggregated amount of the non-principal guaranteed wealth management products sponsored and issued by the Group after 1 January but matured before 30 June amounted to RMB19.31 million (31 December 2025: RMB4,181.30 million).

39 Capital management

The Group's capital management includes capital adequacy ratio management, capital financing management and economic capital management, of which the primary focus is on capital adequacy ratio management. The Group calculates the capital adequacy ratio in accordance with guidelines issued by the former CBRC. The capital of the Group is divided into core tier-1 capital, other tier-1 capital and tier-2 capital.

The capital adequacy ratio reflects the soundness of the Group's operations and risk management capabilities. The main objective in capital adequacy ratio management is to set an optimal capital adequacy ratio that meets the regulatory requirements by benchmarking against the capital adequacy ratio level of leading peer banks with reference to its own business environment and conditions.

The Group considers its strategic development plans, business expansion plans and risk variables when conducting scenario analysis and stress testing and executing other measures to forecast, plan and manage its capital adequacy ratio.

(Expressed in thousands of Renminbi, unless otherwise stated)

39 Capital management (Continued)

In accordance with the "Administrative Measures for the Capital of Commercial Banks", the State Administration of Financial Supervision stipulates that the Group's core tier-1 capital adequacy ratio should not be lower than 7.50%, tier-1 capital adequacy ratio should not be lower than 8.50% and capital adequacy ratio of not less than 10.50%, which have been met by the Group.

The on-balance sheet risk-weighted assets are measured using different risk weights, which are determined according to the credit, market and other risks associated with each asset and counterparty, taking into account any eligible collaterals or guarantees. Similar treatment is adopted for off-balance sheet exposure, with adjustments made to reflect the more contingent nature of any potential losses. Market risk-weighted assets are calculated using the standardised approach. Operational risk-weighted assets are calculated using basic indicator approach.

The capital adequacy ratios and related components of the Group illustrated below are computed based on the Group's financial statements prepared in accordance with the China Accounting Standards for Business Enterprises.

The Group calculates the capital adequacy ratios from 1 January 2024 in accordance with the Administrative Measures for the Capital of Commercial Banks issued by the NFRA in 2023 as follows:

	30 June 2026	31 December 2025
Core tier-1 capital adequacy ratio	**9.08%**	8.89%
Tier-1 capital adequacy ratio	**11.20%**	11.38%
Capital adequacy ratio	**13.33%**	13.52%
Core tier-1 capital	**87,539,652**	85,299,890
Deductions of core tier-1 capital	**(9,383,993)**	(9,129,610)
Net core tier-1 capital	**78,155,659**	76,170,280
Other tier-1 capital	**18,246,311**	21,273,888
Net tier-1 capital	**96,401,970**	97,444,168
Tier-2 capital	**18,338,499**	18,357,770
Net capital base	**114,740,469**	115,801,938
Total risk weighted assets	**860,463,827**	856,521,009

(Expressed in thousands of Renminbi, unless otherwise stated)

40 Notes to the consolidated cash flow statement

(a) Net increase in cash and cash equivalents

	Six months ended 30 June	
	2026	2025
Cash and cash equivalents as at 30 June	**116,773,468**	75,874,783
Less: Cash and cash equivalents as at 1 January	**(82,468,799)**	(63,630,220)
Net increase in cash and cash equivalents	**34,304,669**	12,244,563

(b) Cash and cash equivalents

	30 June 2026	30 June 2025
Cash on hand	**2,380,508**	2,066,679
Deposits with the central bank	**31,793,005**	10,496,094
Deposits with banks and other financial institutions	**18,619,874**	28,007,626
Financial assets held under resale agreements	**62,774,464**	34,230,594
Placements with banks and other financial institutions	**1,205,617**	1,073,790
Total	**116,773,468**	75,874,783

(Expressed in thousands of Renminbi, unless otherwise stated)

41 Related party relationships and transactions

(a) Relationship of related parties

(i) Major shareholders

Major shareholders include shareholders of the Bank with direct or indirect 5% or above shareholding, or with the right to appoint a director in the Bank.

Shareholding in the Bank:

	30 June 2026	31 December 2025
Henan Investment Group Co., Ltd.	**6.84%**	6.84%
Jiangsu Wuzhong Group Co., Ltd.	**1.15%**	1.15%

(ii) Subsidiaries, associate and joint venture of the Bank

The detailed information of the Bank's subsidiaries, associate and joint venture are set out in Note 21.

(iii) Other related parties

Other related parties can be individuals or enterprises, which include: close family members of board of directors and senior management; entities (and their subsidiaries) controlled or jointly controlled by members of the board of directors and senior management, and close family members of such individuals; and entities controlled or jointly controlled by the major shareholders of the Bank as set out in Note 41(a)(i) or their controlling shareholders.

(Expressed in thousands of Renminbi, unless otherwise stated)

41 Related party relationships and transactions (Continued)

(b) Related party transactions and balances

(i) Transactions between the Bank and major shareholders

	Six months ended 30 June	
	2026	2025
Transactions during the reporting period:		
Interest income	**12,871**	20,420
Interest expense	**1,782**	2,275
Operating expenses	**–**	854

	30 June 2026	31 December 2025
Balances at end of the reporting period/year:		
Financial investments	**100,334**	90,045
Loans and advances to customers	**1,159,700**	1,159,700
Deposits from customers	**654,164**	526,173

(ii) Transactions between the Bank and subsidiaries:

The subsidiaries of the Bank are its related parties. The transactions between the Bank and its subsidiaries and among the subsidiaries are eliminated on consolidation and therefore are not disclosed in this note.

(Expressed in thousands of Renminbi, unless otherwise stated)

41 Related party relationships and transactions (Continued)

(b) Related party transactions and balances (Continued)

(iii) Transactions between the Bank and other related parties, associate and joint venture:

	Six months ended 30 June	
	2026	2025
Transactions during the reporting period:		
Interest income	**421,413**	351,392
Interest expense	**134,477**	67,964
Net trading gains	**4,689**	6,857
Operating expense	**313**	97
Transfers of financial assets	**555,325**	264,835

	30 June 2026	31 December 2025
Balances at end of the reporting period/year:		
Loans and advances to customers	**14,260,249**	16,190,430
Lease receivables	**168,921**	141,395
Financial investments	**1,188,868**	925,660
Placements with banks and other financial institutions	**2,400,000**	–
Deposits with banks and other financial institutions	**937,010**	2,377,109
Deposits from customers	**6,471,933**	6,282,901
Deposits from banks and other financial institutions	**6,305,754**	2,753,943

	30 June 2026	31 December 2025
Balances of items off the consolidated statement of financial position outstanding at the end of the reporting period/year:		
Bank acceptances	**550,000**	625,256
Letters of credit	**285,050**	318,060
Letters of guarantees	**–**	5,100

(Expressed in thousands of Renminbi, unless otherwise stated)

41 Related party relationships and transactions (Continued)

(c) 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, the supervisory board and executive officers.

(i) Transactions between the Bank and key management personnel

	Six months ended 30 June	
	2026	2025
Transactions during the reporting period:		
Interest income	**113**	54
Interest expense	**18**	27

	30 June 2026	31 December 2025
Balances at end of the reporting period/year:		
Loans and advances to customers	**6,272**	3,720
Deposits from customers	**5,131**	4,532

(ii) Key management personnel compensation

The aggregate compensation of key management personnel is listed as follows:

	Six months ended 30 June	
	2026	2025
Salaries and other emoluments	**3,812**	4,987
Discretionary bonus	**1,265**	1,964
Contribution by the employer to social insurance and welfare plans, housing allowance, etc.	**448**	607
Total	**5,525**	7,558

42 Segment reporting

The Group manages its business by business lines. Consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group defines reporting segments based on the following operating segments:

Corporate banking

This segment represents the provision of a range of financial products and services to corporations, government agencies and financial institutions. These products and services include corporate loans and advances, trade financing and deposit taking activities, agency services, consulting and advisory services, remittance and settlement services and guarantee services.

Retail banking

This segment represents the provision of a range of financial products and services to retail customers. These products and services include personal loans and deposit taking activities, bank card business, personal wealth management services and remittance services.

Financial markets business

This segment covers the Group's financial markets business operations. The financial markets business enters into inter-bank money market transactions, repurchases transactions and investments. It also trades in debt securities. The financial markets business segment also covers management of the Group's overall liquidity position, including the issuance of debts.

Others

These represent assets, liabilities, income and expenses which cannot be directly attributable or cannot be allocated to a segment on a reasonable basis.

Measurement of segment assets and liabilities and of segment income, expenses and results is based on the Group's accounting policies.

Internal charges and transfer prices are determined with reference to market rates and have been reflected in the performance of each segment. Interest income and expense earned from third parties are referred to as "external net interest income/expense". Net income and expense arising from internal charges and transfer pricing adjustments are referred to as "internal net interest income/expense".

Segment income, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment income, expenses, assets and liabilities are determined after considering intra-group balances and intra-group transactions are eliminated as part of the consolidation process. Segment capital expenditure is the total cost incurred during the six months ended 30 June 2026 and 2025 to acquire property and equipment, intangible assets and other long-term assets.

(Expressed in thousands of Renminbi, unless otherwise stated)

42 Segment reporting (Continued)

	Six months ended 30 June 2026				
	Corporate banking	Retail banking	Financial market business	Others	Total
Operating income					
External net interest income	8,826,233	151,664	3,033,041	–	12,010,938
Internal net interest (expense)/income	(1,895,916)	3,814,167	(1,918,251)	–	–
Net interest income	6,930,317	3,965,831	1,114,790	–	12,010,938
Net fee and commission income	639,055	138,080	215,493	–	992,628
Net trading gains	110,680	–	136,628	–	247,308
Net gains arising from investment securities	2,413	–	862,793	–	865,206
Other operating income	22,195	11,383	7,030	114,660	155,268
Operating income	7,704,660	4,115,294	2,336,734	114,660	14,271,348
Operating expenses	(1,367,036)	(1,640,790)	(754,674)	(130,210)	(3,892,710)
Impairment losses on assets	(5,250,337)	(1,825,006)	(1,046,508)	814	(8,121,037)
Investment losses on associate and joint venture	–	–	(406,112)	–	(406,112)
Profit/(loss) before tax	1,087,287	649,498	129,440	(14,736)	1,851,489
Segment assets					
Deferred tax assets	–	–	–	14,382,336	14,382,336
Total assets	560,717,111	322,239,580	591,816,391	21,694,049	1,496,467,131
Segment liabilities	368,912,357	649,987,189	371,978,972	6,792,697	1,397,671,215
Total liabilities	368,912,357	649,987,189	371,978,972	6,792,697	1,397,671,215
Other segment information					
– Depreciation and amortisation	328,284	221,011	136,499	1,857	687,651
– Capital expenditure	127,783	86,028	53,132	722	267,665

(Expressed in thousands of Renminbi, unless otherwise stated)

42 Segment reporting (Continued)

	Six months ended 30 June 2025				
	Corporate banking	Retail banking	Financial market business	Others	Total
Operating income					
External net interest income/(expense)	9,317,243	(878,021)	2,611,359	–	11,050,581
Internal net interest (expense)/income	(3,435,642)	5,042,570	(1,606,928)	–	–
Net interest income	5,881,601	4,164,549	1,004,431	–	11,050,581
Net fee and commission income	641,077	319,625	275,827	–	1,236,529
Net trading (losses)/gains	(82,134)	–	424,444	–	342,310
Net gains arising from investment securities	1,675	–	873,886	–	875,561
Other operating income	11,980	10,666	2,031	32,806	57,483
Operating income	6,454,199	4,494,840	2,580,619	32,806	13,562,464
Operating expenses	(1,366,638)	(1,829,591)	(501,686)	(371,239)	(4,069,154)
Impairment losses on assets	(5,888,119)	(1,068,019)	(1,110,221)	(4,511)	(8,070,870)
Investment gains on associate and joint venture	–	–	83,402	–	83,402
(Loss)/profit before tax	(800,558)	1,597,230	1,052,114	(342,944)	1,505,842
Segment assets	559,647,920	300,803,001	528,126,589	6,541,227	1,395,118,737
Deferred tax assets	–	–	–	12,807,763	12,807,763
Total assets	559,647,920	300,803,001	528,126,589	19,348,990	1,407,926,500
Segment liabilities	354,309,644	614,905,519	331,494,045	6,438,715	1,307,147,923
Total liabilities	354,309,644	614,905,519	331,494,045	6,438,715	1,307,147,923
Other segment information					
– Depreciation and amortisation	251,917	233,879	143,494	1,451	630,741
– Capital expenditure	227,642	211,342	129,666	1,311	569,961

43 Risk management

The Group has exposure to the following risks from its financial instruments: credit risk, market risk, interest rate risk in the banking book, liquidity risk and operational risk.

This note presents information about the Group's exposure to each of these risks and their sources, and the Group's objectives, policies and procedures for measuring and managing these risks.

The Group's risk management policies were established to identify and analyse the risks to which the Group is exposed, to set appropriate risk limits, and to design relevant internal control policies and systems for monitoring risks and adhering to risk limits. Risk management policies and relevant internal control systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Internal Audit Department of the Group undertakes both regular and ad hoc reviews of the compliance of internal control implementation with risk management policies.

(a) Credit risk

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its contractual obligation or commitment to the Group. It arises primarily from credit and bond investment portfolios and guarantees granted.

Credit business

The board of directors is responsible for setting the Group's risk management strategy and the overall risk tolerance level. The board also monitors the Group's risk management process and regularly assesses the Group's risk position and risk management strategies. The board gives advice on internal controls relating to risk management. The responsible departments for credit risk management include the Credit Approval Department, Credit Management Department, and Risk Management Department. The Risk Management Department is responsible for implementing the Group's overall risk management system. Besides risk monitoring and control, the Risk Management Department is also responsible for formulating risk management policies. To ensure the independence of credit approval, the Credit Approval Department is independent from customer relationship and product management departments. Front office departments of branches carry out credit businesses according to the Group's risk management policies and procedures.

The Group continuously improves the internal control mechanism and strengthens the management of the credit business. The Group has established comprehensive assessment and inquiry mechanisms, assigning the credit management accountability to the relevant departments and individuals.

43 Risk management (Continued)

(a) Credit risk (Continued)

Credit business (Continued)

For corporate and institutional businesses, the Group has established industry-specific limits for credit approval. It has put in place continuous monitoring mechanism, with regular reporting of credit exposures to the board. The Group's credit risk management covers key operational phases, including pre-lending evaluations, credit approval, and post-lending monitoring. With respect to pre-lending evaluations, the Group assesses customer credit ratings and performs integrated analysis on the risk and return of the loan. In the credit approval phase, all credit applications are approved by authorised credit officers or approval authorities. During the post-lending monitoring, the Group continually monitors outstanding loans and other credit related businesses. Any adverse events that may significantly affect a borrower's repayment ability are reported immediately, and actions are taken to mitigate the risks.

For personal credit operation business, credit assessment of applicants is used as the basis for loan approval. In the credit assessment, customer relationship managers are required to assess the income level, credit history, and repayment ability of the applicant. The customer relationship managers then forward the application and their recommendations to the loan-approval departments for further approval. The Group monitors borrowers' repayment ability, the status of collateral and any changes to their value during the post-lending phase. Once a loan becomes overdue, the Group starts the recovery process according to standardised loan recovery procedures.

The Group adopts a loan risk classification approach to manage its loan portfolio risk. Loans are generally classified as normal, special mention, substandard, doubtful and loss according to their levels of risk. Substandard, doubtful and loss loans are considered to be impaired loans and advances. They are classified as such when one or more events demonstrate that there is objective evidence of a loss event. The impairment loss is assessed collectively or individually as appropriate.

Financial markets business

The Group sets credit limits for financial markets business operations based on the credit risk inherent in the products, counterparties and geographical areas. Credit risk exposure is closely monitored on a systematic, real-time basis, and credit risk limits are reviewed and updated regularly.

43 Risk management (Continued)

(a) Credit risk (Continued)

Credit risk management

The financial assets are categorised by the Group into the following stages to manage its financial assets' credit risk:

Stage 1

Financial assets have not experienced a significant increase in credit risk since initial recognition and impairment recognised on the basis of 12-month ECLs.

Stage 2

Financial assets have experienced a significant increase in credit risk since initial recognition and impairment is recognised on the basis of lifetime ECLs.

Stage 3

Financial assets that are in default and considered credit-impaired.

Significant increase in credit risk

When one or more quantitative, qualitative standards or upper limits are triggered, the Group assumes that credit risk on financial assets has increased significantly.

The borrower is listed in the watch list if one or more of the following criteria are met:

- The credit spread increases significantly;
- Significant changes with an adverse effect that have taken place in the borrower's business, financial and economic status;
- Application of a grace period or debt-restructuring;
- Significant changes with an adverse effect in the borrower's business conditions;
- Decrease in value of the collaterals (for the collateral loans and pledged loans only);
- Indicators of cash flow/liquidity issues, such as late payment of accounts payable/ repayment of loans;
- The financial asset is overdue more than 30 days.

Notes to the Unaudited Interim Financial Statements

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(a) Credit risk (Continued)

Credit risk management (Continued)

Significant increase in credit risk (Continued)

The Group uses watch lists to monitor credit risk of financial assets related to loans and financial market operations, and conducts regular assessments at the counterparty level. The standards used in determining whether credit risk increases significantly are regularly monitored and reviewed by the management for the appropriateness.

As at 30 June 2026, the Group did not consider any of its financial assets to have a low credit risk that would warrant not reassessing these financial assets at the end of the reporting period to determine whether there has been a significant increase in credit risk since their initial recognition.

Definition of "default" and "credit-impaired assets"

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or delinquency in interest or principal payments;

– it is becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;

– significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor;

– the disappearance of an active market for a security because of financial difficulties of the issuer; or

– overdue more than 90 days.

The above criteria apply to all financial assets of the Group and they are consistent with the definition of "default" adopted by the internal management of credit risk.

43 Risk management (Continued)

(a) Credit risk (Continued)

Credit risk management (Continued)

Measurement of ECLs

The Group adopts ECL model to measure provision for loss of financial assets based on the stages categorised above.

The ECL is the result of the discounted product of probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"). The definitions of these terms are as follows:

– PD refers to the likelihood that a borrower will be unable to meet his repayment obligations over the next 12 months or the remaining lifetime of the loan;

– EAD is the amount that the Group should be reimbursed upon default of an obligor over the next 12 months or the remaining lifetime of the loan;

– LGD refers to the expected degree of loss arising from the exposure at default which is predicted by the Group. LGD varies according to different types of counterparties, methods and priority of recovering debts, and the availability of collaterals or other credit support.

The Group determines the ECL by estimating the PD, LGD and EAD of individual exposure or asset portfolios in the future months. The Group multiplies these three parameters and makes adjustments according to the probability of their continuance (i.e. there is no prepayment or default at an earlier period). By adopting this approach, the Group can calculate the ECL for the future months. The results of calculation for each month are then discounted to the balance sheet date and added up. The discount rate used in the calculation of ECL is the initial effective interest rate or its approximate value.

PD is derived based on internal and external ratings, five-level classification or historical data, with forward-looking adjustments.

The Group's exposure to credit risk can be reasonably grouped into credit risks by using qualitative and quantitative analyses and suggestions from experts, and by taking into account credit risk characteristics such as business types, product attributes or customer characteristics.

The Group updates the ECL assessment on a monthly basis, also makes loss allowance for credit risk based on the assessment results. To ensure that the model parameters adequately reflect the impact of forward-looking information on ECLs, the model parameters are updated at least semi-annually, the implementation of the ECL approach is assessed annually, and a competent independent external third-party institution is engaged to conduct a comprehensive validation on the implementation model under the ECL approach at least once every three years.

In measuring ECLs of financial instruments, the Group is required to consider all available, reasonable and reliable information that may affect credit risk, uses relevant observable data (e.g., Gross Domestic Product ("GDP"), Consumer Price Index, income of urban residents, etc.).

43 Risk management (Continued)

(a) Credit risk (Continued)

Credit risk management (Continued)

Measurement of ECLs (Continued)

The Group sets up a variety of basic scenarios in accordance with the Group's operations and the macro-political situation when developing forward-looking information indicators, specifying the weight of different scenarios, and adding extreme scenarios in conjunction with the results of the stress tests when necessary. Adopt a combination of internal expert forecasting methods and data from external institutions to obtain forward-looking information, which may include both domestic information and information about other countries and regions related to credit risk. The forward-looking model is established to determine the adjustments of forward-looking information to the relevant parameters of the ECL assessment model.

As at 30 June 2026, the Group makes forward-looking forecasts of macroeconomic indicators, taking into account the impact of different macroeconomic scenarios and other factors on economic trends. Among these, the quarter-on-quarter GDP growth rate used to estimate ECLs is 4.70% in the second half of 2026 under the neutral scenario.

Assessing credit risk of financial assets after the amendment of contractual cash flows

In order to achieve maximum collection, the Group may modify the contractual terms of loans due to business negotiations or financial difficulties of the borrowers at times.

Such rescheduling activities include extended payment term arrangements, payment holidays and payment forgiveness. Rescheduling policies and practices are based on indicators or criteria which, in the judgment of management, indicate that payment will most likely continue. These policies are kept under continuous review. The restructuring of loans is most common in the management of medium and long-term loans. The risk stage can only be adjusted lower if the rescheduled loans are reviewed for at least 6 consecutive months and the corresponding stage classification criteria is reached.

(i) Maximum credit risk exposure

The maximum exposure to credit risk is represented by the net carrying amount of each type of financial assets as at the end of each reporting period.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(a) Credit risk (Continued)

(ii) Financial assets analysed by credit quality are summarised as follows:

	30 June 2026							
	Balance (excluding accrued interest)				Provision for impairment losses (excluding accrued interest)			
	Assessed for 12-month ECLs	Not credit–impaired and assessed for lifetime ECLs	Credit-impaired and assessed for lifetime ECLs	Total	Assessed for 12-month ECLs	Not credit–impaired and assessed for lifetime ECLs	Credit-impaired and assessed for lifetime ECLs	Total
Financial assets measured at amortised cost								
Cash and deposits with the central bank	82,802,068	–	–	82,802,068	–	–	–	–
Deposits/Placements with banks and other financial institutions	68,984,890	–	19,027	69,003,917	(13,512)	–	(19,027)	(32,539)
Financial assets held under resale agreements	62,774,464	–	–	62,774,464	(6,787)	–	–	(6,787)
Loans and advances to customers	632,106,452	35,992,714	15,964,982	684,064,148	(8,271,437)	(6,807,831)	(9,864,164)	(24,943,432)
Financial investments	250,029,479	1,212,057	28,271,442	279,512,978	(64,283)	(196,471)	(22,710,403)	(22,971,157)
Lease receivables	76,082,865	3,714,162	2,077,776	81,874,803	(1,218,633)	(1,942,215)	(1,736,959)	(4,897,807)
Total	1,172,780,218	40,918,933	46,333,227	1,260,032,378	(9,574,652)	(8,946,517)	(34,330,553)	(52,851,722)
Financial assets at FVOCI								
Loans and advances to customers	61,715,094	–	–	61,715,094	(15,916)	–	–	(15,916)
Financial investments	109,670,279	–	–	109,670,279	(29,338)	–	–	(29,338)
Total	171,385,373	–	–	171,385,373	(45,254)	–	–	(45,254)

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(a) Credit risk (Continued)

(ii) Financial assets analysed by credit quality are summarised as follows: (Continued)

	31 December 2025							
	Balance (excluding accrued interest)				Provision for impairment losses (excluding accrued interest)			
	Assessed for 12-month ECLs	Not credit–impaired and assessed for lifetime ECLs	Credit-impaired and assessed for lifetime ECLs	Total	Assessed for 12-month ECLs	Not credit–impaired and assessed for lifetime ECLs	Credit-impaired and assessed for lifetime ECLs	Total
Financial assets measured at amortised cost								
Cash and deposits with the central bank	56,464,111	–	–	56,464,111	–	–	–	–
Deposits/Placements with banks and other financial institutions	88,309,395	–	19,027	88,328,422	(20,412)	–	(19,027)	(39,439)
Financial assets held under resale agreements	38,554,176	–	–	38,554,176	(3,036)	–	–	(3,036)
Loans and advances to customers	626,048,542	30,147,977	14,390,729	670,587,248	(7,767,999)	(6,056,017)	(10,021,970)	(23,845,986)
Financial investments	234,859,551	2,482,167	27,371,906	264,713,624	(117,758)	(474,912)	(21,132,395)	(21,725,065)
Lease receivables	65,633,264	3,801,072	1,705,940	71,140,276	(1,051,487)	(1,464,716)	(1,414,786)	(3,930,989)
Total	1,109,869,039	36,431,216	43,487,602	1,189,787,857	(8,960,692)	(7,995,645)	(32,588,178)	(49,544,515)
Financial assets at FVOCI								
Loans and advances to customers	63,317,886	–	–	63,317,886	(5,279)	–	–	(5,279)
Financial investments	108,338,058	–	–	108,338,058	(55,666)	–	–	(55,666)
Total	171,655,944	–	–	171,655,944	(60,945)	–	–	(60,945)

As at 30 June 2026, the fair value of collaterals held against loans and advances that are not credit-impaired and assessed for lifetime ECLs amounted to RMB17,849.14 million (31 December 2025: RMB7,231.05 million). The fair value of collaterals held against credit-impaired loans and advances that are assessed for lifetime ECL amounted to RMB7,895.22 million (31 December 2025: RMB7,254.39 million). The collaterals mainly include land, buildings, machinery and equipment, etc. The fair value of collaterals was estimated by the Bank based on the latest external valuations, adjusted in light of disposal experience and current market conditions.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(a) Credit risk (Continued)

(iii) Amounts due from banks and other financial institutions

The amounts due from banks and non-bank financial institutions including deposits with banks and other financial institutions, placements with banks and other financial institutions, and financial assets held under resale agreements for which counterparties are banks and non-bank financial institutions. Amounts due from banks and non-bank financial institutions are rated with reference to major rating agencies accepted by the PBOC.

	30 June 2026	31 December 2025
Neither overdue nor credit-impaired		
Ratings		
– A to AAA	**81,513,691**	85,234,099
– unrated	**50,624,617**	42,095,955
Total	**132,138,308**	127,330,054

(iv) Debt securities

The Group adopts a credit rating approach in managing the credit risk of the debt securities portfolio. Debt securities are rated with reference to major rating agencies where the issuers of the securities are located. The carrying amounts of debt securities investments analysed by the rating agency designations as at 30 June are as follows:

	30 June 2026	31 December 2025
Neither overdue nor credit-impaired		
Ratings		
– AAA	**388,803,893**	362,516,901
– AA- to AA+	**2,780,893**	3,394,822
– BB- to BB+	**–**	100,221
– unrated	**28,167,087**	16,506,212
Overdue and credit impaired		
– unrated	**–**	–
Total	**419,751,873**	382,518,156

43 Risk management (Continued)

(b) Market risk

Market risk refers to the risk of losses to the Group's activities arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices, stock prices and other factors. Market risk exists in both the Group's trading and non-trading activities. The market risk disclosed in this note does not include interest rate risk in the banking book. An analysis of interest rate risk in the banking book is set out in Note 43(c).

The board of directors is ultimately responsible for monitoring the Group's market risk to ensure that the Group has effectively identified, measured and monitored all types of market risk. The Risk and Internal Control Management Committee monitors the market risk management process within the scope authorised by the board of directors, which include review and approval of market risk management strategies, policies and procedures. The Group is primarily exposed to market risk in its financial markets business. The Financial Market Department is responsible for carrying out capital investments and transactions, as well as monitoring and managing the foreign exchange risk on a daily basis. The Asset and Liability Management Department is responsible for monitoring and managing the interest rate risk in bank account. The Risk Management Department is responsible for formulating the market risk management policies and procedures, as well as identifying, measuring and monitoring the Group's market risk.

Sensitivity analysis is a technique which assesses the sensitivity of the Group's overall risk profile and its risk profile for each period with reference to the interest rate risks for different maturities.

Scenario analysis is a multi-factor analysis method which assesses the impact of multiple factors interacting simultaneously, taking into consideration of the probabilities of various scenarios.

Foreign currency gap analysis is a technique which estimates the impact of foreign exchange rate movements on the Group's current profit or loss. The foreign currency gap mainly arises from the currency mismatch in the Group's on/off-balance sheet items.

Sensitivity gap analysis is a technique which estimates the impact of interest rate movements on the Group's current profit or loss. It is used to work out the gap between future cash inflows and outflows by categorising each of the Group's interest-bearing assets and interest-bearing liabilities into different periods based on repricing dates.

The results of stress testing are assessed against a set of forward-looking scenarios using stress moves in market variables. The results are used to estimate the impact on profit or loss.

Effective duration analysis is a technique which estimates the impact of interest rate movements by giving a weight to each period's exposure according to its sensitivity, calculating the weighted exposure, and summarising all periods' weighted exposures to estimate the non-linear impact of a change in interest rates on the Group's economic value.

Interest rate risk in the trading book

Interest rate risk in the trading book mainly arises from the financial markets business' investment portfolios. Interest rate risk is monitored using the effective duration analysis method. The Group employs other supplementary methods to measure its interest rate sensitivity, which is expressed as changes in the investment portfolios' fair value given a 100 basis points (1%) movement in the interest rates.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(b) Market risk (Continued)

Foreign currency risk

The Group's currency risk mainly arises from foreign currency deposits with banks and other financial institutions. The Group manages currency risk by matching its foreign currency denominated assets with corresponding liabilities in the same currencies.

The Group's currency exposures as at the end of the reporting period are as follows:

	30 June 2026				
	RMB	USD (RMB Equivalent)	HKD (RMB Equivalent)	Others (RMB Equivalent)	Total (RMB Equivalent)
Assets					
Cash and deposits with the central bank	85,194,914	9,450	315	993	85,205,672
Deposits with banks and other financial institutions	19,797,905	922,094	20,896	27,656	20,768,551
Placements with banks and other financial institutions	47,378,665	–	1,210,032	–	48,588,697
Financial assets held under resale agreements	62,781,060	–	–	–	62,781,060
Loans and advances to customers	727,649,357	464,524	–	–	728,113,881
Financial investments	439,476,802	145,201	–	–	439,622,003
Lease receivables	76,976,996	–	–	–	76,976,996
Derivative financial assets	16,488	–	–	–	16,488
Others	34,162,549	19,372	211,862	–	34,393,783
Total assets	1,493,434,736	1,560,641	1,443,105	28,649	1,496,467,131
Liabilities					
Borrowings from the central bank	71,275,684	–	–	–	71,275,684
Deposits from banks and other financial institutions	81,616,522	1	–	–	81,616,523
Placements from banks and other financial institutions	71,713,242	–	–	–	71,713,242
Financial assets sold under repurchase agreements	36,445,797	–	–	–	36,445,797
Deposits from customers	1,014,195,947	125,389	479	5,964	1,014,327,779
Debt securities issued	109,729,446	–	–	–	109,729,446
Derivative financial liabilities	20,407	–	–	–	20,407
Others	12,239,592	23,883	278,862	–	12,542,337
Total liabilities	1,397,236,637	149,273	279,341	5,964	1,397,671,215
Asset-liability gap	96,198,099	1,411,368	1,163,764	22,685	98,795,916

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(b) Market risk (Continued)

Foreign currency risk (Continued)

The Group's currency exposures as at the end of the reporting period are as follows: (Continued)

	31 December 2025				
	RMB	USD (RMB Equivalent)	HKD (RMB Equivalent)	Others (RMB Equivalent)	Total (RMB Equivalent)
Assets					
Cash and deposits with the central bank	58,600,350	5,721	190	1,505	58,607,766
Deposits with banks and other financial institutions	34,352,874	888,514	1,264,090	50,052	36,555,530
Placements with banks and other financial institutions	51,999,017	215,289	–	–	52,214,306
Financial assets held under resale agreements	38,560,219	–	–	–	38,560,219
Loans and advances to customers	716,699,719	–	–	–	716,699,719
Financial investments	407,518,459	3,481,398	–	–	410,999,857
Lease receivables	67,209,287	–	–	–	67,209,287
Derivative financial assets	56,986	–	–	–	56,986
Others	33,327,003	42,565	20,143	–	33,389,711
Total assets	1,408,323,914	4,633,487	1,284,423	51,557	1,414,293,381
Liabilities					
Borrowings from the central bank	58,404,636	–	–	–	58,404,636
Deposits from banks and other financial institutions	78,075,854	1	–	–	78,075,855
Placements from banks and other financial institutions	64,752,787	–	–	–	64,752,787
Financial assets sold under repurchase agreements	25,420,353	210,928	–	–	25,631,281
Deposits from customers	981,152,774	117,505	468	18,646	981,289,393
Debt securities issued	92,650,704	–	–	–	92,650,704
Derivative financial liabilities	2,862	–	–	–	2,862
Others	13,854,397	281,208	24,834	–	14,160,439
Total liabilities	1,314,314,367	609,642	25,302	18,646	1,314,967,957
Asset-liability gap	94,009,547	4,023,845	1,259,121	32,911	99,325,424

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(b) Market risk (Continued)

Foreign currency risk (Continued)

	30 June 2026 Increase/ (decrease)	31 December 2025 Increase/ (decrease)
Changes in net profit and equity		
Up 100 basis points ("bps") change of foreign exchange rate	**19,484**	39,869
Down 100 bps change of foreign exchange rate	**(19,484)**	(39,869)

The sensitivity analysis mentioned above is based on a static foreign exchange exposure profile of assets and liabilities and certain simplified assumptions as set out below:

– The foreign exchange sensitivity is the gain and loss recognised as a result of one hundred basis points fluctuation in the foreign currency exchange rates against RMB based on the closing rate of reporting date;

– The exchange rates against RMB for the US dollars and other foreign currencies change in the same direction simultaneously;

– All the position will be held and keep unchanged after maturity; and

– The analysis does not take into account the effect of risk management measures taken by the Group.

Due to the assumptions adopted, actual changes in the Group's net profit and equity resulting from the increase or decrease in foreign exchange rates may vary from the estimated results of this sensitivity analysis.

43 Risk management (Continued)

(c) Interest rate risk in the banking book

Interest rate risk in the banking book refers to the risk that the economic value and overall earnings of the banking book may be subject to loss due to adverse movement in interest rates, term structure and other factors.

The Group is primarily exposed to interest rate risk in the banking book arising from repricing risk in its commercial banking business and the risk of financial markets business position.

Repricing risk

Repricing risk, which is also known as "maturity mismatch risk", is the most common form of interest rate risk. It is caused by the differences in timing between the maturities (related to fixed interest instruments) or repricing (related to floating interest instruments) of assets, liabilities and off-balance sheet items. The mismatch of repricing timing causes the Group's income or its inherent economic value to vary with the movement in interest rates.

The Asset and Liability Management Department is responsible for measuring, monitoring and managing interest rate risk. The Group regularly performs assessment on the interest rate repricing gap between the assets and liabilities that are sensitive to changes in interest rates and sensitivity analysis on the net interest income as a result of changes in interest rates. The primary objective of interest rate risk management is to minimise potential adverse effects on its net interest income or its inherent economic value caused by interest rate volatility.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(c) Interest rate risk in the banking book (Continued)

(i) The following tables indicate the assets and liabilities as at 30 June by the expected next repricing dates or by maturity dates, depending on which is earlier:

	30 June 2026					
	Within three months	Three months to one year	One year to five years	More than five years	Non-interest bearing	Total
Assets						
Cash and deposits with the central bank	82,802,068	–	–	–	2,403,604	85,205,672
Deposits with banks and other financial institutions	19,338,831	1,405,552	–	–	24,168	20,768,551
Placements with banks and other financial institutions	14,944,367	27,684,155	5,598,473	–	361,702	48,588,697
Derivative financial assets	–	–	–	–	16,488	16,488
Financial assets held under resale agreements	62,767,677	–	–	–	13,383	62,781,060
Loans and advances to customers (Note (1))	165,129,867	392,667,688	119,889,606	30,392,939	20,033,781	728,113,881
Financial investments (Note (2))	33,904,251	69,024,234	130,915,667	197,278,011	8,499,840	439,622,003
Lease receivables (Note (3))	713,891	6,447,093	63,730,575	4,915,294	1,170,143	76,976,996
Others	–	–	–	–	34,393,783	34,393,783
Total assets	379,600,952	497,228,722	320,134,321	232,586,244	66,916,892	1,496,467,131
Liabilities						
Borrowings from the central bank	23,444,264	43,537,002	4,000,000	–	294,418	71,275,684
Deposits from banks and other financial institutions	49,664,854	31,183,000	44,296	–	724,373	81,616,523
Placements from banks and other financial institutions	28,487,466	42,697,202	120,000	–	408,574	71,713,242
Derivative financial liabilities	–	–	–	–	20,407	20,407
Financial assets sold under repurchase agreements	36,442,094	–	–	–	3,703	36,445,797
Deposits from customers	380,880,368	358,850,754	249,667,217	8,000,128	16,929,312	1,014,327,779
Debt securities issued	26,501,939	69,966,097	4,998,778	7,999,462	263,170	109,729,446
Others	33,168	242,472	870,375	1,374,433	10,021,889	12,542,337
Total liabilities	545,454,153	546,476,527	259,700,666	17,374,023	28,665,846	1,397,671,215
Asset-liability gap	(165,853,201)	(49,247,805)	60,433,655	215,212,221	38,251,046	98,795,916

The data presented in the above table includes information from the trading book.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(c) Interest rate risk in the banking book (Continued)

(i) The following tables indicate the assets and liabilities as at 31 December by the expected next repricing dates or by maturity dates, depending on which is earlier:

	31 December 2025					
	Within three months	Three months to one year	One year to five years	More than five years	Non-interest bearing	Total
Assets						
Cash and deposits with the central bank	52,024,931	–	–	–	6,582,835	58,607,766
Deposits with banks and other financial institutions	34,694,263	1,823,502	–	–	37,765	36,555,530
Placements with banks and other financial institutions	20,259,095	24,444,461	7,067,662	–	443,088	52,214,306
Derivative financial assets	–	–	–	–	56,986	56,986
Financial assets held under resale agreements	38,551,140	–	–	–	9,079	38,560,219
Loans and advances to customers (Note (1))	172,848,577	289,356,307	103,896,433	133,841,327	16,757,075	716,699,719
Financial investments (Note (2))	41,561,251	53,554,151	143,535,626	167,007,987	5,340,842	410,999,857
Lease receivables (Note (3))	1,579,849	5,569,164	53,280,540	5,801,968	977,766	67,209,287
Others	–	–	–	–	33,389,711	33,389,711
Total assets	361,519,106	374,747,585	307,780,261	306,651,282	63,595,147	1,414,293,381
Liabilities						
Borrowings from the central bank	6,437,321	51,828,120	–	–	139,195	58,404,636
Deposits from banks and other financial institutions	12,898,307	64,715,000	2,500	–	460,048	78,075,855
Placements from banks and other financial institutions	17,845,819	46,074,233	440,000	–	392,735	64,752,787
Derivative financial liabilities	–	–	–	–	2,862	2,862
Financial assets sold under repurchase agreements	25,627,956	–	–	–	3,325	25,631,281
Deposits from customers	453,664,098	271,191,370	226,029,748	8,241,929	22,162,248	981,289,393
Debt securities issued	28,070,377	51,464,662	4,998,295	7,999,496	117,874	92,650,704
Others	224,035	513,337	1,534,067	721,644	11,167,356	14,160,439
Total liabilities	544,767,913	485,786,722	233,004,610	16,963,069	34,445,643	1,314,967,957
Asset-liability gap	(183,248,807)	(111,039,137)	74,775,651	289,688,213	29,149,504	99,325,424

The data presented in the above table includes information from the trading book.

Notes:

(1) As at 30 June 2026, for loans and advances to customers, the category "Within three months" includes overdue amounts (net of provision for impairment losses) of RMB9,898.30 million (31 December 2025: RMB14,737.42 million).

(2) As at 30 June 2026, for financial investments, the category "Within three months" includes overdue amounts (net of provision for impairment losses) of RMB5,205.29 million (31 December 2025: RMB6,377.64 million).

(3) As at 30 June 2026, for lease receivables, the category "Within three months" includes overdue amounts (net of provision for impairment losses) of RMB32.70 million (31 December 2025: RMB13.15 million).

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(c) Interest rate risk in the banking book (Continued)

(ii) Interest rate sensitivity analysis

	30 June 2026 (Decrease)/ increase	31 December 2025 (Decrease)/ increase
Changes in net profit		
Up 100 bps parallel shift in yield curves	**(1,226,921)**	(1,514,868)
Down 100 bps parallel shift in yield curves	**1,226,921**	1,514,868
Changes in equity		
Up 100 bps parallel shift in yield curves	**(4,492,005)**	(4,779,952)
Down 100 bps parallel shift in yield curves	**4,615,382**	4,903,329

The sensitivity analysis above is based on a static interest rate risk profile of the Group's assets and liabilities. This analysis measures only the impact of changes in interest rates within one year, showing how annualised net profit or loss and equity would have been affected by repricing of the Group's assets and liabilities within the one-year period. The effect of equity is the effect of the assumed changes in interest rates on the Group's net interest income and other comprehensive income, calculated by revaluing financial investments at FVOCI and loans and advances to customers measured at FVOCI held at year end. The sensitivity analysis is based on the following assumptions:

– Interest rate movements at the end of each of the reporting period apply to nonderivative financial instruments of the Group;

– At the end of each of the reporting period, an interest rate movement of 100 basis points is based on the assumption of interest rates movement over the next 12 months;

– There is a parallel shift in the yield curve with the changes in interest rates;

– There are no other changes to the assets and liabilities portfolio;

– Other variables (including exchange rates) remain unchanged; and

– The analysis does not take into account the effect of risk management measures taken by the management.

Due to the adoption of the aforementioned assumptions, the actual changes in the Group's net profit or loss and equity caused by an increase or decrease in interest rates might vary from the estimated results of this sensitivity analysis.

43 Risk management (Continued)

(d) Liquidity risk

Liquidity risk is the risk that a commercial bank is unable to obtain funds on a timely basis or obtain funds at a reasonable cost to sustain its asset business or meet repayment obligations. This risk exists even if a bank's solvency remains strong. In accordance with liquidity policies, the Group monitors the future cash flows and maintains an appropriate level of highly liquid assets.

The Asset and Liability Management Committee ("ALMC") is responsible for managing the Group's overall liquidity risk. The ALMC is responsible for the formulation of the liquidity policies in accordance with regulatory requirements and prudential principles. Such policies include:

– Maintaining liquidity at a stable and sufficient level; establishing integrated liquidity risk management system; ensuring the meeting on a timely basis of liquidity requirements and the payment of assets, liabilities, and off-balance sheet business, whether under a normal operating environment or a state of stress; balancing the effectiveness and security of funds in an efficient manner; and

– Making timely and reasonable adjustments to capital structure and scale in response to market changes and business developments; pursuing profit maximisation and cost minimisation to a modest extent while ensuring appropriate liquidity; achieving the integration of the security, liquidity, and effectiveness of the Bank's funds.

The Asset and Liability Management Department takes the lead to execute liquidity management policies and is responsible for formulating and revising the liquidity management strategies, and for identifying, measuring, monitoring and releasing the liquidity risk of the Bank. It is also responsible for managing and forecasting the working capital on a regular basis and ensuring the liquidity of working capital meets management requirements based on the liquidity strategies. The Finance Market Department is responsible for performing the operation following the instructions of the Asset and Liability Management Department. Significant disbursement or portfolio changes must be reported to the ALMC on a timely basis.

A substantial portion of the Group's assets are funded by deposits from customers. These deposits from customers, which have been growing in recent years, are widely diversified in terms of type and duration and represent a stable source of funds.

The Group principally uses liquidity gap analysis to measure liquidity risk. Scenario analysis and stress testing are also adopted to assess the impact of liquidity risk.

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(d) Liquidity risk (Continued)

The following tables provide an analysis of assets and liabilities of the Group into relevant maturity groupings based on the remaining periods to repayment at 30 June:

	30 June 2026							
	Indefinite (Note (i))	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
Assets								
Cash and deposits with the central bank	51,009,063	34,173,513	–	23,096	–	–	–	85,205,672
Deposits with banks and other financial institutions	–	12,394,539	7,002	6,950,277	1,416,733	–	–	20,768,551
Placements with banks and other financial institutions	–	–	5,280,138	9,869,789	27,840,298	5,598,472	–	48,588,697
Derivative financial assets	–	–	–	3,155	13,333	–	–	16,488
Financial assets held under resale agreements	–	–	62,781,060	–	–	–	–	62,781,060
Loans and advances to customers	16,087,692	5,336,258	42,195,100	64,221,893	246,518,182	159,088,195	194,666,561	728,113,881
Financial investments	15,771,520	–	10,368,428	19,688,989	67,771,658	132,077,763	193,943,645	439,622,003
Lease receivables	406,872	102,010	375,600	1,462,302	6,172,638	63,552,976	4,904,598	76,976,996
Others	34,345,848	–	14,920	2,986	12,586	16,019	1,424	34,393,783
Total assets	117,620,995	52,006,320	121,022,248	102,222,487	349,745,428	360,333,425	393,516,228	1,496,467,131
Liabilities								
Borrowings from the central bank	–	–	7,363,877	16,223,145	43,686,718	4,001,944	–	71,275,684
Deposits from banks and other financial institutions	–	3,703,124	16,729,884	29,815,007	31,322,799	45,709	–	81,616,523
Placements from banks and other financial institutions	–	–	9,691,337	19,036,345	42,865,488	120,072	–	71,713,242
Derivative financial liabilities	–	–	–	3,153	17,254	–	–	20,407
Financial assets sold under repurchase agreements	–	–	36,445,797	–	–	–	–	36,445,797
Deposits from customers	–	262,296,157	37,553,332	84,150,970	367,866,365	254,430,106	8,030,849	1,014,327,779
Debt securities issued	–	–	12,551,111	13,950,828	69,966,097	5,079,614	8,181,796	109,729,446
Others	–	10,028,020	93,047	132,240	551,530	1,625,209	112,291	12,542,337
Total liabilities	–	276,027,301	120,428,385	163,311,688	556,276,251	265,302,654	16,324,936	1,397,671,215
Net position	117,620,995	(224,020,981)	593,863	(61,089,201)	(206,530,823)	95,030,771	377,191,292	98,795,916

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(d) Liquidity risk (Continued)

The following tables provide an analysis of assets and liabilities of the Group into relevant maturity groupings based on the remaining periods to repayment at 31 December:

	31 December 2025							
	Indefinite (Note (i))	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
Assets								
Cash and deposits with the central bank	49,290,605	9,293,093	–	24,068	–	–	–	58,607,766
Deposits with banks and other financial institutions	–	27,677,978	2,646,404	4,398,473	1,832,675	–	–	36,555,530
Placements with banks and other financial institutions	–	–	7,637,720	12,900,593	24,607,527	7,068,466	–	52,214,306
Derivative financial assets	–	–	54,676	327	1,983	–	–	56,986
Financial assets held under resale agreements	–	–	38,560,219	–	–	–	–	38,560,219
Loans and advances to customers	10,639,114	6,380,542	56,852,389	76,108,225	216,662,428	158,587,418	191,469,603	716,699,719
Financial investments	22,828,899	22,441	8,145,003	11,812,483	54,763,999	147,328,388	166,098,644	410,999,857
Lease receivables	260,900	467,896	775,300	1,751,940	5,471,518	52,716,178	5,765,555	67,209,287
Others	33,080,336	–	52,350	25,297	96,650	128,515	6,563	33,389,711
Total assets	116,099,854	43,841,950	114,724,061	107,021,406	303,436,780	365,828,965	363,340,365	1,414,293,381
Liabilities								
Borrowings from the central bank	–	–	3,505,378	2,934,504	51,964,754	–	–	58,404,636
Deposits from banks and other financial institutions	–	3,422,735	857,250	8,697,885	65,095,382	2,603	–	78,075,855
Placements from banks and other financial institutions	–	–	7,185,511	10,835,852	46,290,781	440,643	–	64,752,787
Derivative financial liabilities	–	–	277	427	2,158	–	–	2,862
Financial liabilities at FVPL	–	45,788	–	–	–	–	–	45,788
Financial assets sold under repurchase agreements	–	–	25,460,466	170,815	–	–	–	25,631,281
Deposits from customers	–	266,149,532	79,312,201	115,383,137	277,864,570	234,308,709	8,271,244	981,289,393
Debt securities issued	–	–	4,066,576	24,003,801	51,582,536	4,998,295	7,999,496	92,650,704
Others	–	11,124,136	138,330	157,432	637,293	1,934,194	123,266	14,114,651
Total liabilities	–	280,742,191	120,525,989	162,183,853	493,437,474	241,684,444	16,394,006	1,314,967,957
Net position	116,099,854	(236,900,241)	(5,801,928)	(55,162,447)	(190,000,694)	124,144,521	346,946,359	99,325,424

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(d) Liquidity risk (Continued)

Note:

(i) Cash and deposits with the central bank listed in the category of indefinite represents the statutory deposit reserves and fiscal deposits with the central bank. Loans and advances to customers and lease receivables listed in the category of indefinite includes all the credit-impaired loans and lease receivables, as well as those overdue more than one month. Loans and advances to customers and lease receivables with no impairment but overdue within one month are classified into the category of recoverable on demand. Financial investments listed in the category of indefinite represents credit-impaired investments or those overdue more than one month. Financial investments with no impairment but overdue within one month are classified into the category of recoverable on demand. Equity investments are listed in the category of indefinite.

The following tables provide an analysis of the contractual undiscounted cash flow of the non-derivative financial liabilities and loan commitments at 30 June:

	30 June 2026							
	Carrying amount	Contractual undiscounted cash flow	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Non-derivative financial liabilities								
Borrowings from the central bank	71,275,684	71,765,001	–	7,369,366	16,325,603	44,015,032	4,055,000	–
Deposits from banks and other financial institutions	81,616,523	81,986,355	3,703,211	16,746,093	29,901,598	31,588,214	47,239	–
Placements from banks and other financial institutions	71,713,242	72,786,908	–	9,795,205	19,296,165	43,573,673	121,865	–
Financial assets sold under repurchase agreements	36,445,797	36,447,441	–	36,447,441	–	–	–	–
Deposits from customers	1,014,327,779	1,029,987,515	262,377,156	37,442,428	84,406,627	371,656,696	264,000,151	10,104,457
Debt securities issued	109,729,446	112,044,632	–	13,118,088	14,035,088	70,282,456	5,857,000	8,752,000
Lease liabilities	422,548	431,176	–	9,447	12,664	21,642	337,968	49,455
Total non-derivative financial liabilities	1,385,531,019	1,405,449,028	266,080,367	120,928,068	163,977,745	561,137,713	274,419,223	18,905,912
Credit commitments	–	147,035,119	–	34,044,620	29,100,068	82,399,879	1,482,233	8,319

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(d) Liquidity risk (Continued)

The following tables provide an analysis of the contractual undiscounted cash flow of the non-derivative financial liabilities and loan commitments at 31 December:

	31 December 2025							
	Carrying amount	Contractual undiscounted cash flow	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Non-derivative financial liabilities								
Borrowings from the central bank	58,404,636	58,929,312	–	3,506,317	3,074,786	52,348,209	–	–
Deposits from banks and other financial institutions	78,075,855	78,719,570	3,422,861	859,078	8,726,156	65,708,767	2,708	–
Placements from banks and other financial institutions	64,752,787	65,434,804	–	7,205,455	10,949,694	46,815,964	463,691	–
Financial liabilities at FVPL	45,788	45,788	45,788	–	–	–	–	–
Financial assets sold under repurchase agreements	25,631,281	25,636,134	–	25,464,980	171,154	–	–	–
Deposits from customers	981,289,393	996,235,798	266,149,532	79,535,865	115,918,431	280,872,475	243,412,259	10,347,236
Debt securities issued	92,650,704	94,923,915	–	4,070,000	24,080,130	52,164,785	5,857,000	8,752,000
Lease liabilities	478,293	494,209	–	11,916	680	31,812	393,010	56,791
Total non-derivative financial liabilities	1,301,328,737	1,320,419,530	269,618,181	120,653,611	162,921,031	497,942,012	250,128,668	19,156,027
Loan commitments	–	20,254,193	–	20,254,193	–	–	–	–

(Expressed in thousands of Renminbi, unless otherwise stated)

43 Risk management (Continued)

(d) Liquidity risk (Continued)

The following tables analyse the Group's contractual undiscounted cash flows of derivative financial instruments to be settled on a net basis as at the end of the reporting period:

	30 June 2026							
	Carrying amount	Contractual undiscounted cash flow	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Derivatives settled on net basis								
Foreign exchange forwards	(3,921)	1,956	–	–	–	1,956	–	–
Interest rate swaps	2	2	–	–	2	–	–	–
Total	(3,919)	1,958	–	–	2	1,956	–	–

	31 December 2025							
	Carrying amount	Contractual undiscounted cash flow	On demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Derivatives settled on net basis								
Foreign exchange forwards	54,602	55,430	–	55,430	–	–	–	–
Interest rate swaps	(478)	(944)	–	(797)	(20)	(127)	–	–
Total	54,124	54,486	–	54,633	(20)	(127)	–	–

The Group's derivatives include foreign exchange forwards and interest rate swaps which will be settled on a net basis.

This analysis of the derivative and non-derivative financial instruments by contractual undiscounted cash flow might diverge from actual results.

43 Risk management (Continued)

(e) Operational risk

Operational risk refers to the risk of losses associated with internal processes deficiencies, personnel mistakes and information technology system failures, or impact from other external events.

The Group establishes a framework of policies and procedures to identify, assess, measure, control, manage and report operational risk. The framework covers all business functions ranging from corporate banking, retail banking, trading, corporate finance, settlement, intermediary business, asset management and all supporting functions, including human resource management, financial management, legal affairs, anti-money laundering and administration management. The key elements of the framework are listed below:

– A multi-level operational risk management framework with segregation of duties between front and back offices under the leadership of senior management;

– A series of operational risk management policies covering all businesses on the basis of core operational risk management policy;

– An emergency plan and a business continuity system designed to deal with emergent and adverse circumstances, including public relation issues, natural disasters, IT system errors, bank runs, robberies, etc.;

– An evaluation system on the operational risk management as well as an inquiry and disciplinary system on the non-compliance issues; and

– An independent risk assessment framework based on the internal audit and the compliance review.

(f) Transfers of financial assets

As at 30 June 2026, the Group transferred the non-performing financial assets amounted to RMB4,124.45 million to third parties (31 December 2025: RMB3,903.35 million).

In respect of the above transfer of non-performing financial assets, the Group assessed the transfer of risks and rewards and concluded that the transferred financial assets met the criteria for derecognition. Accordingly, the Group derecognised the financial assets transferred.

44 Fair value

(a) Methods and assumptions for measurement of fair value

The Group adopts the following methods and assumptions when evaluating the fair values of financial instruments:

(i) Debt securities and equity investments

The fair values of debt securities and equity investments that are traded in an active market are based on their quoted market prices in an active market at the end of each reporting period.

(ii) Investments and other non-derivative financial assets

Fair values are estimated as the present value of the future cash flows, discounted at the market interest rates at the end of the reporting period.

(iii) Debt securities issued and other non-derivative financial liabilities

Fair values of debt securities issued are based on their quoted market prices at the end of the reporting period, or the present value of estimated future cash flows. The fair values of other non-derivative financial liabilities are valued at the present value of estimated future cash flows. The discount rates are based on the market interest rates at the end of the reporting period. The Group has established policies and internal controls with respect to the measurement of fair values, specifying the framework of fair value measurement of financial instruments, fair value measurement methodologies and procedures.

(iv) Derivative financial liabilities

The fair values of foreign currency forward and swaps contracts are determined by the difference between the present value of the forward price and the contractual price at the end of the reporting period, or is based on quoted market prices. The fair values of interest rate swaps are estimated as the present value of estimated future cash flows.

(Expressed in thousands of Renminbi, unless otherwise stated)

44 Fair value (Continued)

(b) Fair value measurement

(i) Financial assets

The Group's financial assets mainly consist of cash and deposits with the central bank, receivables with banks and other financial institutions, loans and advances to customers, lease receivables and financial investments.

Deposits with the central bank and receivables with banks and other financial institutions are mostly priced at market interest rates and due within one year. Accordingly, the carrying amounts approximate the fair values.

The majority of loans and advances measured at amortised cost and lease receivables are priced with reference to the Loan Prime Rate and are repriced at least annually based on prevailing market interest rates. Accordingly, the carrying amounts of these loans and advances approximate their fair values.

The fair values of loans and advances to customers measured at FVOCI are based on valuation techniques.

Financial investments at FVOCI and financial investments at FVPL are stated at fair value.

The following tables set out the differences between the fair values and carrying amounts of financial assets as at 30 June 2026 and 31 December 2025.

	30 June 2026				
	Carrying amounts	Fair value			
		Level 1	Level 2	Level 3	Total
Financial investments at amortised cost	259,031,140	–	253,967,633	16,876,517	270,844,150

	31 December 2025				
	Carrying amounts	Fair value			
		Level 1	Level 2	Level 3	Total
Financial investments at amortised cost	245,936,055	–	237,341,120	18,471,283	255,812,403

44 Fair value (Continued)

(b) Fair value measurement (Continued)

(ii) Financial liabilities

The Group's financial liabilities mainly include payables to banks and other financial institutions, deposits from customers and subordinated debt securities issued.

Financial liabilities designated at fair value through profit or loss are carried at fair value. The carrying amount and fair value of debt securities issued are disclosed in Note 32. The carrying amounts of other financial liabilities approximate their fair value.

(c) Fair value hierarchy

The following table presents the fair value of the Bank's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and

Level 3: Fair value measured using significant unobservable inputs.

If there is a reliable market quote for financial instruments, the fair value of financial instruments is based on quoted market prices. If a reliable quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include reference to the fair value of another instrument that is substantially the same and discounted cash flow analysis. The inputs used in valuation techniques include risk-free and benchmark interest rate, and credit spreads. Where discounted cash flow analysis is used, estimated cash flows are based on management's best estimates and the discount rate used is reference to another instrument that is substantially the same.

(Expressed in thousands of Renminbi, unless otherwise stated)

44 Fair value (Continued)

(c) Fair value hierarchy (Continued)

	30 June 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Recurring fair value measurements				
Assets				
Financial assets at FVPL	**28,263**	**69,160,852**	**611,127**	**69,800,242**
Derivative financial assets	**–**	**16,488**	**–**	**16,488**
Financial investments at FVOCI	**–**	**110,697,660**	**92,961**	**110,790,621**
Loans and advances to customers measured at FVOCI	**–**	**61,715,094**	**–**	**61,715,094**
Total	**28,263**	**241,590,094**	**704,088**	**242,322,445**
Liabilities				
Derivative financial liabilities	**–**	**20,407**	**–**	**20,407**
Total	**–**	**20,407**	**–**	**20,407**

	31 December 2025			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Assets				
Financial assets at FVPL	33,729	54,848,118	646,604	55,528,451
Derivative financial assets	–	56,986	–	56,986
Financial investments at FVOCI	–	109,412,393	122,958	109,535,351
Loans and advances to customers measured at FVOCI	–	63,317,886	–	63,317,886
Total	33,729	227,635,383	769,562	228,438,674
Liabilities				
Derivative financial liabilities	–	2,862	–	2,862
Financial liabilities at FVPL	–	45,788	–	45,788
Total	–	48,650	–	48,650

During the reporting period, there were no significant transfers among instruments in Level 1, Level 2 and Level 3.

(Expressed in thousands of Renminbi, unless otherwise stated)

44 Fair value (Continued)

(c) Fair value hierarchy (Continued)

Movement of Level 3 fair value measurements of financial assets is as follows:

	2026	
	Financial assets at FVPL	**Financial investments at FVOCI**
As at 1 January 2026	**646,604**	**122,958**
Total fair value changes recognised in		
– Profit or loss	**(59,209)**	**–**
– Other comprehensive income	**–**	**(29,997)**
Addition	**23,732**	**–**
As at 30 June 2026	**611,127**	**92,961**

	2025	
	Financial assets at FVPL	Financial investments at FVOCI
As at 1 January 2025	615,472	155,054
Total fair value changes recognised in		
– Profit or loss	26,859	–
– Other comprehensive income	–	(32,096)
Addition	4,273	–
As at 31 December 2025	646,604	122,958

(Expressed in thousands of Renminbi, unless otherwise stated)

45 Entrusted lending business

The Group provides entrusted lending business services to customers. All entrusted loans are funded by entrusted funds from these customers. The Group does not take any credit risk in relation to these transactions. The Group acts as an agent to hold and manage these assets and liabilities at the direction of the entrustor and receives fee income for the services provided. The entrusted assets are not the assets of the Group and are not recognised in the consolidated statement of financial position. Surplus funding is accounted for as deposits from customers.

	30 June 2026	31 December 2025
Entrusted loans	**58,059,472**	58,564,111
Entrusted funds	**58,059,472**	58,564,111

46 Commitments and contingent liabilities

(a) Credit commitments

The Group's credit commitments take the form of loan commitments, bank acceptances, letters of credit and financial guarantees.

The contractual amounts of loan commitments represent the amounts should the contracts be fully drawn upon. The Group provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Acceptances comprise of 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.

	30 June 2026	31 December 2025
Bank acceptances	**88,831,225**	87,501,131
Letters of credit	**37,779,707**	34,085,366
Loan commitments	**15,934,376**	20,254,193
Letters of guarantees	**4,489,811**	3,921,047
Total	**147,035,119**	145,761,737

The Group may be exposed to credit risk in all the above credit businesses. Management periodically assesses credit risk and makes provision for any probable losses. As the facilities may expire without being drawn upon, the total of the contractual amounts shown above is not representative of expected future cash outflows.

(Expressed in thousands of Renminbi, unless otherwise stated)

46 Commitments and contingent liabilities (Continued)

(b) Capital commitments

As at 30 June 2026 and 31 December 2025, the Group's authorised capital commitments are as follows:

	30 June 2026	31 December 2025
Contracted but not paid for	**404,994**	347,818

(c) Outstanding litigations and disputes

As at 30 June 2026, the Group was the defendant in certain pending litigation and disputes with an estimated gross amount of RMB1,174.70 million (31 December 2025: RMB602.59 million). The Group recognised the related litigation provision based on the board of directors' best estimates.

Unaudited Supplementary Financial Information

(Expressed in thousands of Renminbi, unless otherwise stated)

The information set out below does not form part of the interim financial report, and is included herein for information purpose only.

1 Liquidity coverage ratio and leverage ratio

Liquidity coverage ratio

	30 June 2026	Average for the six-month ended 30 June 2026
Qualified high-quality liquid assets	**233,945,102**	
Net cash outflow	**66,866,931**	
Liquidity coverage ratio (RMB and foreign currency)	**349.87%**	**370.58%**

	31 December 2025	Average for the year ended 31 December 2025
Qualified high-quality liquid assets	181,992,786	
Net cash outflow	46,510,944	
Liquidity coverage ratio (RMB and foreign currency)	391.29%	333.49%

Pursuant to the Administrative Measures for Liquidity Risk Management of Commercial Banks, the minimum regulatory requirement for the Liquidity Coverage Ratio of commercial banks is 100%. As at 30 June 2026, the Group's Liquidity Coverage Ratio was 349.87%, which complied with the regulatory requirements of the National Financial Regulatory Administration.

Liquidity ratio

	30 June 2026	31 December 2025
Liquidity ratio	**48.81%**	47.41%

Leverage ratio

	30 June 2026	31 December 2025
Leverage ratio	**5.88%**	6.21%

The Group has calculated the Leverage Ratio in accordance with the Administrative Measures for the Capital of Commercial Banks (《商業銀行資本管理辦法》) issued by the National Financial Regulatory Administration which was effective since 1 January 2024.

Unaudited Supplementary Financial Information

(Expressed in thousands of Renminbi, unless otherwise stated)

2 Net stable funding ratio

	30 June 2026	31 March 2026	31 December 2025
Available stable funding	**943,445,880**	**930,904,997**	918,794,533
Required stable funding	**728,474,242**	**725,778,380**	708,204,648
Net stable funding ratio	**129.51%**	**128.26%**	129.74%

3 Currency concentrations

	30 June 2026			
	US Dollars (RMB Equivalent)	HK Dollars (RMB Equivalent)	Others (RMB Equivalent)	Total (RMB Equivalent)
Spot assets	**1,560,641**	**1,443,105**	**28,649**	**3,032,395**
Spot liabilities	**(149,273)**	**(279,341)**	**(5,964)**	**(434,578)**
Net long position	**1,411,368**	**1,163,764**	**22,685**	**2,597,817**

	31 December 2025			
	US Dollars (RMB Equivalent)	HK Dollars (RMB Equivalent)	Others (RMB Equivalent)	Total (RMB Equivalent)
Spot assets	4,633,487	1,284,423	51,557	5,969,467
Spot liabilities	(609,642)	(25,302)	(18,646)	(653,590)
Net long position	4,023,845	1,259,121	32,911	5,315,877

The Group has no structural position at the end of reporting period.

(Expressed in thousands of Renminbi, unless otherwise stated)

4 International claims

The Group regards all claims on third parties outside Chinese Mainland as international claims.

International claims include amounts due from banks and other financial institutions and financial investments.

A country or geographical area is reported where it constitutes 10% or more of the aggregate amount of international claims, after taking into account any risk transfers. Risk transfers are only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose Head Office is located in another country.

	30 June 2026			
	Banks and other financial institutions	**Public sector entities**	**Non-bank private sectors**	**Total**
Asia Pacific	**30,619**	**–**	**5,580,968**	**5,611,587**
North America	**291,860**	**–**	**–**	**291,860**
Others	**4,544**	**–**	**–**	**4,544**
	327,023	**–**	**5,580,968**	**5,907,991**

	31 December 2025			
	Banks and other financial institutions	Public sector entities	Non-bank private sectors	Total
Asia Pacific	17,432	–	5,615,244	5,632,676
North America	387,953	–	–	387,953
Others	4,471	–	–	4,471
	409,856	–	5,615,244	6,025,100

(Expressed in thousands of Renminbi, unless otherwise stated)

5 Gross amount of overdue loans and advances

	30 June 2026	31 December 2025
Gross loans and advances which have been overdue with respect to either principal or interest for periods of		
—between 3 and 6 months (inclusive)	**1,670,519**	1,397,070
—between 6 months and 1 year (inclusive)	**2,120,352**	1,542,533
—over 1 year	**9,056,774**	8,909,961
Total	**12,847,645**	11,849,564
As a percentage of total gross loans and advances		
—between 3 and 6 months (inclusive)	**0.22%**	0.19%
—between 6 months and 1 year (inclusive)	**0.29%**	0.21%
—over 1 year	**1.22%**	1.21%
Total	**1.73%**	1.61%

X. Definitions

"AB Leasing"	AB Leasing Co., Ltd. (邦銀金融租賃股份有限公司), a joint stock company incorporated in the PRC with limited liability and a subsidiary of the Bank
"Articles of Association" or "Bank's Articles of Association"	the articles of association of the Bank as may be amended, supplemented or otherwise modified from time to time
"Bank", "we", "us", or "Zhongyuan Bank"	Zhongyuan Bank Co., Ltd. (中原銀行股份有限公司), a joint stock company established on December 23, 2014 in the PRC with limited liability pursuant to the relevant PRC laws and regulations, and, if the context requires, includes its predecessors, branches and sub-branches and all subsidiaries
"Board" or "Board of Directors"	the board of Directors of the Bank
"BOL Financial Leasing"	BOL Financial Leasing Co., Ltd. (洛銀金融租賃股份有限公司), a joint stock company incorporated in the PRC with limited liability and a subsidiary of the Bank
"CBIRC"	the China Banking and Insurance Regulatory Commission, a former name of the National Financial Regulatory Administration
"China" or "PRC"	the People's Republic of China, but for the purpose of this interim report, excluding Hong Kong, Macau Special Administrative Region and Taiwan of the PRC
"Consumer Finance Company"	Henan Zhongyuan Consumer Finance Co., Ltd. (河南中原消費金融股份有限公司), a joint stock company established in the PRC on December 29, 2016 and a joint venture of our Bank
"Corporate Governance Code"	the Code on Corporate Governance under Appendix C1 to the Hong Kong Listing Rules
"Directors"	directors of the Bank
"Domestic Shares"	ordinary shares issued by the Bank with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi
"H Shares"	ordinary shares issued by the Bank with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange

X. Definitions

"Henan Financial Regulatory Bureau"	the Henan Regulatory Bureau of the National Financial Regulatory Administration
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"PBOC" or "Central Bank"	The People's Bank of China (中國人民銀行)
"Reporting Period"	the six months ended June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shareholder(s)"	the holder(s) of the Shares of the Bank
"Shares"	ordinary shares in the share capital of the Bank with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
"8 County Banks"	Linzhou Zhongyuan County Bank Co., Ltd. (林州中原村鎮銀行股份有限公司), Qixian Zhongyuan County Bank Co., Ltd. (淇縣中原村鎮銀行股份有限公司), Xinxiang Zhongyuan County Bank Co., Ltd. (新鄉中原村鎮銀行股份有限公司), Xinyang Pingqiao Zhongyuan County Bank Co., Ltd. (信陽平橋中原村鎮銀行股份有限公司), Xiping Zhongyuan County Bank Co., Ltd. (西平中原村鎮銀行股份有限公司), Suiping Zhongyuan County Bank Co., Ltd. (遂平中原村鎮銀行股份有限公司), Shenzhen Nanshan Baosheng County Bank Co., Ltd. (深圳南山寶生村鎮銀行股份有限公司), Luohe Yancheng Zhongyuan County Bank Co., Ltd. (漯河郾城中原村鎮銀行有限責任公司)