哈尔滨银行
HarbinBank

HARBIN BANK CO., LTD.

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

Stock Code:6138

2026 INTERIM REPORT

Contents

The Company holds the Finance Permit No. B0306H223010001 approved by the National Financial Regulatory Administration (the former China Banking and Insurance Regulatory Commission) and has obtained the Business License (Unified Social Credit Code: 912301001275921118) approved by the Market Supervision and Administration Bureau of Harbin. The Company is not an authorised institution within the meaning of the Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorised to carry on banking/deposit-taking business in Hong Kong.

Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

“Articles of Association”	the articles of association of Harbin Bank Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Company
"China” or “PRC”	the People’s Republic of China
“Company”	Harbin Bank Co., Ltd. (哈爾濱銀行股份有限公司), a joint stock company incorporated in the PRC on 25 July 1997 with limited liability in accordance with PRC laws
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) of a nominal value of RMB1.00 each in the share capital of the Company, which is/are subscribed for or credited as paid in RMB
“Group” or “Bank”	the Company and all of its subsidiaries and branches
“H Share(s)”	overseas-listed foreign invested ordinary share(s) of a nominal value of RMB1.00 each in the share capital of the Company, which is/are listed on the Hong Kong Stock Exchange and subscribed and traded in Hong Kong dollars
“Harbin Economic Development”	Harbin Economic Development and Investment Company Limited
“HBCF”	Harbin Bank Consumer Finance Co., Ltd.
“HB Leasing”	Harbin Bank Financial Leasing Co., Ltd.
“Heilongjiang Financial Holdings”	Heilongjiang Financial Holdings Group Co., Ltd.
“HKD” or “HK$”	the lawful currency of Hong Kong, the PRC
“Hong Kong”	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

"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"LPR"	Loan Prime Rate
"Latest Practicable Date"	28 August 2026, being the latest practicable date for the purpose of ascertaining certain information of this report
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
"NFRA"/"CBIRC"/"CBRC"	the National Financial Regulatory Administration/the China Banking and Insurance Regulatory Commission (before 18 May 2023)/China Banking Regulatory Commission (before 17 March 2018)
"PBOC" or "Central Bank"	the People's Bank of China
"Reporting Period"	the six months period ended 30 June 2026
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"SHIBOR"	the Shanghai Interbank Offered Rate, a daily reference rate published by the National Interbank Funding Center

Unless otherwise stated, all figures in this report are approximates, and any figure, amount or information expressed in hundred, thousand, ten thousand, million, a hundred million, billion or similar expressions, as well as percentage are rounded to certain decimal places or the whole number. Any discrepancies (if any) in any table between the totals and sums of amounts listed therein are due to rounding.

This report was originally prepared in Chinese and an English translation is attached. In case of any discrepancies between the Chinese version and English translation, the former shall prevail.

Company Profile

Basic Information

Legal Chinese Name:

哈爾濱銀行股份有限公司(Abbreviation: 哈爾濱銀行)

English Name:

HARBIN BANK CO., LTD. (Abbreviation: HARBIN BANK)

Legal Representative:

Mr. Deng Xinquan

Authorised Representatives for the Hong Kong Stock Exchange:

Mr. Deng Xinquan and Mr. Ngai Wai Fung

Board Secretary:

Mr. Wu Siliang

Joint Company Secretaries:

Mr. Wu Siliang and Mr. Ngai Wai Fung

Registered Address:

No. 888 Shangjiang Street, Daoli District, Harbin, Heilongjiang Province, PRC

Principal Place of Business in Hong Kong:

40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong

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www.hrbb.com.cn
www.hkexnews.hk

Place Where this Report is Available:

No. 888 Shangjiang Street, Daoli District, Harbin, Heilongjiang Province, PRC

Place of Listing, Stock Name and Stock Code:

Hong Kong Stock Exchange, HARBIN BANK and 6138

Corporate Unified Social Credit Code:

912301001275921118

Finance Permit Institution Number:

B0306H223010001

Date of Initial Registration:

25 July 1997

Initial Registration Authority:

Market Supervision and Administration Bureau of Harbin, Heilongjiang Province, PRC

Legal Adviser as to Laws of China:

Beijing Jun He Law Offices

Legal Adviser as to Laws of Hong Kong, China:

Jun He Law Offices

Auditors:

Overseas auditor: BDO Limited
Domestic auditor: BDO China SHU LUN PAN Certified Public Accountants LLP

Hong Kong H Share Registrar and Transfer Office:

Computershare Hong Kong Investor Services Limited

Company Profile

The Company, headquartered in Harbin, was granted its finance permit to carry on financial business by the PBOC in February 1997, and obtained its corporate business license on 25 July 1997. At present, the Company has established 17 branches in Tianjin, Chongqing, Dalian, Shenyang, Chengdu, Harbin, Daqing, etc. and 20 village and township banks in 11 provinces and municipalities, including Beijing, Guangdong, Jilin and Heilongjiang, etc. The Company, as a controlling shareholder, has promoted the establishment of "HB Leasing", the first financial leasing company in Northeastern China, and "HBCF", the first consumer finance company in Heilongjiang Province. As at 30 June 2026, the Group had 369 business outlets with branches and sub-branches across seven regions in China.

As at 30 June 2026, the Bank had total assets of RMB1,025,864.5 million, total loans and advances to customers of RMB422,549.8 million and total customer deposits of RMB724,570.5 million.

As at 30 June 2026, the Bank ranked 204th in the "Top 1000 World Banks 2026" published by The Banker of the United Kingdom; and ranked 42nd in the "2025 China Banking Top 100 List" published by China Banking Association. The Bank was short listed as the "National Excellent Cases of Consumer Protection and Service Innovation in 2026" by China Banking and Insurance News. The Bank won the "Top 10 Urban & Rural Commercial Banks – Wealth Management Award (TOP10城農商銀行－財富管理獎)" under the 9th RBA Retail Banking Awards presented by Retail Bank. Besides, the Bank received "2025 Leading Award for Cross-border Financial Service Capability in the Banking Industry (2025銀行業跨境金融服務能力領先獎)" and "2025 Pioneer Award for Technological Finance Empowering New Productive Forces in the Banking Industry (2025銀行業科技金融賦能新質生產力先鋒獎)" from the 20th China Financial Brand Billboard.

Major Subsidiaries

The details of major subsidiaries of the Company as at 30 June 2026 are as follows:

Company Name	Place of incorporation/ registration and operations place in the PRC	Nominal value of issued share/ paid-up capital RMB million	Percentage of ownership/voting rights directly owned by the Company %	Amount invested by the Company RMB million
Harbin Bank Financial Leasing Co., Ltd.	Harbin, Heilongjiang	2,000	80.00	1,600
Harbin Bank Consumer Finance Co., Ltd.	Harbin, Heilongjiang	1,500	54.67	795
Huining Huishi Village and Township Bank Co., Ltd.	Huining, Gansu	30	100.00	30
Beijing Huairou Rongxing Village and Township Bank Co., Ltd.	Huairou, Beijing	200	90.00	225.07
Yushu Rongxing Village and Township Bank Co., Ltd.	Yushu, Jilin	30	100.00	30
Shenzhen Bao'an Rongxing Village and Township Bank Co., Ltd.	Bao'an, Shenzhen	220	70.00	140
Suining Anju Rongxing Village and Township Bank Co., Ltd.	Suining, Sichuan	80	75.00	60
Yanshi Rongxing Village and Township Bank Co., Ltd.	Luoyang, Henan	90	100.00	90
Leping Rongxing Village and Township Bank Co., Ltd.	Leping, Jiangxi	294	100.00	294
Honghu Rongxing Village and Township Bank Co., Ltd.	Honghu, Hubei	30	100.00	30
Zhuzhou County Rongxing Village and Township Bank Co., Ltd.	Zhuzhou, Hunan	55	80.00	40
Xin'an Rongxing Village and Township Bank Co., Ltd.	Xin'an, Henan	33.3	90.09	30
Anyi Rongxing Village and Township Bank Co., Ltd.	Anyi, Jiangxi	60	100.00	30
Yingcheng Rongxing Village and Township Bank Co., Ltd.	Yingcheng, Hubei	142	100.00	132
Leiyang Rongxing Village and Township Bank Co., Ltd.	Leiyang, Hunan	160	100.00	160
Hejian Ronghui Village and Township Bank Co., Ltd.	Hejian, Hebei	50	100.00	50
Nehe Rongxing Village and Township Bank Co., Ltd.	Nehe, Heilongjiang	50	90.00	45.55
Pingliang Kongtong Rongxing Village and Township Bank Co., Ltd.	Pingliang, Gansu	65	90.00	58.5
Tianshui Maiji Rongxing Village and Township Bank Co., Ltd.	Tianshui, Gansu	50	98.00	49
Zhongjiang Rongxing Village and Township Bank Co., Ltd.	Zhongjiang, Sichuan	50	70.00	35
Langzhong Rongxing Village and Township Bank Co., Ltd.	Langzhong, Sichuan	50	90.00	45
Chengdu Qingbaijiang Rongxing Village and Township Bank Co., Ltd.	Chengdu, Sichuan	100	70.00	70

Summary of Accounting Data and Financial Indicators

The unaudited financial information contained herein is prepared under the International Financial Reporting Standards on a consolidated basis. Unless otherwise stated, such information represents the Group's data denominated in RMB.

	For the six months ended 30 June			For the year ended 31 December
	2026	2025	2026 vs 2025	2025
			(In RMB million, except percentages)	
Results of operations			**Rate of change**	
Net interest income	**4,313.5**	4,412.6	-2.25%	9,839.1
Net fee and commission income	**289.1**	269.3	7.35%	440.5
Operating income	**7,719.9**	7,385.5	4.53%	14,546.0
Operating expenses	**(2,235.1)**	(2,245.4)	-0.46%	(5,455.4)
Credit impairment losses	**(4,725.6)**	(4,457.0)	6.03%	(8,500.8)
Other assets impairment losses	**–**	(1.8)	-100.00%	(56.7)
Profit before tax	**759.2**	681.3	11.43%	533.1
Net profit	**1,104.1**	992.1	11.29%	1,264.6
Net profit attributable to shareholders of the Company	**1,032.7**	915.4	12.81%	1,145.6
For each share (RMB)			**Rate of change**	
Net assets per share attributable to shareholders of the Company[1]	**4.65**	4.67	-0.43%	4.60
Earnings per share[2]	**0.06**	0.05	20.00%	0.05
Profitability indicators			**Change**	
Return on average total assets[3]	**0.22%**	0.22%	–	0.13%
Return on average equity[4]	**2.55%**	2.07%	increased by 0.48 percentage points	1.13%
Net interest spread[5]	**1.03%**	1.11%	decreased by 0.08 percentage points	1.22%
Net interest margin[6]	**0.98%**	1.10%	decreased by 0.12 percentage points	1.20%
Net fee and commission income to operating income ratio	**3.74%**	3.65%	increased by 0.09 percentage points	3.03%
Cost-to-income ratio[7]	**27.12%**	28.68%	decreased by 1.56 percentage points	35.59%

Summary of Accounting Data and Financial Indicators

	As of 30 June 2026	As of 31 December 2025	30 June 2026 vs. 31 December 2025
			(In RMB million, except percentages)
Capital adequacy indicators[8]			**Change**
Core tier 1 capital adequacy ratio	**8.36%**	8.48%	decreased by 0.12 percentage points
Tier 1 capital adequacy ratio	**10.74%**	12.28%	decreased by 1.54 percentage points
Capital adequacy ratio	**11.98%**	13.52%	decreased by 1.54 percentage points
Total equity to total assets	**5.59%**	6.36%	decreased by 0.77 percentage points
Assets quality indicators			**Change**
non-performing loan ratio[9]	**2.80%**	2.80%	–
Impairment coverage ratio[10]	**236.40%**	198.26%	increased by 38.14 percentage points
Impairment losses on loans ratio[11]	**6.62%**	5.55%	increased by 1.07 percentage points
Other indicators			**Change**
Loan-deposit ratio	**58.32%**	57.09%	increased by 1.23 percentage points
Scale indicators			**Rate of change**
Total assets	**1,025,864.5**	1,019,340.0	0.64%
Of which: total loans and advances to customers	**422,549.8**	410,625.4	2.90%
Total liabilities	**968,537.8**	954,557.3	1.46%
Of which: total due to customers	**724,570.5**	719,243.7	0.74%
Share capital	**10,995.6**	10,995.6	–
Equity attributable to shareholders of the Company	**54,789.6**	62,290.9	-12.04%
Non-controlling interests	**2,537.1**	2,491.8	1.82%
Total equity	**57,326.7**	64,782.7	-11.51%

Notes:

(1) The equity attributable to shareholders of the Company divided by the share capital at the end of the period, after deducting other equity instruments at the end of the Reporting Period.

(2) The net profit attributable to ordinary shareholders of the Company during the Reporting Period divided by the share capital at the end of the Reporting Period.

(3) The percentage of net profit during the Reporting Period to the average balance of the total assets at the beginning and the end of the Reporting Period.

(4) The percentage of net profit attributable to ordinary shareholders of the Company during the Reporting Period to the average balance of total equity attributable to ordinary shareholders of the Company at the beginning and the end of the Reporting Period.

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

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

(7) Calculated with the operating cost after deducting tax and surcharges and divided by the operating income.

(8) Calculated in accordance with the Measures for the Administration of Capital of Commercial Banks issued in 2023 since 1 January 2024.

(9) Calculated with the total non-performing loans divided by the total loans to customers.

(10) Calculated with the allowance for impairment loss on loans divided by the total non-performing loans.

(11) Calculated with the allowance for impairment loss on loans divided by the total loans to customers.

Management Discussion and Analysis

I. Past Economy and Environment and Operation Overview

(I) Past Economy and Environment

In the first half of 2026, with the continuous escalation of the geopolitical conflicts across the globe, the US-Iran conflict exerted substantial impacts on economic downturns and inflation, as well as trade protectionism and tariff barriers disrupted the global economic and trade order, resulting in volatile prices of bulk commodities and an increase in inflation persistence. Monetary policies diverged among major economies, with risks building up in global debt and financial markets. The world economic recovery was sluggish, and divergence in growth performance was stark. Emerging technologies such as artificial intelligence unlocked new development opportunities, but overall uncertainties in the external environment increased markedly. Domestically, the year 2026 marks the inaugural year of the 15th Five-Year Plan. China's economy withstood multiple internal and external pressures and generally operated within a reasonable range, demonstrating a momentum of steady progress with strides toward new growth drivers and high-quality development. In the first half of the year, the gross domestic product (GDP) increased 4.7% year-on-year, new productive forces were fostered at an accelerated pace, and investment gradually recovered, accompanied by generally stable employment and consumer prices and reasonably ample money and credit. Nevertheless, challenges including insufficient effective demand and sluggish consumption persisted as objective realities. In terms of macroeconomic policies, it adhered to pursuing progress while maintaining stability and made concerted efforts to expand domestic demand, boost transformation and prevent risks, creating structural business opportunities for the banking sector, while imposing higher requirements on risk management and business transformation.

In the first half of 2026, the GDP amounted to RMB69.5704 trillion, representing a year-on-year increase of 4.7%. On an industrial basis, the primary, secondary and tertiary industries increased by 3.7%, 3.9% and 5.2%, respectively. At the end of June, the balance of M2 amounted to RMB356.71 trillion, representing a year-on-year increase of 8.0%; the balance of M1 amounted to RMB118.48 trillion, representing a year-on-year increase of 4.0%, and the balance of M0 amounted to RMB14.74 trillion, representing a year-on-year increase of 11.8%. The balance of RMB loans amounted to RMB282.63 trillion, representing an increase of 5.2%, the balance of RMB deposits amounted to RMB346.44 trillion, representing an increase of RMB17.76 trillion in the first half of the year, and social financing scale amounted to RMB462.06 trillion, representing an increase of 7.4% over the end of last year calculated on a comparable basis.

In the first half of 2026, Heilongjiang Province resolutely implemented the decisions and deployments of the Party Central Committee and the State Council and diligently carried out the work arrangements of the Provincial Party Committee and the Provincial Government. Adhering to the general keynote of seeking progress while maintaining stability, the province fully, accurately and comprehensively applied the new development philosophy, actively served and integrated into the new development pattern, and focused on the central task of economic construction and the primary task of high-quality development. As a result, the provincial economy maintained overall stability. In the first half of 2026, the regional gross domestic product (RGDP) of Heilongjiang Province reached RMB738.99 billion, representing a year-on-year increase of 3.5%. Specifically, the added value of the primary industry was RMB48.10 billion, representing a year-on-year increase of 2.7%; the added value of the secondary industry was RMB205.37 billion, representing a year-on-year increase of 1.6%; and the added value of the tertiary industry was RMB485.52 billion, representing a year-on-year increase of 4.4%. The income of urban and rural residents remained a steady increase.

(II) Operation Overview

In the first half of 2026, under the strong leadership of the Bank's Party Committee and the Board of Directors, and with the oversight and support of the resident discipline inspection and supervisory team, as well as the care and guidance of the provincial and municipal Party committees and governments of Heilongjiang Province, the People's Bank of China and regulatory authorities, the Bank adhered to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the 20th National Congress of the Communist Party of China (CPC) and all subsequent plenary sessions of the 20th CPC Central Committee, earnestly delivered the spirit of the Central Economic Work Conference, the 2026 work conferences of the People's Bank of China and regulatory authorities, together with the Ninth Plenary Session of the 13th Provincial Party Committee and the Eighth Plenary Session of the 15th Municipal Party Committee. The Bank unswervingly pressed ahead with transformation of development model, structural adjustment, quality improvement, benefit growth and management optimisation, accelerated the shift from scale-driven growth to value creation, comprehensively strengthened Party building, and continuously optimised the asset-liability structure, business structure and customer base structure. The Bank achieved steady improvement in operating performance and steady progress in development quality and efficiency.

Steady business development

As at 30 June 2026, the Bank had total assets of RMB1,025,864.5 million, representing an increase of RMB6,524.5 million or 0.64% as compared to the end of last year; the balance of loans and advances to customers amounted to RMB422,549.8 million, representing an increase of RMB11,924.4 million or 2.90% as compared to the end of last year; and the balance of customer deposit amounted to RMB724,570.5 million, representing an increase of RMB5,326.8 million or 0.74% as compared to the end of last year.

Stable and positive operating efficiency

In the first half of 2026, the Bank recorded a net profit of RMB1,104.1 million, representing a year-on-year increase of RMB112.0 million or 11.29%; and the net profit attributable to shareholders of the Company was RMB1,032.7 million, representing a year-on-year increase of RMB117.3 million or 12.81%. The return on average total assets of the Bank was 0.22%, flat year-on-year; and the return on average equity of the Bank was 2.55%, representing a year-on-year increase of 0.48 percentage points.

Stable loan quality

As of 30 June 2026, the balance of the Bank's non-performing loans was RMB11,830.0 million, and the non-performing loan ratio was 2.80%, flat as compared to the end of last year; the impairment coverage ratio was 236.40%, representing an increase of 38.14 percentage points as compared to the end of last year; and impairment losses on loans ratio was 6.62%, representing an increase of 1.07 percentage points as compared to the end of last year, showing that the Bank's capability to risk resistance remained basically stable.

Stable development of subsidiaries

As at 30 June 2026, HB Leasing, HBCF and 20 village and township banks controlled by the Company kept stable and healthy development momentum as a whole. As at 30 June 2026, HB Leasing had total assets of RMB29,345.0 million, representing an increase of 8.44% as compared to the end of last year; HBCF had total assets of RMB26,776.0 million, representing an increase of 7.24% as compared to the end of last year. Total assets of the 20 village and township banks controlled by the Company amounted to RMB15,089.0 million.

Compliance with applicable laws and regulations

The Bank has been, throughout its operation, in compliance with applicable laws and regulations, including the Commercial Bank Law of the People's Republic of China, the Company Law of the People's Republic of China, the Hong Kong Listing Rules and other laws and regulations. During the Reporting Period, there was no material violation of the laws and regulations by the Bank.

II. Analysis on Income Statement

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
			(In RMB million, except percentages)	
Interest income	**12,768.8**	14,124.0	(1,355.2)	-9.6%
Interest expense	**(8,455.3)**	(9,711.4)	1,256.1	-12.9%
Net interest income	**4,313.5**	4,412.6	(99.1)	-2.2%
Fee and commission income	**386.6**	352.9	33.7	9.5%
Fee and commission expense	**(97.5)**	(83.6)	(13.9)	16.6%
Net fee and commission income	**289.1**	269.3	19.8	7.4%
Net trading income or loss	**766.3**	383.0	383.3	100.1%
Net gains on financial investments	**2,407.5**	2,305.2	102.3	4.4%
Net other operating income or loss	**(56.5)**	15.4	(71.9)	-466.9%
Operating income	**7,719.9**	7,385.5	334.4	4.5%
Operating expenses	**(2,235.1)**	(2,245.4)	10.3	-0.5%
Credit impairment losses	**(4,725.6)**	(4,457.0)	(268.6)	6.0%
Other assets impairment loss	**–**	(1.8)	1.8	-100.0%
Operating profit	**759.2**	681.3	77.9	11.4%
Profit before tax	**759.2**	681.3	77.9	11.4%
Income tax credit	**344.9**	310.8	34.1	11.0%
Net profit	**1,104.1**	992.1	112.0	11.3%

In the first half of 2026, the Bank recorded a profit before tax of RMB 759.2 million, and a net profit of RMB1,104.1 million, representing a year-on-year increase of 11.3%.

(I) Net Interest Income

In the first half of 2026, the Bank recorded a net interest income of RMB4,313.5 million, representing a year-on-year decrease of RMB99.1 million. In the first half of 2026, the Bank's net interest spread was 1.03%, representing a year-on-year decrease of 0.08 percentage points; and the Bank's net interest margin was 0.98%, representing a year-on-year decrease of 0.12 percentage points. In response to the national policy guidance, the Bank stayed committed to its founding mission and supported the real economy. Focusing on the "Five Major Areas" of the financial sector, the Bank scaled up credit support for key sectors and weak links in the economy, lowered the finance costs for the real economy, and supported the high-quality development of local economies. The Bank has also continuously improved the liability product and service system, and refined control over the liability term and cost structure. However, affected by factors such as the maturity of existing high-yield asset portfolios, the fierce competition in the real economy credit market and the downward trend in interest rates, the year-on-year decrease in average yield on interest-earning assets greater than the decrease in the average cost rate of interest-bearing liabilities, resulting in declines in the net interest margin and net interest spread compared with the same period.

The following tables set 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 ratio of these interest-earning assets and the average cost ratio of these interest-bearing liabilities for the periods indicated.

	For the six months ended 30 June					
	2026			2025		
	Average balance[6]	**Interest income**	**Average yield ratio**	Average balance[6]	Interest income	Average yield ratio
				(In RMB million, except percentages)		
Interest-earning assets						
Loans and advances to customers	**410,176.8**	**7,715.9**	**3.79%**	377,333.7	7,837.1	4.19%
Investments in debt securities[1]	**362,143.2**	**3,681.8**	**2.05%**	318,948.2	4,720.4	2.98%
Cash and balances with Central Bank	**44,730.9**	**310.4**	**1.40%**	45,279.5	324.7	1.45%
Due from banks and other financial institutions[2]	**41,545.1**	**287.8**	**1.40%**	44,078.3	465.8	2.13%
Financial lease receivables	**27,206.5**	**772.9**	**5.73%**	25,053.3	776.0	6.25%
Total interest-earning assets	**885,802.5**	**12,768.8**	**2.91%**	810,693.0	14,124.0	3.51%

	For the six months ended 30 June					
	2026			2025		
	Average balance[6]	Interest expense	Average cost ratio	Average balance[6]	Interest expense	Average cost ratio
				(In RMB million, except percentages)		
Interest-bearing liabilities						
Due to customers	**714,868.1**	**6,821.5**	**1.92%**	693,349.9	8,364.0	2.43%
Due to banks [3]	**129,319.2**	**1,129.3**	**1.76%**	72,983.5	841.7	2.33%
Debt securities issued and others	**49,781.8**	**411.8**	**1.67%**	45,578.9	459.9	2.03%
Due to Central Bank	**13,200.6**	**92.7**	**1.42%**	5,270.8	45.8	1.75%
Total interest-bearing liabilities	**907,169.7**	**8,455.3**	**1.88%**	817,183.1	9,711.4	2.40%
Net interest income		**4,313.5**			4,412.6	
Net interest spread[4]			**1.03%**			1.11%
Net interest margin[5]			**0.98%**			1.10%

Notes:

(1) Include financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost.

(2) Include due from banks and other financial institutions and financial assets held under reverse repurchase agreements.

(3) Include due to banks, financial assets sold under repurchase agreements and borrowings from banks and other financial institutions.

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

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

(6) Calculated as the average of the Bank's daily balances.

The following table sets out the changes in the Bank's interest income and interest expense attributable to changes in volumes and interest rates for the periods indicated. Changes in volumes are measured by changes in the average balances of the Bank's interest-earning assets and interest-bearing liabilities, while changes in interest rates are measured by changes in the average interest rates of the Bank's interest-earning assets and interest-bearing liabilities. The combined effects of changes in volumes and interest rates are included in changes in interest.

	For the six months ended 30 June		
	2026 vs. 2025		
	Increase/(decrease)		Net increase
	Volume (1)	Interest rate(2)	/(decrease)(3)
			(In RMB million)
Interest-earning assets			
Loans and advances to customers	**682.1**	**(803.3)**	**(121.2)**
Investments in debt securities	**639.3**	**(1,677.9)**	**(1,038.6)**
Cash and balances with Central Bank	**(3.9)**	**(10.4)**	**(14.3)**
Due from banks and other financial institutions	**(26.8)**	**(151.2)**	**(178.0)**
Financial lease receivables	**66.7**	**(69.8)**	**(3.1)**
Change in interest income	**1,357.4**	**(2,712.6)**	**(1,355.2)**
Interest-bearing liabilities			
Due to customers	**259.6**	**(1,802.1)**	**(1,542.5)**
Due to banks	**649.7**	**(362.1)**	**287.6**
Debt securities issued and others	**42.4**	**(90.5)**	**(48.1)**
Due to Central Bank	**68.9**	**(22.0)**	**46.9**
Change in interest expense	**1,020.6**	**(2,276.7)**	**(1,256.1)**

Notes:

(1) Represents the average balance for the Reporting Period minus the average balance for the previous period, multiplied by the average yield/cost ratio for such previous period.

(2) Represents the average yield/cost ratio for the Reporting Period minus the average yield/cost ratio for the previous period, multiplied by the average balance for the Reporting Period.

(3) Represents the interest income/expense for the Reporting Period minus the interest income/expense for the previous period.

(II) Interest Income

In the first half of 2026, the Bank realised an interest income of RMB12,768.8 million, representing a year-on-year decrease of RMB1,355.2 million or 9.6%. The decrease in interest income was primarily due to the year-on-year increase in the average balance of interest-earning assets, which resulted from the Bank Bank's continued efforts in strengthening its support for the real economy. However, affected by the downward trend in market interest rates and intense horizontal competition, the average yield decreased year-on-year.

1. Interest income from loans and advances to customers

In the first half of 2026, the Bank's interest income from loans and advances to customers amounted to RMB7,715.9 million, representing a year-on-year decrease of RMB121.2 million or 1.5%, primarily because the Bank consistently enhanced the quality and efficiency of its services to the real economy, thoroughly implemented the requirements of the "Five Major Areas (五篇大文章)" of the financial sector, focused on its key sectors and weak sections, and continued to strengthen the intensity of credit disbursement, increasing its credit scale year-on-year. However, with the effects of factors such as the downward trend in market interest rates, fierce peer competition, the repricing of existing business, and the settlement of high-priced businesses, the average yield decreased year-on-year, resulting in a year-on-year decrease in interest income.

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

	For the six months ended 30 June					
	2026			2025		
	Average balance	**Interest income**	**Average yield ratio**	Average balance	Interest income	Average yield ratio
						(In RMB million, except percentages)
Corporate loans	**261,790.7**	**4,325.0**	**3.33%**	210,579.5	4,224.3	4.05%
Personal loans	**114,694.8**	**3,263.1**	**5.74%**	117,467.8	3,395.8	5.83%
Discounted bills	**33,691.3**	**127.8**	**0.76%**	49,286.4	217.0	0.89%
Total loans and advances to customers	**410,176.8**	**7,715.9**	**3.79%**	377,333.7	7,837.1	4.19%

2. Interest income from investments in debt securities

In the first half of 2026, the Bank's interest income from investments in debt securities was RMB3,681.8 million, representing a year-on-year decrease of RMB1,038.6 million or 22.0%, primarily because the Bank allocated bond investment assets in line with its liquidity to enhance the contribution value of funds, contributing to a year-on-year increase in investment scale. However, due to factors such as the maturity of existing high-yield businesses and the downward trend in market interest rates, the average yield ratio decreased year-on-year, resulting in a year-on-year decrease in interest income.

3. Interest income from cash and balances with Central Bank

In the first half of 2026, the Bank's interest income from cash and balances with Central Bank amounted to RMB310.4 million, representing a year-on-year decrease of RMB14.3 million or 4.4%, mainly due to the year-on-year decrease in the average yield.

4. Interest income from amounts due from banks and other financial institutions

In the first half of 2026, the Bank's interest income from amounts due from banks and other financial institutions amounted to RMB287.8 million, representing a year-on-year decrease of RMB178.0 million or 38.2%, primarily attributable to the fact that the Bank's adjustment of asset allocation structure and prioritisation of funds to support the issuance of credit assets resulted in a year-on-year decrease in the balance of amounts due from banks and other financial institutions, coupled with the downward trend in market interest rates, leading to a year-on-year decrease in average yield ratio.

5. Interest income from financial lease receivables

In the first half of 2026, the Bank's interest income from financial lease receivables amounted to RMB772.9 million, representing a year-on-year decrease of RMB3.1 million or 0.4%, mainly due to the fact that the Bank greater marketing and investment efforts resulted in a year-on-year increase in the average balance of financial lease receivables. However, due to the downward trend in market interest rates, the average yield ratio decreased year-on-year, resulting in a year-on-year decrease in interest income.

(III) Interest Expense

In the first half of 2026, the Bank's interest expense was RMB8,455.3 million, representing a year-on-year decrease of RMB1,256.1 million or 12.9%, primarily due to the fact that the effects of the Bank's ongoing efforts to optimise its liability cost structure becoming apparent, the average cost ratio of these interest-bearing liabilities decreased by 0.52 percentage points year-on-year, offsetting the impact of the increase in the volume of liabilities, resulting in a year-on-year reduction in interest expense.

1. Interest expense due to customers

In the first half of 2026, the Bank continuously improved its liability products and service system, continued to consolidate its customer base, and maintained a steady growth in deposit scale. The Bank's interest expense on due to customers decreased by RMB1,542.5 million or 18.4% year-on-year to RMB6,821.5 million, primarily because the Bank continuously reinforced the proactive management of deposit interest rates, and optimised deposit terms and structure, contributing to a year-on-year decrease in the average cost ratio.

	For the six months ended 30 June					
	2026			2025		
	Average balance	Interest expense	Average cost ratio	Average balance	Interest expense	Average cost ratio
				(In RMB million, except percentages)		
Corporate deposits						
Demand	**52,756.9**	**112.9**	**0.43%**	63,522.6	257.6	0.82%
Time	**145,425.7**	**1,578.7**	**2.19%**	121,290.1	1,621.1	2.70%
Subtotal	**198,182.6**	**1,691.6**	**1.72%**	184,812.7	1,878.7	2.05%
Personal deposits						
Demand	**43,911.3**	**11.4**	**0.05%**	43,353.3	26.0	0.12%
Time	**472,774.2**	**5,118.5**	**2.18%**	465,183.9	6,459.3	2.80%
Subtotal	**516,685.5**	**5,129.9**	**2.00%**	508,537.2	6,485.3	2.57%
Total deposits from customers	**714,868.1**	**6,821.5**	**1.92%**	693,349.9	8,364.0	2.43%

2. ***Interest expense on due to banks***

In the first half of 2026, the Bank's interest expense on amounts due to banks increased by RMB287.6 million or 34.2% year-on-year to RMB1,129.3 million, primarily because the Bank optimised its liability structure in line with market and liquidity conditions, resulting in a year-on-year increase in the average balance of amounts due to banks.

3. ***Interest expense on debt securities issued and others***

In the first half of 2026, the Bank's interest expense on debt securities issued and others amounted to RMB411.8 million, representing a decrease of RMB48.1 million or 10.5% year-on-year, mainly attributable to the downward trend in market interest rates, resulting in a year-on-year decrease in the average cost ratio.

(IV) Non-interest Income

1. Net fee and commission income

In the first half of 2026, the Bank's net fee and commission income was RMB289.1 million, representing a year-on-year increase of RMB19.8 million or 7.4%, primarily due to an increase in income from advisory and consultancy fees.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
				(In RMB million, except percentages)
Fee and commission income	**386.6**	352.9	33.7	9.5%
Advisory and consultancy fee	**92.6**	52.9	39.7	75.0%
Settlement fee	**77.7**	62.1	15.6	25.1%
Agency fee	**129.6**	130.6	(1.0)	-0.8%
Of which: non-principal protected wealth management agency fee	**74.6**	79.7	(5.1)	-6.4%
Bank card fee	**69.6**	88.0	(18.4)	-20.9%
Others	**17.1**	19.3	(2.2)	-11.4%
Fee and commission expense	**(97.5)**	(83.6)	(13.9)	16.6%
Net fee and commission income	**289.1**	269.3	19.8	7.4%

In the first half of 2026, the Bank's advisory and consultancy fee income was RMB92.6 million, representing a year-on-year increase of RMB39.7 million or 75.0%, primarily because the Bank's proactive adjustment to its business structures resulted in a year-on-year increase in fees from advisory services.

In the first half of 2026, the Bank's settlement fee income was RMB77.7 million, representing a year-on-year increase of RMB15.6 million or 25.1%, primarily due to changes in the volume of the settlement business.

In the first half of 2026, the Bank's agency fee income was RMB129.6 million, representing a year-on-year decrease of RMB1.0 million or 0.8%, primarily due to a decrease in the scale of agency business.

In the first half of 2026, the Bank's bank card fee income was RMB69.6 million, representing a year-on-year decrease of RMB18.4 million or 20.9%, mainly attributable to the changes in bank card intermediary business volume.

In the first half of 2026, the Bank's other fee and commission income was RMB17.1 million, representing a year-on-year decrease of RMB2.2 million or 11.4%.

2. Net trading income or loss

In the first half of 2026, the Bank's net trading income or loss was RMB766.3 million, representing a year-on-year increase of RMB383.3 million or 100.1%, primarily due to the increases in gains and losses arising from changes in the fair value of financial assets measured at fair value through profit or loss.

3. Net gains on financial investments

In the first half of 2026, the Bank's net gains on financial investments were RMB2,407.5 million, representing a year-on-year increase of RMB102.3 million or 4.4%, primarily due to an increase in the gains on disposal of financial assets measured at fair value through other comprehensive income.

4. Net other operating income or loss

In the first half of 2026, the Bank's net other operating income or loss was RMB-56.5 million, representing a year-on-year decrease of RMB71.9 million or 466.9%, primarily due to changes in foreign exchange income or loss.

(V) Operating Expenses

In the first half of 2026, the Bank's operating expenses were RMB2,235.1 million, representing a year-on-year decrease of RMB10.3 million or 0.5%.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
	(In RMB million, except percentages)			
Staff costs	**991.1**	917.9	73.2	8.0%
Tax and surcharges	**141.4**	126.9	14.5	11.4%
Depreciation and amortisation	**301.6**	333.8	(32.2)	-9.6%
Others	**801.0**	866.8	(65.8)	-7.6%
Total operating expenses	**2,235.1**	2,245.4	(10.3)	-0.5%

Staff costs are the largest component of the Bank's operating expenses, representing 44.3% and 40.9% of the Bank's total operating expenses for the first half of 2026 and 2025, respectively.

The following table shows the major components of staff costs of the Bank for the periods indicated.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
	(In RMB million, except percentages)			
Staff costs				
Salaries, bonuses and allowances	**614.2**	550.1	64.1	11.7%
Social insurance	**270.1**	229.4	40.7	17.7%
Housing fund	**92.1**	87.4	4.7	5.4%
Staff benefits	**(0.6)**	31.0	(31.6)	-101.9%
Labor union expenditure and education costs	**13.5**	13.1	0.4	3.1%
Early retirement benefits	**1.8**	6.9	(5.1)	-73.9%
Total	**991.1**	917.9	73.2	8.0%

In the first half of 2026, the Bank's staff costs were RMB991.1 million, representing a year-on-year increase of RMB73.2 million or 8.0%.

In the first half of 2026, the Bank's tax and surcharges were RMB141.4 million, representing a year-on-year increase of RMB14.5 million or 11.4%.

In the first half of 2026, the Bank's depreciation and amortisation were RMB301.6 million, representing a year-on-year decrease of RMB32.2 million or 9.6%.

In the first half of 2026, the Bank's other operating expenses were RMB801.0 million, representing a year-on-year decrease of RMB65.8 million or 7.6%.

(VI) Credit Impairment Losses

In the first half of 2026, the Bank's credit impairment losses were RMB4,725.6 million, representing a year-on-year increase of RMB268.6 million or 6.0%.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
				(In RMB million, except percentages)
Impairment losses on loans and advances to customers at amortised cost	**7,147.3**	3,425.9	3,721.4	108.6%
Impairment losses on financial assets at amortised cost	**(3,161.2)**	815.4	(3,976.6)	-487.7%
Impairment losses on financial investments at fair value through other comprehensive income	**(3.0)**	60.1	(63.1)	-105.0%
Impairment losses on financial lease receivables	**212.3**	164.8	47.5	28.8%
Others	**530.2**	(9.2)	539.4	5,863.0%
Total	**4,725.6**	4,457.0	268.6	6.0%

(VII) Other Assets Impairment Losses

In the first half of 2026, the Bank recorded no other impairment losses on assets, representing a year-on-year decrease of RMB1.8 million.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
				(In RMB million, except percentages)
Impairment losses on repossessed assets	**–**	1.8	(1.8)	-100.0%
Total	**–**	1.8	(1.8)	-100.0%

(VIII) Income Tax Credit

In the first half of 2026, the Bank's income tax expenses were RMB-344.9 million, representing a year-on-year decrease of RMB34.1 million.

	For the six months ended 30 June			
	2026	2025	Change in amount	Rate of change
				(In RMB million, except percentages)
Current income tax expenses	**246.1**	472.8	(226.7)	-47.9%
Deferred income tax expenses	**(591.0)**	(783.6)	192.6	24.6%
Effective income tax expenses	**(344.9)**	(310.8)	(34.1)	-11.0%

III. Analysis of Key Items of Financial Position

(I) Assets

As at 30 June 2026, the Bank's total assets increased by RMB6,524.5 million or 0.6% to RMB1,025,864.5 million as compared to the end of last year.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
				(In RMB million, except percentages)
Loans and advances to customers, net	**401,162.7**	**39.1%**	394,261.7	38.7%
Net investment in securities and other financial assets	**448,538.4**	**43.7%**	457,970.4	44.9%
Cash and balances with the Central Bank	**95,352.0**	**9.3%**	99,275.2	9.7%
Due from banks and other financial institutions	**26,715.0**	**2.6%**	21,138.6	2.1%
Reverse repurchase agreements	**199.9**	**0.0%**	–	–
Other assets	**53,896.5**	**5.3%**	46,694.1	4.6%
Total assets[(1)]	**1,025,864.5**	**100.0%**	1,019,340.0	100.0%

Note:

(1) Of which, accrued interest is accounted in each of the interest-generating assets items but not in other discussions and analysis.

1. Loans and advances to customers

As at 30 June 2026, the Bank's total loans and advances to customers increased by RMB11.9244 billion to RMB422.5498 billion, representing an increase of 2.9% as compared to the end of last year.

The following table sets out a breakdown of the Bank's loans by business lines as at the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
		(In RMB million, except percentages)		
Corporate loans	**278,327.1**	**65.9%**	258,279.3	62.9%
Personal loans	**115,395.7**	**27.3%**	116,432.2	28.4%
Discounted bills	**28,827.0**	**6.8%**	35,913.9	8.7%
Total loans and advances to customers	**422,549.8**	**100.0%**	410,625.4	100.0%

(1) Corporate loans

As at 30 June 2026, the Bank's corporate loans increased by RMB20.0478 billion to RMB278.3271 billion, representing an increase of 7.8% as compared to the end of last year.

The following table sets out a breakdown of the Bank's corporate loans by customer type as at the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
		(In RMB million, except percentages)		
Loans to small enterprises [1]	**125,424.6**	**45.1%**	119,497.8	46.3%
Other corporate loans excluding loans to small enterprises	**152,902.5**	**54.9%**	138,781.5	53.7%
Total corporate loans	**278,327.1**	**100.0%**	258,279.3	100.0%

Note:

(1) Loans to small enterprises include corporate loans to small enterprises and micro enterprises as defined in the SME Classification Standards. According to the SME Classification Standards, there are different classification standards for different industries. For example, industrial enterprises having more than 20 but less than 1,000 employees and generating more than RMB3 million in operating income in a year are classified as small enterprises, while enterprises having more than 5 but less than 200 employees and generating more than RMB10 million in operating income in a year in the wholesale industry are also classified as small enterprises. Industrial enterprises having less than 20 employees or generating less than RMB3 million in operating income in a year are classified as micro enterprises, while enterprises having less than 5 employees or generating less than RMB10 million in operating income in a year in the wholesale industry are also classified as micro enterprises.

As at 30 June 2026, the Bank's loans to small enterprises increased by RMB5.9268 billion to RMB125.4246 billion, representing an increase of 5.0% as compared to the end of last year. As at 30 June 2026 and 31 December 2025, the Bank's loans to small enterprises accounted for 45.1% and 46.3% of the Bank's total corporate loans, respectively.

(2) Personal loans

As at 30 June 2026, the Bank's personal loans decreased by RMB1.0365 billion to RMB115.3957 billion, representing a decrease of 0.9% as compared to the end of last year, mainly attributable to a decrease in loans to small enterprise owners by RMB1.8735 billion or 9.2% as compared to the end of last year.

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

	As at 30 June 2026		**As at 31 December 2025**	
	Amount	**% of total**	Amount	% of total
				(In RMB million, except percentages)
Loans to small enterprise owners	**18,525.2**	**16.1%**	20,398.7	17.5%
Personal consumption loans	**79,794.3**	**69.1%**	80,175.2	68.9%
Loans to farmers	**17,076.2**	**14.8%**	15,858.3	13.6%
Total personal loans	**115,395.7**	**100.0%**	116,432.2	100.0%

As at 30 June 2026, loans to farmers increased by 7.7% as compared to the end of last year, whilst loans to small enterprise owners and personal consumption loans decreased by 9.2% and 0.5% as compared to the end of last year, respectively.

2. Investment in securities and other financial assets

As at 30 June 2026, the total amount of the Bank's investment in securities and other financial assets was RMB448.3992 billion, representing a decrease of RMB12.4711 billion or 2.7% as compared to the end of last year.

The following table sets out the components of the Bank's investment in securities and other financial assets as at the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Financial assets measured at fair value through profit or loss	**84,375.1**	**18.9%**	81,635.8	17.7%
Financial assets measured at amortised cost	**309,545.2**	**69.0%**	296,615.6	64.4%
Financial assets measured at fair value through other comprehensive income	**54,478.9**	**12.1%**	82,618.9	17.9%
Total investment in securities and other financial assets	**448,399.2**	**100.0%**	460,870.3	100.0%

The following table sets out the distribution of the Bank's investment in securities and other financial assets divided by debt investments and equity investment as at the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Debt investments: ：				
Bond investments	**323,619.0**	**72.2%**	332,738.4	72.2%
Debt instruments issued by financial institutions[(1)]	**120,045.4**	**26.7%**	123,414.2	26.8%
Subtotal	**443,664.4**	**98.9%**	456,152.6	99.0%
Equity investment	**4,734.8**	**1.1%**	4,717.7	1.0%
Total investment in securities and other financial assets	**448,399.2**	**100.0%**	460,870.3	100.0%

Note:

(1) Includes fund trust scheme, funds and asset management plans.

As at 30 June 2026, the Bank's total investment in debt instruments issued by financial institutions was RMB120.0454 billion, representing a decrease of RMB3.3688 billion or 2.7% as compared to the end of last year. The investments of this class as a percentage of total investment in securities and other financial assets decreased from 26.8% as at 31 December 2025 to 26.7% as at 30 June 2026.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Government bonds	**279,528.8**	**86.3%**	280,920.4	84.5%
Bonds issued by financial institutions	**2,764.3**	**0.9%**	2,060.6	0.6%
Corporate bonds	**25,099.7**	**7.8%**	31,670.7	9.5%
Bonds issued by policy banks	**16,226.2**	**5.0%**	18,086.7	5.4%
Total bond investments	**323,619.0**	**100.0%**	332,738.4	100.0%

3. Other components of the Bank's assets

Other components of the Bank's assets primarily consist of (i) cash and balances with the Central Bank; and (ii) due from banks and other financial institutions.

As at 30 June 2026, the Bank's total cash and balances with the Central Bank decreased by RMB3.9211 billion to RMB95.3363 billion, representing a decrease of 4.0% as compared to the end of last year.

As at 30 June 2026, the Bank's due from banks and other financial institutions increased by RMB5.4571 billion to RMB26.5909 billion, representing an increase of 25.8% as compared to the end of last year.

(II) Liabilities

The Bank diligently implemented the requirements of the Measures for Liability Quality Management of Commercial Banks (Yin Bao Jian Ban Fa [2021] No. 35) and established and completed a liability quality management system across the Bank in accordance with the principle of compatibility with business and management strategy, risk appetite and overall business characteristics of the Bank, and continuously improved the level of liability quality management. During the Reporting Period, the Bank conscientiously implemented the requirements of the "six characteristics" of liability quality management, continuously strengthened the foundation for the development of our liabilities business, while strengthening the monitoring, analysis and management of the sources, structure and costs of our liabilities, resulting in a steady increase in the total liabilities and healthy development of overall liabilities business. As at 30 June 2026, the Bank's total liabilities were RMB968.5378 billion, representing an increase of RMB13.9805 billion or 1.5% as compared to the end of last year.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Due to customers	**740,829.4**	**76.5%**	738,578.8	77.5%
Due to banks[1]	**112,051.0**	**11.6%**	77,896.6	8.2%
Repurchase agreements	**33,481.8**	**3.5%**	54,142.8	5.7%
Debt securities issued	**47,532.3**	**4.9%**	55,830.2	5.8%
Due to Central Bank	**16,043.9**	**1.7%**	11,512.5	1.1%
Other liabilities[2]	**18,599.4**	**1.8%**	16,596.4	1.7%
Total liabilities[3]	**968,537.8**	**100.0%**	954,557.3	100.0%

Notes:

(1) Due to banks also includes borrowings from banks and other financial institutions.

(2) Other liabilities primarily consist of derivative financial liabilities, income tax payable and other tax payable, items in the process of clearance and settlement as well as staff salary payable.

(3) Of which, interest payable is accounted in each of the interest-bearing liabilities items but not in other discussions and analysis.

1. Due to customers

As at 30 June 2026, the Bank's total due to customers was RMB724.5705 billion, representing an increase of RMB5.3268 billion or 0.7% as compared to the end of last year.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Corporate deposits				
Demand deposits	**49,222.1**	**6.7%**	64,023.6	8.9%
Time deposits	**157,164.5**	**21.8%**	143,717.3	20.0%
Subtotal	**206,386.6**	**28.5%**	207,740.9	28.9%
Personal deposits				
Demand deposits	**43,753.7**	**6.0%**	45,258.0	6.3%
Time deposits	**474,430.2**	**65.5%**	466,244.8	64.8%
Subtotal	**518,183.9**	**71.5%**	511,502.8	71.1%
Total due to customers	**724,570.5**	**100.0%**	719,243.7	100.0%

2. Due to banks

As at 30 June 2026, the Bank's due to banks balance was RMB111.3106 billion, representing an increase of RMB33.8379 billion or 43.7% as compared to the end of last year.

3. Repurchase agreement

As at 30 June 2026, the Bank's repurchase agreement was RMB33.4761 billion, representing a decrease of RMB20.5833 billion or 38.1% as compared to the end of last year.

4. Debt securities issued

As at 30 June 2026, the Bank's debt securities issued were RMB47.5323 billion, representing a decrease of RMB8.2979 billion or 14.9% as compared to the end of last year.

(III) Shareholders' Equity

As at 30 June 2026, the Bank's total shareholders' equity amounted to RMB57,326.7 million, representing a decrease of RMB7,456.0 million or 11.5% as compared to the end of last year. As at 30 June 2026, total equity attributable to shareholders of the parent company amounted to RMB54,789.6 million, representing a decrease of RMB7,501.3 million or 12.0% as compared to the end of last year.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Share capital	**10,995.6**	**19.2%**	10,995.6	17.0%
Other equity instruments	**3,699.2**	**6.5%**	11,699.0	18.1%
Reserves	**22,217.1**	**38.8%**	22,117.1	34.1%
Undistributed profits	**17,877.7**	**31.2%**	17,479.2	27.0%
Equity attributable to shareholders of the parent company	**54,789.6**	**95.7%**	62,290.9	96.2%
Non-controlling interests	**2,537.1**	**4.3%**	2,491.8	3.8%
Total equity	**57,326.7**	**100.0%**	64,782.7	100.0%

IV. Off-balance Sheet Commitments

The following table sets out the contract value of the Bank's off-balance sheet commitments as of the dates indicated.

	As at 30 June 2026	As at 31 December 2025
		(In RMB million)
Credit commitments:		
Bank bills acceptance	**7,497.9**	7,906.4
Issued letters of guarantee	**2,985.6**	2,755.4
Issued letters of credit	**1,267.3**	2,072.9
Credit limit of credit card	**12,427.7**	12,960.7
Subtotal	**24,178.5**	25,695.4
Capital expenditure commitments	**207.2**	169.8
Treasury bond redemption commitments	**–**	–
Total	**24,385.7**	25,865.2

In addition, as at 30 June 2026, the amount involved in material pending litigation cases where the Group is the defendant or a third-party defendant with a single disputed claim amount exceeding RMB10,000,000 totalled RMB23,651,000 (as of 31 December 2025: Nil). Based on the best estimate, no provision was recognised in the statement of financial position by the Group as at 30 June 2026 (as of 31 December 2025: Nil). Details of off-balance sheet commitment contracts are disclosed in the note 42 "Commitments and Contingent Liabilities" to the financial statements of this report.

V. Analysis of Loan Quality

During the Reporting Period, the Bank proactively implemented high-quality development goals, adhered to the principles of active defence and precise risk resolution, focused on stabilizing existing business, optimising new business, and strengthening mechanisms, and continuously improved and refined risk prevention and control. The Bank accelerated the digital transformation of risk management, continuously improved intelligent early warning risk control models and full-process risk monitoring mechanisms, and significantly enhanced the forward-looking nature of risk identification and the scientific nature of decision-making. While strictly controlling new risks, the Bank took multiple measures to speed up the disposal of existing non-performing assets, effectively activating inefficient assets through market-oriented transfer, debt restructuring, and legal recovery. As at 30 June 2026, the non-performing loan ratio was 2.80%, which remains unchanged as compared to the end of last year. The impairment coverage ratio was 236.40%, representing an increase of 38.14 percentage points as compared to the end of last year. The impairment losses on loans ratio was 6.62%, representing an increase of 1.07 percentage points as compared to the end of last year, showing the ability of risk resilience remained stable.

(I) Distribution of Loans by Five-category Loan Classification

The following table sets out the Bank's loans and advances to customers in each category of the Bank's five category loan classification as of the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	% of total	Amount	% of total
			(In RMB million, except percentages)	
Pass	385,210.1	91.2%	375,564.7	91.5%
Special mention	25,509.7	6.0%	23,568.2	5.7%
Substandard	1,608.2	0.4%	1,414.0	0.3%
Doubtful	867.9	0.2%	622.5	0.2%
Loss	9,353.9	2.2%	9,456.0	2.3%
Total loans and advances to customers	422,549.8	100.0%	410,625.4	100.0%
Non-performing loans amount and non-performing loan ratio[1]	11,830.0	2.80%	11,492.5	2.80%

Note:

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

According to the five-category loan classification system, the Bank classified its non-performing loans into substandard, doubtful and loss categories.

(II) The Distribution of Loans and Non-performing Loans by Business Lines

The following table sets out the Bank's loans and non-performing loans by business lines as of the dates indicated.

	As at 30 June 2026			As at 31 December 2025		
	Loan amount	Non-performing loans amount	Non-performing loan ratio	Loan amount	Non-performing loans amount	Non-performing loan ratio
						(In RMB million, except percentages)
Corporate loans						
Loans to small enterprises	**125,424.6**	**2,725.1**	**2.17%**	119,497.8	2,798.4	2.34%
Other corporate loans excluding loans to small enterprises	**152,902.5**	**1,882.0**	**1.23%**	138,781.5	1,924.1	1.39%
Subtotal	**278,327.1**	**4,607.1**	**1.66%**	258,279.3	4,722.5	1.83%
Personal loans						
Loans to small enterprises owners	**18,525.2**	**1,312.9**	**7.09%**	20,398.7	1,308.7	6.42%
Personal consumption loans	**79,794.3**	**5,646.8**	**7.08%**	80,175.2	5,256.2	6.56%
Loans to farmers	**17,076.2**	**263.2**	**1.54%**	15,858.3	205.1	1.29%
Subtotal	**115,395.7**	**7,222.9**	**6.26%**	116,432.2	6,770.0	5.81%
Discounted bills	**28,827.0**	**–**	**–**	35,913.9	–	–
Total	**422,549.8**	**11,830.0**	**2.80%**	410,625.4	11,492.5	2.80%

During the Reporting Period, the Bank continuously tracked, researched and assessed the external economic situation, and adjusted business guidance and admission rules in a timely manner. The Bank made dynamic adjustments to policies, optimised customer base and asset structures, and strictly prevented default risks in new businesses. The Bank established regular monitoring and feedback mechanisms, intelligent early warning management, and elaborate overdue supervision systems, and paid close attention to source prevention and control and full-process management to continuously improve the quality and efficiency of risk prevention and control. Due to factors such as the slowdown in economic growth, overcapacity in certain industries, and weak recovery of consumer spending, the real economy continued to face pressure. As of 30 June 2026, the Bank's non-performing loan ratio was 2.80%, its non-performing loan ratio for corporate loans was 1.66%, and its non-performing loan ratio for personal loans was 6.26%.

(III) Distribution of Loans and Non-performing Loans Classified by Industry

The following table sets out the distribution of the Bank's loans and non-performing loans by industry as of the dates indicated.

	As at 30 June 2026				As at 31 December 2025			
	Loan amount	% of total	Non-performing loans amount	Non-performing loan ratio	Loan amount	% of total	Non-performing loans amount	Non-performing loan ratio
								(In RMB million, except percentages)
Agriculture, forestry, husbandry and fishery	2,366.2	0.6%	153.3	6.48%	1,598.7	0.4%	116.9	7.31%
Mining	4,928.8	1.2%	19.8	0.40%	4,852.4	1.2%	19.8	0.41%
Manufacturing	21,249.9	4.9%	697.0	3.28%	20,130.7	4.9%	836.5	4.16%
Production and supply of electricity, heating, gas and water	21,269.1	5.0%	52.2	0.25%	17,067.1	4.1%	50.8	0.30%
Construction	21,567.2	5.1%	515.7	2.39%	21,853.3	5.3%	501.2	2.29%
Wholesale and retail	56,451.2	13.4%	1,543.0	2.73%	49,334.7	12.0%	1,610.7	3.26%
Transportation, storage and postal services	4,907.5	1.2%	42.6	0.87%	5,244.8	1.3%	36.8	0.70%
Accommodations and catering	2,953.4	0.7%	166.4	5.63%	2,983.2	0.7%	164.2	5.50%
Information transmission, software and information technology services	822.2	0.2%	1.7	0.21%	2,210.1	0.5%	1.2	0.05%
Finance	419.0	0.1%	–	–	242.4	0.1%	–	–
Real estate	27,629.4	6.5%	567.3	2.05%	28,149.5	6.9%	561.3	1.99%
Leasing and commercial services	99,546.6	23.6%	698.7	0.70%	90,249.7	22.0%	674.6	0.75%
Scientific research and technological services	1,238.2	0.3%	10.0	0.81%	1,509.4	0.4%	7.8	0.52%
Water conservation, environment and public utility management	10,743.6	2.5%	76.1	0.71%	10,638.6	2.6%	82.4	0.77%
Residential, repair and other services	714.0	0.2%	16.4	2.30%	615.6	0.1%	16.4	2.66%
Education	122.5	0.0%	43.1	35.18%	163.6	0.0%	38.1	23.29%
Health and social work	1,152.0	0.3%	3.8	0.33%	1,183.4	0.3%	3.8	0.32%
Culture, sports and entertainment	246.3	0.1%	–	–	252.1	0.1%	–	–
Total corporate loans	278,327.1	65.9%	4,607.1	1.66%	258,279.3	62.9%	4,722.5	1.83%
Total personal loans	115,395.7	27.3%	7,222.9	6.26%	116,432.2	28.4%	6,770.0	5.81%
Discounted bills	28,827.0	6.8%	–	–	35,913.9	8.7%	–	–
Total	422,549.8	100.0%	11,830.0	2.80%	410,625.4	100.0%	11,492.5	2.80%

During the Reporting Period, the Bank kept abreast of the support direction of national industrial policy and the characteristics of regional economic development, strengthened its credit support for the local real economy and increased loan disbursements to relevant key sectors such as regional featured industries with competitive advantages, manufacturing industry, science and technology enterprises and green finance. Meanwhile, the Bank reinforced its financial cooperation among peers and proactively promoted the development of the syndicate business. For key programmes within the province, it continued to improve the matching of financing needs and offered financing support to private enterprises and small and micro enterprises. As of 30 June 2026, the total corporate loans of the Bank amounted to RMB278,327.1 million, representing an increase of RMB20,047.8 million as compared to the end of last year.

(IV) Distribution of Loans and Non-performing Loans by Geographical Region

The following table sets out the distribution of the Bank's loans and non-performing loans by geographical region as of the dates indicated.

	As at 30 June 2026				As at 31 December 2025			
	Loan amount	**% of total**	**Non-performing loans amount**	**Non-performing loan ratio**	Loan amount	% of total	Non-performing loans amount	Non-performing loan ratio
								(In RMB million, except percentages)
Heilongjiang region	**248,451.1**	**58.9%**	**4,912.0**	**1.98%**	236,841.9	57.6%	4,933.9	2.08%
Other regions in Northeastern China	**37,332.4**	**8.8%**	**1,587.6**	**4.25%**	41,701.9	10.2%	1,638.2	3.93%
Southwestern China	**93,571.7**	**22.1%**	**2,953.1**	**3.16%**	87,090.6	21.2%	2,944.7	3.38%
Other regions	**43,194.6**	**10.2%**	**2,377.3**	**5.50%**	44,991.0	11.0%	1,975.7	4.39%
Total	**422,549.8**	**100.0%**	**11,830.0**	**2.80%**	410,625.4	100.0%	11,492.5	2.80%

During the Reporting Period, the Bank actively implemented the national strategy of coordinated regional development and increased its credit support to the real economy with a strategic focus on the "Five Major Areas (五篇大文章)", the "Chengdu-Chongqing Economic Circle" and the "Beijing-Tianjin-Hebei Integration". Meanwhile, the Bank remained committed to returning to its local roots by gradually steering credit resources towards Heilongjiang region and promoting its cooperation with key enterprises in the region. As of 30 June 2026, loans disbursed to Heilongjiang region by the Bank accounted for 58.9% of its total loans, to regions other than Heilongjiang in Northeastern China was 8.8%, to Southwestern China was 22.1%, and to other regions was 10.2%.

(V) The Distribution of Loans and Non-performing Loans by Collateral

The following table sets out the distribution of the Bank's loans and non-performing loans by collateral as of the dates indicated.

	As at 30 June 2026				As at 31 December 2025			
	Loan amount	% of total	Non-performing loans amount	Non-performing loan ratio	Loan amount	% of total	Non-performing loans amount	Non-performing loan ratio
						(In RMB million, except percentages)		
Unsecured loans	**165,658.0**	**39.2%**	**5,113.0**	**3.09%**	160,064.0	38.9%	5,138.0	3.21%
Guaranteed loans	**152,232.8**	**36.0%**	**1,898.8**	**1.25%**	140,807.0	34.3%	1,716.7	1.22%
Collateralised loans	**86,143.3**	**20.4%**	**4,783.7**	**5.55%**	89,378.8	21.8%	4,589.4	5.13%
Pledged loans	**18,515.7**	**4.4%**	**34.5**	**0.19%**	20,375.6	5.0%	48.4	0.24%
Total	**422,549.8**	**100.0%**	**11,830.0**	**2.80%**	410,625.4	100.0%	11,492.5	2.80%

During the Reporting Period, the Bank kept abreast with the deployment of national key strategic development, offered financial support to the development of the real economy, and increased disbursements of inclusive loans to small and micro enterprises and resident consumer loans, contributing to an increase in the size of unsecured loans and guaranteed loans. Meanwhile, as reflected in the overall loan structure of the Bank, the overall size of collateralised loans and pledged loans and guaranteed loans accounts for 60.8%, with the overall risks being well-controlled.

(VI) Concentration of Borrowers

As of 30 June 2026, the Bank was in compliance with the lending limit of 10% of the Bank's net capital to any single borrower. The following table sets out, as at 30 June 2026, the Bank's 10 largest single borrowers (excluding group borrowers) in terms of loan balance.

	As at 30 June 2026		
Industry	Loan balance	% of total loans	% of net capital
	(In RMB million, except percentages)		
D—Production and supply of electricity, gas and water	6,550.0	1.55%	9.39%
K—Real estate	2,974.4	0.70%	4.26%
E—Construction	2,848.2	0.67%	4.08%
E—Construction	2,747.8	0.65%	3.94%
K—Real estate	2,537.3	0.60%	3.64%
N—Water conservation, environment and public utility management	2,521.3	0.60%	3.61%
L—Leasing and commercial services	2,405.0	0.57%	3.45%
L—Leasing and commercial services	2,321.1	0.55%	3.33%
K—Real estate	2,079.6	0.49%	2.98%
E—Construction	1,995.0	0.47%	2.86%
Total	**28,979.7**	**6.85%**	**41.54%**

(VII) Overdue Loans and Advances to Customers

The following table sets out, as of the dates indicated, the distribution of the Bank's loans and advances to customers by maturity.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Current loans and advances Loans and advances past due: [1]	**360,144.3**	**85.2%**	358,300.2	87.2%
For 1 to 90 days	**25,529.4**	**6.0%**	16,232.9	4.0%
For 91 days to 1 year	**8,735.9**	**2.1%**	5,749.4	1.4%
For 1 year and above	**28,140.2**	**6.7%**	30,342.9	7.4%
Subtotal	**62,405.5**	**14.8%**	52,325.2	12.8%
Total loans and advances to customers	**422,549.8**	**100.0%**	410,625.4	100.0%

Note:

(1) Loans to customers with specific repayment date are classified as overdue when the principal or interest becomes overdue.

During the Reporting Period, the Bank has always adhered to the principle of "asset quality is our lifeline", prevented and controlled operating risks, reasonably guided credit resources, enhanced the quality and efficiency of financial services, continuously strengthened asset quality management, constantly optimised risk prevention and control measures, made preliminary risk control by developing the concept of pre-management featuring forward look and proactiveness, and made "controlling new delinquencies" a key task for the whole Bank to effectively curb the deterioration of asset quality at source. Meanwhile, the Bank intensified the collection and disposal efforts by taking various measures by classification, formulating differentiated collection and disposal plans based on the actual business conditions, and making every effort to reduce non-performing assets by comprehensive use of collection in cash and by litigation, bad debt write-off and other means, so as to drive its all-round, high-quality development.

(VIII) Movements of Allowance for Impairment Losses on Loans

Pursuant to the requirements of IFRS 9, the Bank made use of "expected credit loss model" for the measurement of impairment of underlying financial assets. The Bank adhered to the prudence principle and made provision for impairment losses on loans in full amount. As at 30 June 2026, the allowance for impairment losses on loans amounted to RMB27,943.4 million, which increased by RMB5,158.4 million as compared to the end of last year. The allowance for impairment losses on loans ratio was 6.62%, representing an increase of 1.07 percentage points as compared to the end of last year. Risk resilience remained stable.

Movements in allowance for impairment losses on loans are as follows:

Item	**As at 30 June 2026**	**As at 31 December 2025**
		(In RMB million)
Balance at the beginning of the period	**22,785.0**	21,792.6
Exchange difference	**0.0**	(0.2)
Charged during the year	**7,147.3**	4,827.1
Accreted interest on impaired loans	**(363.2)**	(588.1)
Write-offs and transferred	**(1,869.9)**	(3,754.2)
Recoveries of loans and advances previously written off	**244.2**	561.7
Transfer of assets to disposal groups classified as held for sale	**–**	(35.7)
Disposal of subsidiaries	**–**	(18.2)
Balance at the end of the period	**27,943.4**	22,785.0

VI. Segment Report

(I) Geographical Segment Report

The description of the geographical areas of the Bank is as follows:

Heilongjiang region:	Head office, branches in Harbin, Shuangyashan, Jixi, Hegang, Suihua, Daqing, Qitaihe, Mudanjiang, Jiamusi, Qiqihar, Yichun and Nongken, as well as HB Leasing, HBCF and village and township banks operating within Heilongjiang province;
Other regions in Northeastern China:	Branches in Dalian and Shenyang, as well as village and township banks operating in Northeastern China excluding the ones in Heilongjiang province;
Southwestern China:	Branches in Chengdu and Chongqing, as well as village and township banks operating in Sichuan province;
Other regions:	Branch in Tianjin as well as village and township banks operating in regions other than those listed above.

The table below sets out certain key financial indicators of the Bank in each of the geographical regions for the periods indicated.

	Mainland China				
	Heilongjiang region	Other regions in Northeastern China	Southwestern China	Other regions	Total
					(In RMB million)
For the six months ended 30 June 2026					
Operating income	6,512.4	163.7	799.2	244.6	7,719.9
Operating expenses	(1,678.3)	(163.4)	(227.2)	(166.2)	(2,235.1)
Credit impairment losses	(3,151.3)	(734.9)	(1,058.8)	219.4	(4,725.6)
Other assets impairment loss	–	–	–	–	–
Operating profit	1,682.8	(734.6)	(486.8)	297.8	759.2
As at 30 June 2026					
Segment assets	759,741.8	66,402.6	151,689.9	48,030.2	1,025,864.5
Segment liabilities	703,789.5	66,782.5	151,993.2	45,972.6	968,537.8

	Mainland China				
	Heilongjiang region	Other regions in Northeastern China	Southwestern China	Other regions	Total
					(In RMB million)
For the six months ended 30 June 2025					
Operating income	5,874.7	61.8	1,193.6	255.4	7,385.5
Operating expenses	(1,675.8)	(163.9)	(211.9)	(193.8)	(2,245.4)
Credit impairment losses	(2,675.9)	(1,343.0)	(710.1)	272.0	(4,457.0)
Other assets impairment loss	(1.8)	–	–	–	(1.8)
Operating profit	1,521.2	(1,445.1)	271.6	333.6	681.3
As at 30 June 2025					
Segment assets	740,849.1	48,536.2	87,384.2	50,758.0	927,527.5
Segment liabilities	686,606.1	52,323.7	73,541.4	49,450.6	861,921.8

The table below sets out the Bank's operating income by geographical region and their proportion to the Bank's total operating income for the periods indicated.

	For the six months ended 30 June			
	2026		2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentage(s))	
Heilongjiang region	**6,512.4**	**84.3%**	5,874.7	79.5%
Other regions in Northeastern China	**163.7**	**2.1%**	61.8	0.8%
Southwestern China	**799.2**	**10.4%**	1,193.6	16.2%
Other regions	**244.6**	**3.2%**	255.4	3.5%
Total operating income	**7,719.9**	**100.0%**	7,385.5	100.0%

(II) Business Segment Report

The table below sets out the Bank's total operating income by business segment for the periods indicated.

	For the six months ended 30 June			
	2026		2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentage(s))	
Corporate finance business	**2,950.7**	**38.2%**	2,501.0	33.9%
Retail finance business	**3,963.4**	**51.3%**	3,845.8	52.0%
Financial institutions business	**819.6**	**10.6%**	1,056.2	14.3%
Other businesses	**(13.8)**	**-0.1%**	(17.5)	-0.2%
Total operating income	**7,719.9**	**100.0%**	7,385.5	100.0%

VII. Capital Adequacy Ratio and Leverage Ratio

(I) Capital Adequacy Ratio

During the Reporting Period, the Group continued to optimise its business structure and strengthen capital management. As at 30 June 2026, the core tier 1 capital adequacy ratio, tier 1 capital adequacy ratio and capital adequacy ratio of the Bank were 8.36%, 10.74% and 11.98% respectively, which were in line with the regulatory requirements provided in the Measures for the Administration of Capital of Commercial Banks.

In accordance with the Measures for the Administration of Capital of Commercial Banks, the capital adequacy ratios of the Bank were calculated as follows:

	As at 30 June 2026	As at 31 December 2025
	(In RMB million, except percentages)	
Core capita	**52,370.1**	51,794.3
Core tier 1 capital deductible items	**(3,671.8)**	(3,118.9)
Net core tier 1 capital	**48,698.3**	48,675.4
Net other tier 1 capital	**13,864.3**	21,858.2
Net tier 1 capital	**62,562.6**	70,533.6
Net tier 2 capital	**7,216.1**	7,106.3
Net capital	**69,778.7**	77,639.9
Total credit risk-weighted assets	**557,674.8**	549,624.1
Total market risk-weighted assets	**1,010.1**	972.9
Total operational risk-weighted assets	**23,725.0**	23,725.0
Total risk-weighted assets	**582,409.9**	574,322.0
Core tier 1 capital adequacy ratio	**8.36%**	8.48%
Tier 1 capital adequacy ratio	**10.74%**	12.28%
Capital adequacy ratio	**11.98%**	13.52%

(II) Leverage Ratio

In accordance with the Measures for the Administration of Capital of Commercial Banks, the leverage ratios of the Bank were calculated as follows:

	As at 30 June 2026	As at 31 December 2025
	(In RMB million, except percentages)	
Net tier 1 capital	**62,562.6**	70,533.6
Adjusted on-and off-balance sheet assets	**1,036,279.0**	1,029,753.8
Leverage ratio	**6.04%**	6.85%

VIII. Business Operation

The principal businesses of the Company comprise of the provision of banking services such as deposit, loan, payment and settlement, as well as other approved businesses.

(I) Retail Finance Business

The retail finance business of the Company is positioned as a focus of the Company's strategic transformation, which aims to gradually improve the wealth management system to serve the demand of customers and their families for wealth planning. The Company strengthened eco-scenario construction to meet customers' needs for diversified investment and balanced asset allocation and achieved breakthroughs in brand building and customer market positioning. The Company has continued to expand the service scenarios of social security cards, fully leveraging the service effectiveness of social security cards as a carrier for people's livelihood services. We strengthen digital customer relationship management and accelerate the "online + offline" omnichannel collaboration and marketing digitalization, effectively driving the transition of general retail from a single-product model to a comprehensive solution model. By building a closed loop between retail finance and customer services and deepening the brand connotations of heart-centered retail services, we promote sustainable and high-quality development of the retail finance business.

During the Reporting Period, the retail finance business of the Bank recorded an operating income of RMB3,963.4 million, accounting for 51.3% of the Bank's operating income.

Retail customers

The Company has adhered to the retail development philosophy of deep-rooted local presence and customer-centricity, focusing on value management across the entire customer lifecycle. The Company has holistically advanced the refined operation of tiered customer management, achieving multi-dimensional coordinated development through the upgrading of the benefits system, empowerment via scenario-based activities, and enhancement of service quality and efficiency. The Company has strengthened the development of its retail talent team, forging a high-quality and professional service team, comprehensively empowering the transformation and development of its retail business, and continuously enhancing the brand influence and core competitiveness of retail financial services of the Company. During the year, the Company was conferred with numerous national and international awards in recognition of its achievements in the transformation, development and customer service of its retail finance business. As of 30 June 2026, the Company had 15.3778 million retail customers, representing an increase of 112,000 as compared to the end of last year. The balance of customer's financial assets under management amounted to RMB567.373 billion, representing an increase of RMB13.074 billion from the end of the previous year. The number of retail customers with personal financial assets (in RMB and other currencies) over RMB50,000 amounted to 1.5423 million, representing an increase of 29,100 or 1.92% as compared to the end of last year.

Retail deposits

The Company provides demand and time deposits services to retail customers, which are mostly denominated in RMB with only a small portion being denominated in foreign currencies, in accordance with national and industry regulatory policies. As of 30 June 2026, the balance of retail deposits of the Bank (in RMB and other currencies) amounted to RMB518.1839 billion, representing an increase of RMB6.6811 billion, or 1.3% as compared to the end of last year; The average balance of retail deposits (in RMB and other currencies) amounted to RMB516.6855 billion, representing an increase of RMB8.1483 billion, or 1.6% as compared to last year. According to the statistics provided by the Heilongjiang Branch of the PBOC, the balance of retail deposits of the Harbin branch of the Company ranked first in the local market in terms of the balance of retail deposits with a market share of 18.58% as at the end of the Reporting Period.

Retail loans

During the Reporting Period, the Bank's retail credit business, centred on the "Qian Dao Jia (錢到家)" digital product system, has deeply advanced its digital transformation. The Bank has pursued dual-driven efforts in technology empowerment and inclusive finance, continuously iterating a differentiated product matrix to precisely reach diverse regional consumer customer groups, and unlocking domestic demand potential through the tailored adaptation of credit supply. Concurrently, the Bank has built an integrated digital middle platform encompassing "risk control, service and marketing", achieving end-to-end online agile response and refined operations across the entire customer lifecycle, driving the leap from business digitalization to ecosystem digital intelligence, and forging a new paradigm of sustainable growth. Through end-to-end closed-loop management across the entire credit value chain covering pre-loan, in-loan and post-loan stages, the Bank has enhanced customer experience while delivering more efficient and customer-centric digital financial services, effectively serving as the financial resources to boost consumption and injecting strong new momentum into high-quality development.

As of 30 June 2026, the balance of the Bank's personal loans reached RMB115,395.7 million, representing a decrease of 0.9% as compared to the end of last year and accounting for 27.3% of the Bank's total loans to customers, of which the balance of loans to small enterprise owners, personal consumption loans and loans to farmers amounted to RMB18,525.2 million, RMB79,794.3 million and RMB17,076.2 million, respectively, and accounted for 16.1%, 69.1% and 14.8% of the Bank's total personal loans, respectively.

Bank cards

In the first half of 2026, the Company continued to leverage the function of social security cards as a carrier for people's livelihood services. The Company launched a series of exclusive benefit consumption activities for the ice and snow season, closely aligning with diverse consumption scenarios spanning "entertainment, shopping, sightseeing, transportation and food", continuously driving social security card payment transactions and fully unleashing the value of social security cards in facilitating public services. During the Reporting Period, the Company had provided third-generation social security card issuance and replacement services for 1.8157 million residents.

As of 30 June 2026, the Company had issued a total of 18.4988 million debit cards, with an increase of 58,600 new cards issued during the Reporting Period.

Wealth management business

The wealth management business of the Company focuses on helping customers grow their family's comprehensive financial assets. The Company's wealth management business has consistently acted on the principles of meeting customers' diversified financial investment needs and enhancing the customer experience. It has integrated online and offline channel resources to build an excellent financial services brand of Lilac Wealth. It made efforts to improve the strategic cooperation structure with leading institutions to expand its strategic cooperation continually, while also improved its wealth management product system, and iterated and upgraded the financial product mall. Focusing on financial scenarios such as children's finance, growth finance, family finance, and retirement finance, the Company dedicated itself to providing professional, convenient and high-quality wealth management service to customers.

During the Reporting Period, the Company realised total sales of personal wealth management products, such as wealth management, fund and insurance, of RMB35.521 billion.

(II) Corporate Finance Business

In the first half of 2026, the Bank's corporate finance business took "returning to the basics, focusing on key areas, optimising structure and pursuing innovative development" as its main goal. It fully advanced characteristic and differentiated operations, comprehensively raised the level of operation and management, and further enhanced the quality and efficiency of services for the real economy. The Bank actively implemented the service philosophy of "being customer-oriented", built a full-lifecycle integrated financial service system for corporate customers, and created a comprehensive financial service system for customers, forming an integrated and comprehensive financial service pattern with "quick response to customer needs, service plans with collaborated design, and coordinated advancement of financial services".

During the Reporting Period, the Bank achieved an operating income from its corporate finance business of RMB2,950.7 million, representing an increase of RMB449.7 million as compared to the same period of last year and accounting for 38.2% of the operating income of the Bank.

Corporate customers

Leveraging its advantages in cross-regional business layout and branch network resources, the Bank has firmly established a service philosophy of "customer-centricity", pursuing comprehensive customer management to enhance customer value contribution. Centred on the marketing and service system for three key customer segments (namely institutional customers, settlement customers and credit customers), the Bank continuously deepened the development of its customer ecosystem, consolidated the foundation of its corporate banking business, and remained committed to the in-depth exploration of customer value. The Bank has established a tiered and graded customer maintenance system, and by formulating differentiated comprehensive financial service solutions, has achieved precise marketing and comprehensive financial service management for core customers. The Bank focused on its local roots and concentrated its financial resources to give priority to supporting the high-quality development of Heilongjiang Province. The Bank continued to deepen its strategic cooperation with provincial and municipal enterprise groups, enhanced cooperation with customer groups and core customer groups in key regions and industries. The Bank has continued to strengthen its customer base by intensifying customer visits and increasing its business reserves. At the same time, the Bank adhered to the four-pronged institutional customer service model of "channel building, qualification development, technical support and team service" and strengthened communication and coordination with government agencies. Relying on digital means to explore diversified service modes, the Bank was fully engaged in institutional customer service and empowered customer value creation, and further strengthened corporate client base, striving to support the efficient development of Heilongjiang's economy in all aspects.

Corporate deposits

During the Reporting Period, the Bank continued to intensify its marketing and expansion efforts for corporate deposits, optimised its liability structure, strengthened the expansion of low-cost operating and settlement funds, and consolidated the foundation for sustainable business development. Strictly adhering to liability cost control targets, the Bank orderly lowered the pricing of deposit products to reduce interest expenses, advanced cost reduction and efficiency enhancement, and comprehensively elevated the standard of refined management for corporate deposit business. The Bank focused on high-quality client groups such as central and state-owned enterprises, excellent small and micro enterprises, key regional enterprises, and emerging industry clients, deeply explored the potential of clients' capital accumulation, extended and expanded the upstream and downstream marketing chains, and broadened deposit sources through multiple channels. Giving full play to its advantages in local resources, the Bank continuously deepened the strategic layout of institutional business and further consolidated and expanded the bank-government cooperation model. Focusing on key sectors including fiscal administration, social security, medical insurance and housing and urban-rural development, the Bank made consistent and in-depth efforts to provide customers with end-to-end integrated financial service solutions, and fully strengthened its regional service capability and in-depth collaboration level for institutional customers. The Bank promoted the full and multi-level coverage of business qualifications across provinces, cities, districts and counties, and boosted the scale and stability of institutional deposits through diverse channels and approaches. Meanwhile, it fully tracked and grasped the capital flow paths, built a full-process closed-loop management mechanism from fund disbursement to utilization, ensured the safe and efficient operation of funds, and continuously enhanced the efficiency of comprehensive services. As of 30 June 2026, the average balance of the Bank's corporate deposits amounted to RMB198,182.6 million, with the deposit stability further enhanced.

Corporate loans

During the Reporting Period, the Bank rooted itself in the fundamentals of finance, taking the satisfaction of the real economy's needs as the starting point and ultimate goal for its high-quality development. Leveraging the advantages of its business network distribution, the Bank closely followed the development arrangements of national key strategies such as "Chengdu-Chongqing Economic Circle" and "Beijing-Tianjin-Hebei Integration", and provided financial support for the development of the real economy centering on the development positioning of "Three Bases, One Barrier, One Highland (三基地、一屏障、一高地)", "4567" modern industrial system and "Five Major Articles (五篇大文章)" in the financial sector. The Bank strengthened industry research and product innovation, and increased credit supply to key fields including sci-tech finance, green finance, inclusive finance, pension finance and digital finance. It fully supported the transformation and upgrading of the manufacturing industry, with a focused increase in medium and long-term manufacturing loans to tap high-quality enterprises with high added value and core positions in the industrial chain. The Bank boosted credit allocation to the energy sector, deepened industry research, and fully harnessed the development potential of new energy on the basis of safeguarding the security of traditional energy. It concentrated advantageous resources to support the development of modern agriculture in the province and continuously strengthened efforts to boost the county economy. the Bank deepened cooperation in supporting the government and local state-owned enterprises in the construction of projects under the "Three Major Projects", supporting financing matching special bonds, implementing national major strategies, revitalizing idle assets and facilitating the landing of investment promotion projects. The Bank enhanced interbank financial cooperation, actively promoted the development of syndicated loan business and deepened financial services. Furthermore, the Bank promoted the rollout of re-lending for private enterprises and strengthened financial support for private enterprises. As of 30 June 2026, the total corporate loans of the Bank amounted to RMB278,327.1 million, representing an increase of RMB20,047.8 million as compared to the beginning of the year and accounting for 65.9% of total loans.

Intermediary business

During the Reporting Period, the Bank continued to strengthen its management of intermediary business. Taking into account the market environment, policy guidance and the diverse financial service needs of customers, the Bank developed integrated service solutions. Furthermore, the Bank actively promoted the development of its syndicate, bank acceptances, letters of credit and forfaiting businesses. The Bank continuously strengthened the construction of corporate payment and settlement product systems and platforms, and constantly improved the functions of the treasury management platform in financial scenarios such as finance, housing construction, bidding, trade and financing, and capital supervision. The Bank strove to build a comprehensive financial service system integrating payment, settlement, corporate property management and value-added services, strengthened technology empowerment, and continuously improved its customer service capabilities.

Transaction banking

During the Reporting Period, leveraging the digital supply chain finance products under the Transaction Banking brand "E-Financing Connect (e融通)", the Company scaled up credit extension to micro, small, and medium-sized enterprises (MSMEs) by anchoring core corporate customers. The Company developed and launched three transaction banking financial products including "Commercial Bill Discounting and Pledge Financing (商票保貼及質押融資)", incubated and rolled out the "E-Financing for Accounts Receivable (應收E融)" and "Chain Data (鏈數)" supply chain finance businesses, formulated and issued the Modular Scheme for Supply Chain Finance in the Modern Agriculture Sector (《現代農業領域供應鏈金融模式化方案》), upgraded and transformed nine business systems, and continuously promoted the application of fintech across the corporate banking business line. The Company continued to advance the construction of the "Digital and Intelligent Transaction Banking Platform" project, building a bank-enterprise capability hub integrating intensive operation and differentiated services, and stimulating the "platform + ecosystem" effect.

(III) Financial Market Business

Regarding financial market business qualifications, the Company is a Class A settlement member of the national interbank bond market, a member of the underwriting syndicate of financial bonds of China Development Bank and the Agricultural Development Bank of China, a member of the underwriting syndicates of local government bonds of Heilongjiang Province, Sichuan Province, Liaoning Province, Tianjin municipality and Chongqing municipality, a member of the SHIBOR quoting syndicate of the National Interbank Funding Center, and a member of the underwriting syndicate of debt financing instruments of non-financial enterprises. The Company has business qualification of derivative transactions and qualification of national interbank bond market settlement agent.

During the Reporting Period, the financial market business of the Bank recorded an operating income of RMB819.6 million, accounting for 10.6% of the operating income of the Bank.

Bond investments and transactions

During the Reporting Period, due to the global economic turbulence and central bank monetary policies, the interest rate trend in the national interbank bond market presented an overall range-bound fluctuation pattern with "a cap on the upside and a floor on the downside". Amid the complex environment, the Bank accurately predicted the market trend at different stages, enriched investment and trading tools, and optimised its bond portfolio simultaneously. As of 30 June 2026, the balance of bond investments was RMB323,619.0 million.

During the Reporting Period, the Bank actively participated in various businesses in the interbank bond market and was awarded by the National Interbank Funding Center as the Monthly Innovative Business Active Institution for a number of times.

Financial interbank business

During the Reporting Period, based on the guidance of regulatory policies, market development and its requirements for capital use, the Bank actively cooperated with non-bank financial institutions such as fund companies, asset management companies and financial leasing companies and flexibly adjusted the investment intensity in fund investments and interbank borrowings, providing strong support for the financing needs of real economy enterprises and resident consumption. As of 30 June 2026, the balance of fund investments of the Bank amounted to RMB33,152.1 million, and the balance of placements with interbank institutions amounted to RMB26,590.9 million.

Proprietary wealth management business

During the Reporting Period, the Bank proactively responded to market changes, adjusted its business strategies in a timely manner, continuously advanced the iterative upgrading of its product matrix, and focused on the fixed-income sector to meet clients' needs for stable investment. With enhancing its macro asset allocation and multi-strategy management capabilities as the core, the Bank optimised its investment system, strictly controlled risks, and fully adapted to the complex and volatile market environment. As of 30 June 2026, the balance of proprietary wealth management products amounted to RMB32.545 billion.

During the Reporting Period, the Bank was awarded the title of "Outstanding Institution for Wealth Management Information Registration in 2025 (2025年度理財信息登記優秀機構)" by the Banking Wealth Management Registration and Custody Center and the "Golden Reputation Award" for Outstanding Innovative Bank Wealth Management Products by Puyi Standard, the "Star Award" of the 2025 Ji'an Stars Gathering Commercial Bank Comprehensive Award, and the Single Item Award "Equity Wealth Management Award" for Commercial Banks.

(IV) Key Featured Businesses

1. *Microcredit business*

During the Reporting Period, the Company consistently pursued the development path of microcredit business. Guided by inclusive finance policies, the Company focused on financial services for agriculture and small and micro enterprises, centered on the financial needs of inclusive customer groups, and increased policy and resource inclinations. It also upgraded products and services iteratively, accelerated digital transformation, and comprehensively constructed a long-term mechanism of lending, dare to lend, are willing to lend, and are capable of lending, aiming to enhance the coverage, accessibility and convenience of microcredit services. During the Reporting Period, the Company continued to improve its risk control capabilities in microcredit business, product innovation and customer service to effectively promote the high-quality development of microcredit business.

As at 30 June 2026, the balance of the Bank's microcredit loans reached RMB240,820.3 million, accounting for 57.0% of the Bank's total loans to customers.

The following table sets out the distribution of the balance of microcredit loans by product type as of the dates indicated.

	As at 30 June 2026		As at 31 December 2025	
	Amount	**% of total**	Amount	% of total
			(In RMB million, except percentages)	
Loans to small enterprises	**125,424.6**	**52.1%**	119,497.8	50.6%
Personal loans	**115,395.7**	**47.9%**	116,432.2	49.4%
Total of microcredit loans	**240,820.3**	**100.0%**	235,930.0	100.0%

Small and micro enterprise finance business

During the Reporting Period, the Company's inclusive finance business adhered to the political and people-centered nature of financial work, deeply addressed the diverse financial needs of inclusive customers from various dimensions such as the full lifecycle patterns of small and micro customers and the characteristics of segmented customers. The Company fully implemented the work requirements of the financing coordination mechanism for micro and small enterprises and continued to strengthen customer visits and marketing campaigns targeting thousands of enterprises and households. As at the end of June 2026, it had granted cumulative credit to 2,150 customers on the list, with a total amount of RMB6,454 million. Leveraging digital intelligence to empower product development, "Qian Dao Jia", the new-generation digital retail credit product, has gained high market recognition merely one year after launch by virtue of its convenient and efficient application procedures, flexible and diverse credit limit schemes, and clear and transparent service framework.

During the Reporting Period, the outstanding balance of the Bank's loans to small enterprises stood at RMB125,424.6 million, representing an increase of RMB5,926.8 million or 5.0% as compared to the beginning of the year. The Company keeps expanding the coverage of financial services for micro and small enterprises to support the steady development of market entities.

During the Reporting Period, the Company strengthened the prediction of risk trends and further enhanced proactive and process management by leveraging technology support and data-driven insights. It deepened the digital and intelligent application capabilities in post-loan management, laid the foundation for risk control strategies through multi-dimensional data analysis, and implemented differentiated post-loan stratification via intelligent system configuration. The Company optimised the asset structure and improved the asset quality of inclusive finance business, continuously elevating the capability of refined risk management for inclusive finance business.

Consumer finance business

During the Reporting Period, the Company continued to deepen its digital transformation. Relying on "Qian Dao Jia", the new-generation digital retail credit product, the Company deeply integrated financial services into residents' living scenarios. Based on precise customer profiling, personalised product recommendations and dynamic credit limit adjustments are implemented. The Company promoted the transformation and upgrading of financial services from "standardized supply" to a customized experience of "tailored services for each individual". This has effectively reshaped the boundaries of financial services and accelerated the process of financial digital transformation.

As of 30 June 2026, the balance of the Bank's personal consumer loans amounted to RMB79,794.3 million.

2. Cross-border financial business

During the Reporting Period, based on the overall arrangement for advancing high-level opening-up of the financial sector set out in the 15th Five-Year Plan, the Company balanced business development and financial security. Anchoring its strategic positioning as a hub for northward opening-up, the Company promoted two-way financial opening-up, and earnestly served national strategies including the domestic and international dual circulation and the joint development of the Belt and Road Initiative. It further cultivated distinctive cross-border finance business, improved the foreign-related financial service system, and drove the expansion of scale, quality improvement, efficiency enhancement and excellence upgrading of cross-border finance services.

During the Reporting Period, the Company adhered to its primary responsibility and core business of serving the real economy, continued to consolidate its core customer ecosystem, and established a classified customer management system. By optimising resource allocation and improving operational efficiency, the Company has built in-depth business cooperation relationships with many well-known large domestic and foreign enterprises and developed a high-value customer ecosystem. It has established a product portfolio covering international guarantees, letters of credit and forfaiting to fully satisfy cross-border settlement and financing needs of foreign-related enterprises, precisely empowering the steady development of the real economy, and supporting Chinese enterprises in "Going Global" and foreign enterprises in "Bringing In".

During the Reporting Period, the Company achieved breakthroughs in business cooperation with multiple cross-border e-commerce platforms, delivering remarkable results in serving market entities engaged in new forms of foreign trade. The Company took the lead in Heilongjiang Province to launch online processing for border residents' mutual trade settlement business of professional cooperatives, fully meeting the financial service demands arising from border residents' mutual trade.

During the Reporting Period, the Company firmly upheld compliance-oriented business development, consolidated the foundation of internal control management, established a full-process cross-border risk control mechanism, and built a full-chain management system covering pre-event assessment, in-process control and post-event review for cross-border businesses. The Company continuously enhanced the scientific rigor, forward-looking nature and effectiveness of decision-making, and prudently and steadily promoted the implementation of various cross-border finance businesses on the premise of lawfulness and compliance.

During the Reporting Period, thanks to its outstanding performance in cross-border RMB business, the Company was recognised as an "Excellent Member Institution of the Year" by the Heilongjiang Provincial Self-Discipline Mechanism for Banks' Foreign Exchange and Cross-border RMB Operations.

3. Agriculture-benefiting finance business

During the Reporting Period, rooted in its positioning as a local Heilongjiang-based bank, the Company leveraged regional resource endowments and agricultural industrial foundations. Focusing on improving the quality of financial services for rural revitalization, supporting the growth of key agricultural-related industries, and innovating financial products and service tools, the Company has continued to fulfill the social responsibilities of a financial institution.

During the Reporting Period, the Company effectively expanded the scale of agricultural inclusive finance. The total loans issued for spring farming preparation in the new cycle exceeded RMB13,000 million, marking a new leap in the breadth and depth of rural financial services. Meanwhile, the Company accelerated the transformation towards agricultural industrialization finance and strengthened the collaborative mechanism between corporate and retail businesses. Building on genuine transaction scenarios, the Company established an integrated financial service system and further explored the value chain of agricultural-related industrial chains. It continued to enrich service offerings for new agricultural business entities. The online agricultural loan product "Agricultural Flash Loan (農閃貸)" has achieved full coverage across all county and reclamation area institutions in the province. By in-depth integration of agricultural big data resources and strengthened risk control and transaction authenticity verification through digital tools, the cumulative online credit disbursement of the product has exceeded RMB10,000 million. Targeting new agricultural business entities, the Company continued to enrich service connotations, upgraded its featured agricultural financing product Caihong Loan, and optimised exclusive planting and breeding solutions under the "One County, One Product (一縣一品)" initiative. The financing scale for targeted featured customer groups has exceeded RMB2 billion. The Company iteratively launched special products for the "Black Soil Premium Products (黑土優品)" initiative to fully support the development of provincial agricultural brand building. Special credit disbursements to authorised corporate clients have surpassed RMB200 million, effectively boosting the brand value of regional agriculture. Meanwhile, the Company has deeply integrated into Heilongjiang's overall industrial integration and ecological development layout. Focusing on key areas including "agricultural socialized services" and "high-quality agricultural brands", it drives the high-quality development of Heilongjiang's agriculture through innovative industry-finance integration approaches.

As at 30 June 2026, the balance of the loans to farmers of the Bank amounted to RMB17,076.2 million, with the scope of service covering the majority of rural village markets of 11 prefecture-level cities in Heilongjiang Province and 6 major Agricultural Cultivation Bureaus as well as some rural villages of Chengdu, Chongqing, Shenyang, Tianjin and Dalian. The Bank will continue to inject financial impetus into county economic revitalization and rural financial prosperity, and fully empower comprehensive rural revitalization with a higher strategic stance and more pragmatic measures.

(V) Related Party Transactions as Defined by the NFRA

During the Reporting Period, the Bank identified related parties and related-party transactions in accordance with the management requirements of the Administrative Measures for Related Party Transactions of Banking and Insurance Institutions (the “Measures”) which was announced by the Order No.1 [2022] of the CBIRC and came into effect on 1 March 2022.

Significant related-party transactions

1. Significant related-party transactions between major shareholders and related companies

(1) Harbin Economic Development

Harbin Economic Development is a state-owned enterprise, holding 29.63% Shares of the Company and is a substantial shareholder of the Company. Harbin Economic Development was established on 22 August 1992 with a registered capital of RMB2,283 million and Mr. Jia Haining (賈海寧) being the legal representative. It is domiciled in Harbin and mainly engaged in financial investments in fixed-assets of municipally-owned enterprises and others and receipt of dividends in return. Harbin Economic Development is a wholly-owned subsidiary of Harbin Investment Group Corporation Limited (哈爾濱投資集團有限責任公司) (the “Harbin Investment Group”). Harbin Economic Development and its shareholder Harbin Investment Group (including the related parties of Harbin Investment Group) are included in the management of related parties and related-party transaction of the Company in accordance with relevant provisions of the Administrative Measures for Related Party Transactions of Harbin Bank Co., Ltd. (《哈爾濱銀行股份有限公司關聯交易管理辦法》).

Harbin Investment Group was established on 28 October 2003 with a registered capital of RMB5,000 million. Its legal representative is Zhao Hongbo (趙洪波), and its shareholders are Harbin Municipal People's Government State-owned Assets Supervision and Administration Commission with a contribution of RMB4,500 million and shareholding of 90%, and Heilongjiang Provincial People's Government State-owned Assets Supervision and Administration Commission with a contribution of RMB500 million and shareholding of 10%, respectively. Harbin Investment Group has established presence in five major industries, including financial asset operation, financial capital management, equity investment, heat supply operation and industrial investment. The headquarters is located at No.277, Innovation No. 2 Road, Songbei District, Harbin.

The Bank's Significant Related Party Transactions with Harbin Investment Group: As at the end of June 2026, new credit related-party transactions of Harbin Investment Group and its related parties with the Company amounted to RMB2,380 million, all of which constituted significant related transactions. The outstanding credit balance stood at RMB4,575 million, representing 7.61% of the Company's net capital as at the end of the second quarter of 2026.

Pricing Policy: The specific transaction terms of the related-party transactions with Harbin Investment Group and its related companies entered into during the Reporting Period were negotiated and concluded in accordance with the principles of compliance and fairness. The credit facilities granted by the Company to the above parties were provided on terms that are not superior to those for similar transactions with non-related parties.

The overall credit of significant related-party transactions between the Bank and Harbin Investment Group was considered and approved by the Risk Management and Related Party Transactions Control Committee and the Board of Directors, **and the independent Directors expressed their opinions as follows:** the above business was the regular business of Harbin Bank conducted in the ordinary and usual course of business, which followed the principle of market-oriented pricing, was conducted on terms that are not superior to those for similar transactions with non-related parties, met the principle of fairness required by the management of related-party transactions, did not affect the independence of Harbin Bank, would not have an adverse impact on the going concern, profitability and asset condition of Harbin Bank, and did not harm the legitimate rights and interests of small and medium-sized investors. The voting procedure of the resolutions on significant related-party transactions was legal and in compliance with the relevant laws, regulations and Articles of Association.

Table 1: Breakdown of Related Party Transactions Conducted in 2026

Unit: RMB'0,000

Name	Transaction amount	Type of business	Signing date	Maturity date	Method of guarantee
Harbin Investment Group Corporation Limited (哈爾濱投資集團有限責任公司)	20,000.00	Medium-term note	2026.03.13	2029.03.13	Credit
Heilongjiang Suibao Thermoelectric Co., Ltd. (黑龍江歲寶熱電有限公司)	4,000.00	Working capital loans	2026.03.16	2027.03.11	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	7,200.00	Working capital loans	2026.04.11	2026.10.09	Guarantee
Heilongjiang Suibao Thermoelectric Co., Ltd. (黑龍江歲寶熱電有限公司)	10,000.00	Working capital loans	2026.04.15	2027.04.12	Guarantee
Heilongjiang Suibao Thermoelectric Co., Ltd. (黑龍江歲寶熱電有限公司)	1,500.00	Working capital loans	2026.04.20	2028.08.19	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	15,400.00	Working capital loans	2026.05.06	2026.11.05	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	14,000.00	Working capital loans	2026.05.19	2026.11.18	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	40,600.00	Working capital loans	2026.05.27	2026.11.26	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	1,547.00	Working capital loans	2026.06.03	2026.12.02	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	38,555.00	Working capital loans	2026.06.09	2026.12.08	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	31,516.96	Working capital loans	2026.06.10	2026.12.09	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	5,413.20	Working capital loans	2026.06.15	2026.12.14	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	11,255.00	Working capital loans	2026.06.16	2026.12.15	Guarantee
Harbin Hatou Supply Chain Management Co., Ltd. (哈爾濱哈投供應鏈管理有限公司)	3,460.50	Working capital loans	2026.06.22	2026.12.21	Guarantee
Harbin New Residential Zone Heat Supply Property Co., Ltd. (哈爾濱住宅新區供熱物業有限責任公司)	3,567.00	Working capital loans	2026.06.22	2027.06.21	Guarantee
Jianghai Securities Co., Ltd. (江海證券有限公司)	30,000	Corporate over-draft for inter-bank business	2026.3.23	2026.9.18	
Total	238,014.66				

2. Significant Related Party Transactions of Subsidiaries

(1) HBCF

HBCF was incorporated on 24 January 2017. Its registered place is No. 1, 12th Floor, Unit B, Building AB, No. 2586, Lijiang Road, Daoli District, Harbin. Its registered capital is RMB1,500 million. It is a financial enterprise initiated and established by the Company as the controlling shareholder with the approval of the former CBRC.

The Company contributed RMB820 million to HBCF, accounting for 54.67% of the registered capital. Duxiaoman (Chongqing) Technology Co., Ltd. contributed RMB450 million to HBCF, accounting for 30% of the registered capital. Shanghai Site Fude Property Co., Ltd. Contributed RMB95 million to HBCF, accounting for 6.33% of the registered capital. Suzhou Tongcheng Software Co., Ltd. contributed RMB75 million to HBCF, accounting for 5% of the registered capital. Beijing Bosheng Youshi Technology Development Co., Ltd contributed RMB50 million to HBCF, accounting for 3.33% of the registered capital. Heilongjiang Xinda Auction Co., Ltd. contributed RMB10 million to HBCF, accounting for 0.67% of the registered capital.

HBCF is a legal entity controlled by or under the significant influence of the Company, and is included in the management of related parties of the Company.

(2) HB Leasing

HB Leasing was incorporated on 11 June 2014. Its registered address is 7th and 8th Floors, Harbin Bank Headquarters Building, No.888 Shangjiang Street, Daoli District, Harbin, Heilongjiang Province. The registered capital amounts to RMB2,000 million. It is a financial enterprise engaged in financial leasing business, initiated and established by the Company as the controlling shareholder with the approval of the former China Banking Regulatory Commission. It is also the first bank-affiliated financial leasing company established in Northeast China.

The Company contributed RMB1,600 million, accounting for 80% of the registered capital; Dongning Lizhi Construction Decoration Engineering Co., Ltd. contributed RMB300 million, representing 15% of the registered capital; Harbin Yuntong Automobile Sales and Service Co., Ltd. (哈爾濱運通汽車銷售服務有限公司) contributed RMB100 million, holding a 5% stake in the registered capital.

HB Leasing is a legal entity controlled or subject to significant influence by the Company and falls under the Company's related party management framework.

(3) The Company's Significant Related Party Transactions and Master Transaction Agreements with HBCF

After consideration and approval by the Risk Management and Related Party Transactions Control Committee under the Board of Directors and the Board of Directors, the Company entered into a master transaction agreement with HBCF on 1 August 2025, which took effect on the date of signing and was valid until 24 June 2026, with the total transaction volume not exceeding RMB14,000 million and the outstanding balance not exceeding 10% of the Company's net capital at the end of the previous quarter. The transactions were priced fairly in accordance with general commercial principles and market conventions, on terms that are not superior to those for similar transactions with non-related parties.

In the first half of 2026, the Company entered into a total of 24 credit related-party transactions with HBCF, all of which fell under the Master Transaction Agreement, with a transaction volume of RMB6,950 million. The outstanding balance of the transactions amounted to RMB6,000 million, comprising inter-bank loan and inter-bank lending transactions. As at the end of June 2026, the balance of the transactions with HBCF accounted for 9.98% of the Company's net capital as at the end of the second quarter of 2026.

The overall credit under the significant related-party transactions and master transaction agreements between the Company and HBCF was considered and approved by the Risk Management and Related Party Transactions Control Committee under the Board of Directors and the Board of Directors, **and the independent Directors expressed their opinions as follows:** the above business was the regular business of Harbin Bank conducted in the ordinary and usual course of business, which followed the principle of market-oriented pricing, was conducted on terms that are not superior to those for similar transactions with non-related parties, met the principle of fairness required by the management of related-party transactions, did not affect the independence of Harbin Bank, would not have an adverse impact on the going concern, profitability and asset condition of Harbin Bank, and did not harm the legitimate rights and interests of small and medium-sized investors. The voting procedure of the resolutions on significant related-party transactions was legal and in compliance with the relevant laws, regulations and Articles of Association.

(4) The Company's Significant Related Party Transactions and Master Transaction Agreements with HB Leasing

After consideration and approval by the Risk Management and Related Party Transactions Control Committee under the Board of Directors and the Board of Directors, the Company entered into a master transaction agreement with HB Leasing on 1 August 2025, which took effect on the date of signing and was valid until 24 June 2026, with the total transaction volume not exceeding RMB14,000 million and the outstanding balance not exceeding 10% of the Company's net capital at the end of the previous quarter. The transactions were priced fairly in accordance with general commercial principles and market conventions, on terms that are not superior to those for similar transactions with non-related parties.

In the first half of 2026, the Company entered into seven credit related-party transactions with HB Leasing, all of which fell under the Master Transaction Agreement. The aggregate transaction amount totaled RMB5,500 million with an outstanding balance of RMB4,000 million, comprising interbank borrowing businesses. As at the end of June 2026, the outstanding business balance of HB Leasing accounted for 6.65% of the Company's net capital as at the end of the second quarter of 2026.

The overall credit under the significant related-party transactions and master transaction agreements between the Company and HB Leasing was considered and approved by the Risk Management and Related Party Transactions Control Committee under the Board of Directors and the Board of Directors, **and the independent Directors expressed their opinions as follows:** the above business was the regular business of Harbin Bank conducted in the ordinary and usual course of business, which followed the principle of market-oriented pricing, was conducted on terms that are not superior to those for similar transactions with non-related parties, met the principle of fairness required by the management of related-party transactions, did not affect the independence of Harbin Bank, would not have an adverse impact on the going concern, profitability and asset condition of Harbin Bank, and did not harm the legitimate rights and interests of small and medium-sized investors. The voting procedure of the resolutions on significant related-party transactions was legal and in compliance with the relevant laws, regulations and Articles of Association.

Ordinary related-party transactions

It is stipulated in Article 57 of the Measures that, "The following related-party transactions conducted by banking and insurance institutions may be exempted from consideration and disclosure in the manner of a related-party transaction: A related-party transaction with a related natural person of less than RMB500,000 or with a related legal person of less than RMB5,000,000 for a single transaction, and the cumulative amount after such transaction does not reach the conditions of significant related-party transactions; subscription in cash by one party for stocks, company bonds or corporate bonds, convertible bonds or other derivatives publicly issued by the other party; demand deposit transactions; where the same natural person serves as an independent director of both a banking or insurance institution and other legal person(s) and there are no other circumstances that constitute a related-party, transactions between the legal person and such banking and insurance institution; transactions with the pricing set by the state; other circumstances approved by the CBIRC".

Therefore, except for the related-party transactions exempted from disclosure as mentioned above, the Bank discloses ordinary related-party transactions.

As at the end of 30 June 2026, there were 213 ordinary related-party transactions between the Company and its related parties that the Company was required to disclose, with a total amount of RMB3,805 million, mainly including credit transactions, asset transfer transactions, service transactions, deposit transactions and other related-party transactions with related parties. Among which, inter-bank credit granting related-party transactions, all of which are inter-bank business conducted between the Company and its related-party banks, can be excluded from the scope of calculating the proportion of credit balances and the statistics of significant related-party transactions according to the requirements under Clause 3 of Article 16 of the Measures.

1. The Company had 3 ordinary related-party credit transactions, with a total amount of RMB883 million,

   Including: 1 interbank deposit transaction with a total amount of RMB280 million entered into with village and township bank subsidiaries of the Company; 2 loan transactions with an amount of RMB603 million entered into with Harbin Venture Capital Group Co., Ltd., a related party of Director Zhang Xianjun (resigned on 14 July 2026).

2. The Company had 5 ordinary related-party asset transfer transactions, with a total amount of RMB675 million,

   Including: 5 ordinary related-party asset transfer transaction with an amount of RMB675 million entered into with Shanghai Bank Corporation Limited, a related party of the Company's Director Jin Qinglu, for the spot bonds trading business automatically matched and completed through the inter-bank bond secondary market.

3. The Company had 4 ordinary related-party service transactions, with a total amount of RMB110 million,

   including: 2 ordinary related-party service transactions with a total amount of RMB97 million entered into with HBCF; 2 related-party service transactions with a total amount of RMB12.7485 million entered into with Harbin Yintong Property Co., Ltd.

4. The Company had 201 related-party deposit and other transactions, with a total amount of RMB2,137 million,

   including: 157 transactions with a total amount of RMB133 million entered into with related natural persons; 40 transactions with an amount of RMB1,854 million entered into with related inter-bank institutions; 3 transactions with an amount of RMB140.00 million entered into with other related corporate parties; 1 ordinary related-party transaction with an amount of RMB10.2084 million entered into with Bank of Xiamen Co., Ltd., a related party of the Company's Director Jin Qinglu.

(VI) Information on Controlling Subsidiaries

1. Village and township banks

As at 30 June 2026, the Company had a controlling interest in 20 village and township banks and 29 village and township sub-branches, which were mainly located in the eastern, central and western regions of China. As at 30 June 2026, the total assets of 20 village and township banks amounted to RMB15,089 million. Among them, the balance of loans amounted to RMB8,683 million, and the balance of deposits amounted to RMB10,913 million.

2. HB Leasing

Since its establishment, HB Leasing has made some achievements in respect of asset scale, accumulated leased amount, business innovation model, etc., and initially maintained leading position in domestic leasing market to farmers. As at 30 June 2026, the total assets of HB Leasing amounted to RMB29,345 million. The accumulated leased amount during the Reporting Period amounted to RMB12,112 million.

HB Leasing always strives to serve the real industry and the "Agriculture, Rural Areas and Farmers" and remains steadfast in its agricultural strategies. With "strategic focus, returning to the basics, outstanding characteristics and elevating values" as corporate goals and "pragmatic and efficient, innovative development, and inclusive and win-win" as business philosophy, HB Leasing is committed to building a premier bank-backed financial leasing company with differentiated positioning, modern governance, and specialized business. By adhering to the characteristic and differentiated development path with a focus on maintaining operation efficiency through management, HB Leasing, strives to develop its featured businesses, explores the transformation of direct lease business, proactively creates new income source, explores the agriculture and agricultural equipment industries, and puts great efforts into developing the agricultural machinery leasing business according to regulatory guidelines. It continues to build and optimise the agricultural machinery leasing and retail business model under the empowerment of science and technology. Through the leasing of special products and business innovation, HB Leasing contributes to rural revitalization and high-quality development of the real economy, and support to excel in the "Five Major Articles (五篇大文章)".

3. HBCF

HBCF is a licensed consumer financial company approved by the former CBIRC, the 19th company nationwide and also the first to receive strategic investments from internet giants in China. It is also the second licensed consumer financial company in the country with the qualification of a high-tech enterprise. With the Company as its major founder, the registered capital of HBCF was RMB1.5 billion as of the end of the Reporting Period.

Guided consistently by Party building work, HBCF adheres to its original aspiration of inclusive finance, closely follows the orientation of regulatory policies, and pro actively deploys cutting edge technical tools. It takes initiatives to advance business transformation and in depth AI empowerment. Leveraging the Company's extensive experience accumulated in the micro credit sector, it integrates the resource endowments of its shareholder entities in respect of leading fintech capabilities and diverse business scenarios. It continuously refines its proprietary business workflows and core product features, deeply integrates into the shareholder ecosystem, establishes a multi-party collaborative empowerment mechanism, and strives to build a leading domestic consumer finance company featuring sound risk quality, sound economic returns and favourable market reputation.

As at 30 June 2026, HBCF recorded total assets of RMB26,776 million, representing an increase of RMB1,807 million or 7.24% compared with the beginning of the year; its loan balance stood at RMB25,502 million, representing an increase of RMB2,311 million or 9.97% compared with the beginning of the year. The cumulative number of credit granted customers exceeded 27.95 million; cumulative loans disbursed in Heilongjiang Province surpassed RMB10,000 million. It generated operating income of RMB837 million, representing a year-on-year increase of 1.73%; net profit amounted to RMB111 million, representing a year-on-year increase of 8.58%. The non-performing loan ratio stood at 1.71%, the asset deviation ratio remained consistently below 100%, and all other key indicators outperformed regulatory requirements.

HBCF consistently prioritises the political dimension and people centered nature of financial work, and attaches equal importance to business development and social responsibility. While accelerating high quality business transformation and sustainable development, it precisely aligns with its customer structure that mainly serves the lower tier markets. Taking the "3 · 15" Consumer Rights Protection Education Campaign and the Financial Knowledge Publicity Tour as opportunities, it has innovatively built an online publicity and education matrix centred on its proprietary IP character "Xiao Ha", and continuously expanded its offline publicity and education scenarios. Focusing on key groups of "the elderly, the young and new economy populations", and reaching out to front line workers in the new employment forms covered under the "two companies and two types of employees" initiative, Harbin Bank Consumer Finance has established a deeply integrated and collaborative financial knowledge publicity and education system combining online and offline channels. It strives to bridge the "last mile" gap in knowledge popularisation, and builds a solid line of defence for safeguarding people's property security through innovative publicity and education initiatives.

(VII) Distribution Channels

(VII) Distribution Channels

1. Physical network

As at 30 June 2026, the Company had a total of 318 branch outlets, including 17 branches, 299 sub-branches, 1 branch-level financial service centre for small enterprises and 1 headquarter business department.

In addition, the Company had controlling interest in 20 village and township banks, 29 village and township sub-branches, 1 consumer finance company and 1 financial leasing company.

2. Electronic banking

The Bank has built up an electronic service system combining online means such as mobile phone banking, online banking, WeChat banking, phone banking and offline self-service terminals. E-channels have become the main business channels of the Bank.

(1) Self-service banking

The Bank has provided various convenient services to customers through self-service terminals, including deposit and withdrawal, account opening, transfer, account inquiry, passcode changing, social security card issuance, and foreign currency exchange. As of 30 June 2026, the Bank had a total of 1,188 self-service terminals, including 345 BCDMs, 108 ATMs, 4 foreign currency exchange machines, 257 intelligent quick counters, 222 non-cash super counters, 193 desktop card-making machines III for social security cards and 59 CRS III for social security cards.

(2) Online banking

The Bank continues to expand the functions of online banking. Personal online banking provides customers with account services, transfer and remittance, membership management, loan management, investment and wealth management, credit card, special services and other functions, while corporate online banking provides customers with account management, transfer and remittance, issuing and paying for others, investment and wealth management, treasury management and other functions. As of 30 June 2026, the Company had 6.2893 million e-membership customers, representing an increase of 6.49% as compared to the same period of last year.

(3) Phone banking

The Bank provides 24-hour phone banking services, which include account inquiries, verbal report of card loss, operator inquiry and outgoing calls, to customers through the unified national customer service hotline 95537/4006095537. As of 30 June 2026, the total volume of inbound calls to the remote bank center's customer service hotline reached 0.8290 million, with a customer satisfaction rate of 99.67%; online customer service channel served 17.5 thousand customers, with a response rate of 99.64%.

The Bank provides services including credit card consultancy, complaint and advice, card activation, reporting for loss and instalment through the unified national customer service hotline for credit card 4006695537. As at 30 June 2026, the credit card customer service hotline handled a total business volume of 486.9 thousand transactions in the first half of the year with a customer satisfaction rate of 99.87%. The online customer service channels processed a total business volume of 76.3 thousand transactions over the same period.

(4) Mobile phone banking

The Bank has continuously carried out iterative upgrades of its mobile banking app, expanded its business functions, and provided customers with basic services including account management, investment and wealth management, fund transfer and remittance, living payment, credit card services and loan services. The Bank also focused on featured businesses such as microfinance and agriculture benefiting finance to conduct customer guidance and scenario construction for mobile banking, and further refined and enhanced people-benefiting services through dedicated medical insurance and social security zones. In addition, the minimalist version of mobile banking fully considers the actual needs and application habits of elderly and disabled users, providing customers with a more convenient and efficient experience. As of 30 June 2026, the number of the Bank's mobile banking users reached 5.0667 million, representing an increase of 8.52% as compared to the same period of last year.

(5) WeChat banking

The Bank continues to upgrade the customer service and marketing capabilities of WeChat banking provided with mini program on WeChat platform to offering a variety of financial services including wealth management, deposits and loans. Meanwhile, the WeChat channel provides diversified value-added daily-life services such as online medical insurance payment, social security payment, and provident fund inquiry. As of 30 June 2026, WeChat banking had 6.7511 million followers, representing an increase of 6.72% as compared to the same period of last year.

(VIII) Information Technology

In the first half of the year, closely aligning with the strategic development objective of the Group, the Bank steadily advanced the construction of “Digital Harbin Bank”, continuously strengthened the foundation for safe and stable operations, consistently enhanced technological support and innovation-driven capabilities, and deepened reforms in the technological systems and mechanisms to build new engines to meet the requirements of high-quality development.

Governance system enhancement. The Bank refined the technological institutional system, actively translated external regulatory requirements into internal rules, comprehensively sorted out existing regulations, identified weaknesses and loopholes in implementation, and promoted the standardisation and systematisation of the technological governance system. The Bank strengthened R&D management, proactively explored and advanced the reform of agile development models, and set up cross-functional agile pilot teams that integrate business and technology. This removed barriers to collaboration between business and technology departments, addressed issues such as cumbersome R&D processes and inefficient inter-team collaboration, and further leveraged technology to empower business growth. The Bank also strengthened the integrated development of technology within the Group, addressing challenges encountered by subsidiaries in their development processes, and promoting holistic and coordinated advancement of Group-wide technology capabilities.

Technology-enabled efficiency improvements. Taking the “Ten Major Infrastructure Projects” as the core starting point, the Bank focused on the digital transformation of marketing. It completed the planning and design of the “Integrated Financial Marketing Platform (金融一體化營銷平台)” project cluster, pressed ahead with the renovation and upgrading of legacy systems, and launched the development of core technical and business platforms including the domestic private cloud platform, unified payment platform and enterprise service bus. The Bank steadily optimised the architecture of existing systems and phased out legacy systems, and continuously strengthened data infrastructure development. A lake-house integrated technology platform was built, while key projects including the new-generation data platform and data governance platform were initiated. The Bank consistently enhanced full-chain technical support capabilities covering data governance, data services, data application and data security, delivering solid data backing for business operation and management. It actively explored innovative AI applications to build an intelligent technology foundation and established a group-wide artificial intelligence computing power platform. Pilot applications were rolled out in multiple scenarios such as collaborative office work, intelligent knowledge Q&A and code development assistance, with the scope of intelligent empowerment scenarios continuously expanding.

Robust security defenses. The Bank coordinated four major security domains, namely network, application, data and information, and advanced the development of an integrated security protection system. It continued to strengthen network boundary and operational monitoring, strictly implemented full-lifecycle security control for application security, and improved internal control and audit mechanisms for information security. It implemented Group-wide unified terminal control measures, conducting unified monitoring, protection, and management over users, files, data, and software/hardware devices to ensure that all terminal devices comply with security standards, thereby preventing data breaches and system intrusions. The Bank conducted regular traffic monitoring, cyber attack and defense drills, identification and rectification of security vulnerabilities, as well as emergency exercises. It comprehensively consolidated the financial security shield and effectively upheld the bottom line of preventing major information technology risks.

IX. Risk Exposure and Management

The Bank has established a sound risk governance framework with a well-developed organisational structure and clear boundaries of responsibilities, defined the duties of the Board of Directors, senior management and the three lines of defense for risk management in comprehensive risk management, and formed a well-connected and effective check-and-balance risk governance structure. Adhering to the core philosophy of "creating value through risk management", the Bank maintains a steady and prudent risk appetite, fosters a risk culture of "compliance and stability", and has coordinated and promoted the construction of a comprehensive risk management system that is commensurate with its development strategy, business scale, organisational structure and risk characteristics. The Bank continuously enhanced the proactivity and foresight of its risk management, relied on various risk management strategies and tools to continuously identify, measure, assess, monitor, report, control or mitigate various risks, steadily strengthened all risk management and control mechanisms, and promoted the orderly implementation of various risk management initiatives, so as to provide a guarantee for the achievement of its operational and strategic objectives.

During the Reporting Period, the Bank strictly adhered to the bottom line of legal and compliance operation, improved the construction of the risk management system, communicated and implemented risk appetite and policies, reinforced the foundation of various risk management work, enhanced intelligent risk control capabilities, and actively prevented and responded to various risks, to safeguard the sound and sustainable development of the Bank's various businesses.

(I) Credit Risk

Credit risk refers to the Bank's risk of economic loss caused by a debtor or a counter-party failing to fulfill its obligations under the contract, or credit quality changes affecting the value of the financial products. The Bank's credit risks exist mainly in loan portfolios, investment portfolios, guarantees, commitments and other on- and off-balance sheet exposures. The Bank executes a unified risk appetite in credit risk management and controls risk within an acceptable range, in order to achieve a higher risk return and effectively identify, measure, monitor, and control credit risk.

Closely focusing on both control risks and operational risks under the work goal of "Enhancing Development Quality", the Bank continuously enhanced its credit risk management. **Return to the basis of business and strengthen policy guidance.** Closely centering on the macroeconomic situation, major national and local strategic deployments and regulatory policy orientation, with the mission positioning of "taking root in black soil and focusing on the economic development of Heilongjiang". based on the demand for local economic development, the Bank returned to its essence and local business, and focused on its primary responsibilities and main business. Guided by the construction of the "Developing Longjiang in Six Areas (六個龍江)" and "Eight Revitalisations (八大振興)" of Heilongjiang Province, as well as the "Cities of Seven Domains (七大都市)" of Harbin City, the Bank systematically planned initiatives to support local economic development. It guided credit funds to tilt towards the real economy, delivered well on the "Five Major Articles" of finance, focused on supporting the cultivation of new quality productive forces, domestic demand and consumption, people's livelihood security, agriculture, rural areas and farmers, the development of small and micro enterprises and other fields, and improved the quality and efficiency of serving the real economy. **Strengthen proactive management of credit risks and build a solid line of defense for asset quality.** The Bank implemented the philosophy that "asset quality is the lifeline", maintained strict oversight of customer admission criteria, adhered to the "steady and prudent" risk appetite, paid close attention to the authenticity and accuracy of the investigation of customer and business materials, and built a robust "firewall" for new customer admission. The Bank continuously enhanced the proactivity, foresight, differentiation and intelligence of credit risk management, drove the whole Bank to strengthen daily proactive management through mechanisms such as joint consultation for major customers and early warning and supervision, so as to continuously consolidate the management and control of assets, and rigorously control the increase of overdue and non-performing assets. The Bank deepened the application efficiency of the intelligent risk monitoring platform, leveraged internal and external data to deeply explore and detect customer early warning rules, improved the accuracy of risk identification, and realised effective prevention and control of early warning risks through technology empowerment. The Bank optimised the credit granting review and approval model, grasped the essence of risks, unified review standards and risk appetite, established a professional and efficient credit granting management system with clear rights, responsibilities and interests and a closed-loop process, and consolidated the foundation of credit risk management. **Vigorously promote the recovery and disposal of non-performing assets to underpin the cornerstone of high-quality development**. Adhering to the goal of "high-quality recovery and disposal", with cash recovery as the core and diversified recovery and disposal methods as supplements, the Bank concentrated its efforts to advance the recovery and disposal of non-performing assets. Solid progress has been achieved in multiple dimensions, including strengthening organisational leadership, improving working mechanisms, clarifying risk exposure baseline values, tackling key problematic projects, optimising external collaboration, and prioritising the effectiveness of debt collection and disposal. The Bank implemented classified management, formulated differentiated recovery strategies, improved the refined management capability of recovery and disposal, and facilitated breakthroughs in key projects. It strengthened collaborative efforts, and on the basis of continuously improving its own recovery and disposal capabilities, further leveraged external resources to create synergy, and continuously improved the quality and efficiency of recovery and disposal.

(II) Liquidity Risk

Liquidity risk refers to the risk of commercial banks failing to acquire sufficient funds at reasonable cost in time in order to pay the due debt, fulfill other payment obligations or meet other capital requirements for normal operation.

The Bank proactively adapts to the profound changes in the future economy and policies, internalises national strategic deployments and regulatory orientations into the action guidelines and operational norms for the Bank's liquidity risk management, and is committed to building a forward-looking, intelligent and resilient Group liquidity risk management system. The Bank focuses on enhancing its capabilities of forward-looking early warning, precision measurement and proactive regulation and control for liquidity risks. It comprehensively utilises and continuously optimises management tools including the development of the institutional system, transmission of risk appetite, multi-level limits management, refined intraday liquidity management, multi-scenario stress testing, practical emergency drills, and reserve of high-quality liquid assets. Relying on the information system, the Bank enhances the intelligent level of data penetration and analysis, maximises the strategic synergy between management tools and management processes, and continuously consolidates its resilience to liquidity risks. This ensures the long-term maintenance of the Bank's liquidity safety and stability, firmly upholds the bottom line against regional and systemic financial risks, and lays a solid foundation for serving the real economy and promoting the high-quality development of the Bank.

As at 30 June 2026, the liquidity coverage ratio of the Bank was 324.94%, which was in compliance with the liquidity coverage ratio of commercial banks required by the Measures for the Liquidity Risk Management of Commercial Banks (Order [2018] No. 3, CBIRC).

Item	As at 30 June 2026	As at 31 March 2026	As at 31 December 2025
	(In RMB100 million, except percentages)		
Liquidity coverage ratio (%)	**324.94%**	208.44%	264.21%
Qualified high-quality liquid assets	**1,785.06**	1,581.88	2,336.62
Net cash outflow in the next 30 days	**549.35**	758.92	884.39

As at 30 June 2026, the net stable funding ratio of the Bank was 136.66%, which was in compliance with the net stable funding ratio of commercial banks required by the Measures for the Liquidity Risk Management of Commercial Banks (Order [2018] No. 3, CBIRC). The available stable funding (upon translation) was RMB640,779 million, and the required stable funding (upon translation) was RMB468,899 million.

The following table sets out the net stable funding ratio of the Bank as at the dates indicated.

Item	As at 30 June 2026	As at 31 March 2026	As at 31 December 2025
	(In RMB100 million, except percentages)		
Net stable funding ratio	**136.66%**	135.62%	138.04%
Available stable funding	**6,407.79**	6,579.32	6,603.91
Required stable funding	**4,688.99**	4,851.18	4,783.97

(III) Market Risk

Market risk refers to the risk of loss to the Bank's on- and off-balance sheet positions arising from adverse movements in market prices, including interest rates, exchange rates, stock prices, and commodity prices. In light of the Bank's operational profile, it is mainly exposed to trading book interest rate risk and exchange rate risk.

The Bank has established a market risk management system commensurate to the nature, scale and complexity of the Bank's business, and continuously improves the quality and efficiency of market risk management in response to evolving regulatory requirements and market conditions. The Bank comprehensively upgraded its market risk limit system, building a limit management framework featuring unified primary oversight, refined secondary management and classified control, with clear definition of core management elements including fundamental limit indicators and control thresholds. It further strengthened market risk control by closely monitoring fluctuations in key market indicators such as interest rates, bond prices and exchange rates. The Bank conducts regular market risk indicator monitoring, risk-weighted asset measurement, duration analysis, value-at-risk measurement, foreign exchange exposure analysis and stress testing to accurately quantify market risk levels and ensure stable and prudent business operations.

(IV) Interest Rate Risk in the Banking Book

Interest rate risk in the banking book refers to the risk of losses to the economic value of the bank books and the overall earnings of the Bank caused by adverse changes in interest rate levels, term structures and other relevant factors, which mainly includes gap risk, basis risk and optionality risk.

The Bank has established the risk management system for the interest rate risk in the banking book commensurate with its risk profile and business complexity, and clarified the main responsibilities of the Board of Directors, senior management and relevant departments. Adopting reasonable interest rate shock scenarios and model assumptions, the Bank measures the Interest rate risk in the banking book through methods including repricing gap analysis, net interest income analysis and stress testing, sets limit management targets and continuously monitors the level of relevant indicators. During the Reporting Period, the Bank actively responded to changes in the market environment and policy trends, and formulated management policies for the interest rate risk in the banking book in combination with its risk appetite level. It closely followed interest rate trends and proactively adjusted the asset-liability structure. The Bank also strengthened the monitoring of the interest rate risk in the banking book, and effectively prevented such risks.

(V) Operational Risk

During the Reporting Period, the Company fully implemented various regulatory requirements for operational risk management and further fostered a company-wide compliance culture for operational risk. Based on the fundamental operational risk management system, the Company refined supporting specialised management mechanisms and tools, consolidated the operational risk prevention and control barrier, and underpinned the high-quality and steady development of the Company. The Company cascaded operational risk appetite and supporting management policies at all levels, and routinely implemented full-process management including operational risk identification, assessment, monitoring and control, steadily improving the Company's overall operational risk management capability. It accelerated the digital transformation of operational risk management. Relying on the comprehensive digital intelligent management platform for internal control, compliance and operational risk, the Company continuously iterated system functions and promoted the online application of operational risk management tools. The Company effectively implemented the three core operational risk management tools, and conducted regular Risk and Control Self-Assessment (RCSA), Key Risk Indicator (KRI) monitoring and Loss Data Collection (LDC). This realised pre-risk prevention, in-process risk management and post-event traceability, and consistently improved the quality and efficiency of operational risk management.

(VI) Information Technology Risk

Information technology risk refers to operational, legal, reputational and other risks caused by natural factors, human factors, technical loopholes and flawed management in the course of the Bank's usage of information technology.

During the Reporting Period, the Bank continuously improved the information technology risk governance framework, and established the "three lines of defense" for information technology risk management with the information technology risk audit department, the leading department for information technology risk management, the information technology department and other relevant departments as the core, with clear division of responsibilities and separate accountability for each line of defense. The Bank continuously strengthened the development of the institutional system for information technology, clarified management mechanisms, standardised management requirements, reinforced the implementation of relevant rules, and promoted the safe and stable operation of information systems. The Bank continuously optimised risk identification and assessment mechanisms, iterated and upgraded the monitoring indicator system, and conducted regular risk assessment and monitoring to ensure controllable information technology risks. Real-time monitoring has been implemented for core business systems, network equipment and infrastructure. The Bank conducted regular system performance tuning, rapidly handled various operational anomalies, and continuously improved the stability and reliability of system operation. The Bank continuously promoted the optimisation of the business continuity management system, identified key businesses and systems, conducted emergency drills on schedule, and enhanced business support capabilities. The Bank assessed and managed information technology outsourcing service providers, strengthened the prevention and control of information technology outsourcing risks, and enhanced in-house technological capabilities to improve the independent development and maintenance capacity of information systems. The Bank organised company-wide training on information security and data security to raise staff awareness in this regard. It closely monitored cyber security and data security risks, promptly rectified potential security hazards, and delivered effective protection for protected assets. In addition, the Bank kept track of the application scenarios of emerging fintech technologies, dynamically identified new types of risks and updated prevention and control strategies, so as to continuously enhance the overall risk prevention capabilities of information technology across the Bank.

(VII) Compliance Risk Management

During the Reporting Period, aiming to enhance the level of lawful and compliant operation, the Company continuously optimised its internal control and compliance system, and aligned its compliance risk management with the requirements for the sound development of the financial industry to achieve coordinated progress. **Firstly**, the Company strengthened the management of the internal control system. Adhering to the principle of prioritising institutional development, the Company coordinated the formulation, revision and abolition of internal rules, conducted in-depth post-implementation evaluation of systems, and delivered tangible results through regular special rectification of internal policies. **Secondly**, the Company strictly prevented legal risks. The Company continued to focus on contract management, litigation approval, lawyer engagement and other key areas, effectively consolidating the foundation of legal risk prevention and control. It provided legal opinions on major business projects to deliver solid legal safeguards for business development. **Thirdly**, the Company focused on the implementation of compliance supervision. The Company effectively carried out annual internal control and compliance inspections and special verifications, earnestly promoted the rectification of regulatory issues, and established an accurate and effective accountability mechanism, giving full play to the full-process closed-loop management of compliance supervision. **Fourthly**, the Company carried out in-depth governance of special risks. The Company continued to strengthen the prevention and control of case risks, improve the business continuity system, conduct emergency drills in an orderly manner, and enhance emergency response capabilities. **Fifthly**, the Company deepened the development of compliance culture. The Company formulated and fully implemented the 2026 annual compliance training plan, consistently communicated compliance concepts, and consolidated the foundation of compliance culture building.

(VIII) Anti-money Laundering (AML)

During the Reporting Period, the Company strictly abided by the laws and regulations related to anti-money laundering, upheld the “risk-based” AML management philosophy, and established a full-coverage and tiered money laundering risk management framework. The Company actively fulfilled statutory anti-money laundering obligations and continuously improved the quality and effectiveness of money laundering risk management. **Firstly**, the Company continuously improved the anti-money laundering internal control system. Keeping abreast of amendments to regulatory laws and regulations, the Company timely revised core systems covering institutional money laundering risk assessment, large-value and suspicious transaction reporting, and optimised overall AML management procedures. **Secondly**, the Company enhanced the quality and efficiency of AML monitoring. The Company strengthened technical system support, comprehensively optimised the functions of the AML monitoring system, conducted a full-scale evaluation of suspicious transaction monitoring models, and promoted model iteration and optimisation. These efforts improved the accuracy, depth of judgement and reporting quality of transaction monitoring and identification. **Thirdly**, the Company conducted institutional money laundering risk self-assessment. The Company fully upgraded the money laundering risk assessment indicator system, refined assessment dimensions and improved assessment criteria. It realised continuous identification, prudent assessment and effective control of money laundering risks, providing a solid basis for differentiated control and targeted governance of money laundering risks across the Company. **Fourthly**, the Company consolidated the foundation of full-life-cycle customer management. The Company strictly enforced customer due diligence requirements, further promoted the filing of beneficial owner information, and conducted regular money laundering risk assessments for customers and products. This advanced the refined management of money laundering risks. **Fifthly**, the Company strengthened team building, publicity and training. The Company delivered more than 600 AML training sessions for directors, senior management and employees at all levels to improve the professional competence of all staff in performing AML duties. It also carried out themed publicity month activities for the prevention of illegal financial activities, participated in offline centralized publicity campaigns and online knowledge competitions, and comprehensively enhanced AML awareness among employees and the general public.

X. Internal Control and Internal Audit

(I) Internal Control

During the Reporting Period, the Company followed the principles of comprehensiveness, prudence, effectiveness and independence, and systematically pushed forward the optimisation and upgrading of the internal control system. **First**, the Company established and maintained a sound and prudent internal control environment in compliance with laws and regulations. The Company implemented the Measures for Compliance Management of Financial Institutions, pressed ahead with the reform of the organisational structure for internal control and compliance, formulation of supporting systems and matching of resource support, completed the appointment of the compliance officer, laid a solid foundation for relevant work and enhanced the independence in performing internal control and compliance duties. **Second**, the Company constantly improved its risk evaluation system. The Company has established a comprehensive risk management system geared to the Company, forming a working pattern in which business units and business lines, compliance and risk control lines, internal audit departments and other relevant departments work together to strengthen the ex ante identification and dynamic monitoring of various types of risks. **Third**, the Company took multiple measures and implemented practical and effective risk control measures. The Company continuously improved the internal control management mechanism, strengthened the communication, implementation and enforcement of systems and policies, and continued to standardise various business activities and operational management practices. **Fourth**, the Company standardised and rationalised information transmission and communication channels. The Company optimised systems relating to information reporting including compliance reports, and built a two-way information communication mechanism to ensure timely circulation and accurate transmission of information. **Fifth**, the Company strengthened its internal supervision mechanism. The Board of Directors and senior management continuously reviewed and made decisions on the internal control compliance management across the Company, jointly exerting their roles of leadership, supervision and management.

(II) Internal Audit

The internal audit of the Company closely focuses on the key areas of regulatory concern and the work priorities of the Company. With the identification and disclosure of risks as the core and the purpose of improving the operation and management, an independent and vertical internal audit management system is established. The Internal Audit Department is the internal audit department of the Company, responsible for independently carrying out audit work within its duties and authorities. It is accountable to the Board and the Audit Committee of the Board and reports its work to them, and notifies the senior management of the audit situation.

During the Reporting Period, the internal audit department strictly implemented all work requirements by regulatory authorities and external auditors, focusing on "forward-looking risk management, data-driven insights, rectification and improvement, and value empowerment", and in accordance with work deployments by the Party Committee of the Bank, the Board and the Audit Committee, the internal audit department focused on key areas and institutions, paid attention to important links, closely monitored key individuals, implemented key tasks, strengthened the coordinated management of "off-site audits combined with on-site verification", integrated data mining and analysis throughout the entire project lifecycle, and advanced the implementation of audit projects and the development of audit information systems in a coordinated manner. The internal audit covered areas such as credit operation, basic operation, financial management, risk management, information technology, online lending, anti-money laundering management, consumer rights protection, credit reference management and agency sales, as well as the performance of economic responsibilities assumed by key persons. By effectively revealing the deficiencies in internal control and risk management, it supervised the implementation of in-depth systematic and root cause rectifications, assisted the Group in refining the institutional system, improved the business processes and system functions, fully played the supervisory, early-warning and value-added role of internal audit, thereby promoting the stable operation of the Company and the achievement of strategic goals.

XI. Prospects

Looking ahead to the coming period, China's economy will maintain stable performance, and its long-term positive trajectory remains unchanged. As the effects of various policies continue to materialize, the foundations will be in place for the annual economic and social development targets to be achieved. Opportunities and challenges coexist for China's banking sector. With the continuous implementation of industrial policies, proactive fiscal policies, and appropriately accommodative monetary policies, the economy will be propelled to overcome the difficulties of transition and constraints of insufficient effective demand, making progress in challenges.

In terms of the domestic economy, the central government has set a systematic plan for economic work in 2026. It will be guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, fully and accurately implement the new development philosophy, accelerate the construction of a new development pattern, and focus on promoting high-quality development. Adhering to the general direction of seeking improvement in stability, the aim is to better coordinate domestic economic work with international economic and trade struggles, better balance development and security, and implement a more proactive and effective macroeconomic policy. The policy will be more forward-looking, targeted, and coordinated, continuously expand domestic demand, optimise supply, improve incremental growth, revitalize stock resources, develop new productive forces of a higher quality suited to local conditions, deepen the development of a nationwide unified market, and consistently prevent and mitigate risks in crucial fields. Focus will be placed on stabilizing employment, businesses, markets, and expectations, driving the economy toward a qualitative improvement and reasonable quantitative growth. The goal is to maintain social harmony and stability, ensuring a strong start for the "15th Five-Year Plan".

Guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, the Bank will continue to fully implement the spirit of the 20th National Congress of the Communist Party of China and all plenary sessions of the 20th Central Committee of the Communist Party of China, base itself on the new development stage, apply the new development philosophy, fulfil its responsibilities in implementing national financial strategies, deeply integrate into the new development paradigm, uphold the general principle of pursuing progress while ensuring stability, uphold the Party's leadership, and continuously strengthen ideological development and work-style development. Guided by market forces and taking high-quality development as the main thread, the Bank will resolutely deepen reform and innovation, firmly hold the bottom-line against risks, continuously optimise the asset-liability structure, and steadily enhance profitability and risk-resilience to achieve the organic integration of efficiency, quality and scale.

Changes in Share Capital and Information on Shareholders

I. Share Capital

The Company was listed on the Hong Kong Stock Exchange on 31 March 2014, upon an issuance of 2,748,700,000 H Shares in total, and on the same date, 274,870,000 Domestic Shares were transferred to the National Council for Social Security Fund of the PRC (全國社會保障基金理事會) and converted into H Shares on a one-for-one basis pursuant to the relevant PRC regulations relating to reduction of state-owned shares. After completion of the issuance, the total share capital of the Company increased to 10,995,599,553 shares. As at the end of the Reporting Period, the Company has a registered capital of RMB10,995,599,553 in total.

II. Statement of Changes in Shares

Unit: Shares

	1 January 2026		Increase/decrease during the Reporting Period (+/-)					30 June 2026	
	Number	Percentage	Private placement	New shares issued	Bonus issue	Others	Subtotal	Number	Percentage
Domestic Shares									
1. Non-listed shares held by corporations	7,908,966,550	71.93%	–	–	–	–	–	7,908,966,550	71.93%
Including: (1) Shares held by state-owned enterprises [note]	7,353,420,305	66.88%	–	–	–	–	–	7,353,420,305	66.88%
(2) Shares held by private enterprises	555,546,245	5.05%	–	–	–	–	–	555,546,245	5.05%
2. Non-listed shares held by natural persons	63,063,003	0.57%	–	–	–	–	–	63,063,003	0.57%
H Shares									
3. Overseas listed foreign shares	3,023,570,000	27.50%	–	–	–	–	–	3,023,570,000	27.50%
Total number of shares	10,995,599,553	100%	–	–	–	–	–	10,995,599,553	100%

Note: Non-listed shares held by corporations (Domestic Shares) of the Company were held by 36 state-owned corporate shareholders, including Harbin Economic Development, Heilongjiang Financial Holdings, Harbin Hadong Investment Co., Ltd. (哈爾濱市哈東投資有限責任公司), and Harbin Industrial Investment Group Co., Ltd. (哈爾濱工業投資集團有限公司), etc.

III. Shareholdings of Shareholders

As at the end of the Reporting Period, the total number of the shares of the Company was 10,995,599,553 shares, comprising 7,972,029,553 Domestic Shares and 3,023,570,000 overseas listed H Shares.

Shareholdings of Top 10 Shareholders of the Company at the end of the Reporting Period

	Name of shareholder	Nature of shareholder	Number of shares held (Shares)	Shareholding percentage (%)[2]	Number of shares pledged or frozen	Type of shares
1	Harbin Economic Development and Investment Company Limited	State-owned	3,257,943,986	29.63%	–	Non overseas-listed shares
2	Heilongjiang Financial Holdings Group Co., Ltd.	State-owned	2,036,215,535	18.52%	–	Non overseas-listed shares
3	Fubon Life Insurance Company Limited	Foreign investment	725,712,000	6.60%	–	H Shares
4	Harbin Chengyin Asset Operation Co., Ltd. (哈爾濱城銀資產運營有限公司)	State-owned	467,223,571	4.25%	–	Non overseas-listed shares
5	Harbin Heli Investment Holding Co., Ltd.	State-owned	397,000,000	3.61%	–	Non overseas-listed shares
6	Finance Bureau of Daoli District, Harbin	State-owned	386,025,859	3.51%	–	Non overseas-listed shares
7	Finance Bureau of Nangang District, Harbin	State-owned	378,941,968	3.45%	–	Non overseas-listed shares
8	Huaxia Life Insurance Co., Ltd.	Private enterprise	348,199,000	3.17%	–	H Shares
9	Harbin High-tech Industrial Development Zone Infrastructure Development and Construction Co., Ltd. (哈爾濱高新技術產業開發區基礎設施開發建設有限公司)[1]	State-owned	301,315,846	2.74%	–	Non overseas-listed shares
10	CC HB Investment, L.P.	Foreign investment	284,212,000	2.58%	–	H Shares

Notes:

1. Harbin High-tech Industrial Development Zone Infrastructure Development and Construction Co., Ltd., a shareholder of the Company and Harbin Science and Technology Innovation Investment Co., Ltd. are related with each other. Harbin Science and Technology Innovation Investment Co., Ltd. held 96,220,000 shares of the Company, with aggregate shareholding of 397,535,846 shares, representing 3.62% of total shareholding.
2. The above shareholding percentage of non overseas-listed shares and H Shares as at the end of the Reporting Period is calculated based on the total share capital of the Company, being 10,995,599,553 shares.

Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares of the Company

As at 30 June 2026, according to the disclosure of interest information as shown on the website of the Hong Kong Stock Exchange, the interests or short positions of the following persons (excluding the Directors and the chief executive of the Bank) in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Domestic Shares

Name of shareholder	Capacity	Number of Domestic Shares held (long position)	Percentage of issued Domestic Share capital of the Company	Percentage of issued share capital of the Company
Harbin Municipal People's Government State-owned Assets Supervision and Administration Commission[1]	Interest of controlled corporation	3,258,338,652	40.87%	29.63%
Harbin Investment Group Corporation Limited[1]	Interest of controlled corporation	3,258,338,652	40.87%	29.63%
Harbin Economic Development and Investment Company Limited[1]	Beneficial owner	3,257,943,986	40.87%	29.63%
Department of Finance of Heilongjiang[1] Province of the People's Republic of China[2]	Interest of controlled corporation	2,041,132,253	25.60%	18.56%
Heilongjiang Financial Holdings Group Co., Ltd.[2]	Beneficial owner	2,036,215,535	25.54%	18.52%
	Interest of controlled corporation	4,300,000	0.05%	0.04%
	Interest of controlled corporation	616,718	0.008%	0.006%
Harbin Property Right Exchange Co., Ltd.[3]	Interest of controlled corporation	467,223,571	5.86%	4.25%

Notes:

1. Harbin Investment Group Corporation Limited (哈爾濱投資集團有限責任公司) indirectly holds a total of 3,258,338,652 Domestic Shares of the Company through its controlled corporations, including (1) Harbin Economic Development, its wholly-owned subsidiary, which holds 3,257,943,986 Domestic Shares of the Company; and (2) Harbin Property Financing Guarantee Co., Ltd. (哈爾濱市房屋置業融資擔保有限責任公司), its wholly-owned subsidiary, which holds 394,666 Domestic Shares of the Company. Harbin Investment Group Corporation Limited (哈爾濱投資集團有限責任公司) is owned as to 90% and 10% by the Harbin Municipal People's Government State-owned Assets Supervision and Administration Commission (哈爾濱市人民政府國有資產監督管理委員會) and the Heilongjiang Provincial People's Government State-owned Assets Supervision and Administration Commission (黑龍江省人民政府國有資產監督管理委員會), respectively. According to the SFO, each of the Harbin Municipal People's Government State-owned Assets Supervision and Administration Commission and Harbin Investment Group Corporation Limited is deemed to be interested in the 3,258,338,652 Domestic Shares held by Harbin Economic Development. Harbin Economic Development was established on 22 August 1992 with a registered capital of RMB2,282,522,010, and Jia Haining (賈海寧) being the legal representative. The business scope of Harbin Economic Development is to make financial investments in areas like fixed-assets to municipally owned enterprises and to receive dividends in return (business subject to approval by law shall be conducted upon approval by competent authorities).
2. Heilongjiang Financial Holdings directly holds 2,036,215,535 Domestic Shares of the Company and indirectly holds 4,300,000 and 616,718 Domestic Shares of the Company through its indirectly controlled entity, namely Harbin Dazheng Microcredit Co., Ltd. (哈爾濱市大正小額貸款有限責任公司), and Heilongjiang Dazheng Investment Group Co., Ltd. (黑龍江省大正投資集團有限責任公司), respectively. According to the SFO, Heilongjiang Financial Holdings is deemed to be interested in a total of 2,041,132,253 Domestic Shares. In addition, Heilongjiang Financial Holdings is wholly owned by the Department of Finance of Heilongjiang Province (黑龍江省財政廳). According to the SFO, the Department of Finance of Heilongjiang Province is also deemed to be interested in such 2,041,132,253 Domestic Shares. Heilongjiang Financial Holdings was established on 18 January 2019 with a registered capital of RMB10,315,660,690 and Lang Shufeng (郎樹峰) being the legal representative. The business scope of Heilongjiang Financial Holdings is investment and asset management and capital investment services; nonpublic offering of securities investment funds; holding company services; and financial information services (business subject to approval by law shall be conducted upon approval by competent authorities).
3. Harbin Chengyin Asset Operation Co., Ltd. holds 467,223,571 Domestic Shares of the Company. As Harbin Chengyin Asset Operation Co., Ltd. is a wholly-owned subsidiary of Harbin Property Right Exchange Co., Ltd. (哈爾濱產權交易所有限責任公司), Harbin Property Right Exchange Co., Ltd. is deemed, according to the SFO, to hold the above shares of the Company held by Harbin Chengyin Asset Operation Co., Ltd.

H Shares

Name of shareholder	Capacity	Number of H Shares held (long position)	Percentage of issued H Share capital of the Company	Percentage of total issued share capital of the Company
Fubon Financial Holding Co., Ltd.[1]	Interest of controlled corporation	725,712,000	24.00%	6.60%
Huaxia Life Insurance Co., Ltd.	Beneficial owner	348,199,000	11.52%	3.17%
CITIC Capital Holdings Limited[2]	Interest of controlled corporation	284,212,000	9.40%	2.58%

Notes:

1. Fubon Financial Holding Co., Ltd. held the interests in 725,712,000 H Shares of the Company through its 100% owned corporation Fubon Life Insurance Co., Ltd. which was established in March 2006 with a paid-up capital of TWD118,420.45 million and Lin Fuxing (林福星) being the legal representative. The business scope of Fubon Life Insurance Co., Ltd. is personal insurance related operations, such as life insurance, injury insurance, health insurance and annuity insurance. Fubon Life Insurance Co., Ltd. held 18% equity interest in CITIC Capital Holdings Limited and nominated directors. Pursuant to PRC laws and regulations and as determined by the competent regulatory authorities, the two companies are therefore parties related to each other. Due to reasons including different requirements under the laws of Taiwan and Mainland China, Fubon Life Insurance Co., Ltd. is unable to issue a capital supplement undertaking to the Company. As of the Latest Practicable Date, the qualifications of shareholders have yet to be approved.
2. CITIC Capital Holdings Limited held the interests in the relevant number of shares through a series of controlled corporations. Pursuant to requirements of regulatory authorities, CC HB Investment, L.P. (an indirect subsidiary of CITIC Capital Holdings Limited) was undergoing the approval procedures for shareholder's qualification with Fubon Life Insurance Co., Ltd. As of the Latest Practicable Date, the qualifications of shareholders have yet to be approved.

Save as disclosed above, to the knowledge of the Directors, none of other persons (excluding the Directors and the chief executive of the Bank) had any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO as at 30 June 2026.

IV. Substantial Shareholders of the Company under the Hong Kong Listing Rules

As at the end of the Reporting Period, details of the direct substantial shareholders of the Company (holding 10% or more of the shares of the Company) under the Hong Kong Listing Rules are as follows:

(I) As at 30 June 2026, Harbin Economic Development, the largest shareholder of the Company, directly held 29.63% of the total issued shares of the Company. According to the Business License (Unified Social Credit Code: 91230100424004064C) issued by the Administrative Approval Bureau of Harbin New Area Management Committee on 3 February 2023, and the Articles of Association of Harbin Economic Development and Investment Company Limited, Harbin Economic Development is a validly subsisting entity with limited liability (sole proprietorship invested or controlled by a non-natural person). Harbin Economic Development is owned as to 100% by Harbin Investment Group Corporation Limited, which in turn is owned as to 90% and 10% by the Harbin Municipal People's Government State-owned Assets Supervision and Administration Commission and the Heilongjiang Provincial People's Government State-owned Assets Supervision and Administration Commission, respectively.

(II) As at 30 June 2026, Heilongjiang Financial Holdings directly held 18.52% of the total issued shares of the Company. According to the Business License (Unified Social Credit Code: 91230100MA1BF51Q38) issued by the Administrative Approval Bureau of Harbin New Area Management Committee on 13 September 2024 and the Articles of Association of Heilongjiang Financial Holdings Group Co., Ltd., Heilongjiang Financial Holdings is a validly subsisting entity with limited liability (wholly state-owned). Heilongjiang Financial Holdings is wholly owned by the Department of Finance of Heilongjiang Province.

V. Details of Pledged and Frozen Shares Held by Shareholders with Shareholding of 5% or More in the Company

As at 30 June 2026, no shares held by any shareholder with shareholding of 5% or more of the Company were pledged or judicially frozen.

VI. Controlling Shareholder and De Facto Controller

The Company does not have a controlling shareholder or de facto controller.

VII. Shareholders with Shareholding of 5% or More of the Company

Please see "III. Shareholdings of Shareholders" above for the particulars of shareholders with shareholding of 5% or more of the Company as at 30 June 2026.

VIII. Purchase, Sale or Redemption of Listed Securities of the Company

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares, if any).

Directors, Senior Management and Employees

Directors

As at the Latest Practicable Date, the Directors of the Company are as follows:

Name	Gender	Age	Position	Term of office
Deng Xinquan	Male	61	Executive Director and Chairman of the Board	2024.7.12 – expiry of Ninth Session of the Board
Yao Chunhe	Male	48	Executive Director and President	2024.7.12 – expiry of Ninth Session of the Board
Du Xiaoquan	Male	50	Non-executive Director	2026.7.14 – expiry of Ninth Session of the Board
Jia Haining	Male	40	Non-executive Director	2025.4.17 – expiry of Ninth Session of the Board
Liu Peiwei	Male	54	Non-executive Director	2024.12.12 – expiry of Ninth Session of the Board
Cheng Shuai	Male	45	Non-executive Director	2024.12.12 – expiry of Ninth Session of the Board
Jin Qinglu	Male	53	Independent Non-executive Director	2024.7.12 – expiry of Ninth Session of the Board
Chen Ming	Male	55	Independent Non-executive Director	2024.12.12 – expiry of Ninth Session of the Board
Leung Sau Fan, Sylvia	Female	62	Independent Non-executive Director	2024.12.12 – expiry of Ninth Session of the Board

Note: Pending the approval of Mr. Yao Chunhe's qualification for the position of chairman of the Board by the Heilongjiang Office of the NFRA, Mr. Deng Xinquan will continue to serve as an executive Director, chairman of the Board and chairman of the Development Strategy Committee of the Board of the ninth session of the Board of the Company.

Senior Management

As at the Latest Practicable Date, the senior management of the Company is comprised of:

Name	Gender	Age	Position	Term of office
Yao Chunhe	Male	48	President	2024.7.12 – expiry of Ninth Session of the Board
Han Gang	Male	53	Vice President	2024.7.12 – expiry of Ninth Session of the Board
Liu Dianxin	Male	57	Vice President	2024.7.12 – expiry of Ninth Session of the Board
Yang Dazhi	Male	49	Assistant to the President	2024.7.12 – expiry of Ninth Session of the Board
Wang Ying	Female	55	Chief Audit Officer	2024.7.12 – expiry of Ninth Session of the Board
Liang Yong	Male	54	Assistant to the President	2025.10.30 – expiry of Ninth Session of the Board
Wu Siliang	Male	42	Board Secretary and Joint Company Secretary	2024.7.12 – expiry of Ninth Session of the Board
Fang Shang	Male	54	Assistant to the President	2024.7.12 – expiry of Ninth Session of the Board
Sun Weichao	Male	54	Assistant to the President	2024.7.12 – expiry of Ninth Session of the Board
Sun Shengxue	Male	43	Assistant to the President	2025.11.10 – expiry of Ninth Session of the Board
Wu Mingfei	Male	56	Assistant to the President	2025.10.30 – expiry of Ninth Session of the Board
Guan Gongming	Male	54	Chief Compliance Officer	2025.4.25 – expiry of Ninth Session of the Board

Changes in Directors and Senior Management

At the 2026 first extraordinary general meeting of the Company held on 27 March 2026, the proposal for the proposed appointment of Mr. Du Xiaoquan as a non-executive Director of the Ninth Session of the Board was approved. Mr. Du Xiaoquan was newly appointed as a non-executive Director of the Company, and his qualification has been approved by the Heilongjiang Office of the NFRA, with effect from 14 July 2026. Mr. Du obtained the legal advice as required by Rule 3.09D of the Hong Kong Listing Rules from the Company's Hong Kong legal advisor on 9 June 2026, and confirmed that he understood his obligations as a Director. Mr. Zhang Xianjun ceased to be a non-executive Director of the Company, with effect from 14 July 2026.

Changes in Information of Directors, Chief Executive and Other Senior Management

Mr. Jia Haining (賈海寧), has been a non-executive Director of the Company since April 2025. Mr. Jia has been the director of the financial asset management department of Harbin Investment Group Corporation Limited (哈爾濱投資集團有限責任公司) since January 2025, a director and the general manager of Harbin Hatou Micro-credit Co., Ltd. (哈爾濱市哈投小額貸款有限責任公司) since December 2025, the general manager of Harbin Hatou Capital Co., Ltd. (哈爾濱哈投資本有限公司) since December 2025, a director of Harbin Dingsheng Hengtai Private Equity Fund Management Co., Ltd. (哈爾濱鼎晟恒泰私募基金管理有限公司) since May 2026, a director of Harbin Hatou Investment Co., Ltd. (600864.SH) since June 2026, the vice chairman of Harbin Junxin Financing Guarantee Co., Ltd. since June 2026, a director and the general manager of Harbin Economic Development and Investment Company since July 2026, and a partner of Ningbo Jinxiang Qianyi Investment Partnership (Limited Partnership) (寧波錦享謙溢投資合夥企業(有限合夥)) with 9.98% shares since March 2018; Mr. Jia served as the deputy general manager of Harbin Hatou Capital Co., Ltd. (哈爾濱哈投資本有限公司) from May 2023 to December 2025, a director of Harbin Property Financing Guarantee Co., Ltd. (哈爾濱市房屋置業融資擔保有限責任公司) from October 2021 to May 2025, the deputy director of the financial asset management department of Harbin Investment Group Corporation Limited from June 2022 to January 2025, an assistant to the director of the financial asset management department of Harbin Investment Group Corporation Limited from April 2020 to June 2022, a junior staff (II), junior staff (I), intermediate staff and senior staff of the financial business department of Harbin Investment Group Corporation Limited from July 2014 to April 2020, and a trainee and junior staff (II) of the financing department of Harbin Investment Group Corporation Limited from March 2012 to July 2014. Mr. Jia received a Master's degree in Management from Dongbei University of Finance & Economics in December 2011, and is currently a senior economist accredited by the Heilongjiang Human Resources and Social Security Bureau.

Mr. Liu Peiwei (劉培偉), has been a non-executive Director of the Company since December 2024. Mr. Liu has been the deputy general manager of Heilongjiang Financial Holdings Group Co., Ltd. (黑龍江省金融控股集團有限公司) since July 2019, and has concurrently been the secretary of the Party Committee and chairman of Heilongjiang Xinzheng Financing Guarantee Group Co., Ltd. (黑龍江省鑫正融資擔保集團有限公司) since May 2026. Mr. Liu served as the deputy general manager of Heilongjiang Longcai Asset Operation Co., Ltd. (黑龍江省龍財資產經營有限公司) and the legal representative and general manager of Heilongjiang Longcai Public Private Partnerships Financing Support Investment Fund Co., Ltd. (黑龍江省龍財政企合作融資支持投資基金有限公司) from October 2012 to June 2019; the manager of the project management department and assistant to the general manager of Heilongjiang Longcai Asset Operation Co., Ltd. (黑龍江省龍財資產經營有限公司) from September 2005 to

September 2012; the manager of the finance department of Heilongjiang Zhongmeng Group Co., Ltd. (黑龍江中盟集團有限公司) from December 2000 to August 2005; the deputy manager of the investment department of Heilongjiang Economic and Trade Development Group Corporation (黑龍江省經濟貿易開發集團總公司) from January 1997 to November 2000; and a staff member of the finance department and investment department of Heilongjiang Economic and Trade Development Group Corporation (黑龍江省經濟貿易開發集團總公司) from July 1993 to December 1996. Mr. Liu received a Master's degree in Economics from Peking University in January 2006, and is currently a senior accountant accredited by the former Personnel Department of Heilongjiang Province.

Mr. Chen Ming (陳明), has served as an independent non-executive Director of the Company since December 2024. Mr. Chen has served as a consultant at Beijing Huamao Guigu Law Firm (北京市華貿硅谷律師事務所) since July 2026. Mr. Chen was a partner at Beijing Huamao Guigu Law Firm (北京市華貿硅谷律師事務所) from September 2025 to June 2026. Mr. Chen was a consultant of Zhong Lun Law Firm from April 2020 to September 2025; a partner of Zhong Lun Law Firm from September 2016 to March 2020; a partner of Beijing Jun He Law Offices from March 2013 to August 2016; a lawyer and partner of Zhong Lun Law Firm from August 2003 to February 2013; a lawyer of Guangsheng & Partners Law Offices from September 1996 to June 1999; a legal consultant of Beijing Yintong Real Estate Development Co., Ltd. (北京銀通房地產開發有限公司) from September 1995 to August 1996. Mr. Chen obtained a Master's degree in law from Peking University in July 1995 and a doctorate degree in professional law from Columbia University in May 2002.

Ms. Leung Sau Fan, Sylvia (梁秀芬), a Hong Kong citizen with Chinese nationality, has been an independent non-executive Director of the Company since December 2024. Ms. Leung is currently a responsible officer of an entity licensed to conduct type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance. Ms. Leung served as an independent non-executive director of Poly Property Group Co., Limited (0119.HK) from August 2010 to May 2026, and served as an independent non-executive director of China Aerospace International Holdings Limited (0031.HK) from March 2012 to June 2022. She has more than 20 years of experience in the fields of company secretarial work and corporate finance advisory. Ms. Leung obtained a Bachelor's degree in accountancy from City University of Hong Kong in November 1992.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive confirmed that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors and relevant employees on terms no less exacting than the required standards as set out in the Model Code. Having made specific enquiries to the Directors, all Directors of the Company confirmed that they had complied with the aforesaid code during the Reporting Period.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

Save as disclosed below, to the knowledge of the Company, as at 30 June 2026, the Directors and chief executive of the Company did not hold any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (as defined in Part XV of the SFO of Hong Kong) which were required to be registered in the register pursuant to section 352 of the SFO of Hong Kong or to be disclosed to the Company and the Hong Kong Stock Exchange as provided by the Model Code:

Name	Position	Nature of interest	Class of shares	Number of shares held (long position)	Percentage of issued Domestic Share capital of the Company	Percentage of total issued share capital of the Company
Deng Xinquan	Executive Director	Beneficial owner	Domestic Shares	1,205	0.00002%	0.00001%

During the Reporting Period, the Company did not grant any right to subscribe for shares or debentures of the Company or any associated corporations to its Directors and president (including their spouses or children under the age of 18).

Employees

(I) Personnel Composition

As at 30 June 2026, the Group had a total of 8,811 regular employees. Among them, the Company had 7,619 employees, among which 817 were management functions staff in Head Office, accounting for 10.72% of the total, 485 were staff directly under the centres, accounting for 6.37% of the total, and 2,451 were Harbin Branch staff, accounting for 32.17% of the total. Regarding the gender of employees, the Company had 3,259 male employees, accounting for 42.77% of the total, and 4,360 female employees, accounting for 57.23% of the total. Regarding the age composition, the average age of employees of the Company was 38.46 years old, and 1,315 of them were between 20 and 30 years old, accounting for 17.26% of the total. Regarding the educational background composition, there were 7,152 employees of the Company holding a bachelor's degree or above, accounting for 93.87% of the total. Regarding the number of years of services, the Company had 4,939 employees with 10 years or more banking experiences, accounting for 64.82% of the total. Staff turnover rate of the Company was 0.61%.

Employees of the Company enjoy equal rights in recruitment, position adjustment, training and promotion. The Company appreciates and encourages differences in the workplace to create a professional, inclusive and diversified working environment.

(II) Staff Training Programmes

During the Reporting Period, the Bank emphasized on the development demands of the Group and focused on various stages of career development and the training needs of staff from different levels with respect to job competency and core competency improvement, with particular emphasis on new employees, those in the early and middle stages of their careers, and those who have been newly promoted or transferred to new positions. The Bank continued to advance the professional capabilities of the staff by creating the "embark, guide, escort, endure, voyage, cruise, pilot" (啟航、導航、護航、續航、遠航、巡航、領航) training system. Leveraging both internal and external high-quality resources, the Group combined online and offline training methods by utilizing diverse methodologies such as "on-site training" (送教上門), "going out to learn" (走出去) and "inviting experts" (請進來) to create excellent training programs. Both training completion rate and coverage rate were 100% during the Reporting Period. In the first half of 2026, the Company arranged 429 training sessions in total, including 368 internal training sessions, and 61 external training sessions for selected staff of the Company. The total training hours amounted to 1,656.

(III) Staff Incentive Policy

The Bank has established a scientific and reasonable staff evaluation system to implement comprehensive performance management. At the beginning of each year, the Bank sets up performance plans for each staff member by breaking down its strategic objectives layer by layer, and carries out the annual review mechanism. Apart from the performance review, the Bank has also adopted a multi-dimensional measurement to evaluate employee performance, and innovatively adopted an autonomous allocation of performance levels within the total points to ensure truthful staff performance evaluation. In addition, the effective performance communication helps employee reach their performance goals.

The Bank has established a series of staff incentive policies in line with its development needs based on scientific performance review results: firstly, the Bank has implemented the management of total annual performance remuneration of the branches and head office departments, and gave them the right to distribute performance remuneration. They would focus on distributing performance remuneration to staff with "good performance review results", "high value contribution" and in "key positions", so as to form a remuneration determination mechanism of "fixed remuneration reflecting historical contribution and performance remuneration reflecting current historical contribution". Secondly, the Bank has adopted a points system to adjust employee job grades and salary levels, with employees' annual performance review results translated into points, which may be redeemed for rank or salary promotion qualifications, ensuring the "fairness, openness, and transparency" in the rank and salary promotion system. Thirdly, the Bank has established a career development platform, implementing three talent development initiatives including "Young Talent Cultivation," "Career Ladder," and "Outstanding Talent". These initiatives are integrated with the "Navigation Series" training system to build a tiered training framework covering the entire career development lifecycle of employees.

(IV) Remuneration Policy for Employees

The Bank has successfully established a remuneration management system with diversified composition, standardised management and systematic implementation and adopted a market-oriented and region-diversified management scheme in order to scientifically and effectively motivate the Bank's employees and ensure the smooth implementation of the Bank's strategic development. The Bank's remuneration package is composed of fixed remuneration, variable remuneration and welfare income. The Bank is able to strictly comply with regulatory requirements in remuneration payment by adopting deferred payment and setting up a lock-up period for paying senior management as well as employees holding positions that may exert significant influence on risks in order to tie job duties with risk management responsibilities. Meanwhile, the Bank will pursue and deduct the performance remuneration of the staff who cause extraordinary risk exposure within the scope of their duties due to obvious negligence or failure to fulfill their prudent management obligations.

(V) Retirement and Benefits

The Bank pays living expenses and other welfare benefits for employees who have not yet reached the statutory retirement age limit but are approved by the Bank to voluntarily retire from their employment from the internal retirement date to the statutory retirement age limit. For details of the retirement benefit scheme, please refer to Note 32 of "Notes to the Condensed Consolidated Interim Financial Information". Save as disclosed in Note 32 of "Notes to the Condensed Consolidated Interim Financial Information" in this report (if any), there was no forfeiture of retirement benefit scheme contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) in the Group. As at 30 June 2026, no forfeited contribution under the retirement benefits schemes of the Group is available to reduce the contribution payable in future years.

Important Events

I. Corporate Governance

During the Reporting Period, the Bank continued to optimise its corporate governance structure and improve its corporate governance practice in strict compliance with relevant laws and regulations such as the Company Law of the PRC, the Commercial Bank Law of the PRC as well as the Hong Kong Listing Rules, with due consideration given to the actual conditions of the Bank.

During the Reporting Period, the Bank strictly complied with relevant overseas listing regulatory requirements, and strived to improve the Bank's corporate governance mechanism, as well as enhance and improve the Bank's corporate governance. The Bank has adopted the "Corporate Governance Code" in Appendix C1 to the Hong Kong Listing Rules, complied with the relevant requirements of the PRC commercial bank administrative measures and corporate governance and established a sound corporate governance system. Currently, the primary corporate governance documents of the Company include: the Articles of Association, the Rules of Procedure for the Shareholders' General Meetings, the Rules of Procedure for the Board of Directors, the Working Rules for the Independent Directors, the Terms of Reference of the Development Strategy Committee of the Board, the Terms of Reference of the Risk Management and Related Transactions Control Committee of the Board, the Terms of Reference of the Audit Committee of the Board, the Terms of Reference of the Nomination and Remuneration Evaluation Committee of the Board, the Terms of Reference of the Consumer Rights Protection Committee of the Board, the Terms of Reference of the President, the Administrative Measures for Related Party Transactions, the Information Disclosure Administrative Measures, etc. The Board believes that during the Reporting Period, the Bank had complied with the requirements of the code provisions set out in Part 2 of the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules.

II. Issuance of Debt Securities

(I) Bond Issuance during the Reporting Period

During the Reporting Period, the Bank did not issue new bonds.

(II) Previous Financial Bonds Issuance

1. *Capital Bonds without a Fixed Term*

According to the resolutions of the 22nd meeting of the sixth session of the Board held on 28 March 2018 and the 2017 annual general meeting of the Company held on 18 May 2018, the Board and the general meeting of the Company approved the Proposal on the Issuance of not more than RMB15.0 Billion Capital Supplemental Bonds, pursuant to which the Company was approved to issue capital supplemental bonds by way of public or non-public issuance to onshore or offshore investors, and the capital supplemental bonds not exceeding RMB15.0 billion (inclusive) shall, upon approval by regulatory authorities, be issued in a single or multiple series in accordance with the relevant procedures. The actual issuance size of the capital supplemental bonds was determined by the Board or its designated person within the abovementioned scope, in accordance with the capital needs of the Company and the market condition at the time of the issuance. The capital supplemental bonds shall be issued at the par value. All target investors shall subscribe for the capital supplemental bonds in cash. The initial term of the capital supplemental bonds shall not be less than 5 years. There is no fixed expiration date prior to the exercise of redemption right by the Company. Interests on the capital supplemental bonds shall be paid in cash. The interest-bearing principal amount of the capital supplemental bonds shall be the aggregate amount of the relevant series of the capital bonds without a fixed term then issued and outstanding. After receiving the interests at the prescribed interest rate, the holders of the capital supplemental bonds shall not be entitled to any distribution of residual profits of the Company together with the ordinary shareholders. Relevant matters in respect of the proposed issuance of the capital supplemental bonds by the Company were disclosed in the circular dated 6 April 2018 and the announcement dated 18 May 2018 of the Company. The Company received the Approval of Heilongjiang Regulatory Bureau of the CBIRC for Harbin Bank to Issue the Capital Bonds Without a Fixed Term (Hei Yin Bao Jian Fu [2021] No. 44) on 5 February 2021 and the Administrative Approval Decision of the People's Bank of China (Banking Market Licence [2021] No. 92) issued by the PBOC on 7 June 2021, approving the Company's issuance of capital bonds without a fixed term in an amount not more than RMB15.0 billion, which shall be included in additional tier-1 capital according to relevant regulations.

The Capital Bonds Without a Fixed Term of Harbin Bank Co., Ltd. in 2021 has an issuance size of RMB8.0 billion. The coupon rate of the bonds for the first five years is 4.8%, and is subject to adjustment every five years. The issuer's conditional redemption right is attached to the bonds which can be exercised on the annual interest payment date of the fifth year and the subsequent years. Principal and interest were due and paid on 29 June 2026.

The second tranche of Capital Bonds Without a Fixed Term of Harbin Bank Co., Ltd. in 2021 has an issuance size of RMB3.0 billion. The coupon rate of the bonds for the first five years is 5.0%, and is subject to adjustment every five years. The issuer's conditional redemption right is attached to the bonds which can be exercised on the annual interest payment date of the fifth year and the subsequent years.

The Capital Bonds Without a Fixed Term of Harbin Bank Co., Ltd. in 2022 has an issuance size of RMB0.7 billion. The coupon rate of the bonds for the first five years is 4.8%, and is subject to adjustment every five years. The issuer's conditional redemption right is attached to the bonds which can be exercised on the annual interest payment date of the fifth year and the subsequent years.

III. Connected Transactions under Hong Kong Listing Rules

During the Reporting Period, in the ordinary and usual course of business, the Bank provided commercial banking services and products to the public in China, which included certain connected persons of the Bank such as substantial shareholders, Directors, the President and/or their respective associates. Pursuant to the Hong Kong Listing Rules, as these transactions were entered into on normal commercial terms in the ordinary and usual course of business of the Bank, such transactions were exempt from reporting, annual review, disclosure and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. During the Reporting Period, there were no non-exempt connected and/or continuing connected transactions between the Bank and its connected persons. Besides disclosed above (if any), there is no related-party transaction or continuing related-party transaction set out in Note 46 to the Condensed Consolidated Interim Financial Information of this report that constitutes the connected transaction or continuing connected transaction (if any) that should be disclosed under the Hong Kong Listing Rules.

IV. Material Legal Proceedings and Arbitrations

As at 30 June 2026, the amount involved in major pending litigation cases where the Group is the defendant or a third-party defendant with the amount in dispute for each case exceeding RMB10,000 thousand was RMB23,651 thousand (as of 31 December 2025:Nil).

V. Penalties Imposed on the Company, Directors and Senior Management of the Company

During the Reporting Period, the Company, all its Directors and senior management had no records of being imposed on inspections, administrative penalties or circulating criticisms by the CSRC or public censures by the Hong Kong Stock Exchange, or penalties by other relevant regulatory authorities that posed significant impact on the Company's operation.

VI. Material Contracts and Their Performance

During the Reporting Period, the Bank had not entered into any material contracts nor performed such contracts.

VII. Review of Interim Report

The Bank's 2026 unaudited interim consolidated financial statements prepared in accordance with International Financial Reporting Standards had been reviewed by BDO Limited, who had issued an unqualified review report.

The Bank's 2026 interim results, 2026 interim report and 2026 unaudited interim consolidated financial statements had been reviewed by the Audit Committee of the Board and the Board of the Company.

VIII. Implementation of Share Scheme during the Reporting Period

The Company did not implement any share scheme during the Reporting Period.

IX. Appointment and Dismissal of Auditors

Subject to consideration and approval at the 2025 annual general meeting held on 30 June 2026, the Company engaged BDO China Shu Lun Pan Certified Public Accountant LLP and BDO Limited to respectively act as auditors for 2026 annual financial report of the Bank prepared in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively.

X. Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Company had no material acquisition and disposal of subsidiaries, associates and joint ventures.

XI. Significant Investments Held

During the Reporting Period, the Company had not held any significant investments.

XII. Profit Distribution during the Reporting Period

The Proposal on the 2025 Profit Distribution Plan was considered and approved at the 2025 annual general meeting held on 30 June 2026, pursuant to which, the Company would not distribute cash dividends to all Shareholders. The Company has not distributed and does not propose to distribute any interim dividend for the six months ended 30 June 2026.

XIII. Pledge of Assets

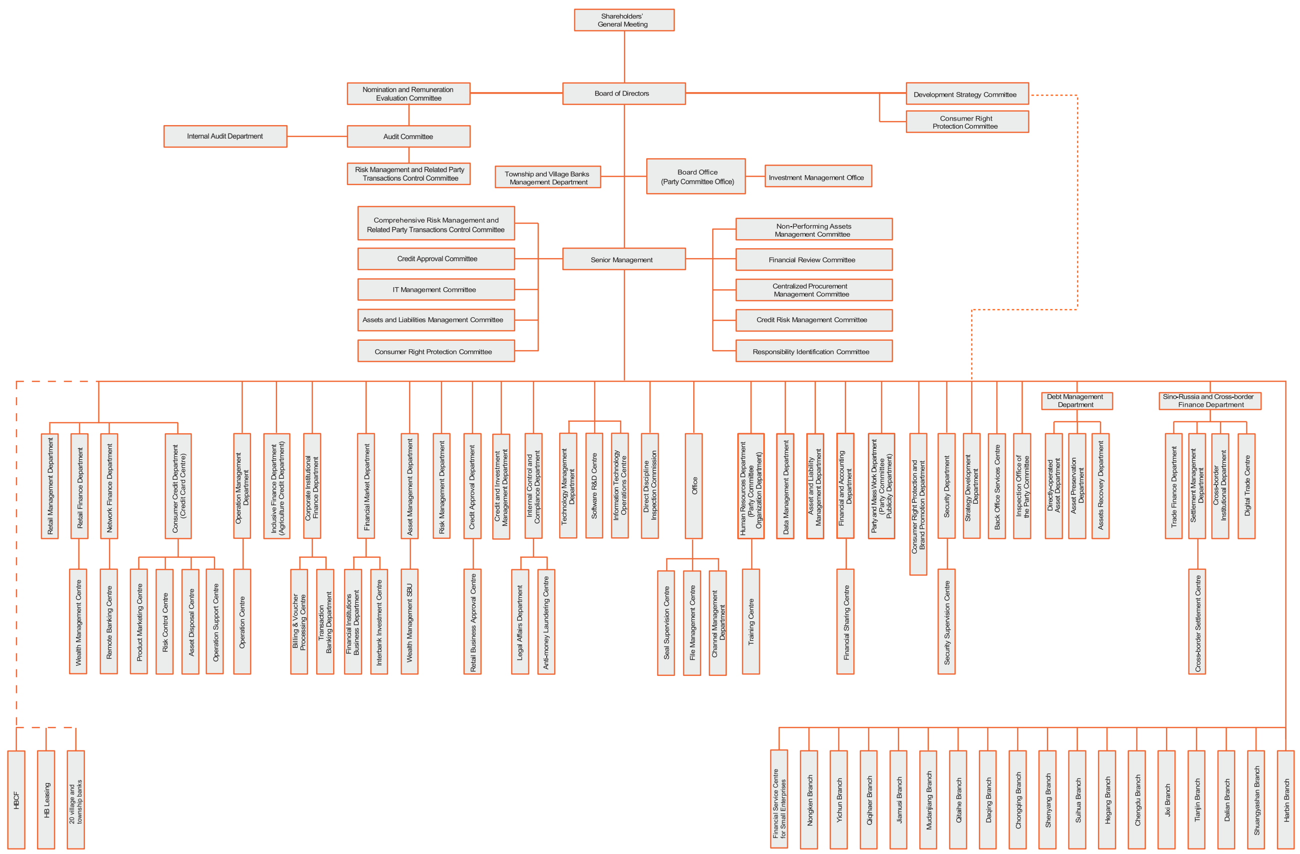
For the details of the Group's pledge of assets, please refer to note 42 "Commitments and Contingent Liabilities" to the condensed consolidated interim financial information of this report.

XIV. Significant Subsequent Events

The Bank has no significant subsequent events after the end of the Reporting Period and up to the Latest Practicable Date.

Organisation Chart

Organisation Chart of Harbin Bank



Financial Statements

I. Report on Review of Interim Financial Information

II. Unaudited Condensed Consolidated Interim Financial Statements (Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows)

III. Notes to Condensed Consolidated Interim Financial Information

IV. Unaudited Supplementary Financial Information

Report on Review of Interim Financial Information

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TO THE BOARD OF DIRECTORS OF HARBIN BANK CO., LTD.
(incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 97 to 199, which comprise the condensed consolidated statement of financial position of Harbin Bank Co., Ltd. (the "Bank") and its subsidiaries (together, the "Group") as at 30 June 2026 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows 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 a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board ("IASB"). The directors are responsible for the preparation and presentation of interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, 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 International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

BDO Limited
Certified Public Accountants
Chan Wing Fai
Practising Certificate no. P05443

Hong Kong, 28 August 2026

Condensed Consolidated Statement of Profit or Loss

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	For the six-month period ended 30 June	
		2026	2025
		Unaudited	Unaudited
Interest income	4	**12,768,765**	14,123,996
Interest expense	4	**(8,455,339)**	(9,711,396)
Net interest income	4	**4,313,426**	4,412,600
Fee and commission income	5	**386,644**	352,883
Fee and commission expense	5	**(97,474)**	(83,636)
Net fee and commission income	5	**289,170**	269,247
Net trading income	6	**766,345**	383,011
Net gains on financial investments	7	**2,407,545**	2,305,172
Other operating income, net	8	**(56,535)**	15,411
Operating income		**7,719,951**	7,385,441
Operating expenses	9	**(2,235,136)**	(2,245,387)
Credit impairment losses	10	**(4,725,637)**	(4,456,983)
Other assets impairment losses	11	**–**	(1,762)
Operating profit		**759,178**	681,309
Profit before tax		**759,178**	681,309
Income tax credit	12	**344,926**	310,810
Profit for the period		**1,104,104**	992,119
Attributable to:			
Equity holders of the Bank		**1,032,660**	915,419
Non-controlling interests		**71,444**	76,700
		1,104,104	992,119
Earnings per share (RMB yuan)			
Basic and diluted	14	**0.06**	0.05

Details of the dividends declared and paid or proposed are disclosed in note 13 to these condensed consolidation interim financial information.

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Comprehensive Income

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	For the six-month period ended 30 June	
		2026	2025
		Unaudited	Unaudited
Profit for the period		**1,104,104**	992,119
Other comprehensive income/(expense), (after tax, net):			
Other comprehensive expense:	36	**(153,058)**	(598,791)
Items that will not be reclassified to profit or loss			
– Net gains/(losses) on investments in equity instruments designated at fair value through other comprehensive income		**27,556**	(6,761)
Items that may be reclassified subsequently to profit or loss			
– Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income		**234,330**	(356,173)
– Allowance for credit impairment on investments in debt instruments measured at fair value through other comprehensive income		**(2,235)**	45,079
– Reclassified to profit or loss upon disposal		**(412,709)**	(280,936)
Subtotal of other comprehensive expense for the period, net of tax		**(153,058)**	(598,791)
Total comprehensive income for the period		**951,046**	393,328
Total comprehensive income attributable to:			
Equity holders of the Bank		**879,581**	316,628
Non-controlling interests		**71,465**	76,700
Total		**951,046**	393,328

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	As at 30 June 2026	As at 31 December 2025
		Unaudited	Audited
Assets			
Cash and balances with the central bank	15	**95,352,026**	99,275,225
Due from banks and other financial institutions	16	**26,714,958**	21,138,574
Reverse repurchase agreements	17	**199,949**	–
Loans and advances to customers	18	**401,162,657**	394,261,733
Derivative financial assets	19	**283,866**	271,028
Financial investments	20	**448,538,411**	457,970,355
– financial assets at fair value through profit or loss	(a)	**84,375,179**	81,635,815
– financial assets at fair value through other comprehensive income	(b)	**55,072,878**	83,485,487
– financial assets at amortised cost	(c)	**309,090,354**	292,849,053
Finance lease receivables	21	**27,349,167**	24,102,510
Property and equipment	22	**7,224,371**	7,393,310
Deferred income tax assets	23	**8,560,571**	7,918,502
Other assets	24	**10,478,555**	6,887,730
		1,025,864,531	1,019,218,967
Assets of a disposal group classified as held for sale	25	**–**	121,070
Total assets		**1,025,864,531**	1,019,340,037
Liabilities			
Due to the central bank	26	**16,043,902**	11,512,492
Borrowings from banks and other financial institutions	27	**34,795,508**	29,305,817
Due to banks and other financial institutions	28	**77,255,528**	48,590,808
Derivative financial liabilities	19	**283,795**	271,028
Repurchase agreements	29	**33,481,761**	54,142,757
Due to customers	30	**740,829,394**	738,578,783
Income tax payable		**255,792**	396,614
Debt securities issued	31	**47,532,282**	55,830,222
Other liabilities	32	**18,059,811**	15,808,427
		968,537,773	954,436,948
Liabilities directly associated with the assets classified as held for sale	25	**–**	120,334
Total liabilities		**968,537,773**	954,557,282

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	As at 30 June 2026	As at 31 December 2025
		Unaudited	Audited
Equity			
Share capital	33	**10,995,600**	10,995,600
Other equity instruments	34	**3,699,177**	11,699,007
Capital reserves	35	**7,594,419**	7,591,470
Other comprehensive income	36	**(57,986)**	95,093
Surplus reserves	37	**4,133,408**	4,133,408
General and regulatory reserves	38	**10,547,287**	10,297,176
Undistributed profits	39	**17,877,713**	17,479,164
Equity attributable to equity holders of the Bank		**54,789,618**	62,290,918
Non-controlling interests		**2,537,140**	2,491,837
Total equity		**57,326,758**	64,782,755
Total equity and liabilities		**1,025,864,531**	1,019,340,037

DENG Xinquan	**YAO Chunhe**	**YANG Dazhi**	**Liang Xinxin**
Chairman	President	Assistant to the President (in Charge of Finance)	General Manager of Finance and Accounting Department

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

		Unaudited								
		Equity attributable to equity holders of the Bank								
			Other equity instruments							
	Notes	Share capital	Perpetual bonds	Capital reserves	Other comprehensive income	Surplus reserves	General and regulatory reserves	Undistributed profits	Non-controlling interests	Total
Balance at 1 January 2026		10,995,600	11,699,007	7,591,470	95,093	4,133,408	10,297,176	17,479,164	2,491,837	64,782,755
Movements in this period		-	(7,999,830)	2,949	(153,079)	-	250,111	398,549	45,303	(7,455,997)
Total comprehensive income	36	-	-	-	(153,079)	-	-	1,032,660	71,465	951,046
Acquisition of non-controlling interests		-	-	3,119	-	-	-	-	(26,137)	(23,018)
Profit distribution		-	-	-	-	-	250,111	(250,111)	-	-
1. Appropriation to surplus reserves		-	-	-	-	-	-	-	-	-
2. Appropriation to general and regulatory reserves	38	-	-	-	-	-	250,111	(250,111)	-	-
3. Distribution to shareholders		-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	41(1b)	-	-	-	-	-	-	-	(25)	(25)
Distribution of interests of perpetual bonds		-	-	-	-	-	-	(384,000)	-	(384,000)
Redemption of perpetual bonds	34	-	(7,999,830)	(170)	-	-	-	-	-	(8,000,000)
Balance at 30 June 2026		10,995,600	3,699,177	7,594,419	(57,986)	4,133,408	10,547,287	17,877,713	2,537,140	57,326,758

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

		Unaudited								
		Equity attributable to equity holders of the Bank								
			Other equity instruments							
	Notes	Share capital	Perpetual bonds	Capital reserves	Other comprehensive income	Surplus Reserves	General and regulatory reserves	Undistributed profits	Non-controlling interests	Total
Balance at 1 January 2025		10,995,600	11,699,007	7,657,284	1,478,246	4,017,540	9,197,649	18,116,609	2,434,413	65,596,348
Movements in this period		–	–	–	(598,791)	–	1,053,816	(522,397)	76,700	9,328
Total comprehensive income	36	–	–	–	(598,791)	–	–	915,419	76,700	393,328
Profit distribution		–	–	–	–	–	1,053,816	(1,053,816)	–	–
1. Appropriation to general and regulatory reserves	38	–	–	–	–	–	1,053,816	(1,053,816)	–	–
2. Distribution to shareholders		–	–	–	–	–	–	–	–	–
Distribution of interests of perpetual bonds		–	–	–	–	–	–	(384,000)	–	(384,000)
Balance at 30 June 2025		10,995,600	11,699,007	7,657,284	879,455	4,017,540	10,251,465	17,594,212	2,511,113	65,605,676

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

		Audited									
		Equity attributable to equity holders of the Bank									
			Other equity instruments								
	Notes	Share capital	Perpetual bonds	Capital reserves	Other comprehensive income	Surplus reserves	General and regulatory reserves	Undistributed profits	Non-controlling interests	Total
Balance at 1 January 2025		10,995,600	11,699,007	7,657,284	1,478,246	4,017,540	9,197,649	18,116,609	2,434,413	65,596,348
Movements in this year		–	–	(65,814)	(1,383,153)	115,868	1,099,527	(637,445)	57,424	(813,593)
Total comprehensive income	36	–	–	–	(1,383,153)	–	–	1,145,550	119,005	(118,598)
Acquisition of non-controlling interests		–	–	(6,886)	–	–	–	–	(19,781)	(26,667)
Profit distribution		–	–	–	–	115,868	1,099,527	(1,215,395)	(7,050)	(7,050)
1. Appropriation to surplus reserves	37	–	–	–	–	115,868	–	(115,868)	–	–
2. Appropriation to general and regulatory reserves	38	–	–	–	–	–	1,099,527	(1,099,527)	–	–
3. Distribution to shareholders		–	–	–	–	–	–	–	(7,050)	(7,050)
Disposal of a subsidiary	41(2b)	–	–	(58,928)	–	–	–	–	(34,750)	(93,678)
Distribution of interests of perpetual bonds		–	–	–	–	–	–	(567,600)	–	(567,600)
Balance at 31 December 2025		10,995,600	11,699,007	7,591,470	95,093	4,133,408	10,297,176	17,479,164	2,491,837	64,782,755

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	For the six-month period ended 30 June	
		2026	2025
		Unaudited	Unaudited
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES			
Profit before tax		**759,178**	681,309
Adjustments for:			
Depreciation and amortisation	9	**301,564**	333,750
Net trading gains	6	**(766,345)**	(383,011)
Dividend income	7	**(332)**	(1,098)
Interest income on financial investments	4	**(3,681,848)**	(4,720,431)
Credit impairment losses	10	**4,725,637**	4,456,983
Other assets impairment losses	11	**–**	1,762
Unrealised foreign exchange losses/(gains)		**72,338**	(334)
Interest expense on debt securities issued	4	**407,419**	454,116
Gains on disposal of a subsidiary	8	**(6)**	–
Interest expense on lease liabilities	4	**4,386**	5,753
Accrued interest on impaired loans	4	**(363,181)**	(309,216)
Net gains on disposal of financial investments	7	**(2,407,213)**	(2,304,074)
Net gains on disposal of property and equipment	8	**(83)**	(1,802)
		(948,486)	(1,786,293)
Net (increase)/decrease in operating assets:			
Due from the central bank		**(434,696)**	1,973,534
Due from banks and other financial institutions		**(908,540)**	(2,609,404)
Loans and advances to customers		**(13,712,387)**	(20,029,746)
Finance lease receivables		**(3,200,194)**	(2,207,520)
Other assets		**591,346**	(399,227)
		(17,664,471)	(23,272,363)
Net increase/(decrease) in operating liabilities:			
Due to the central bank		**4,508,980**	1,518,850
Borrowings from banks and other financial institutions		**5,496,847**	4,560,401
Due to banks and other financial institutions		**28,341,082**	(4,533,424)
Repurchase agreements		**(20,583,343)**	(3,959,217)
Due to customers		**5,326,952**	1,376,510
Other liabilities		**(1,722,869)**	1,925,943
		21,367,649	889,063
Net cash flows from/(used in) operating activities before tax		**2,754,692**	(24,169,593)
Income tax paid		**(394,634)**	(428,496)
Net cash flows from/(used in) operating activities		**2,360,058**	(24,598,089)

The accompanying notes form an integral part of these condensed consolidation interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2026

(Amount in thousands of RMB, unless otherwise stated)

	Notes	For the six-month period ended 30 June 2026	2025
		Unaudited	Unaudited
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Purchases of items of property and equipment, intangible assets and other long term assets		**(49,290)**	(57,127)
Proceeds from disposal of property and equipment		**451**	19,802
Cash outflow for disposal of a subsidiary	41(1c)	**(7,809)**	–
Cash paid for investments		**(350,888,200)**	(245,426,585)
Proceeds from sale and redemption of investments		**359,293,075**	234,485,246
Return on investments		**6,851,626**	8,014,587
Net cash flows from/(used in) investing activities		**15,199,853**	(2,964,077)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from issue of other debt securities		**80,470,000**	101,750,000
Payment for redemption of perpetual bonds		**(8,000,000)**	–
Payment for redemption of debt securities		**(87,910,000)**	(92,130,000)
Interest and issue expenses paid on debt securities		**(1,265,359)**	(384,921)
Dividends or interest paid to holders of other equity instruments		**(384,000)**	(384,000)
Payment for lease liabilities		**(68,053)**	(83,589)
Payment for the acquisition of non-controlling interests in subsidiaries		**(23,018)**	–
Net cash flows (used in)/from financing activities		**(17,180,430)**	8,767,490
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**379,481**	(18,794,676)
Cash and cash equivalents at the beginning of the period		**74,481,124**	76,019,116
Effect of exchange rate changes on cash and cash equivalents		**4,751**	7,069
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	40	**74,865,356**	57,231,509
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Interest received		**9,086,917**	9,403,565
Interest paid		**(8,043,534)**	(9,251,527)

The accompanying notes form an integral part of these condensed consolidation interim financial information.

(Amount in thousands of RMB, unless otherwise stated)

1. CORPORATE INFORMATION AND GROUP STRUCTURE

Harbin Bank Co., Ltd. (the "Bank") is a joint-stock commercial bank established on 25 July 1997 based on the authorisation of the People's Bank of China ("PBOC") designated as YinFu [1997] No.69 "Approval upon the opening of Harbin Urban Cooperative Bank".

The Bank obtained its finance permit No. B0306H223010001 from the China Banking and Insurance Regulatory Commission ("CBIRC") (In 2023, the regulator was renamed as the National Financial Regulatory Administration, hereinafter referred to as the "NFRA") of the PRC. The Bank obtained its business licence No. 912301001275921118 from the Market Supervision and Administration Bureau of Harbin. As at 30 June 2026, the legal representative is Deng Xinquan and the registered office is located at No. 888 Shangjiang Street, Daoli District, Harbin, PRC.

The principal activities of the Bank and its subsidiaries (collectively referred to as the "Group") comprise deposit services, loan services, payment and settlement services and financial leasing services, as well as other financial services approved by the NFRA.

The subsidiaries of the Bank as at 30 June 2026 are as follows:

Company name	Place of incorporation/ registration and operations	Nominal value of issued share/paid-up capital	Percentage of interest owned by the Bank/ voting rights	Amount invested by the Bank	Principal activities
			%		
Huining Huishi Village and Township Bank Co., Ltd.	Huining, Gansu	30,000	100.00	30,000	Village and township bank
Beijing Huairou Rongxing Village and Township Bank Co., Ltd.	Huairou, Beijing	200,000	90.00	225,067	Village and township bank
Yushu Rongxing Village and Township Bank Co., Ltd.	Yushu, Jilin	30,000	100.00	30,000	Village and township bank
Shenzhen Baoan Rongxing Village and Township Bank Co., Ltd.	Baoan, Shenzhen	220,000	70.00	140,000	Village and township bank
Suining Anju Rongxing Village and Township Bank Co., Ltd.	Suining, Sichuan	80,000	75.00	60,000	Village and township bank
Yanshi Rongxing Village and Township Bank Co., Ltd.	Luoyang, Henan	90,000	100.00	90,000	Village and township bank
Leping Rongxing Village and Township Bank Co., Ltd.	Leping, Jiangxi	294,000	100.00	294,000	Village and township bank
Honghu Rongxing Village and Township Bank Co., Ltd.	Honghu, Hubei	30,000	100.00	30,000	Village and township bank
Zhuzhou County Rongxing Village and Township Bank Co., Ltd.	Zhuzhou, Hunan	55,000	80.00	40,000	Village and township bank
Xin'an Rongxing Village and Township Bank Co., Ltd.	Xin'an, Henan	33,300	90.09	30,000	Village and township bank
Anyi Rongxing Village and Township Bank Co., Ltd.	Anyi, Jiangxi	60,000	100.00	30,000	Village and township bank

(Amount in thousands of RMB, unless otherwise stated)

1. CORPORATE INFORMATION AND GROUP STRUCTURE *(Continued)*

Company name	Place of incorporation/ registration and operations	Nominal value of issued share/paid-up capital	Percentage of interest owned by the Bank/ voting rights	Amount invested by the Bank	Principal activities
			%		
Yingcheng Rongxing Village and Township Bank Co., Ltd.	Yingcheng, Hubei	142,000	100.00	132,000	Village and township bank
Leiyang Rongxing Village and Township Bank Co., Ltd.	Leiyang, Hunan	160,000	100.00	160,000	Village and township bank
Hejian Ronghui Village and Township Bank Co., Ltd.	Hejian, Hebei	50,000	100.00	50,000	Village and township bank
Nehe Rongxing Village and Township Bank Co., Ltd.	Nehe, Heilongjiang	50,000	90.00	45,550	Village and township bank
Pingliang Kongtong Rongxing Village and Township Bank Co., Ltd.	Pingliang, Gansu	65,000	90.00	58,500	Village and township bank
Tianshui Maiji Rongxing Village and Township Bank Co., Ltd.	Tianshui, Gansu	50,000	98.00	49,000	Village and township bank
Zhongjiang Rongxing Village and Township Bank Co., Ltd.	Zhongjiang, Sichuan	50,000	70.00	35,000	Village and township bank
Chengdu Qingbaijiang Rongxing Village and Township Bank Co., Ltd.	Chengdu, Sichuan	100,000	70.00	70,000	Village and township bank
Langzhong Rongxing Village and Township Bank Co., Ltd.	Langzhong, Sichuan	50,000	90.00	45,000	Village and township bank
Harbin Bank Financial Leasing Co., Ltd.	Harbin, Heilongjiang	2,000,000	80.00	1,600,000	Leasing company
Harbin Bank Consumer Finance Co., Ltd.	Harbin, Heilongjiang	1,500,000	54.67	795,000	Consumer finance company

During the six-month period ended 30 June 2026, the major changes to the structure of the Group are as follows:

In January 2026, Hainan Baoting Rongxing Village and Township Bank Co., Ltd., a subsidiary of the Bank, received the “Request for Approval of the Preparatory Matters for the Absorption and Merger of Hainan Baoting Rongxing Village and Township Bank Co., Ltd. by Hainan Rural Commercial Bank Co., Ltd." (Qiong Jin Fu [2025] No. 136) from the Hainan Regulatory Bureau of the State Financial Supervision and Administration Commission, approving Hainan Rural Commercial Bank Co., Ltd. to absorb Hainan Baoting Rongxing Village and Township Bank Co., Ltd., and to assume the assets, liabilities, business and other rights and obligations of Hainan Baoting Rongxing Village and Township Bank Co., Ltd. after the asset verification and capitalisation. After the equity transfer is completed, Hainan Baoting Rongxing Village and Township Bank Co., Ltd. will cease to be consolidated within the Group. Details can be referred to Note 41.

Other than the major changes mentioned as above, the Group’s structure remained unchange during the six-month period ended 30 June 2026.

(Amount in thousands of RMB, unless otherwise stated)

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six-month period ended 30 June 2026 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") and should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

Except as described below, the principal accounting policies adopted in the preparation of the unaudited condensed consolidated interim financial information are consistent with those used in the Group's annual financial statements for the year ended 31 December 2025.

2.1 Standards and amendments effective in 2026

On 1 January 2026, the Group adopted the following new standards and amendments.

Standards	Subject of amendment
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	*Annual Improvements to IFRS Accounting Standards – Volume 11*

The adoption of the above standards and amendments does not have any significant impact on the operating results, financial position and comprehensive income of the Group.

2.2 Standards and amendments that are not yet effective and have not been early adopted by the Group in 2026

Standards	Subject of amendment	Effective for annual periods beginning on or after
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined
IFRS 20	*Regulatory assets and regulatory liabilities*	1 January 2029
Amendments to IAS 28	*Amendment to the Fair Value Option for Investment in Associates and Joint Ventures*	1 January 2027
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*	1 January 2027
IFRS 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*	1 January 2027

The Group has not early adopted any new standards and amendments that are not yet effective for the current accounting period. Except as described below, the application of the new standards and amendments will have no material impact on the result and the financial position of the Group.

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Standards and amendments that are not yet effective and have not been early adopted by the Group in 2026 *(Continued)*

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 'Presentation and Disclosure in Financial Statements', effective for annual reporting periods beginning on or after 1 January 2027. The new accounting standard aims to give users of financial statements more transparent and comparable information about a company's financial performance. It will replace IAS 1 'Presentation of Financial Statements' but carries over many requirements from this IAS unchanged. In addition, there are three sets of new requirements relating to the structure of the income statement, management defined performance measures and the aggregation and disaggregation of information.

While IFRS 18 will not change recognition criteria or measurement bases, it is expected to have an impact on presenting information in the financial statements. The Group has already commenced an assessment of the potential impact but is not yet in a position to state whether the impact will be material to the Group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The nature and assumptions related to the Group's accounting estimates are consistent with those adopted in the Group's annual financial statements for the year ended 31 December 2025.

(Amount in thousands of RMB, unless otherwise stated)

4. NET INTEREST INCOME

	For the six-month period ended 30 June	
	2026	2025
Interest income on:		
Loans and advances to customers	**7,715,865**	7,837,049
Including: – Corporate loans and advances	**4,324,991**	4,224,246
– Personal loans	**3,263,095**	3,395,804
– Discounted bills	**127,779**	216,999
Reverse repurchase agreements	**73,214**	48,210
Financial assets at fair value through other comprehensive income	**679,830**	1,006,972
Financial assets at amortised cost	**3,002,018**	3,713,459
Due from the central bank	**310,416**	324,721
Due from banks and other financial institutions	**214,548**	417,621
Finance lease receivables	**772,874**	775,964
Subtotal	**12,768,765**	14,123,996
Interest expense on:		
Due to customers	**(6,821,464)**	(8,363,953)
Repurchase agreements	**(272,104)**	(218,529)
Due to banks and other financial institutions	**(764,281)**	(386,660)
Debt securities issued	**(407,419)**	(454,116)
Due to the central bank	**(92,679)**	(45,934)
Borrowings from banks and other financial institutions	**(93,006)**	(236,451)
Lease liabilities	**(4,386)**	(5,753)
Subtotal	**(8,455,339)**	(9,711,396)
Net interest income	**4,313,426**	4,412,600
Including: interest income on impaired loans	**363,181**	309,216

(Amount in thousands of RMB, unless otherwise stated)

5. NET FEE AND COMMISSION INCOME

	For the six-month period ended 30 June	
	2026	2025
Fee and commission income:		
Advisory and consulting fees	**92,555**	52,903
Agency services fees	**129,630**	130,614
Including: wealth management products	**74,595**	79,666
Bank card fees	**69,632**	87,978
Settlement and clearing fees	**77,708**	62,054
Others	**17,119**	19,334
Subtotal	**386,644**	352,883
Fee and commission expense:		
Settlement and clearing fees	**(21,300)**	(13,614)
Agency fees	**(1,010)**	(6,792)
Bank card fees	**(12,605)**	(12,150)
Others	**(62,559)**	(51,080)
Subtotal	**(97,474)**	(83,636)
Net fee and commission income	**289,170**	269,247

6. NET TRADING INCOME

	For the six-month period ended 30 June	
	2026	2025
Financial assets at fair value through profit or loss	**766,345**	383,011

The above amounts mainly include gains and losses arising from the purchase and sale of, interest income and changes in the fair value of financial assets at fair value through profit or loss.

(Amount in thousands of RMB, unless otherwise stated)

7. NET GAINS ON FINANCIAL INVESTMENTS

	For the six-month period ended 30 June	
	2026	2025
Gains on disposal of financial assets at amortised cost, net	**1,667,051**	1,955,621
Gains on disposal of financial assets at fair value through other comprehensive income, net	**740,162**	348,453
Dividends from equity investments at fair value through other comprehensive income	**332**	1,098
Total	**2,407,545**	2,305,172

8. OTHER OPERATING INCOME, NET

	For the six-month period ended 30 June	
	2026	2025
Gains on sale of property and equipment	**83**	1,802
(Losses)/gains on foreign exchange, net	**(67,587)**	7,403
Leasing income	**17,728**	5,357
Government grants and subsidies	**1,825**	2,473
Gains on disposal of a subsidiary	**6**	–
Others	**(8,590)**	(1,624)
Total	**(56,535)**	15,411

(Amount in thousands of RMB, unless otherwise stated)

9. OPERATING EXPENSES

	For the six-month period ended 30 June	
	2026	2025
Staff costs:		
Salaries, bonuses and allowances	**614,201**	550,154
Social insurance	**270,087**	229,389
Housing fund	**92,143**	87,417
Staff benefits	**(587)**	30,956
Labour union expenditure and education costs	**13,474**	13,095
Early retirement benefits	**1,768**	6,868
Subtotal	**991,086**	917,879
General and administrative expenses	**721,784**	782,691
Tax and surcharges	**141,362**	126,873
Depreciation and amortisation	**301,564**	333,750
Leasing expense	**42,132**	30,966
Auditors' remuneration	**1,780**	1,800
Others	**35,428**	51,428
Total	**2,235,136**	2,245,387

10. CREDIT IMPAIRMENT LOSSES

	For the six-month period ended 30 June	
	2026	2025
Provision for/(reversal of) impairment losses on:		
Loans and advances to customers at amortised cost	**7,147,313**	3,425,857
Financial investments at amortised cost	**(3,161,193)**	815,449
Financial assets at fair value through other comprehensive income	**(2,982)**	60,105
Finance lease receivables	**212,321**	164,811
Other assets	**530,178**	(9,239)
Total	**4,725,637**	4,456,983

(Amount in thousands of RMB, unless otherwise stated)

11. OTHER ASSETS IMPAIRMENT LOSSES

	For the six-month period ended 30 June	
	2026	2025
Impairment losses on repossessed assets	**–**	1,762

12. INCOME TAX CREDIT

(a) Income tax

	For the six-month period ended 30 June	
	2026	2025
Current income tax	**246,075**	472,770
Deferred income tax	**(591,001)**	(783,580)
Total	**(344,926)**	(310,810)

(b) Reconciliation between income tax and accounting profit

The income tax of the Group's institutions has been provided at the statutory rate of 25% or 15%. A reconciliation of the income tax credit applicable to profit before tax at the PRC statutory income tax rate to income tax credit at the Group's effective income tax rate is as follows:

	For the six-month period ended 30 June	
	2026	2025
Profit before tax	**759,178**	681,309
Tax at the PRC statutory income tax rate	**189,795**	170,327
Items not deductible for tax purposes	**329,611**	178,520
Non-taxable income (i)	**(813,378)**	(620,138)
Adjustment for income tax from prior years	**(2,483)**	31,951
Effect of different tax rates for certain subsidiaries	**(11,275)**	(9,918)
Effect of unrecognised tax deductible losses	**58,804**	34,448
Others	**(96,000)**	(96,000)
Income tax credit at the Group's effective income tax rate	**(344,926)**	(310,810)

Notes:

(i) The non-taxable income mainly represents interest income arising from the PRC government bonds and local government bonds and public fund dividends, which are exempted from income tax under Chinese tax regulations.

12. INCOME TAX CREDIT *(Continued)*

(c) Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules

As at 30 June 2026, the implementation of Pillar Two model rules has no significant impact on the Group's condense consolidated interim financial statements.

13. DIVIDENDS

The Bank proposed not to distribute any dividend for the years ended 31 December 2025 and 2024.

14. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following:

	For the six-month period ended 30 June	
	2026	2025
Net profit attributable to equity holders of the Bank	**1,032,660**	915,419
Less: Distribution of interests of perpetual bonds	**(384,000)**	(384,000)
Net profit attributable to ordinary shareholders of the Bank	**648,660**	531,419
Shares：		
Weighted average number of ordinary shares in issue (expressed in thousands) at the end of the period	**10,995,600**	10,995,600
Basic and diluted earnings per share (expressed in RMB per share)	**0.06**	0.05

The Group had no potentially dilutive ordinary shares for the six-month period ended 30 June 2026 (for the six-month period ended 30 June 2025: Nil).

Basic earnings per share for the six-month period ended 30 June 2026 and 2025 were computed by dividing distributions on non-cumulative perpetual bonds declared for the period was deducted from the amounts attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year. The Bank has declared an interest of RMB384 million on perpetual bonds during the six-month period ended 30 June 2026 (for the six-month period ended 30 June 2025: RMB384 million).

(Amount in thousands of RMB, unless otherwise stated)

15. CASH AND BALANCES WITH THE CENTRAL BANK

	30 June 2026	31 December 2025
Cash	**973,620**	833,985
Mandatory reserves with the central bank (i)	**36,723,610**	36,264,851
Surplus reserves with the central bank (ii)	**57,535,187**	62,039,118
Fiscal deposits with the central bank	**103,901**	119,439
Subtotal	**95,336,318**	99,257,393
Accrued interest	**15,708**	17,832
Total	**95,352,026**	99,275,225

(i) The Group is required to place mandatory reserve deposits with the PBOC. Mandatory reserve deposits with the central bank are not available for use in the Group's daily operations. As at 30 June 2026 and 31 December 2025, the mandatory deposit reserve ratios of the branches and subsidiaries of the Bank in respect of customer deposits denominated in RMB and foreign currencies were consistent with the requirements of the PBOC.

(ii) Surplus reserves with the central bank mainly include funds for the purpose of cash settlement.

16. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	31 December 2025
Nostro accounts:		
Banks operating in Mainland China	**16,590,931**	12,053,965
Other financial institutions operating in Mainland China	**42,056**	39,744
Banks operating outside Mainland China	**120,383**	176,815
Subtotal	**16,753,370**	12,270,524
Accrued interest	**55,831**	27,918
Less: Allowance for impairment losses	**(12,640)**	(20,512)
Subtotal	**16,796,561**	12,277,930
Placements with banks and other financial institutions:		
Banks operating in Mainland China	**1,437,481**	363,259
Other financial institutions operating in Mainland China	**8,400,000**	8,500,000
Subtotal	**9,837,481**	8,863,259
Accrued interest	**97,338**	24,748
Less: Allowance for impairment losses	**(16,422)**	(27,363)
Subtotal	**9,918,397**	8,860,644
Total	**26,714,958**	21,138,574

(Amount in thousands of RMB, unless otherwise stated)

16. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS *(Continued)*

As at 30 June 2026 and 31 December 2025, all the amounts due from banks and other financial institutions of the Group were in Stage 1 and measured the impairment losses based on expected credit loss ("ECL") in the next 12 months.

17. REVERSE REPURCHASE AGREEMENTS

	30 June 2026	31 December 2025
Reverse repurchase agreements analysed by counterparty:		
Other financial institutions in Mainland China	**200,000**	–
Accrued interest	**8**	–
Less: Allowance for impairment losses	**(59)**	–
Total	**199,949**	–
Reverse repurchase agreements analysed by collateral:		
Bonds	**200,000**	–
Accrued interest	**8**	–
Less: Allowance for impairment losses	**(59)**	–
Total	**199,949**	–

As at 30 June 2026, reverse repurchase agreements were in stage 1 and measured the impairment losses based on ECLs in the next 12 months. As at 31 December 2025, no reverse repurchase agreements.

18. LOANS AND ADVANCES TO CUSTOMERS

18.1 Analysis of loans and advances to customers by measurement category

	30 June 2026	31 December 2025
Loans and advances measured at amortised cost		
– Corporate loans and advances	**251,989,448**	239,426,104
– Personal loans	**115,395,648**	116,432,222
Subtotal	**367,385,096**	355,858,326
Loans and advances measured at fair value through other comprehensive income		
– Discounted bills and forfaiting	**55,164,721**	54,767,103
Total loans and advances to customers	**422,549,817**	410,625,429
Accrued interest	**6,556,338**	6,421,317
Less: Allowance for impairment losses	**(27,943,498)**	(22,785,013)
Loans and advances to customers, net	**401,162,657**	394,261,733

(Amount in thousands of RMB, unless otherwise stated)

18. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

18.1 Analysis of loans and advances to customers by measurement category *(Continued)*

As at 30 June 2026, loans and advances to customers measured at fair value through other comprehensive income of the Group amounted to RMB55,164,721 thousand were in stage 1 and the corresponding accumulated allowance for impairment losses on the above-mentioned loans and advances to customers amounted to RMB22,565 thousand. As at 31 December 2025, loans and advances to customers measured at fair value through other comprehensive income of the Group amounted to RMB54,767,103 thousand were in stage 1 and the corresponding accumulated allowance for impairment losses on the above-mentioned loans and advances to customers amounted to RMB9,870 thousand.

18.2 Analysis of loans and advances to customers by industry, collateral type and analysis of overdue loans and advances to customers are presented in Note 48 (a).

18.3 Analysis of loans and advances to customers

	As at 30 June 2026			
	Stage 1 (12-month ECL)	**Stage 2 (Lifetime ECL)**	**Stage 3 (Lifetime ECL–impaired)**	**Total**
Total loans and advances at amortised cost	**291,628,269**	**32,142,028**	**43,614,799**	**367,385,096**
Accrued interest	**5,627,430**	**700,820**	**228,088**	**6,556,338**
Allowance for impairment losses at amortised cost	**(6,626,959)**	**(6,719,019)**	**(14,597,520)**	**(27,943,498)**
Loans and advances to customers at amortised cost, net	**290,628,740**	**26,123,829**	**29,245,367**	**345,997,936**

	As at 31 December 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
Total loans and advances at amortised cost	291,461,286	26,725,967	37,671,073	355,858,326
Accrued interest	5,509,076	355,874	556,367	6,421,317
Allowance for impairment losses at amortised cost	(4,046,672)	(4,636,433)	(14,101,908)	(22,785,013)
Loans and advances to customers at amortised cost, net	292,923,690	22,445,408	24,125,532	339,494,630

(Amount in thousands of RMB, unless otherwise stated)

18. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

18.4 Movements in allowance for impairment losses of loan and advances to customers at amortised cost during the period/year are as follows:

	For the six-month period ended 30 June 2026			
	Stage 1 (12-month ECL)	**Stage 2 (Lifetime ECL)**	**Stage 3 (Lifetime ECL–impaired)**	**Total**
As at 1 January 2026	**4,046,672**	**4,636,433**	**14,101,908**	**22,785,013**
Charge for the period	**3,058,102**	**1,372,540**	**2,716,671**	**7,147,313**
Write-offs and transferred for the period	**–**	**–**	**(1,869,887)**	**(1,869,887)**
Stage conversion	**(477,815)**	**710,046**	**(232,231)**	**–**
Converted to Stage 1	**12,513**	**(10,956)**	**(1,557)**	**–**
Converted to Stage 2	**(284,214)**	**1,112,773**	**(828,559)**	**–**
Converted to Stage 3	**(206,114)**	**(391,771)**	**597,885**	**–**
Recovery of loans and advances previously written off	**–**	**–**	**244,228**	**244,228**
Exchange difference	**–**	**–**	**12**	**12**
Accrued interest on impaired loans	**–**	**–**	**(363,181)**	**(363,181)**
As at 30 June 2026	**6,626,959**	**6,719,019**	**14,597,520**	**27,943,498**

During the six-month period ended 30 June 2026, the changes in the loan principal of loans and advances to customers that had a significant impact on the Group's impairment provisions were mainly due to the credit business in China, including the loan principal transferred from stage 1 to stage 2 and stage 3 was RMB8,402 million. The loan principal transferred from stage 2 to stage 3 was RMB1,445 million. The loan principal transferred from stage 2 to stage 1 was RMB497 million. The loan principal transferred from stage 3 to stage 1 was RMB2,506 million. The impairment provision caused by the transfer of stage 1 to stage 3, transfer of stage 3 to stage 1 and stage 2 are not material.

During the six-month period ended 30 June 2026, the Group did not transferred loans and advances to independent third parties.

(Amount in thousands of RMB, unless otherwise stated)

18. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

18.4 Movements in allowance for impairment losses of loan and advances to customers at amortised cost during the period/year are as follows: *(Continued)*

	For the year ended 31 December 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
As at 1 January 2025	3,713,686	3,683,364	14,395,517	21,792,567
Charge for the year	1,292,945	784,757	2,749,390	4,827,092
Write-offs and transferred for the year	–	–	(3,754,239)	(3,754,239)
Stage conversion	(955,192)	176,056	779,136	–
Converted to Stage 1	104,076	(97,165)	(6,911)	–
Converted to Stage 2	(108,714)	1,150,923	(1,042,209)	–
Converted to Stage 3	(950,554)	(877,702)	1,828,256	–
Recovery of loans and advances previously written off	–	–	561,715	561,715
Transfer to assets of a disposal group classified as held for sale	(32)	(4,079)	(31,585)	(35,696)
Disposal of a subsidiary	(4,543)	(3,665)	(9,924)	(18,132)
Exchange difference	(192)	–	(17)	(209)
Accrued interest on impaired loans	–	–	(588,085)	(588,085)
As at 31 December 2025	4,046,672	4,636,433	14,101,908	22,785,013

During the year ended 31 December 2025, the changes in the loan principal of loans and advances to customers that had a significant impact on the Group's impairment provisions were mainly due to the credit business in China, including the loan principal transferred from stage 1 to stage 2 and stage 3 was RMB7,400 million. The loan principal transferred from stage 2 to stage 3 was RMB5,776 million. The loan principal transferred from stage 2 to stage 1 was RMB1,934 million. The loan principal transferred from stage 3 to stage 1 and stage 2 was RMB4,475 million. The impairment provision caused by the transfer of stage 1 to stage 3, transfer of stage 3 to stage 1 and stage 2 are not material.

During the year ended 31 December 2025, the Group transferred loans and advances amount of RMB945 million to independent third parties and the transfer price was RMB501 million.

(Amount in thousands of RMB, unless otherwise stated)

19. DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into derivative financial instruments related to interest rate, currency rate and price of precious metal, for trading and on behalf of customers.

The contractual/notional amounts of financial instruments provide a basis for comparison with fair value instruments recognised on the statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in interest rates, currency rates and prices of precious metal relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time. The contractual/notional amounts and fair values of derivative instruments held by the Group are set out in the following tables:

	30 June 2026			31 December 2025		
	Contractual/ notional amount	**Fair value**		Contractual/ notional amount	Fair value	
		Assets	**Liabilities**		Assets	Liabilities
Foreign exchange forwards and swaps	**17,536**	**71**	**–**	–	–	–
Option contracts	**42,609,770**	**283,795**	**(283,795)**	38,863,004	271,028	(271,028)
Total	**42,627,306**	**283,866**	**(283,795)**	38,863,004	271,028	(271,028)

20. FINANCIAL INVESTMENTS

(a) Financial assets at fair value through profit or loss

	30 June 2026	31 December 2025
Corporate debt securities	**98,394**	98,671
Trust investments and asset management plans (i)	**50,894,245**	47,057,264
Subtotal	**50,992,639**	47,155,935
Equity instruments	**230,399**	241,736
Funds	**33,152,141**	34,238,144
Total	**84,375,179**	81,635,815

As at 30 June 2026 and 31 December 2025, no debt securities measured at fair value through profit or loss were pledged.

(i) The Group classified the trust investments and asset management plans that could not pass the SPPI testing as financial assets at fair value through profit or loss.

(Amount in thousands of RMB, unless otherwise stated)

20. FINANCIAL INVESTMENTS *(Continued)*

(b) Financial assets at fair value through other comprehensive income

	30 June 2026	31 December 2025
Government debt securities	**39,741,872**	63,608,523
Policy bank debt securities	**8,806,742**	12,646,876
Financial institution debt securities	**685,942**	374,460
Corporate debt securities	**739,908**	1,513,037
Subtotal	**49,974,464**	78,142,896
Equity investments	**4,504,391**	4,476,022
Accrued interest	**594,023**	866,569
Net balance	**55,072,878**	83,485,487

As at 30 June 2026, all debt securities at fair value through other comprehensive income were in stage 1 and the corresponding accumulated allowance for impairment losses amounted to RMB56,430 thousand. As at 31 December 2025, all debt securities at fair value through other comprehensive income were in stage 1 and the corresponding accumulated allowance for impairment losses amounted to RMB72,107 thousand.

As at 30 June 2026, debt securities of RMB4,161,443 thousand, RMB4,656,194 thousand and RMB3,179,249 thousand at fair value through other comprehensive income of the Group were pledged in time deposits, repurchase agreements and due to the central bank respectively. As at 31 December 2025, debt securities of RMB10,960,847 thousand, RMB8,116,951 thousand and RMB2,696,005 thousand at fair value through other comprehensive income of the Group were pledged in fixed time deposits, repurchase agreements and due to the central bank respectively.

The Group irrevocably designated parts of its equity investments and classified as financial assets at fair value through other comprehensive income.

(Amount in thousands of RMB, unless otherwise stated)

20. FINANCIAL INVESTMENTS *(Continued)*

(b) Financial assets at fair value through other comprehensive income *(Continued)*

Movements in allowance for impairment losses of debt securities of financial assets at fair value through other comprehensive income during the period/year are summarised as follows:

	For the six-month period ended 30 June 2026			
	Stage 1 (12-month ECL)	**Stage 2 (Lifetime ECL)**	**Stage 3 (Lifetime ECL–impaired)**	**Total**
As at 1 January 2026	**72,107**	**–**	**–**	**72,107**
Reversal for the period	**(15,677)**	**–**	**–**	**(15,677)**
As at 30 June 2026	**56,430**	**–**	**–**	**56,430**

	For the year ended 31 December 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
As at 1 January 2025	25,077	–	–	25,077
Charge for the year	47,030	–	–	47,030
As at 31 December 2025	72,107	–	–	72,107

(Amount in thousands of RMB, unless otherwise stated)

20. FINANCIAL INVESTMENTS *(Continued)*

(c) Financial assets at amortised cost

	30 June 2026	31 December 2025
Government debt securities	**239,786,942**	217,311,937
Policy bank debt securities	**7,419,535**	5,439,842
Financial institution debt securities	**760,000**	1,360,000
Corporate debt securities	**24,261,422**	30,059,025
Inter-bank certificates of deposits	**1,318,431**	326,060
Trust investments and asset management plans	**35,998,875**	42,118,780
Subtotal	**309,545,205**	296,615,644
Accrued interest	**7,011,319**	6,860,772
Allowance for impairment losses	**(7,466,170)**	(10,627,363)
Net balance	**309,090,354**	292,849,053

As at 30 June 2026, debt securities of RMB96,161,004 thousand, RMB7,116,330 thousand and RMB44,075,672 thousand at amortised cost of the Group were pledged in time deposits, repurchase agreements and due to the central bank respectively.

As at 31 December 2025, debt securities of RMB68,373,399 thousand, RMB28,012,330 thousand, RMB13,612,141 thousand and RMB329,775 thousand at amortised cost of the Group were pledged in fixed time deposits, repurchase agreements, due to central bank and debt securities lending and borrowing agreements respectively.

(Amount in thousands of RMB, unless otherwise stated)

20. FINANCIAL INVESTMENTS *(Continued)*

(c) Financial assets at amortised cost *(Continued)*

Movements in allowance for impairment losses on financial assets at amortised cost during the period/year are summarised as follows:

	For the six-month period ended 30 June 2026			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
As at 1 January 2026	1,141,205	–	9,486,158	10,627,363
Reversal for the period	(91,973)	–	(3,069,220)	(3,161,193)
Write-offs	–	–	–	–
Stage conversion	(323,163)	–	323,163	–
Converted to Stage 1	–	–	–	–
Converted to Stage 2	–	–	–	–
Converted to Stage 3	(323,163)	–	323,163	–
Recovery of financial assets at amortised cost previously written off	–	–	–	–
As at 30 June 2026	726,069	–	6,740,101	7,466,170

	For the year ended 31 December 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
As at 1 January 2025	591,201	78,521	7,000,475	7,670,197
Charge/(reversal) for the year	550,004	(56,510)	2,471,306	2,964,800
Write-offs	–	–	(7,963)	(7,963)
Stage conversion	–	(22,011)	22,011	–
Converted to Stage 1	–	–	–	–
Converted to Stage 2	–	–	–	–
Converted to Stage 3	–	(22,011)	22,011	–
Recovery of financial assets at amortised cost previously written off	–	–	329	329
As at 31 December 2025	1,141,205	–	9,486,158	10,627,363

(Amount in thousands of RMB, unless otherwise stated)

21. FINANCE LEASE RECEIVABLES

	30 June 2026	31 December 2025
Finance lease receivables	**30,907,019**	27,431,962
Less: unearned finance lease income	**(2,209,525)**	(1,934,662)
Finance lease receivables, net	**28,697,494**	25,497,300
Accrued interest	**191,285**	175,789
Less: Allowance for impairment losses	**(1,539,612)**	(1,570,579)
Net balance	**27,349,167**	24,102,510

As at 30 June 2026, the Group divided finance lease receivables into stage 1, stage 2 and stage 3. The gross amounts were RMB27,547,218 thousand, RMB440,236 thousand, and RMB901,325 thousand respectively, and allowances for impairment losses were RMB675,113 thousand, RMB119,854 thousand, and RMB744,645 thousand, respectively.

As at 31 December 2025, the Group divided finance lease receivables into stage 1, stage 2 and stage 3. The gross amounts were RMB24,074,852 thousand, RMB466,448 thousand, and RMB1,131,789 thousand respectively, and allowances for impairment losses were RMB512,277 thousand, RMB120,954 thousand and RMB937,348 thousand respectively.

As at 30 June 2026, the fair value of collateral that the Group holds relating to finance lease receivables amounted to RMB12,882,215 thousand (As at 31 December 2025: RMB24,955,454 thousand). The collateral mainly consists of right to charge for tourist attractions, provision of other public services and other receivables.

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

	30 June 2026			31 December 2025		
	Finance lease receivables	Unearned finance lease income	Finance lease receivables, net	Finance lease receivables	Unearned finance lease income	Finance lease receivables, net
Less than 1 year	**15,469,732**	**(1,343,870)**	**14,125,862**	20,186,811	(1,702,101)	18,484,710
1 year to 2 years	**9,929,146**	**(638,466)**	**9,290,680**	4,773,482	(166,310)	4,607,172
2 years to 3 years	**4,593,935**	**(189,225)**	**4,404,710**	1,985,367	(49,618)	1,935,749
3 years to 5 years	**912,904**	**(37,940)**	**874,964**	485,269	(16,619)	468,650
More than 5 years	**1,302**	**(24)**	**1,278**	1,033	(14)	1,019
Total	**30,907,019**	**(2,209,525)**	**28,697,494**	27,431,962	(1,934,662)	25,497,300

(Amount in thousands of RMB, unless otherwise stated)

21. FINANCE LEASE RECEIVABLES *(Continued)*

Movements in allowance for impairment losses of finance lease receivables during the period/year are summarised are as follows:

	For the six-month period ended 30 June 2026			
	Stage 1 (12-month ECL)	**Stage 2 (Lifetime ECL)**	**Stage 3 (Lifetime ECL–impaired)**	**Total**
As at 1 January 2026	**512,277**	**120,954**	**937,348**	**1,570,579**
Charge for the period	**160,568**	**131**	**51,622**	**212,321**
Stage conversion	**2,268**	**(1,231)**	**(1,037)**	**–**
Converted to Stage 1	**3,370**	**(1,019)**	**(2,351)**	**–**
Converted to Stage 2	**(405)**	**871**	**(466)**	**–**
Converted to Stage 3	**(697)**	**(1,083)**	**1,780**	**–**
Write-offs and transferred	**–**	**–**	**(243,288)**	**(243,288)**
Recovery of finance lease receivables previously written off	**–**	**–**	**–**	**–**
As at 30 June 2026	**675,113**	**119,854**	**744,645**	**1,539,612**

	For the year ended 31 December 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Lifetime ECL–impaired)	Total
As at 1 January 2025	429,848	389,229	446,002	1,265,079
Charge/(reversal) for the year	82,110	(59,356)	186,513	209,267
Stage conversion	319	(208,919)	208,600	–
Converted to Stage 1	1,653	(1,161)	(492)	–
Converted to Stage 2	(618)	1,211	(593)	–
Converted to Stage 3	(716)	(208,969)	209,685	–
Write-offs and transferred	–	–	(27,388)	(27,388)
Recovery of finance lease receivables previously written off	–	–	123,621	123,621
As at 31 December 2025	512,277	120,954	937,348	1,570,579

(Amount in thousands of RMB, unless otherwise stated)

22. PROPERTY AND EQUIPMENT

	Properties and buildings	Construction in progress	Leasehold improvements	Office equipment	Motor vehicle	Operating lease fixed assets	Total
Cost:							
At 1 January 2025	9,480,571	228,264	712,181	2,290,650	73,982	314,736	13,100,384
Additions	–	17,466	15,855	61,482	3,545	–	98,348
Transfer from construction in progress	–	(8,381)	–	8,381	–	–	–
Transfer to assets of a disposal group classified as held for sale	–	–	–	(3,160)	(1,412)	–	(4,572)
Disposal of a subsidiary	–	–	(553)	(3,988)	(533)	–	(5,074)
Disposals	–	(1,626)	–	(36,256)	(16,359)	(314,398)	(368,639)
At 31 December 2025 and 1 January 2026	9,480,571	235,723	727,483	2,317,109	59,223	338	12,820,447
Additions	3,204	9,393	46	11,858	879	–	25,380
Transfer from construction in progress	–	(4,366)	4,366	–	–	–	–
Disposals	–	–	–	(4,184)	(1,705)	(338)	(6,227)
At 30 June 2026	9,483,775	240,750	731,895	2,324,783	58,397	–	12,839,600
Accumulated depreciation:							
At 1 January 2025	2,341,980	–	669,596	1,988,456	63,626	128,476	5,192,134
Depreciation charge for the year	302,195	–	20,289	90,912	2,020	8,434	423,850
Transfer to assets of a disposal group classified as held for sale	–	–	–	(2,919)	(1,341)	–	(4,260)
Disposal of subsidiary	–	–	(553)	(3,693)	(409)	–	(4,655)
Disposals	–	–	–	(28,189)	(15,153)	(136,590)	(179,932)
At 31 December 2025 and 1 January 2026	2,644,175	–	689,332	2,044,567	48,743	320	5,427,137
Depreciation charge for the period	149,669	–	7,829	34,784	1,582	–	193,864
Disposals	–	–	–	(3,893)	(1,559)	(320)	(5,772)
At 30 June 2026	2,793,844	–	697,161	2,075,458	48,766	–	5,615,229
Accumulated Impairment loss:							
At 31 December 2024 and 1 January 2025	–	–	–	–	–	101,207	101,207
Provided for the year	–	–	–	–	–	(101,207)	(101,207)
At 31 December 2025, 1 January 2026 and 30 June 2026	–	–	–	–	–	–	–
Net carrying amount:							
At 30 June 2026	6,689,931	240,750	34,734	249,325	9,631	–	7,224,371
At 31 December 2025	6,836,396	235,723	38,151	272,542	10,480	18	7,393,310

(Amount in thousands of RMB, unless otherwise stated)

22. PROPERTY AND EQUIPMENT *(Continued)*

The carrying value of the Group's properties and buildings is analysed based on the remaining terms of the land leases as follows:

	30 June 2026	31 December 2025
Held in China:		
10 to 50 years	**6,687,954**	6,531,768
Less than 10 years	**1,977**	304,628
	6,689,931	6,836,396

As at 30 June 2026, the process of obtaining the titles for the Group's properties and buildings with an aggregate net carrying value of RMB2,563 million (As at 31 December 2025: RMB2,678 million) was still in progress. Management is of the view that the aforesaid matter would not affect the rights of the Group to these assets nor have any significant impact on the business operation of the Group.

(Amount in thousands of RMB, unless otherwise stated)

23. DEFERRED INCOME TAX ASSETS AND LIABILITIES

(a) Analysed by nature

	30 June 2026		31 December 2025	
	Deductible/ (taxable) temporary differences	**Deferred income tax assets/ (liabilities)**	Deductible/ (taxable) temporary differences	Deferred income tax assets/ (liabilities)
Deferred income tax assets:				
Allowance for impairment losses	**34,911,937**	**8,635,292**	32,428,308	8,107,076
Lease liabilities	**250,309**	**61,665**	363,936	90,984
Provisions	**108,296**	**27,074**	58,832	14,708
Salaries, bonuses, allowances and subsidies payable	**354,789**	**86,456**	203,840	50,960
Early retirement benefits	**32,320**	**8,080**	35,576	8,894
Deferred revenue	**100,316**	**25,079**	85,772	21,443
Changes in fair value of financial assets at fair value through other comprehensive income	**156,632**	**39,158**	–	–
Others	**338,576**	**67,609**	230,736	57,684
Subtotal	**36,253,175**	**8,950,413**	33,407,000	8,351,749
Deferred income tax liabilities:				
Right-of-use assets	**(249,334)**	**(61,415)**	(380,252)	(95,063)
Changes in fair value of financial assets at fair value through profit or loss	**(1,313,476)**	**(328,369)**	(1,307,924)	(326,981)
Changes in fair value of financial assets at fair value through other comprehensive income	**(160)**	**(40)**	(44,812)	(11,203)
Changes in fair value of derivative financial instrument	**(72)**	**(18)**	–	–
Subtotal	**(1,563,042)**	**(389,842)**	(1,732,988)	(433,247)
Total	**34,690,133**	**8,560,571**	31,674,012	7,918,502

(Amount in thousands of RMB, unless otherwise stated)

23. DEFERRED INCOME TAX ASSETS AND LIABILITIES *(Continued)*

(b) Movements in deferred income tax

For the six-month period ended 30 June 2026	At 1 January 2026	Total gains/ (losses) recorded in profit or loss	Total gains recorded in other comprehensive income	Disposal of a subsidiary	At 30 June 2026
Deferred income tax assets/(liabilities):					
Allowance for impairment losses	8,107,076	528,216	–	–	8,635,292
Lease liabilities	90,984	(29,319)	–	–	61,665
Right-of-use assets	(95,063)	33,648	–	–	(61,415)
Provisions	14,708	12,366	–	–	27,074
Changes in fair value of financial assets at fair value through profit or loss	(326,981)	(1,388)	–	–	(328,369)
Changes in fair value of financial assets at fair value through other comprehensive income	(11,203)	–	50,321	–	39,118
Allowance for impairment losses on the financial assets at fair value through other comprehensive income	–	(747)	747	–	–
Changes in fair value of derivative financial instruments	–	(18)	–	–	(18)
Salaries, bonuses, allowances and subsidies payable	50,960	35,496	–	–	86,456
Early retirement benefits	8,894	(814)	–	–	8,080
Deferred revenue	21,443	3,636	–	–	25,079
Others	57,684	9,925	–	–	67,609
Deferred income tax, net	7,918,502	591,001	51,068	–	8,560,571

(Amount in thousands of RMB, unless otherwise stated)

23. DEFERRED INCOME TAX ASSETS AND LIABILITIES *(Continued)*

(b) Movements in deferred income tax *(Continued)*

For the year ended 31 December 2025	At 1 January 2025	Total gains/ (losses) recorded in profit or loss	Total gains/(losses) recorded in other comprehensive income	Disposal of a subsidiary	At 31 December 2025
Deferred income tax assets/(liabilities):					
Allowance for impairment losses	6,795,985	1,315,321	–	(4,230)	8,107,076
Lease liabilities	71,578	19,406	–	–	90,984
Right-of-use assets	(73,823)	(21,240)	–	–	(95,063)
Provisions	28,019	(13,311)	–	–	14,708
Changes in fair value of financial assets at fair value through profit or loss	(549,404)	222,423	–	–	(326,981)
Changes in fair value of financial assets at fair value through other comprehensive income	(483,987)	–	472,784	–	(11,203)
Allowance for impairment losses on the financial assets at fair value through other comprehensive income	–	11,734	(11,734)	–	–
Changes in fair value of derivative financial instruments	(55,347)	55,347	–	–	–
Salaries, bonuses, allowances and subsidies payable	52,930	(1,970)	–	–	50,960
Early retirement benefits	8,847	47	–	–	8,894
Deferred revenue	60,474	(39,031)	–	–	21,443
Others	317,113	(259,309)	–	(120)	57,684
Deferred income tax, net	6,172,385	1,289,417	461,050	(4,350)	7,918,502

(Amount in thousands of RMB, unless otherwise stated)

24. OTHER ASSETS

	30 June 2026	31 December 2025
Interest receivables (a)	**163,087**	55,587
Right-of-use assets (b)	**247,773**	271,799
Land use rights	**705**	728
Advance payments	**225,078**	183,195
Settlement and clearing accounts	**2,730,904**	2,691,881
Intangible assets (c)	**319,270**	348,130
Other receivables	**876,816**	680,330
Repossessed assets (d)	**7,865,994**	4,131,517
Others	**84,665**	62,089
Subtotal	**12,514,292**	8,425,256
Less: Allowance for impairment losses	**(2,035,737)**	(1,537,526)
Total	**10,478,555**	6,887,730

(a) Interest receivables

As at 30 June 2026, the carrying amounts of the Group's overdue interest receivables in stage 1 and stage 2 were RMB133,370 thousand and RMB29,717 thousand respectively. The allowance for impairment losses were RMB21,847 thousand and RMB14,361 thousand respectively. As at 31 December 2025, the carrying amounts of the Group's overdue interest receivables in stage 1 and 2 were RMB47,731 thousand and RMB7,856 thousand respectively. The allowance for impairment losses were RMB2,089 thousand and RMB3,453 thousand respectively.

(Amount in thousands of RMB, unless otherwise stated)

24. OTHER ASSETS *(Continued)*

(b) Right-of-use assets

	Properties and buildings	**Motor vehicles and others**	**Total**
Cost:			
At 1 January 2026	**709,618**	**5,009**	**714,627**
Additions	**32,137**	**–**	**32,137**
Decrease	**(52,076)**	**(772)**	**(52,848)**
At 30 June 2026	**689,679**	**4,237**	**693,916**
Accumulated depreciation:			
At 1 January 2026	**438,119**	**4,709**	**442,828**
Additions	**55,466**	**168**	**55,634**
Decrease	**(51,547)**	**(772)**	**(52,319)**
At 30 June 2026	**442,038**	**4,105**	**446,143**
Net carrying amount:			
At 30 June 2026	**247,641**	**132**	**247,773**
At 1 January 2026	**271,499**	**300**	**271,799**

	Properties and buildings	Motor vehicles and others	Total
Cost:			
At 1 January 2025	787,811	10,371	798,182
Additions	164,901	1,490	166,391
Decrease	(239,309)	(6,852)	(246,161)
Disposal of a subsidiary	(3,785)	–	(3,785)
At 31 December 2025	709,618	5,009	714,627
Accumulated depreciation:			
At 1 January 2025	487,420	9,121	496,541
Additions	124,198	1,131	125,329
Decrease	(170,672)	(5,543)	(176,215)
Disposal of a subsidiary	(2,827)	–	(2,827)
At 31 December 2025	438,119	4,709	442,828
Net carrying amount:			
At 31 December 2025	271,499	300	271,799
At 1 January 2025	300,391	1,250	301,641

(Amount in thousands of RMB, unless otherwise stated)

24. OTHER ASSETS *(Continued)*

(c) Intangible assets

Intangible assets consist primarily of computer software, which is amortised within five years.

(d) Repossessed assets

	30 June 2026	31 December 2025
Land use rights and buildings	**4,098,618**	4,101,607
Account receivables	**29,910**	29,910
Equity interests	**3,737,466**	–
Total	**7,865,994**	4,131,517

25. DISPOSAL GROUP HELD-FOR-SALE

On 22 September 2025, the Bank announced the decision of its board of directors to dispose of Hainan Baoting Rongxing Village and Township Bank Co., Ltd.. The decision was approved by the Hainan Regulatory Bureau of National Financial Regulatory Administration. Hainan Baoting Rongxing Village and Township Bank Co., Ltd. engages in the taking public deposits, granting short-term, medium-term and long-term loans, handling domestic settlement, handling acceptance and discounting of bills, engaging in interbank lending, conducting bank card business, acting as an agent for the issuance, redemption and underwriting of government bonds, acting as an agent for collection and payment of funds and insurance business, and engaging in other businesses as approved by the banking regulatory authority. As at 31 December 2025, as the transaction had not been completed, the Group classified the assets and liabilities of Hainan Baoting Rongxing Village Bank Co., Ltd. as held for sale. In January 2026, the equity transfer was completed and the Group ceased to hold any equity interest in Hainan Baoting Rongxing Village Bank and completely lost control over the entity. Upon completion of the disposal, all assets classified as assets of a disposal group classified as held for sale, liabilities directly associated with the assets classified as held for sale and the related impairment allowance on held-for-sale assets were derecognised. The gain or loss arising from the disposal has been fully disclosed in Note 41, "Disposal of a subsidiary".

26. DUE TO THE CENTRAL BANK

	30 June 2026	31 December 2025
Small enterprises supporting re-lending	**16,000,000**	11,475,000
Agricultural supporting re-lending	**2,000**	9,500
Carbon emission reduction support tool	**6,120**	14,640
Subtotal	**16,008,120**	11,499,140
Interest payable	**35,782**	13,352
Total	**16,043,902**	11,512,492

(Amount in thousands of RMB, unless otherwise stated)

27. BORROWINGS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	31 December 2025
Unsecured borrowings	**33,368,750**	28,030,250
Pledged borrowings	**1,219,626**	1,061,279
Subtotal	**34,588,376**	29,091,529
Interest payable	**207,132**	214,288
Total	**34,795,508**	29,305,817

As at 30 June 2026, the pledged borrowings of RMB1,220 million were secured by the finance lease receivables of RMB2,912 million. As at 31 December 2025, the pledged borrowings of RMB1,061 million were secured by the finance lease receivables of RMB2,093 million.

28. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	31 December 2025
Deposits:		
Banks operating in Mainland China	**74,878,457**	46,608,676
Banks operating outside Mainland China	**1,023,749**	1,252,448
Subtotal	**75,902,206**	47,861,124
Interest payable	**532,535**	204,999
Subtotal	**76,434,741**	48,066,123
Placements:		
Banks operating in Mainland China	**820,000**	520,000
Interest payable	**787**	4,685
Subtotal	**820,787**	524,685
Total	**77,255,528**	48,590,808

Interest due to banks and other financial institutions is calculated based on contractual interest rates.

(Amount in thousands of RMB, unless otherwise stated)

29. REPURCHASE AGREEMENTS

	30 June 2026	31 December 2025
Repurchase agreements analysed by counterparty:		
Banks operating in Mainland China	**30,876,103**	54,059,446
Other financial institutions in Mainland China	**2,600,000**	–
Interest payable	**5,658**	83,311
Total	**33,481,761**	54,142,757
Repurchase agreements analysed by collateral:		
Bonds	**21,500,000**	36,799,500
Bills	**11,976,103**	17,259,946
Interest payable	**5,658**	83,311
Total	**33,481,761**	54,142,757

30. DUE TO CUSTOMERS

	30 June 2026	31 December 2025
Demand deposits:		
Corporate deposits	**49,222,144**	64,023,620
Personal deposits	**43,753,747**	45,258,007
Subtotal	**92,975,891**	109,281,627
Fixed time deposits:		
Corporate deposits	**147,164,506**	133,717,274
Personal deposits	**474,430,245**	466,244,789
Subtotal	**621,594,751**	599,962,063
Demand and fixed time deposits	**714,570,642**	709,243,690
Convertible negotiated deposit (i)	**10,000,000**	10,000,000
Interest payable	**16,258,752**	19,335,093
Total	**740,829,394**	738,578,783

(Amount in thousands of RMB, unless otherwise stated)

30. DUE TO CUSTOMERS *(Continued)*

(i) Convertible negotiated deposit

After obtaining the proceeds from issuance of local government special bonds, the Department of Finance of Heilongjiang Province has deposited the relevant funds in the form of negotiated deposit into the special convertible negotiated deposit account in the Bank. The deposit is included in the Bank's other tier-one capital and is converted to ordinary shares in stages to replenish the Bank's capital and be included in its core tier-one capital when the conversion conditions specified in the agreement are triggered. The maturity of the deposit shall be set in accordance with the maturity requirements in batches. Among them, RMB2.0 billion is for the six-year maturity, RMB2.0 billion is for the seven-year maturity, RMB2.0 billion is for the eight-year maturity, RMB2.0 billion is for the nine-year maturity and RMB2.0 billion is for the ten-year maturity. The interest is paid semi-annually on the convertible negotiated deposit, and the interest rate shall match with the corresponding local government special bonds issuance interest rate.

The conversion for convertible negotiated deposit may be fully or partially converted into the ordinary shares of the Bank if one of the following triggering events occurs: (i) The core tier-one capital adequacy ratio of the Bank drops to 5.125% or below; or (ii) As confirmed by the regulatory authorities, the core tier-one capital adequacy ratio of the Bank is not less than 5.125%, but non-viability trigger events occurred to the Bank. The non-viability trigger event is defined as the earlier of: (a) the NFRA having decided that without a conversion, the Bank would become non-viable; or (b) the relevant authorities having decided that injection of capital or equivalent support by a public sector is necessary, without which the Bank would become non-viable. Subject to the above triggering conditions, if the core tier-one capital adequacy ratio of the Bank is still lower than 5.125% as calculated after all the convertible amount is converted into the ordinary shares of the Bank in accordance with the agreement, the Bank shall at the same time take other measures to ensure that the core tier-one capital adequacy ratio reaches 5.125%, otherwise the Harbin Municipal Finance Bureau has the right to suspend the conversion. Subject to the above triggering conditions, if the designated share-holding entity does not satisfy the relevant requirements of the NFRA and the Harbin Municipal Government, or if the class and number of ordinary shares to be converted and the shareholding structure of the Bank after the conversion as calculated do not satisfy the relevant requirements of the Hong Kong Stock Exchange in respect of the minimum public float, no conversion shall be made until the conversion is in compliance with the relevant requirements of the NFRA, the Hong Kong Stock Exchange and the Harbin Municipal Government. In principle, only one conversion can be made during the term of the convertible negotiated deposit.

31. DEBT SECURITIES ISSUED

	30 June 2026	31 December 2025
Negotiable certificates of deposit issued(i)	**47,532,282**	54,930,505
Payable of asset-backed securities	**–**	899,717
Total	**47,532,282**	55,830,222

(i) For the six-month period ended 30 June 2026 and the year ended 31 December 2025, the Group issued at discount 139 and 291 interbank negotiable certificates of deposit with face value of RMB100 through the domestic interbank bond market respectively. As at 30 June 2026, 93 negotiable certificates of deposit issued by the Group, with annual interest rates between 1.34% and 1.79% and maturities between one month and one year, were undue, amounting to RMB47,532 million. As at 31 December 2025, 119 negotiable certificates of deposit issued by the Group, with annual interest rates between 1.63% and 2.10% and maturities between one month and one year, were undue, amounting to RMB54,930 million.

(Amount in thousands of RMB, unless otherwise stated)

32. OTHER LIABILITIES

	30 June 2026	31 December 2025
Lease guarantee fee	**2,145,101**	2,157,429
Settlement and clearing accounts	**1,346,347**	898,481
Salaries, bonuses, allowances and subsidies payable (a)	**466,078**	865,871
Lease liabilities	**248,755**	267,547
Accounts payable from agency services	**683,151**	153,184
Accrued expenses	**448,711**	406,604
Sundry tax payables	**348,002**	336,682
Deferred revenue (b)	**37,990**	43,147
Dividends payable	**29,818**	29,850
Provisions	**108,488**	59,034
Other payables	**12,197,370**	10,590,598
Total	**18,059,811**	15,808,427

(a) Salaries, bonuses, allowances and subsidies payable

	30 June 2026	31 December 2025
Salaries, bonuses and allowances	**377,863**	735,388
Social insurance	**25,464**	65,664
Housing fund	**21,960**	12,952
Labour union expenditure and education costs	**8,473**	16,292
Early retirement benefits	**32,318**	35,575
Total	**466,078**	865,871

The Group has no forfeiture of pension scheme contributions (i.e. contributions processed by the employer on behalf of the employee who has exited the scheme prior to vesting of such contributions). As at 30 June 2026 and 31 December 2025, no forfeited contribution under the pension scheme of the Group is available for deduction of contribution payable in coming years.

(Amount in thousands of RMB, unless otherwise stated)

32. OTHER LIABILITIES *(Continued)*

(b) Deferred revenue

Deferred revenue consists mainly of deferred revenue from the provision of intermediary services. Deferred revenue will be recognised in the next few years in accordance with the corresponding amortisation expense that is charged to the condensed consolidated statement of profit or loss.

	30 June 2026	31 December 2025
Intermediary services	**37,990**	43,147

33. SHARE CAPITAL

	As at 30 June 2026		As at 31 December 2025	
	Number of shares (thousand)	**Nominal value**	Number of shares (thousand)	Nominal value
Issued and fully paid ordinary shares at par value RMB1 per share	**10,995,600**	**10,995,600**	10,995,600	10,995,600
At the beginning and end of the period/year	**10,995,600**	**10,995,600**	10,995,600	10,995,600

(Amount in thousands of RMB, unless otherwise stated)

34. OTHER EQUITY INSTRUMENTS

	1 January 2026		Changes during the period		30 June 2026	
	Number of shares (thousand)	**Amount**	**Number of shares (thousand)**	**Amount**	**Number of shares (thousand)**	**Amount**
Issuance of perpetual bonds						
2022 Perpetual bonds with no maturity date (i)	**7,000**	**699,717**	**–**	**–**	**7,000**	**699,717**
2021 Perpetual bonds with no maturity date – Phase 1 (ii)	**80,000**	**7,999,830**	**(80,000)**	**(7,999,830)**	**–**	**–**
2021 Perpetual bonds with no maturity date – Phase 2 (iii)	**30,000**	**2,999,460**	**–**	**–**	**30,000**	**2,999,460**
Total	**117,000**	**11,699,007**	**(80,000)**	**(7,999,830)**	**37,000**	**3,699,177**

	1 January 2025		Changes during the year		31 December 2025	
	Number of shares (thousand)	Amount	Number of shares (thousand)	Amount	Number of shares (thousand)	Amount
Issuance of perpetual bonds						
2022 Perpetual bonds with no maturity date (i)	7,000	699,717	–	–	7,000	699,717
2021 Perpetual bonds with no maturity date – Phase 1 (ii)	80,000	7,999,830	–	–	80,000	7,999,830
2021 Perpetual bonds with no maturity date – Phase 2 (iii)	30,000	2,999,460	–	–	30,000	2,999,460
Total	117,000	11,699,007	–	–	117,000	11,699,007

(i) On 26 December 2022, being approved by relevant regulatory authorities in China, the Group issued perpetual bonds in an amount of RMB700 million with no fixed maturity date which the coupon rate of the Bond for the first five years is 4.8% respectively and is subject to adjustment every five years. The perpetual bonds were successfully issued on 28 December 2022.

(ii) On 25 June 2021, being approved by relevant regulatory authorities in China, the Group issued perpetual bonds in an amount of RMB8,000 million with no fixed maturity date which the coupon rate of the Bond for the first five years is 4.8% and is subject to adjustment every five years. During the six-month period ended 30 June 2026, the perpetual bonds have been redeemed.

(iii) On 12 November 2021, being approved by relevant regulatory authorities in China, the Group issued perpetual bonds in an amount of RMB3,000 million with no fixed maturity date which the coupon rate of the Bond for the first five years is 5.0% respectively and is subject to adjustment every five years. The perpetual bonds were successfully issued on 16 November 2021.

(Amount in thousands of RMB, unless otherwise stated)

34. OTHER EQUITY INSTRUMENTS *(Continued)*

These perpetual bonds have no maturity date and will continue indefinitely until redeemed by the Bank in accordance with their terms. The Bank is entitled to redeem the perpetual bonds at fully or partially written down of par value on the fifth and each of the subsequent interest payment dates of the perpetual bonds if the Bank fulfilled the conditions in their terms. These perpetual bonds have no accumulated interest and the Bank can elect to defer or cancel payment of interest due pursuant to their terms, the aforesaid deferral or cancellation of interest shall not constitute a default by the Bank.

The perpetual bonds are classified as equity instruments as they do not include any contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

During the six-month period ended 30 June 2026, RMB384 million interest payment was paid by the Group to the holders of perpetual bonds. During the year ended 31 December 2025, RMB568 million interest payment was paid by the Group to the holders of perpetual bonds.

35. CAPITAL RESERVES

	Share premium	Other capital reserves	Total
At 1 January 2025	7,420,764	236,520	7,657,284
Increase/(decrease) during the year	204,229	(270,043)	(65,814)
At 31 December 2025 and 1 January 2026	7,624,993	(33,523)	7,591,470
Increase/(decrease) during the period	8,948	(5,999)	2,949
At 30 June 2026	7,633,941	(39,522)	7,594,419

(Amount in thousands of RMB, unless otherwise stated)

36. COMPONENTS OF OTHER COMPREHENSIVE INCOME

Other comprehensive income in the condensed consolidated statement of financial position:

	Gains/(Losses) on debt instruments at fair value through other comprehensive income	Gains/(Losses) on equity instruments at fair value through other comprehensive income	Subtotal	Other comprehensive income attributable to non-controlling interests	Total
At 1 January 2025	1,780,372	(302,126)	1,478,246	–	1,478,246
Other comprehensive income after tax	(1,300,384)	(82,769)	(1,383,153)	3	(1,383,150)
At 31 December 2025 and 1 January 2026	479,988	(384,895)	95,093	3	95,096
Other comprehensive income after tax	(180,635)	27,556	(153,079)	21	(153,058)
At 30 June 2026	299,353	(357,339)	(57,986)	24	(57,962)

(Amount in thousands of RMB, unless otherwise stated)

36. COMPONENTS OF OTHER COMPREHENSIVE INCOME *(Continued)*

Transactions of other comprehensive income in the condensed consolidated statement of comprehensive income:

For the six-month period ended 30 June 2026	Amount before tax	Income tax	Amount after tax holders of the Bank	Amount after tax attributable to non-controlling interests	Total
Items that will not be reclassified to profit or loss					
Changes in fair value of equity instruments designated at fair value through other comprehensive income	36,693	(9,137)	27,556	–	27,556
Items that may be reclassified to profit or loss in subsequent years					
Changes in fair value of debt instruments measured at fair value through other comprehensive income	312,413	(78,104)	234,309	21	234,330
Allowance for impairment losses on debt instruments at fair value through other comprehensive income	(2,982)	747	(2,235)	–	(2,235)
Other comprehensive income in the previous period and transferred to profit or loss in the current period	(550,278)	137,569	(412,709)	–	(412,709)
Total	(204,154)	51,075	(153,079)	21	(153,058)

(Amount in thousands of RMB, unless otherwise stated)

36. COMPONENTS OF OTHER COMPREHENSIVE INCOME *(Continued)*

Transactions of other comprehensive income in the condensed consolidated statement of comprehensive income: (Continued)

For the six-month period ended 30 June 2025	Amount before tax	Income tax	Amount after tax holders of the Bank	Amount after tax attributable to non-controlling interests	Total
Items that will not be reclassified to profit or loss					
Changes in fair value of equity instruments designated at fair value through other comprehensive income	(9,013)	2,252	(6,761)	–	(6,761)
Items that may be reclassified to profit or loss in subsequent years					
Changes in fair value of debt instruments measured at fair value through other comprehensive income	(474,897)	118,724	(356,173)	–	(356,173)
Allowance for impairment losses on debt instruments at fair value through other comprehensive income	60,105	(15,026)	45,079	–	45,079
Other comprehensive income in the previous period and transferred to profit or loss in the current period	(374,582)	93,646	(280,936)	–	(280,936)
Total	(798,387)	199,596	(598,791)	–	(598,791)

(Amount in thousands of RMB, unless otherwise stated)

37. SURPLUS RESERVES

	Statutory surplus reserves	Discretionary surplus reserves	Total
At 1 January 2025	3,991,354	26,186	4,017,540
Appropriation during the year	115,868	–	115,868
At 31 December 2025, 1 January 2026 and 30 June 2026	4,107,222	26,186	4,133,408

Under the Company Law of the People's Republic of China, the Bank is required to appropriate 10% of its net profit to the statutory surplus reserve. The appropriation to the statutory surplus reserve may cease when the balance of such reserve has reached 50% of the share capital. Subject to the approval of the shareholders, the statutory surplus reserve can be used for replenishing the accumulated losses or increasing the Bank's share capital. The statutory surplus reserve amount used to increase the share capital is limited to a level where the balance of the statutory surplus reserve after such capitalisation is not less than 25% of the share capital.

After making the appropriation to the statutory surplus reserve, the Bank may also appropriate its profit for the year to the discretionary surplus reserve upon approval by the shareholders in general meetings. Subject to the approval by the shareholders, the discretionary surplus reserve may be used to offset accumulated losses of the Bank, if any, and may be converted into capital.

38. GENERAL AND REGULATORY RESERVES

	30 June 2026	31 December 2025
Balance as at the beginning of the period/year	**10,297,176**	9,197,649
Increase during the period/year(i)	**250,111**	1,099,527
Balance as at the end of the period/year	**10,547,287**	10,297,176

(i) For the six-month period ended 30 June 2026, the appropriation made by the Group in the amount of RMB250,111 thousand (For the year ended 31 December 2025: RMB1,099,527 thousand).

From 1 July 2012, according to the requirements of the Administrative Measures for the Provision of Reserves of Financial Enterprises (No.20[2012] of the Ministry of Finance ("**MOF**")), the Group is required to maintain a general reserve within equity, through the appropriation of profit, which should not be less than 1.5% of the year-end balance of its risk assets.

(Amount in thousands of RMB, unless otherwise stated)

39. UNDISTRIBUTED PROFITS

	30 June 2026	31 December 2025
Balance as at the beginning of the period/year	**17,479,164**	18,116,609
Net profit for the period/year attributable to equity holders of the Bank	**1,032,660**	1,145,550
Net of:		
Appropriation to statutory surplus reserves	**–**	(115,868)
Appropriation to general and regulatory reserves	**(250,111)**	(1,099,527)
Distribution of interests of perpetual bonds	**(384,000)**	(567,600)
Balance as at the end of the period/year	**17,877,713**	17,479,164

40. CASH AND CASH EQUIVALENTS

On the condensed consolidated statement of cash flows, cash and cash equivalents with an original maturity of less than three months are as follows:

	30 June 2026	30 June 2025
Cash on hand (note 15)	**973,620**	855,016
Balances with the central bank (note 15)	**57,535,187**	40,635,110
Due from banks and other financial institutions	**16,156,549**	15,541,415
Reverse repurchase agreements	**200,000**	199,968
Total	**74,865,356**	57,231,509

(Amount in thousands of RMB, unless otherwise stated)

41. DISPOSAL OF A SUBSIDIARY

1) Hainan Baoting Rongxing Village and Township Bank Co., Ltd.

(a) Information about the subsidiary being disposed of:

For details of the Group's disposal of Hainan Baoting Rongxing Village and Township Bank Co., Ltd., including the background of the transaction, the classification of the disposal group as held for sale and the derecognition upon completion, please refer to Note 25, "Disposal Group Held-For-Sale". Upon completion of the transaction, the Group ceased to hold any equity interest in Hainan Baoting Rongxing Village and Township Bank Co., Ltd.. The related disposal group classified as held for sale and the corresponding impairment allowances were fully derecognised on the completion date. Details of the gain or loss on disposal arising from the transaction are set out below in this note.

During the six-month period ended 30 June 2026, the Bank disposed of a subsidiary for a total disposal consideration of RMB717 thousand.

(b) The financial information of a subsidiary disposed of by the Group at the date of disposal is as follows:

Total assets	121,070
Total liabilities	120,334
Non-controlling interests	25
Net assets disposed	711
Total consideration	717
Gains on disposal of a subsidiary (note 8)	6

(c) An analysis of the cash flows in respect of the disposal of a subsidiary is as follows:

Cash received from disposal of subsidiary in current year	717
Cash and cash equivalents of subsidiary disposed of	(8,526)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(7,809)

(Amount in thousands of RMB, unless otherwise stated)

41. DISPOSAL OF A SUBSIDIARY *(Continued)*

2) Jiangsu Rudong Rongxing Village and Township Bank Co., Ltd.

(a) Information about the subsidiary being disposed of:

On 15 August 2025, Jiangsu Rudong Rongxing Village and Township Bank Co., Ltd., a subsidiary of the Bank, received the "Approval of the Jiangsu Office of the NFRA on the Change in Equity Interest and Qualifications of Relevant Shareholder of Rudong Rongxing Village and Township Bank" (Su Jin Fu [2025] No. 277) (《江蘇金融監管局關於如東融興村鎮銀行變更股權及有關股東資格的批覆》(蘇金復[2025]277號)) issued by the Jiangsu Office of the NFRA, which approves the shareholder qualification of Jiangsu Changshu Rural Commercial Bank Co., Ltd. in Jiangsu Rudong Rongxing Village and Township Bank Co., Ltd., and consents to the transfer of 80% equity interest in Jiangsu Rudong Rongxing Village and Township Bank Co., Ltd. by the Bank to Jiangsu Changshu Rural Commercial Bank Co., Ltd. Upon completion of the equity transfer, Jiangsu Rudong Rongxing Village and Township Bank Co., Ltd. will cease to be consolidated within the Group.

During the year ended 31 December 2025, the Bank disposed of a subsidiary for a total disposal consideration of RMB122,273 thousand.

(b) The financial information of a subsidiary disposed of by the Group at the date of disposal is as follows:

Total assets	531,806
Total liabilities	371,238
Non-controlling interests	34,750
Net assets disposed	125,818
Total consideration	122,273
Losses on disposal of a subsidiary	(3,545)

(c) An analysis of the cash flows in respect of the disposal of a subsidiary is as follows:

Cash received from disposal of subsidiary in current year	122,273
Cash and cash equivalents of subsidiary disposed of	(405,429)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(283,156)

(Amount in thousands of RMB, unless otherwise stated)

42. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

As at the end of the Reporting Period, the Group had capital commitments as follows:

	30 June 2026	31 December 2025
Contracted, but not provided	**196,277**	169,311
Approved, but not contracted	**10,945**	536
Total	**207,222**	169,847

(b) Credit commitments

At any given time, the Group has outstanding commitments to extend credit. These commitments are in the form of approved loans and undrawn credit card limits.

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

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

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

	30 June 2026	31 December 2025
Bank bill acceptances	**7,497,936**	7,906,367
Letters of guarantee issued	**2,985,591**	2,755,429
Letters of credit	**1,267,332**	2,072,925
Undrawn credit card limits	**12,427,713**	12,960,673
Total	**24,178,572**	25,695,394

(Amount in thousands of RMB, unless otherwise stated)

42. COMMITMENTS AND CONTINGENT LIABILITIES *(Continued)*

(b) Credit commitments *(Continued)*

Credit risk-weighted amount of financial guarantees and credit related commitments

	30 June 2026	31 December 2025
Financial guarantees and credit related commitments	**5,310,836**	5,117,086

The credit risk-weighted amount of financial guarantees and credit related commitments refers to the amount as computed in accordance with the formula promulgated by the NFRA and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 100% for contingent liabilities and commitments.

(c) Legal proceedings

As at 30 June 2026, significant legal proceedings exceeding RMB10,000 thousand outstanding against the Group (for itself or as a third party) were RMB23,651 thousand (As at 31 December 2025: Nil). As at 30 June 2026, the Group did not recognised a provision for liabilities in the balance sheet based on the best estimate (As at 31 December 2025: Nil).

(d) Redemption commitments of government bonds

As an underwriting agent of the government, the Bank underwrites certain PRC government bonds and sells the bonds to the general public. The Group is obliged to redeem these bonds at the discretion of the holders at any time prior to maturity. The redemption price for the bonds is based on the nominal value of the bonds plus any interest accrued up to the redemption date. As at 30 June 2026, the Bank had no underwritten and sold (As at 31 December 2025: Nil) to the general public, and these government bonds have not yet matured nor been redeemed. Management expects that the amount of redemption of these government bonds through the Bank prior to maturity will not be material. The MOF will not provide funding for the early redemption of these government bonds on a back-to-back basis but is obliged to repay the principal and the respective interest upon maturity.

(e) Assets pledged as security

Financial assets of the Group including securities and finance lease receivables have been pledged as security for liabilities or contingent liabilities, and mainly arise from repurchase agreements, time deposits, debt securities lending and borrowing agreements and due to the central bank. As at 30 June 2026, the carrying value of the financial assets of the Group pledged as security amounted to approximately RMB159,350 million (As at 31 December 2025: approximately RMB132,101 million).

(Amount in thousands of RMB, unless otherwise stated)

43. FIDUCIARY ACTIVITIES

	30 June 2026	31 December 2025
Designated funds	**1,770,669**	1,889,721
Designated loans	**1,770,669**	1,889,721

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

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

44. TRANSFERS OF FINANCIAL ASSETS

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

Repurchase agreements

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

As at 30 June 2026 and 31 December 2025, none of the above-mentioned financial assets or financial liabilities which did not qualify for derecognition was transferred to third parties.

44. TRANSFERS OF FINANCIAL ASSETS *(Continued)*

Securitisation of credit assets

The Group enters into securitisation of credit assets in the normal course of business by which it transfers credit assets to special purpose entities which in turn issue asset-backed securities to investors. The Group may acquire some subordinated tranches of securities and accordingly may retain part of the risks and rewards of the transferred credit assets. The Group would determine whether or not to derecognise the associated credit assets by evaluating the extent to which it retains the risks and rewards of the assets. With respect to the credit assets that were securitised and qualified for derecognition, the Group derecognised the transferred credit assets in their entirety.

For the six-month period ended 30 June 2026, the Group neither transferred nor retained substantially all the risks (mainly including the credit risk, early repayment risk and interest rate risk of the transferred assets) and rewards of the ownership and retained the control in these financial assets (For the year ended 31 December 2025: Nil).

As at 30 June 2026, the has no securitised credit assets (As at 31 December 2025: RMB1,200,000 thousand) and has no payable of asset-backed securities as debt securities issued (As at 31 December 2025: RMB899,717 thousand).

45. INTERESTS IN STRUCTURED ENTITIES

The Group is principally involved with structured entities through financial investments, asset management and credit asset transfers. These structured entities generally finance the purchase of assets by issuing securities or by other means. The Group determines whether or not to consolidate these structured entities depending on the Group's controls on them.

Structured entities consolidated by the Group include certain securitisation products issued, managed and invested by the Group. The Group controls these entities because the Group has power over, is exposed to, or has right to variable returns from its involvement with these entities and has the ability to use its power over these entities to affect the amount of the Group's returns. As at 30 June 2026, no consolidated structured entities (As at 31 December 2025: RMB1,271,750 thousand).

The interests held by the Group in the unconsolidated structured entities are set out below:

45.1 Structured entities managed by the Group

Wealth management products

When conducting the wealth management business, the Group has established various structured entities to provide customers with specialised investment opportunities within narrow and well-defined objectives. As at 30 June 2026, the balance of the unconsolidated wealth management products issued by the Group amounted to RMB32,545,271 thousand (As at 31 December 2025: RMB32,566,944 thousand). For the six-month period ended 30 June 2026, fee and commission income from the wealth management business that amounted to RMB74,595 thousand (For the six-month period ended 30 June 2025: RMB79,666 thousand).

For the purpose of asset-liability management, wealth management products may trigger short-term financing needs for the Group and other banks. However, the Group is not contractually obliged to provide financing. For the six-month period ended 30 June 2026, the Group did not provide any financing to the unconsolidated wealth management products (For the six-month period ended 30 June 2025: Nil).

(Amount in thousands of RMB, unless otherwise stated)

45. INTERESTS IN STRUCTURED ENTITIES *(Continued)*

45.2 Structured entities sponsored by other financial institutions

The Group has invested in some structured entities which are issued or managed by other institutions and are out of the consolidation scope, and the Group recognises its investment income. These structured entities include trust fund plans and asset management plans, funds, etc. These structured entities' nature and purpose are to earn management fees by managing the investors' assets, and the way of financing is to issue investment products to investors. For the six-month period ended 30 June 2026 and the year ended 31 December 2025, the Group has not provided liquidity support for those kinds of structured entities.

As at 30 June 2026, the interests held by the Group in the structured entities sponsored by third party financial institutions through direct investments are set out below:

	As at 30 June 2026			
	Financial assets at fair value through profit or loss	**Financial assets at amortised cost**	**Total**	**Maximum exposure to loss**
Trust investments and asset management plans	**50,894,245**	**35,998,875**	**86,893,120**	**79,757,883**
Funds	**33,152,141**	**–**	**33,152,141**	**33,152,141**

	As at 31 December 2025			
	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total	Maximum exposure to loss
Trust investments and asset management plans	47,057,264	42,118,780	89,176,044	78,813,230
Funds	34,238,144	–	34,238,144	34,238,144

(Amount in thousands of RMB, unless otherwise stated)

46. RELATED PARTY DISCLOSURES

(a) Significant related-party disclosures

(i) Shareholders of the Bank with ownership of 5% or above

	Share percentage in the Bank (%)	
	30 June 2026	31 December 2025
Name		
Harbin Economic Development and Investment Company Limited	**29.63**	29.63
Heilongjiang Financial Holding Group Company Limited	**18.52**	18.52
Fubon Life Insurance Company Limited	**6.60**	6.60

(ii) Subsidiaries of the Bank

Details of the subsidiaries of the Bank are set out in note 1.

(iii) Directors, Supervisors and senior management personnel of the Group and their close family members.

(iv) Entities controlled or jointly controlled by the Directors, Supervisors and senior management personnel of the Group and their close family members.

(b) Related party transactions

1. Transactions between the Group and related parties

(i) Transactions between the Group and shareholders of the Group with ownership of 5% or above

Interest expense on due to customers

	For the six-month period ended 30 June	
Name	**2026**	2025
Harbin Economic Development and Investment Company Limited	**–**	2
Heilongjiang Financial Holdings Group Co., Ltd.	**14,493**	12,114

(Amount in thousands of RMB, unless otherwise stated)

46. RELATED PARTY DISCLOSURES *(Continued)*

(b) Related party transactions *(Continued)*

1. ***Transactions between the Group and related parties*** *(Continued)*

(ii) *Transactions between the Group and key management personnel or their close family members*

	For the six-month period ended 30 June	
	2026	2025
Interest income	**70**	87
Interest expense	**263**	103

(iii) *Transactions between the Bank and its subsidiaries*

	For the six-month period ended 30 June	
	2026	2025
Interest income	**124,834**	143,437
Interest expense	**21,097**	50,405
Other operating income	**10,025**	9,421

(iv) *Transactions between the Group and entities that are controlled or jointly controlled or significantly influenced by the Directors, Supervisors and senior management personnel of the Group or their close family members*

Interest expense on due to customers

	For the six-month period ended 30 June	
Name	**2026**	2025
Harbin Investment Group Corporation Limited	**432**	–
Harbin Hatou Investment Co., Ltd.	**100**	–
Heilongjiang Credit Corporation	**4**	–
Harbin Venture Capital Group Co., Ltd.	**6,831**	–

(v) *Transactions with other related parties*

	For the six-month period ended 30 June	
	2026	2025
Emoluments of key management personnel and their close family members	**5,798**	6,986

In the view of the management of the Group, the transactions with the above related parties were conducted based on general business terms and conditions, general market prices for the pricing and according to the normal business procedures.

(Amount in thousands of RMB, unless otherwise stated)

46. RELATED PARTY DISCLOSURES *(Continued)*

(b) Related party transactions *(Continued)*

2. *Balances with related parties*

(i) Balances between the Group and shareholders of the Group with ownership of 5% or above

Due to customers

Name	30 June 2026	31 December 2025
Heilongjiang Financial Holdings Group Co., Ltd.	**1,271,246**	1,256,753
Harbin Economic Development and Investment Company Limited	**22,818**	20

(ii) Balances between the Group and key management personnel or their close family members

	30 June 2026	31 December 2025
Loans and advances to customers	**3,147**	3,835
Due to customers	**11,713**	22,767

(iii) Balances between the Group and its subsidiaries

	30 June 2026	31 December 2025
Due from banks and other financial institutions	**11,582,108**	11,690,000
Due to banks and other financial institutions	**3,358,410**	3,879,249
Due to customers	**258,083**	71,109
Other assets	**99,957**	86,131
Other liabilities	**42,067**	103,625

47. SEGMENT INFORMATION

(a) Operating segments

For management purposes, the Group is organised into four different operating segments as follows according to products and services:

Corporate financial business

Corporate financial business covers the provision of financial products and services to corporate customers. The products and services include deposits, loans, settlement and clearing and other products and services relating to the trading business.

Retail financial business

Retail financial business covers the provision of financial products and services to retail customers. The products and services include deposits, bank cards and credit cards, personal loans and collateral loans, and personal wealth management services.

Interbank financial business

Interbank financial business covers money market placements, investments and repurchasing, foreign exchange transactions for the Group's own accounts or on behalf of customers.

Other business

This represents businesses other than the corporate financial business, retail financial business and interbank financial business, whose assets, liabilities, income and expenses are not directly attributable or cannot be allocated to a segment on a reasonable basis.

The transfer prices among segments are determined by the capital sources and due time which should match with the level of lending and deposit rates and interbank market rates announced by the People's Bank of China (the "PBOC"). Expenses are distributed among different segments according to their benefits.

(Amount in thousands of RMB, unless otherwise stated)

47. SEGMENT INFORMATION *(Continued)*

(a) Operating segments *(Continued)*

	Corporate financial business	Retail financial business	Interbank financial business	Other business	Total
Six-month period ended 30 June 2026					
External net interest income/(expense)	3,444,304	(1,466,613)	2,340,121	(4,386)	4,313,426
Internal net interest (expense)/income	(602,790)	5,368,816	(4,766,026)	–	–
Net fee and commission income	109,188	61,214	118,768	–	289,170
Other income, net (i)	–	–	3,126,780	(9,425)	3,117,355
Operating income	2,950,702	3,963,417	819,643	(13,811)	7,719,951
Operating expenses	(403,412)	(1,650,234)	(170,899)	(10,591)	(2,235,136)
Credit impairment losses on:					
Loans and advances to customers	(3,343,333)	(3,803,980)	–	–	(7,147,313)
Other credit impairment losses	(230,562)	(19,685)	3,171,003	(499,080)	2,421,676
Other assets impairment losses	–	–	–	–	–
Operating profit/(loss)	(1,026,605)	(1,510,482)	3,819,747	(523,482)	759,178
Profit/(loss) before tax	(1,026,605)	(1,510,482)	3,819,747	(523,482)	759,178
Income tax credit					344,926
Profit for the period					1,104,104
Other segment information:					
Depreciation and amortisation	34,856	261,767	3,312	1,629	301,564
Capital expenditure	5,289	43,389	612	–	49,290
As at 30 June 2026					
Segment assets	788,164,270	203,829,778	27,642,673	6,227,810	1,025,864,531
Segment liabilities	219,575,690	550,315,980	193,576,292	5,069,811	968,537,773
Other segment information:					
Credit commitments	11,750,859	12,427,713	–	–	24,178,572

(i) Includes trading income/loss, net gains/losses from financial investments and other net operating income/loss.

(Amount in thousands of RMB, unless otherwise stated)

47. SEGMENT INFORMATION *(Continued)*

(a) Operating segments *(Continued)*

	Corporate financial business	Retail financial business	Interbank financial business	Other business	Total
Six-month period ended 30 June 2025					
External net interest income/(expense)	3,188,878	(2,615,096)	3,844,571	(5,753)	4,412,600
Internal net interest (expense)/income	(754,283)	6,398,170	(5,643,887)	–	–
Net fee and commission income	66,442	62,667	140,138	–	269,247
Other income, net (i)	–	–	2,715,349	(11,755)	2,703,594
Operating income	2,501,037	3,845,741	1,056,171	(17,508)	7,385,441
Operating expenses	(425,928)	(1,714,839)	(98,103)	(6,517)	(2,245,387)
Credit impairment losses on:					
Loans and advances to customers	(1,888,964)	(1,536,893)	–	–	(3,425,857)
Other credit impairment losses	(91,173)	(17,126)	(887,679)	(35,148)	(1,031,126)
Other assets impairment losses	(1,762)	–	–	–	(1,762)
Operating profit/(loss)	93,210	576,883	70,389	(59,173)	681,309
Profit/(loss) before tax	93,210	576,883	70,389	(59,173)	681,309
Income tax credit					310,810
Profit for the period					992,119
Other segment information:					
Depreciation and amortisation	39,915	288,247	3,719	1,869	333,750
Capital expenditure	4,356	52,255	516	–	57,127
As at 30 June 2025					
Segment assets	693,964,790	191,686,892	36,244,982	5,630,826	927,527,490
Segment liabilities	191,986,968	534,889,351	130,533,765	4,511,730	861,921,814
Other segment information:					
Credit commitments	10,710,662	13,567,655	–	–	24,278,317

(i) Includes trading income/loss, net gains/losses from financial investments and other net operating income/loss.

47. SEGMENT INFORMATION *(Continued)*

(b) Geographical information

The Group operates principally in Mainland China.

The distribution of the geographical areas is as follows:

Heilongjiang region:	Including Head Office, Harbin, Shuangyashan, Jixi, Hegang, Suihua, Daqing, Qitaihe, Mudanjiang, Jiamusi, Qiqihar, Yichun, Nongken, Harbin Bank Financial Leasing Co., Ltd. and Harbin Bank Consumer Finance Co., Ltd. as well as village and township banks operating within Heilongjiang.
Other regions in Northeastern China:	Including Dalian, Shenyang, as well as village and township banks operating in Northeastern China excluding those in Heilongjiang.
Southwestern China:	Including Chengdu, Chongqing, as well as village and township banks operating in Southwestern China and mainly located in Sichuan and Chongqing.
Other regions:	Including Tianjin as well as village and township banks operating in regions other than those listed above.

(Amount in thousands of RMB, unless otherwise stated)

47. SEGMENT INFORMATION *(Continued)*

(b) Geographical information *(Continued)*

	Mainland China				
	Heilongjiang region	Other regions in Northeastern China	Southwestern China	Other regions	Total
Six-month period ended 30 June 2026					
External net interest income/ (expense)	3,388,314	63,412	602,991	258,709	4,313,426
Internal net interest (expense)/ income	(210,946)	72,352	162,164	(23,570)	–
Net fee and commission income	224,457	22,159	29,012	13,542	289,170
Other income, net (i)	3,110,643	5,756	5,061	(4,105)	3,117,355
Operating income	6,512,468	163,679	799,228	244,576	7,719,951
Operating expenses	(1,678,298)	(163,434)	(227,240)	(166,164)	(2,235,136)
Impairment losses on:					
Loans and advances to customers	(5,673,370)	(700,648)	(1,001,623)	228,328	(7,147,313)
Other credit impairment losses	2,521,973	(34,202)	(57,176)	(8,919)	2,421,676
Other assets impairment losses	–	–	–	–	–
Operating profit/(loss)	1,682,773	(734,605)	(486,811)	297,821	759,178
Profit/(Loss) before tax	1,682,773	(734,605)	(486,811)	297,821	759,178
Income tax credit					344,926
Profit for the period					1,104,104
Other segment information:					
Depreciation and amortisation	215,880	27,560	40,242	17,882	301,564
Capital expenditure	46,843	762	1,152	532	49,289
As at 30 June 2026					
Segment assets	759,741,908	66,402,552	151,689,907	48,030,164	1,025,864,531
Segment liabilities	703,789,486	66,782,522	151,993,150	45,972,615	968,537,773
Other segment information:					
Credit commitments	11,538,880	1,816,505	9,832,034	991,153	24,178,572

(i) Includes trading income/loss, net gains/losses from financial investments and other net operating income/loss.

(Amount in thousands of RMB, unless otherwise stated)

47. SEGMENT INFORMATION *(Continued)*

(b) Geographical information *(Continued)*

	Mainland China				
	Heilongjiang region	Other regions in Northeastern China	Southwestern China	Other regions	Total
Six-month period ended 30 June 2025					
External net interest income/(expense)	3,151,363	8,196	1,009,925	243,116	4,412,600
Internal net interest (expense)/income	(172,432)	30,909	143,438	(1,915)	–
Net fee and commission income	201,452	18,991	40,708	8,096	269,247
Other income, net (i)	2,694,261	3,737	(511)	6,107	2,703,594
Operating income	5,874,644	61,833	1,193,560	255,404	7,385,441
Operating expenses	(1,675,784)	(163,911)	(211,917)	(193,775)	(2,245,387)
Impairment losses on:					
Loans and advances to customers	(1,644,813)	(1,342,964)	(710,085)	272,005	(3,425,857)
Other credit impairment losses	(1,031,162)	–	–	36	(1,031,126)
Other assets impairment losses	(1,762)	–	–	–	(1,762)
Operating profit/(loss)	1,521,123	(1,445,042)	271,558	333,670	681,309
Profit/(Loss) before tax	1,521,123	(1,445,042)	271,558	333,670	681,309
Income tax credit					310,810
Profit for the period					992,119
Other segment information:					
Depreciation and amortisation	236,539	29,768	43,667	23,776	333,750
Capital expenditure	22,962	2,202	31,104	859	57,127
As at 30 June 2025					
Segment assets	740,849,057	48,536,211	87,384,197	50,758,025	927,527,490
Segment liabilities	686,606,045	52,323,690	73,541,443	49,450,636	861,921,814
Other segment information:					
Credit commitments	10,008,743	2,082,275	10,803,375	1,383,924	24,278,317

(i) Includes trading income/loss, net gains/losses from financial investments and other net operating income/loss.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT

A description and an analysis of the major risks faced by the Group are as follows:

The Board has the ultimate responsibility for risk management and oversees the Group's risk management functions through the Risk Management Committee and the Audit Committee of the Board.

The President supervises the risk management strategies and reports directly to the Board. He chairs two management committees including the Risk Management Committee and the Asset and Liability Management Committee. These two committees formulate and make recommendations in respect of risk management strategies and policies through the President to the Risk Management Committee of the Board. The Chief Risk Officer assists the President to supervise and manage various risks.

The Group has also assigned departments to monitor financial risks within the Group, including the Risk Management Department to monitor credit risk and operational risk as well as the Asset and Liability Management department together with the Risk Management Department to monitor market and liquidity risks. The Risk Management Department is primarily responsible for coordinating and establishing a comprehensive risk management framework, preparing consolidated reports on credit risk, market risk, liquidity risk and operational risk and reporting directly to the Chief Risk Officer.

The Group maintains a dual-reporting line structure at the branch level for risk management purposes. Under this structure, the risk management departments of the branches report to both the corresponding risk management departments at the head office and management of the relevant branches.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk

Credit risk is the risk of loss arising from a borrower's or counterparty's inability to meet its obligations. Credit risk can also arise from operational failures that result in an unauthorised or inappropriate guarantee, commitment or investment of funds. Credit risk affecting the group is primarily due to loans, debt instruments, guarantees, commitment as well as other risks both on and off the statement of financial position.

The principal features of the Group's credit risk management function include:

- Centralised credit management procedures;
- Risk management rules and procedures that focus on risk control throughout the entire credit business process, including customer investigation and credit rating, granting of credit limits, loan evaluation, loan review and approval, granting of loan and post-disbursement loan monitoring;
- A stringent qualification system for the loan approval officers; and
- Information management systems designed to enable a real time risk monitoring.

To enhance the credit risk management practices, the Group also launches training programs periodically for credit officers at different levels.

Risk concentration

Credit risk is often greater when counterparties are concentrated in one single industry, or geographic location or have comparable economic characteristics.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) Credit risk measurement

Measurement of ECLs

The ECL is a weighted average of credit losses on financial instruments weighted at the risk of default. Credit loss is the difference between all receivable contractual cash flows according to the contract and all cash flows expected to be received by the Group discounted to present value at the original effective interest rate, i.e. the present value of all cash shortfalls.

According to the changes of credit risk of financial instruments since initial recognition, the Group calculates the ECL by three stages:

- Stage 1: The financial instruments without significant increases in credit risk after initial recognition are included in Stage 1 to calculate their impairment allowance at an amount equivalent to the ECL of the financial instrument for the next 12 months;

- Stage 2: Financial instruments that have had a significant increase in credit risk since initial recognition but have no objective evidence of impairment are included in Stage 2, with their impairment allowance measured at an amount equivalent to the ECL over the lifetime of the financial instruments; and

- Stage 3: Financial assets with objective evidence of impairment at the financial reporting date are included in Stage 3, with their impairment allowance measured at the amount equivalent to the ECL for the lifetime of the financial instruments.

For the previous accounting period, the impairment allowance has been measured at the amount equivalent to the ECL over the entire lifetime of the financial instrument. However, at the financial reporting date of the current period, if the financial instrument no longer belongs to the situation of there being a significant increase in credit risk since initial recognition, the Group will measure the impairment allowance of the financial instruments at the financial reporting date of the current period according to the ECL in the next 12 months.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) ***Credit risk measurement*** *(Continued)*

Measurement of ECLs *(Continued)*

For credit-impaired financial assets that have been purchased or owned, the Group only recognises the accumulated amount equivalent to the ECL for the lifetime as impairment allowance since the initial recognition at the financial reporting date. The Group recognises the amount of the change to the ECL for the lifetime as an impairment loss or gain in profit on each financial reporting date.

The Group shall measure the ECL of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic condition.

When measuring the ECL, an entity need not necessarily identify every possible scenario. However, the Group shall consider the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of the occurrence of a credit loss is very low.

The Group conducts an assessment of ECLs according to forward-looking information and uses complex models and assumptions in its expected measurement of credit losses. These models and assumptions relate to the future macroeconomic conditions and borrower's creditworthiness (e.g., the likelihood of default by customers and the corresponding losses). The Group adopts judgement, assumptions and estimation techniques in order to measure ECLs according to the requirements of accounting standards such as:

- Criteria for judging a significant increase in credit risk;
- Definition of credit-impaired financial assets;
- Models and parameters for measuring ECLs;
- Forward-looking information; and
- Individual impairment assessment.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) ***Credit risk measurement*** *(Continued)*

Criteria for judging significant increases in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each financial reporting date. While determining whether the credit risk has significantly increased since initial recognition or not, the Group takes into account the reasonable and substantiated information that is accessible without exerting unnecessary cost or effort, including qualitative and quantitative analysis based on the historical data of the Group, external credit risk rating, and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Group compares the risk of default of financial instruments at the financial reporting date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments.

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

- At the reporting date, the rating or the Probability of Default ("**PD**") of the financial instruments reaches a certain extent, compared with the one at initial recognition; and

- The debtors' contractual payment (including principal and interest) are overdue more than 30 days.

Qualitative criteria

- The operating or financial condition of the debtor which is highly likely to lead to significant adverse effects;

- Be classified into the Special Mention category; and

- The list of pre-warning debtors.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) ***Credit risk measurement*** *(Continued)*

Definition of credit-impaired financial asset

The method adopted by the Group to determine whether a credit impairment occurs under IFRS 9 is consistent with the internal credit risk management objectives of the relevant financial instrument, and takes into account quantitative and qualitative criteria. When the Group assesses whether a credit impairment of a debtor occurs, the following main factors are considered:

- The issuer or the debtor encounters significant financial difficulty;
- The debtor is in breach of contract, such as defaulting on interest or becoming overdue on interest or principal payments overdue;
- The creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, has granted to the debtor a concession that the creditor would not otherwise consider;
- It is becoming probable that the debtor will enter bankruptcy or other financial restructuring;
- An active market for that financial asset disappears because of financial difficulties of the issuer or the debtor;
- The purchase or origination of a financial asset at a deep discount reflects the incurred credit losses; and
- Any principal, advances, interest and corporate bond investments held by debtors are overdue for more than 90 days.

The credit impairment of a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) Credit risk measurement *(Continued)*

Parameters of ECL measurement

Depending on whether there is a significant increase in credit risk and whether there is an impairment of assets, the Group measures the impairment loss for different assets with ECLs of 12 months or the entire lifetime respectively. The key measuring parameters of ECLs include the PD, Loss Given Default ("**LGD**") and Exposure at Default ("**EAD**"). Based on the current New Basel Capital Accord used in risk management and the requirements of IFRS 9, the Group takes into account the quantitative analysis of historical statistics (such as ratings of counterparties, manners of guarantees and types of collateral and repayments) and forward-looking information in order to establish the model of PD, LGD and EAD.

Relative definitions are listed as follows:

- PD refers to the possibility that the debtor will not be able to fulfil its obligations of repayment over the next 12 months or throughout the entire remaining lifetime. The Group's PD is adjusted based on the results of the Internal Rating-Based Approach under the New Basel Capital Accord, taking into account the forward-looking information and deducting the prudential adjustment to reflect the debtor's point-in-time (PIT) PD under the current macroeconomic environment;

- LGD refers to the Group's expectation of the extent of the loss resulting from the default exposure. Depending on the type of counterparty, the method and priority of the recourse, and the type of collateral, the LGD varies. LGD is expressed as a percentage loss per unit of exposure at the time of default and is calculated on a 12-month or lifetime basis; and

- EAD is the amount that the Group should be reimbursed at the time of the default in the next 12 months or throughout the entire remaining lifetime.

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) ***Credit risk measurement*** *(Continued)*

Forward-looking information

The assessment of a significant increase in credit risk and the calculation of ECLs both involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risk and ECLs of various business types, such as Gross domestic product ("GDP"), Industrial added value, Consumer Price Index, and Producer Price Index.

The impact of these economic indicators on the PD and the LGD varies according to different types of business. In this process, the Group mainly applies the experts' judgement. According to the result, the Group forecasts these economic indicators regularly and also determines the impact of these economic indicators on the PD and the LGD by conducting regression analysis.

When calculating the weighted average ECL provision, the Group determines the optimistic, neutral and pessimistic scenarios and their weightings through a combination of macro-statistical analysis and expert judgement.

As at 30 June 2026, the Group has taken into account different macro-economic scenarios, made forward-looking forecasts of macro-economic indicators. Of which the quarterly year-on-year GDP growth rate used to estimate ECL is 4.5% in the neutral scenario for the next year (from July 2026 to June 2027).

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(i) ***Credit risk measurement*** *(Continued)*

Collateral

The amount and type of collateral required depend on the assessment of the credit risk of the counterparty. Guidelines are in place specifying the types of collateral and valuation parameters which can be accepted.

Reverse repurchase business is mainly collateralised by bills or investment securities. As part of the reverse repurchase agreements, the Group has received securities that it is allowed to sell or repledge in the absence of default by their owners.

Corporate loans are mainly collateralised by properties or other assets. As at 30 June 2026, the carrying value of corporate loans covered by collateral amounted to RMB71,909 million (As at 31 December 2025: RMB77,856 million).

Personal loans are mainly collateralised by residential properties. As at 30 June 2026, the carrying value of personal loans covered by collateral amounted to RMB27,249 million (As at 31 December 2025: RMB31,898 million).

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

Although collateral can be an important mitigation of credit risk, the Group grants loans based on the assessment of the borrowers' ability to meet obligations out of their cash flows, instead of the value of collateral. The necessity of collateral is dependent on the nature of the loan.

In the event of default, the Group might sell the collateral for repayment. The fair values of collateral of past due but not impaired loans and impaired loans are disclosed in note 48(a)(iv).

The credit business management department monitors the market value of collateral periodically and requests additional collateral in accordance with the underlying agreement when it is considered necessary.

It is the Group's policy to dispose of repossessed assets in an orderly manner. In general, the Group does not occupy repossessed assets for business use.

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(ii) Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

As at the end of the reporting period, the maximum credit risk exposure of the Group without taking account of any collateral and other credit enhancements is set out below:

	30 June 2026	31 December 2025
Balances with the central bank	**94,378,406**	98,441,240
Due from banks and other financial institutions	**26,714,958**	21,138,574
Reverse repurchase agreements	**199,949**	–
Loans and advances to customers	**401,162,657**	394,261,733
Derivative financial assets	**283,866**	271,028
Financial investments		
– Financial assets at fair value through profit or loss	**84,144,780**	81,394,079
– Financial assets at fair value through other comprehensive income	**50,568,487**	79,009,465
– Financial assets at amortised cost	**309,090,354**	292,849,053
Finance lease receivables	**27,349,167**	24,102,510
Others	**1,926,987**	2,062,120
Subtotal	**995,819,611**	993,529,802
Credit commitments	**24,084,583**	25,673,633
Total maximum credit risk exposure	**1,019,904,194**	1,019,203,435

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iii) Risk concentrations

By industry distribution

The credit risk exposures of the Group mainly comprise loans and advances to customers, finance lease receivables and investments in debt securities. Details of the composition of the Group's investments in debt securities are set out in note 48(a)(vi) to the condense consolidated interim financial statements. The composition of the Group's gross loans and advances to customers by industry is analysed as follows:

	30 June 2026	31 December 2025
Corporate loans and advances		
Agriculture, forestry, animal husbandry and fishing	**2,366,531**	1,598,791
Mining	**4,928,758**	4,852,357
Manufacturing	**21,249,888**	20,130,721
Production and supply of electricity, gas and water	**21,269,060**	17,067,121
Construction	**21,567,239**	21,853,342
Wholesale and retail	**56,451,224**	49,334,723
Transportation, storage and postal services	**4,907,501**	5,244,765
Lodging and catering	**2,953,439**	2,983,168
Information transmission, software and information technology services	**822,155**	2,210,088
Finance	**418,959**	242,425
Real estate	**27,629,360**	28,149,457
Leasing and commercial services	**99,546,552**	90,249,724
Scientific research and technological services	**1,238,216**	1,509,374
Water, environment and public utility management	**10,743,579**	10,638,575
Resident services and other services	**713,959**	615,604
Education	**122,517**	163,614
Health and social affair	**1,151,991**	1,183,366
Culture, sports and entertainment	**246,250**	252,110
Subtotal	**278,327,178**	258,279,325

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iii) Risk concentrations *(Continued)*

By industry distribution *(Continued)*

	30 June 2026	31 December 2025
Discounted bills	**28,826,991**	35,913,882
Personal loans		
Personal business	**18,525,248**	20,398,690
Mortgages	**10,076,096**	10,598,745
Personal consumption	**69,718,082**	69,576,502
Loans to farmers	**17,076,222**	15,858,285
Subtotal	**115,395,648**	116,432,222
Total	**422,549,817**	410,625,429

By geographical distribution

The composition of the Group's gross loans and advances to customers by region:

	30 June 2026	31 December 2025
Heilongjiang region	**248,451,071**	236,841,918
Other regions in Northeastern China	**37,332,448**	41,701,903
Southwestern China	**93,571,717**	87,090,612
Other regions	**43,194,581**	44,990,996
Total	**422,549,817**	410,625,429

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iii) Risk concentrations *(Continued)*

By type of guarantees

The composition of the Group's gross loans and advances to customers by type of guarantee:

	30 June 2026	31 December 2025
Unsecured loans	**165,657,902**	160,064,042
Guaranteed loans	**152,232,832**	140,807,035
Loans secured by mortgages	**86,143,336**	89,378,758
Pledged loans	**18,515,747**	20,375,594
Total	**422,549,817**	410,625,429

(iv) Loans and advances to customers

The total credit risk exposure of loans and advances to customers is summarised as follows:

	30 June 2026	31 December 2025
Corporate loans and advances		
– Neither past due nor impaired	**260,370,304**	260,802,551
– Past due but not impaired	**21,776,269**	13,258,924
– Impaired	**25,007,596**	20,131,732
Subtotal	**307,154,169**	294,193,207
Personal loans		
– Neither past due nor impaired	**94,429,657**	95,471,721
– Past due but not impaired	**2,358,788**	3,421,160
– Impaired	**18,607,203**	17,539,341
Subtotal	**115,395,648**	116,432,222
Total	**422,549,817**	410,625,429

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iv) Loans and advances to customers *(Continued)*

Neither past due nor impaired

The loans and advances to customers of the Group that are neither past due nor impaired are classified as "Pass" or "Special mention" under the five-tier loan classification system maintained by the Group. The management of the Group considers that these loans are exposed to normal business risk and there was no identifiable objective evidence of impairment for these loans which may incur losses to the Group at the end of the reporting period.

	As at 30 June 2026		
	Pass	**Special Mention**	**Total**
Corporate loans and advances	**258,634,652**	**1,735,652**	**260,370,304**
Personal loans	**92,847,976**	**1,581,681**	**94,429,657**
Total	**351,482,628**	**3,317,333**	**354,799,961**

	As at 31 December 2025		
	Pass	Special Mention	Total
Corporate loans and advances	258,832,020	1,970,531	260,802,551
Personal loans	94,337,171	1,134,550	95,471,721
Total	353,169,191	3,105,081	356,274,272

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iv) ***Loans and advances to customers*** *(Continued)*

Past due but not impaired

The following tables present the ageing analysis of each type of loans and advances to customers of the Group that are subject to credit risk which are past due but not impaired as at the end of the reporting period:

	As at 30 June 2026			
Overdue days	**Within 1 month**	**1 to 3 months**	**Over 3 months**	**Total**
Corporate loans and advances	**4,886,561**	**16,889,708**	**–**	**21,776,269**
Personal loans	**1,070,776**	**1,288,012**	**–**	**2,358,788**
Total	**5,957,337**	**18,177,720**	**–**	**24,135,057**

	As at 31 December 2025			
Overdue days	Within 1 month	1 to 3 months	Over 3 months	Total
Corporate loans and advances	783,372	12,475,552	–	13,258,924
Personal loans	2,227,430	1,193,730	–	3,421,160
Total	3,010,802	13,669,282	–	16,680,084

As at 30 June 2026 and 31 December 2025, the fair values of collateral that the Group holds relating to corporate loans which are past due but not impaired amounted to RMB27,365,421 thousand and RMB22,523,612 thousand respectively, and the fair value of collateral that the Group holds relating to personal loans which are past due but not impaired amounted to RMB1,312,177 thousand and RMB1,895,213 thousand respectively.

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(iv) ***Loans and advances to customers*** *(Continued)*

Impaired

Impaired loans and advances are defined as those loans and advances which have objective evidence of impairment as a result of one or more events that occurred after initial recognition and that event has an impact on the estimated future cash flows of loans and advances that can be reliably estimated.

	30 June 2026	31 December 2025
Corporate loans and advances	**25,007,596**	20,131,732
Personal loans	**18,607,203**	17,539,341
Total	**43,614,799**	37,671,073

As at 30 June 2026, the fair value of collateral that the Group holds relating to loans individually determined to be impaired amounted to RMB37,144,366 thousand (As at 31 December 2025: RMB34,583,121 thousand). The collateral mainly consists of land, buildings, equipment and others.

Loans and advances rescheduled

Loans and advances rescheduled represent the loans and advances whose original contract repayment terms have been modified as a result of the deterioration of borrowers' financial conditions or inability to repay the loans and advances according to contractual terms. Forms of loans and advances rescheduled include deferral of payments, borrowing for repayment, deduction of interest or part of the principal, modification of the repayment method, improvement of collateral, changing the type of guarantee, etc. As at 30 June 2026, the gross value of the loans and advances rescheduled held by the Group amounted to RMB26,783 million (As at 31 December 2025: RMB22,116 million).

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(v) Finance lease receivables

	30 June 2026	31 December 2025
Finance lease receivables, net		
Neither past due nor impaired	**27,962,656**	24,501,282
Past due but not impaired	**24,798**	40,018
Impaired	**901,325**	1,131,789
Subtotal	**28,888,779**	25,673,089
Less: Allowance for impairment losses	**(1,539,612)**	(1,570,579)
Net balance	**27,349,167**	24,102,510

(vi) Financial assets

The following tables present an analysis of the carrying values of debt securities by credit or issuer rating and credit risk characteristics:

Financial assets at amortised cost

	As at 30 June 2026			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
AAA	**102,953,141**	**–**	**–**	**102,953,141**
AA- to AA+	**11,564,683**	**–**	**–**	**11,564,683**
A+ or below	**411,392**	**–**	**–**	**411,392**
Unrated	**184,502,103**	**–**	**17,125,205**	**201,627,308**
Total	**299,431,319**	**–**	**17,125,205**	**316,556,524**
Less: Allowance for impairment losses	**(726,069)**	**–**	**(6,740,101)**	**(7,466,170)**
Net balance	**298,705,250**	**–**	**10,385,104**	**309,090,354**

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(vi) ***Financial assets*** *(Continued)*

The following tables present an analysis of the carrying values of debt securities by credit or issuer rating and credit risk characteristics: (Continued)

Financial assets at amortised cost *(Continued)*

	As at 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
AAA	87,151,919	–	–	87,151,919
AA- to AA+	16,043,865	–	–	16,043,865
A+ or below	400,482	–	–	400,482
Unrated	178,800,098	–	21,080,052	199,880,150
Total	282,396,364	–	21,080,052	303,476,416
Less: Allowance for impairment losses	(1,141,205)	–	(9,486,158)	(10,627,363)
Net balance	281,255,159	–	11,593,894	292,849,053

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(a) Credit risk *(Continued)*

(vi) ***Financial assets*** *(Continued)*

The following tables present an analysis of the carrying values of debt securities by credit or issuer rating and credit risk characteristics: (Continued)

Financial assets at fair value through other comprehensive income

	As at 30 June 2026			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
AAA	**27,645,910**	**–**	**–**	**27,645,910**
AA- to AA+	**1,462,575**	**–**	**–**	**1,462,575**
A+ or below	**–**	**–**	**–**	**–**
Unrated	**21,460,002**	**–**	**–**	**21,460,002**
Total	**50,568,487**	**–**	**–**	**50,568,487**

	As at 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
AAA	42,093,120	–	–	42,093,120
AA- to AA+	1,900,967	–	–	1,900,967
A+ or below	–	–	–	–
Unrated	35,015,378	–	–	35,015,378
Total	79,009,465	–	–	79,009,465

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(b) Liquidity risk

(i) Maturity analysis of contractual undiscounted cash flows

The tables below summarise the maturity profile of the Group's financial instruments based on the contractual undiscounted cash flows. The balances of some items in the tables below are different from the balances on the statement of financial position as the tables incorporate all cash flows relating to both principal and interest. The Group's expected cash flows on these instruments may vary significantly from the following analysis. For example, demand deposits from customers are expected to maintain a stable or increasing balance although they have been classified as repayable on demand in the following tables.

30 June 2026	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	More than five years	Overdue/ Undated	Total
Non-derivative cash flows								
Financial assets:								
Cash and balances with the central bank	58,524,515	–	–	–	–	–	36,827,511	95,352,026
Due from banks and other financial institutions and reverse repurchase agreements	7,280,710	6,859,797	2,315,497	10,558,041	–	–	–	27,014,045
Loans and advances to customers	–	4,435,541	14,801,956	168,807,092	109,727,263	114,311,519	48,124,933	460,208,304
Financial investments	33,163,598	6,056,121	20,256,782	79,514,983	132,751,152	203,894,031	44,653,309	520,289,976
Finance lease receivables	–	234,051	435,563	4,196,943	24,621,029	26,736	44,368	29,558,690
Other financial assets	301,022	353,451	22,997	59,912	366,858	695,996	126,751	1,926,987
Total financial assets	99,269,845	17,938,961	37,832,795	263,136,971	267,466,302	318,928,282	129,776,872	1,134,350,028

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(b) Liquidity risk *(Continued)*

(i) ***Maturity analysis of contractual undiscounted cash flows*** *(Continued)*

30 June 2026	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	More than five years	Overdue/ Undated	Total
Non-derivative cash flows (Continued)								
Financial liabilities:								
Due to the central bank	–	3,003,726	7,312,200	5,773,762	–	–	–	16,089,688
Borrowings from banks and other financial institutions	–	4,798,493	4,955,596	24,731,086	660,136	–	–	35,145,311
Due to banks and other financial institutions and repurchase agreements	20,246,479	30,125,399	23,471,245	37,804,929	–	–	–	111,648,052
Due to customers	115,354,869	28,145,939	65,429,348	240,885,707	306,753,894	45,758	–	756,615,515
Debt securities issued	–	3,610,000	32,480,000	11,630,000	–	–	–	47,720,000
Other financial liabilities	731,435	1,801,728	458,642	1,491,481	12,453,914	155,642	–	17,092,842
Total financial liabilities	136,332,783	71,485,285	134,107,031	322,316,965	319,867,944	201,400	–	984,311,408
Net position	(37,062,938)	(53,546,324)	(96,274,236)	(59,179,994)	(52,401,642)	318,726,882	129,776,872	150,038,620
Derivative cash flows								
Derivative financial instruments settled on a gross basis								
Total inflow	–	75,038	120,072	89,489	–	–	–	284,599
Total outflow	–	(74,967)	(120,072)	(89,489)	–	–	–	(284,528)
Credit commitments	26,813	–	–	8,698,633	2,132,389	893,023	12,427,714	24,178,572

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(b) Liquidity risk *(Continued)*

(i) ***Maturity analysis of contractual undiscounted cash flows*** (Continued)

31 December 2025	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	More than five years	Overdue/ Undated	Total
Non-derivative cash flows								
Financial assets:								
Cash and balances with the central bank	62,890,935	–	–	–	–	–	36,384,290	99,275,225
Due from banks and other financial institutions and reverse repurchase agreements	9,710,960	1,126,456	784,953	9,723,287	–	–	–	21,345,656
Loans and advances to customers	–	7,236,703	25,251,278	152,924,218	116,005,853	105,581,728	46,111,032	453,110,812
Financial investments	34,250,525	6,917,271	30,728,236	75,287,351	174,339,962	176,011,962	14,394,940	511,930,247
Finance lease receivables	–	230,809	440,424	3,168,111	21,943,214	129,495	125,119	26,037,172
Assets of a disposal group classified as held for sale	74,168	43	4,019	9,532	4,205	3,528	35,252	130,747
Other financial assets	43,267	50,850	36,886	215,938	1,130,187	567,271	17,721	2,062,120
Total financial assets	106,969,855	15,562,132	57,245,796	241,328,437	313,423,421	282,293,984	97,068,354	1,113,891,979

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(b) Liquidity risk *(Continued)*

(i) ***Maturity analysis of contractual undiscounted cash flows*** *(Continued)*

31 December 2025	Repayable on demand	Less than one month	One to three months	Three months to one year	One to five years	More than five years	Overdue/ Undated	Total
Non-derivative cash flows (Continued)								
Financial liabilities:								
Due to the central bank	–	610,264	545,781	10,465,638	–	–	–	11,621,683
Borrowings from banks and other financial institutions	–	4,803,727	5,352,086	18,098,950	1,380,143	–	–	29,634,906
Due to banks and other financial Institutions and repurchase agreements	10,727,124	45,816,783	13,811,964	33,076,653	–	–	–	103,432,524
Due to customers	128,865,159	46,948,048	74,870,884	227,866,579	272,073,962	4,652,533	–	755,277,165
Debt securities issued	–	6,650,000	33,150,000	16,259,717	–	–	–	56,059,717
Liabilities directly associated with the assets classified as held for sale	9,035	4,326	12,117	32,799	66,631	–	–	124,908
Other financial liabilities	152,512	2,136,558	104,584	1,068,999	10,703,736	357,331	–	14,523,720
Total financial liabilities	139,753,830	106,969,706	127,847,416	306,869,335	284,224,472	5,009,864	–	970,674,623
Net position	(32,783,975)	(91,407,574)	(70,601,620)	(65,540,898)	29,198,949	277,284,120	97,068,354	143,217,356
Derivative cash flows								
Derivative financial instruments settled on a gross basis								
Total inflow	–	24,744	26,473	220,877	–	–	–	272,094
Total outflow	–	(24,744)	(26,473)	(220,877)	–	–	–	(272,094)
Credit commitments	52,372	2,439,671	1,581,381	6,009,433	1,758,841	893,023	12,960,673	25,695,394

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk

Market risk is the risk of loss, in respect of the Group's on-and off-balance sheet activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices and stock prices. Market risk arises from both the Group's trading and non-trading businesses.

The Group's market risk contains interest rate risk and currency risk.

The Group is primarily exposed to structural interest rate risk arising from commercial banking and position risk arising from treasury transactions.

The Group's currency risk mainly results from the risk arising from exchange rate fluctuations on its foreign exchange exposures. Foreign exchange exposures include the mismatch of foreign exchange assets and liabilities, and off-balance sheet foreign exchange positions arising from derivative transactions.

Sensitivity analysis, interest rate repricing gap analysis and foreign exchange risk concentration analysis are the major market risk management tools used by the Group. The Bank uses different management methods to control market risks, including trading book and banking book risks.

(i) Currency risk

The Group conducts it businesses mainly in RMB, with certain transactions denominated in USD, HKD, Russian ruble ("RUB") and, to a lesser extent, other currencies. Transactions in foreign currencies mainly arise from the Group's treasury operations and foreign exchange dealings.

The exchange rate of RMB to USD is managed under a floating exchange rate system.

The tables below indicate a sensitivity analysis of exchange rate changes of the currencies in which the Group has significant exposure on its monetary assets and liabilities and its forecasted cash flows. The analysis shows the effect of a reasonably possible movement in the currency rates against RMB, with all other variables held constant, on profit before tax and equity. A negative amount in the table reflects a potential net reduction in profit before tax or equity, while a positive amount reflects a potential net increase. This effect, however, is based on the assumption that the Group's foreign exchange exposures as at the period/year end are kept unchanged and, therefore, has not incorporated actions that would be taken by the Group to mitigate the adverse impact of this foreign exchange risk.

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk *(Continued)*

(i) ***Currency risk*** *(Continued)*

The Group sets trading limits, stop-loss limits and exposure limits to foreign exchange transactions to manage foreign exchange risk and to keep currency risk within limits. Based on the guidelines provided by the Risk Management Committee, laws and regulations as well as evaluation of the current market, the Group sets its risk limits and minimises the possibility of mismatch through more reasonable allocation of foreign currency sources and deployment.

		Effect on profit before tax	
Currency	Change in rate%	**30 June 2026**	31 December 2025
USD	-1%	**22,873**	3,284
HKD	-1%	**(225)**	7
RUB	-1%	**249**	107

While the table above indicates the effect on profit before tax of 1% depreciation of USD, HKD and RUB, there will be an opposite effect with the same amount if the currencies appreciate by the same percentage.

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk *(Continued)*

(i) ***Currency risk*** *(Continued)*

A breakdown of the financial assets and financial liabilities analysed by currency is as follows:

30 June 2026

	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	RUB (RMB equivalent)	Others (RMB equivalent)	Total (RMB equivalent)
Financial assets:						
Cash and balances with the central bank	95,326,120	17,734	1,344	4,306	2,522	95,352,026
Due from banks and other financial institutions and reverse repurchase agreements	25,068,086	1,469,210	12,151	14,671	350,789	26,914,907
Loans and advances to customers	401,160,936	1,721	–	–	–	401,162,657
Derivative financial assets	–	283,866	–	–	–	283,866
Financial investments	447,738,228	800,183	–	–	–	448,538,411
Finance lease receivables	27,349,167	–	–	–	–	27,349,167
Other financial assets	1,914,332	–	–	12,655	–	1,926,987
Total financial assets	998,556,869	2,572,714	13,495	31,632	353,311	1,001,528,021
Financial liabilities:						
Due to the central bank	16,043,902	–	–	–	–	16,043,902
Borrowings from banks and other financial institutions	34,795,508	–	–	–	–	34,795,508
Due to banks and other financial institutions and repurchase agreements	110,732,005	1,243	–	4,041	–	110,737,289
Derivative financial liabilities	–	283,795	–	–	–	283,795
Due to customers	740,436,133	62,397	621	2,725	327,518	740,829,394
Debt securities issued	47,532,282	–	–	–	–	47,532,282
Other financial liabilities	17,033,861	89	35,390	–	–	17,069,340
Total financial liabilities	966,573,691	347,524	36,011	6,766	327,518	967,291,510
Net position	31,983,178	2,225,190	(22,516)	24,866	25,793	34,236,511
Credit commitments	24,162,472	–	–	–	16,100	24,178,572

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk *(Continued)*

(i) ***Currency risk*** *(Continued)*

A breakdown of the financial assets and financial liabilities analysed by currency is as follows: *(Continued)*

31 December 2025

	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	RUB (RMB equivalent)	Others (RMB equivalent)	Total (RMB equivalent)
Financial assets:						
Cash and balances with the central bank	99,266,268	223	1,349	4,961	2,424	99,275,225
Due from banks and other financial institutions and reverse repurchase agreements	19,659,475	1,050,904	12,654	17,912	397,629	21,138,574
Loans and advances to customers	394,260,689	1,044	–	–	–	394,261,733
Derivative financial assets	–	271,028	–	–	–	271,028
Financial investments	456,966,865	1,003,490	–	–	–	457,970,355
Finance lease receivables	24,102,510	–	–	–	–	24,102,510
Assets of a disposal group classified as held for sale	120,021	–	–	–	–	120,021
Other financial assets	2,049,464	–	–	12,656	–	2,062,120
Total financial assets	996,425,292	2,326,689	14,003	35,529	400,053	999,201,566
Financial liabilities:						
Due to the central bank	11,512,492	–	–	–	–	11,512,492
Borrowings from banks and other financial institutions	29,305,817	–	–	–	–	29,305,817
Due to banks and other financial institutions and repurchase agreements	102,728,251	1,284	–	4,030	–	102,733,565
Derivative financial liabilities	–	271,028	–	–	–	271,028
Due to customers	738,252,141	63,562	646	7,267	255,167	738,578,783
Debt securities issued	55,830,222	–	–	–	–	55,830,222
Liabilities directly associated with the assets classified as held for sale	120,190	–	–	–	–	120,190
Other financial liabilities	14,388,806	9	110,405	–	–	14,499,220
Total financial liabilities	952,137,919	335,883	111,051	11,297	255,167	952,851,317
Net position	44,287,373	1,990,806	(97,048)	24,232	144,886	46,350,249
Credit commitments	25,695,394	–	–	–	–	25,695,394

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk *(Continued)*

(ii) Interest rate risk

The tables below summarise the contractual repricing or maturity dates, whichever are earlier, of the Group's financial assets and financial liabilities:

30 June 2026

	Less than three months	Three months to one year	One to five years	More than five years	Overdue/ non-interest-bearing	Total
Financial assets:						
Cash and balances with the central bank	94,362,698	–	–	–	989,328	95,352,026
Due from banks and other financial institutions and reverse repurchase agreements	16,342,046	10,419,684	–	–	153,177	26,914,907
Loans and advances to customers	19,186,162	164,407,349	98,146,804	70,104,083	49,318,259	401,162,657
Derivative financial assets	–	–	–	–	283,866	283,866
Financial investments	22,424,185	69,450,041	107,394,189	163,848,403	85,421,593	448,538,411
Finance lease receivables	613,588	3,854,769	22,632,481	24,663	223,666	27,349,167
Other financial assets	–	–	–	–	1,926,987	1,926,987
Total financial assets	152,928,679	248,131,843	228,173,474	233,977,149	138,316,876	1,001,528,021
Financial liabilities:						
Due to the central bank	10,300,000	5,708,120	–	–	35,782	16,043,902
Borrowings from banks and other financial institutions	9,667,112	24,292,913	628,351	–	207,132	34,795,508
Due to banks and other financial institutions and repurchase agreements	73,334,309	36,864,000	–	–	538,980	110,737,289
Derivative financial liabilities	–	–	–	–	283,795	283,795
Due to customers	205,425,897	232,482,232	286,617,548	44,965	16,258,752	740,829,394
Debt securities issued	35,112,020	12,420,262	–	–	–	47,532,282
Other financial liabilities	1,830,093	277,301	762,890	186,699	14,012,357	17,069,340
Total financial liabilities	335,669,431	312,044,828	288,008,789	231,664	31,336,798	967,291,510
Total interest sensitivity gap	(182,740,752)	(63,912,985)	(59,835,315)	233,745,485	N/A	N/A

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(c) Market risk *(Continued)*

(ii) ***Interest rate risk*** *(Continued)*

The tables below summarise the contractual repricing or maturity dates, whichever are earlier, of the Group's financial assets and financial liabilities: *(Continued)*

31 December 2025

	Less than three months	Three months to one year	One to five years	More than five years	Non-interest–bearing	Total
Financial assets:						
Cash and balances with the central bank	98,423,408	–	–	–	851,817	99,275,225
Due from banks and other financial institutions and reverse repurchase agreements	11,581,164	9,504,164	–	–	53,246	21,138,574
Loans and advances to customers	32,234,182	149,354,507	103,389,719	66,055,719	43,227,606	394,261,733
Derivative financial assets	–	–	–	–	271,028	271,028
Financial investments	34,515,610	67,646,930	148,770,609	150,664,401	56,372,805	457,970,355
Finance lease receivables	617,742	2,914,993	20,170,642	119,797	279,336	24,102,510
Assets of a disposal group classified as held for sale	84,301	9,142	3,344	2,192	21,042	120,021
Other financial assets	–	–	–	–	2,062,120	2,062,120
Total financial assets	177,456,407	229,429,736	272,334,314	216,842,109	103,139,000	999,201,566
Financial liabilities:						
Due to the central bank	1,083,020	10,413,620	–	–	15,852	11,512,492
Borrowings from banks and other financial institutions	10,047,487	17,727,973	1,316,070	–	214,287	29,305,817
Due to banks and other financial institutions and repurchase agreements	70,046,580	32,394,000	–	–	292,985	102,733,565
Derivative financial liabilities	–	–	–	–	271,028	271,028
Due to customers	241,686,334	220,469,066	253,055,080	4,033,210	19,335,093	738,578,783
Debt securities issued	39,691,738	16,138,484	–	–	–	55,830,222
Liabilities directly associated with the assets classified as held for sale	19,289	32,241	62,518	–	6,142	120,190
Other financial liabilities	2,152,642	19,228	232,759	55,462	12,039,129	14,499,220
Total financial liabilities	364,727,090	297,194,612	254,666,427	4,088,672	32,174,516	952,851,317
Total interest sensitivity gap	(187,270,683)	(67,764,876)	17,667,887	212,753,437	N/A	N/A

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(d) Capital management

The Group's objectives on capital management are:

- to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to support the Group's stability and growth;
- to allocate capital using an efficient and risk-based approach to optimise the risk adjusted return to the shareholders; and
- to maintain an adequate capital base to support the development of its business.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust its profit distribution policy, issue or redeem own shares, issue long-term subordinated bonds, etc.

Capital adequacy and the use of regulatory capital are monitored regularly by the Group's management based on regulations issued by the NFRA. The required information is filed with the NFRA by the Group and the Bank semi-annually and quarterly.

The capital adequacy ratios and related components of the Group are computed in accordance with the statutory financial statements of the Group prepared under PRC GAAP. During the period, the Group has fully complied with all the externally imposed capital requirements. The requirements pursuant to these regulations may have significant differences comparing to those applicable in Hong Kong and other countries.

Based on the "Capital Rules for Commercial Banks" (NFRA Order No. 4 promulgated on 1 November 2023 and implemented since 1 January 2024). The regulatory requirements request a commercial bank to maintain its core tier 1 capital adequacy ratio above 7.5%, the tier 1 capital adequacy ratio above 8.5% and the capital adequacy ratio above 10.5%. The Group has begun to calculate the capital adequacy ratio based on the "Capital Rules for Commercial Banks" since 1 January 2024 and will continue to promote the content of this disclosure.

(Amount in thousands of RMB, unless otherwise stated)

48. FINANCIAL INSTRUMENT RISK MANAGEMENT *(Continued)*

(d) Capital management *(Continued)*

	30 June 2026	31 December 2025
Core capital		
Qualified part of share capital	**10,995,600**	10,995,600
Qualified part of capital reserves	**7,594,419**	7,591,470
Surplus reserves and general reserves	**14,680,695**	14,430,584
Undistributed profits	**17,877,713**	17,479,164
Qualified part of non-controlling interests	**1,279,693**	1,202,385
Other comprehensive income	**(57,986)**	95,093
Core tier 1 capital deductible items	**(3,671,778)**	(3,118,867)
Net core tier 1 capital	**48,698,356**	48,675,429
Net other tier 1 capital	**13,864,270**	21,858,182
Net tier 1 capital	**62,562,626**	70,533,611
Net tier 2 capital	**7,216,104**	7,106,269
Net capital	**69,778,730**	77,639,880
Total risk-weighted assets	**582,409,905**	574,321,975
Core tier 1 capital adequacy ratio	**8.36%**	8.48%
Tier 1 capital adequacy ratio	**10.74%**	12.28%
Capital adequacy ratio	**11.98%**	13.52%

49. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial assets and financial liabilities measured at fair value on a recurring basis

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.The Group uses the following hierarchy for the determination and disclosure of the fair value of financial instruments:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(Amount in thousands of RMB, unless otherwise stated)

49. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial assets and financial liabilities measured at fair value on a recurring basis *(Continued)*

As at 30 June 2026, the fair value hierarchy of the Group's financial assets and liabilities measured at fair value on a recurring basis is set out below:

30 June 2026	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:				
Derivative financial assets	–	283,866	–	283,866
Financial assets at fair value through profit or loss				
– Debt securities	–	–	98,394	98,394
– Funds	–	33,152,141	–	33,152,141
– Trust investments and asset management plans	–	43,979,838	6,914,407	50,894,245
– Equity instruments	11,457	–	218,942	230,399
Subtotal	11,457	77,131,979	7,231,743	84,375,179
Financial assets at fair value through other comprehensive income				
– Debt securities	–	49,974,464	–	49,974,464
– Equity instruments	721	50,987	4,452,683	4,504,391
Subtotal	721	50,025,451	4,452,683	54,478,855
Loan and advance measured at fair value through other comprehensive income				
– Discounted bills and forfaiting	–	55,164,721	–	55,164,721
Total	12,178	182,606,017	11,684,426	194,302,621
Financial liabilities measured at fair value:				
Derivative financial liabilities	–	283,795	–	283,795

(Amount in thousands of RMB, unless otherwise stated)

49. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial assets and financial liabilities measured at fair value on a recurring basis *(Continued)*

As at 31 December 2025, the fair value hierarchy of the Group's financial assets and liabilities measured at fair value on a recurring basis is set out below:

31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:				
Derivative financial assets	–	271,028	–	271,028
Financial assets at fair value through profit or loss				
– Debt securities	–	–	98,671	98,671
– Funds	–	34,238,144	–	34,238,144
– Trust investments and asset management plans	–	40,023,836	7,033,428	47,057,264
– Equity instruments	12,381	–	229,355	241,736
Subtotal	12,381	74,261,980	7,361,454	81,635,815
Financial assets at fair value through other comprehensive income				
– Debt securities	–	78,142,896	–	78,142,896
– Equity instruments	773	50,987	4,424,262	4,476,022
Subtotal	773	78,193,883	4,424,262	82,618,918
Loan and advance measured at fair value through other comprehensive income				
– Discounted bills and forfaiting	–	54,767,103	–	54,767,103
Total	13,154	207,493,994	11,785,716	219,292,864
Financial liabilities measured at fair value:				
Derivative financial liabilities	–	271,028	–	271,028

49. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial assets and financial liabilities measured at fair value on a recurring basis *(Continued)*

During the six-month period ended 30 June 2026, there is no significant transfer among each level (During the year ended 31 December 2025: Nil).

Subject to the existence of an active market, such as an authorised securities exchange, the market value is the best reflection of the fair value of financial instruments. As there is no available market value for certain of the financial assets and liabilities held and issued by the Group, the discounted cash flow method or other valuation methods are adopted to determine the fair values of these assets and liabilities.

The financial instruments classified as Level 2 by the Group are mainly debt investment, derivative financial instruments and discounted bills measured at fair value through other comprehensive income. For debt securities, the fair values of these bonds are determined based on the valuation results provided by China Central Depository Trust & Clearing Co., Ltd; For derivative financial instruments, the fair values are determined based on discounted cash flow and other valuation methods; For discounted bills, the fair values are determined based on discounted cash flow. The determination are based on a valuation technique for which all significant inputs are observable market data.

The financial instruments classified as Level 3 by the Group are mainly unlisted equity instruments and trust fund plans and asset management. The valuation methods used are mainly market method and discounted cash flow method, and the unobservable parameters involved are mainly net assets, discount rate, liquidity discount, etc.

All of the above-mentioned assumptions and methods provide a consistent basis for the calculation of the fair values of the Group's assets and liabilities. However, other financial institutions may use different assumptions and methods. Therefore, the fair values disclosed by different financial institutions may not be entirely comparable.

As at 30 June 2026 and 31 December 2025, the Group and the Bank had no assets or liabilities measured at fair value that were discontinued.

(Amount in thousands of RMB, unless otherwise stated)

49. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial assets and financial liabilities measured at fair value on a recurring basis *(Continued)*

Reconciliation of movements in Level 3 financial instruments measured at fair value is as follows:

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
As at 1 January 2025	7,739,207	4,588,067
Additions	1,379,557	–
Disposals/transfers	–	(53,974)
Losses through profit or loss	(1,757,310)	–
Losses through other comprehensive income	–	(109,831)
As at 31 December 2025 and 1 January 2026	7,361,454	4,424,262
Additions	–	–
Disposals/transfers	–	–
Losses through profit or loss	(129,711)	–
Gains through other comprehensive income	–	28,421
As at 30 June 2026	**7,231,743**	**4,452,683**

(Amount in thousands of RMB, unless otherwise stated)

49. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial assets and liabilities not measured at fair value

Financial assets and financial liabilities not measured at fair value in the balance sheet mainly include: balances with the central bank, due from banks and other financial institutions, reverse repurchase agreements, loans and advances to customers measured at amortised cost, financial assets at amortised cost, due to the central bank, borrowings from and due to banks and other financial institutions, repurchase agreements, due to customers, debt securities issued, etc.

For debt securities measured at amortised cost and debt securities issued not reflected or disclosed at fair value, the following table sets forth their book value and fair value:

	As at 30 June 2026		As at 31 December 2025	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost	**302,079,035**	**311,076,013**	285,988,281	292,730,234
Financial liabilities				
Debt securities issued	**47,532,282**	**47,439,064**	55,830,222	55,707,490

Other than the financial assets and financial liabilities disclosed in above table, other financial assets and financial liabilities that are not measured at fair value in the balance sheet, the valuation methods used is discounted cash flow method, the carrying amounts approximate the fair values.

50. SUBSEQUENT EVENTS

The Group has no significant subsequent events after the reporting period and up to the latest practicable date.

51. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 August 2026.

Unaudited Supplementary Financial Information

For the period ended 30 June 2026

(In RMB thousands, unless otherwise stated)

In accordance with the Hong Kong Listing Rules and the Banking (Disclosure) Rules, the Group discloses the unaudited supplementary financial information as follows:

(a) LIQUIDITY RATIO

	30 June 2026	31 December 2025
RMB current assets to RMB current liabilities	**143.24%**	137.75%
Foreign currency current assets to foreign currency current liabilities	**243.37%**	31.65%

These liquidity ratios are calculated based on relevant regulations provided by the NFRA and Chinese accounting policies.

(b) CURRENCY CONCENTRATIONS

	USD	HKD	RUB	Others	Total
30 June 2026					
Spot assets	**2,294,651**	**35,994**	**–**	**376,274**	**2,706,919**
Spot liabilities	**(1,453,030)**	**(36,011)**	**–**	**(376,216)**	**(1,865,257)**
Forward purchases	**17,536**	**–**	**–**	**–**	**17,536**
Forward sales	**(17,536)**	**–**	**–**	**–**	**(17,536)**
Net long/(short) position	**841,621**	**(17)**	**–**	**58**	**841,662**
31 December 2025					
Spot assets	2,310,571	37,417	–	426,900	2,774,888
Spot liabilities	(1,502,414)	(37,448)	–	(426,740)	(1,966,602)
Forward purchases	2,496	–	–	–	2,496
Forward sales	–	–	–	(117,451)	(117,451)
Net long/(short) position	810,653	(31)	–	(117,291)	693,331

(In RMB thousands, unless otherwise stated)

(c) INTERNATIONAL CLAIMS

The Group discloses international claims according to Banking (Disclosure) Rules (L.N. 160 of 2014). International claims are risk exposures generated from the countries or geographical areas where the counterparties take the ultimate risk while considering the transfer of the risk, excluding local claims on local residents in local currency. Risk transfer is 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 counterparty whose head office is located in another country.

International claims are included in Due from banks and other financial institutions.

International claims have been disclosed by major country or geographical area. A country or geographical area is reported when the claims from the country or area constitute 10% or more of the aggregate amount of international claims, after taking into account risk transfers.

	Banks	Others	Total
30 June 2026			
Asia Pacific excluding Mainland China	**33,161**	**–**	**33,161**
– of which attributed to Hong Kong	**–**	**–**	**–**
Europe	**6,204**	**–**	**6,204**
North America	**76,290**	**–**	**76,290**
Total	**115,655**	**–**	**115,655**
31 December 2025			
Asia Pacific excluding Mainland China	21,400	–	21,400
– of which attributed to Hong Kong	8,051	–	8,051
Europe	77,288	–	77,288
North America	78,127	–	78,127
Total	176,815	–	176,815

(In RMB thousands, unless otherwise stated)

(d) LOANS AND ADVANCES TO CUSTOMERS

(i) Overdue loans and advances to customers：

	30 June 2026				
Overdue days	**Within 90 days**	**91 days to 1 year**	**1 to 5 years**	**Over 5 years**	**Total**
Unsecured loans	**1,574,163**	**2,162,004**	**8,111,782**	**673,063**	**12,521,012**
Guaranteed loans	**7,897,157**	**3,007,511**	**3,717,596**	**1,965,199**	**16,587,463**
Loans secured by mortgages	**15,633,726**	**3,100,254**	**7,860,634**	**4,464,609**	**31,059,223**
Pledged loans	**424,288**	**466,149**	**1,338,241**	**9,123**	**2,237,801**
Total	**25,529,334**	**8,735,918**	**21,028,253**	**7,111,994**	**62,405,499**

	31 December 2025				
Overdue days	Within 90 days	91 days to 1 year	1 to 5 years	Over 5 years	Total
Unsecured loans	2,134,045	1,853,188	8,026,094	343,925	12,357,252
Guaranteed loans	5,360,302	706,646	4,704,772	1,733,608	12,505,328
Loans secured by mortgages	8,364,381	3,171,197	11,020,404	3,170,459	25,726,441
Pledged loans	374,178	18,366	1,314,649	28,971	1,736,164
Total	16,232,906	5,749,397	25,065,919	5,276,963	52,325,185

(ii) Overdue loans and advances to customers by geographical location：

	30 June 2026	31 December 2025
Heilongjiang region	**28,512,189**	21,039,206
Other regions in Northeastern China	**9,919,782**	9,843,377
Southwestern China	**11,655,249**	10,872,149
Other regions	**12,318,279**	10,570,453
Total	**62,405,499**	52,325,185

(e) OVERDUE AMOUNTS DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

As at 30 June 2026, there were no overdue amounts due from banks and other financial institutions in respect of principal or interest (As at 31 December 2025: Nil).

(f) OVERDUE PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

As at 30 June 2026, there were no overdue placements with banks and other financial institutions in respect of principal or interest (As at 31 December 2025: Nil).

(g) EXPOSURES TO MAINLAND CHINA NON-BANK ENTITIES

The Bank is a commercial bank incorporated in mainland China with its banking business conducted in mainland China. At 30 June 2026, substantial amounts of the Bank's exposures arose from businesses with mainland China entities or individuals.

Documents for Inspection

I. Financial Statements with Signature and Seal of Legal Representative, Person in Charge of Accounting Work and Person in Charge of Accounting Firms

II. Original Audit Report with Accounting Firms' Seals and Certified Public Accountants' Signatures and Seals

III. Text of Interim Report Autographed by Directors of the Company

IV. Articles of Association of the Company

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