晋商银行
Jinshang Bank

晉商銀行股份有限公司
JINSHANG BANK CO., LTD.

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

Stock Code: 2558

2026
INTERIM REPORT

CONTENTS

DEFINITIONS

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

"Articles of Association"	the articles of association of the Bank, as amended, supplemented or otherwise modified from time to time
"Bank" or "our Bank"	Jinshang Bank Co., Ltd* (晉商銀行股份有限公司), a joint stock company established on October 16, 1998 in the PRC with limited liability pursuant to the relevant PRC laws and regulations, and, if the context requires, includes its predecessors, branches and sub-branches, excluding its subsidiaries
"Board" or "Board of Directors"	the board of Directors of the Bank
"Board of Supervisors"	the board of Supervisors of the Bank
"China" or "PRC"	the People's Republic of China
"Director(s)"	the director(s) of the Bank
"Domestic Shares"	ordinary shares issued by the Bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi
"former CBIRC"	former China Banking and Insurance Regulatory Commission (原中國銀行保險監督管理委員會), whose functions are now exercised by the National Financial Regulatory Administration
"former CBIRC Shanxi Office"	former China Banking and Insurance Regulatory Commission Shanxi Office, whose functions are now exercised by the Shanxi Supervision Bureau of National Financial Regulatory Administration
"Group", "we" or "us"	the Bank together with its subsidiary, and, if the context requires, includes its predecessors, branches and sub-branches

"H Shares"	the ordinary shares issued by the Bank, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
"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
"PBoC" or "the central bank"	the People's Bank of China (中國人民銀行)
"PRC Company Law"	the Company Law of the PRC
"Reporting Period"	the six months ended June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanxi Supervision Bureau"	Shanxi Supervision Bureau of National Financial Regulatory Administration
"Shareholder(s)"	the holder(s) of the Shares of the Bank
"Shares"	ordinary shares in the share capital of the Bank with a nominal value of RMB1.00 each
"subsidiary(ies)"	has the meaning ascribed to it under Section 2 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Supervisor(s)"	the supervisor(s) of the Bank
"%"	per cent

CORPORATE INFORMATION

1 BASIC INFORMATION OF THE COMPANY

Legal Chinese Name	晉商銀行股份有限公司*
Abbreviation in Chinese	晉商銀行
Legal English Name	Jinshang Bank Co., Ltd.
Abbreviation in English	Jinshang Bank
Legal Representative	HAO Qiang[1]
Authorized Representatives	HAO Qiang, AU Kai Yin
Board Secretary	WANG Qi
Joint Company Secretaries	WANG Qi, AU Kai Yin
Registered Address and Address of Headquarters	No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC
Principal Place of Business in Hong Kong	40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong
Tel	(86) 0351-7812583
Fax	(86) 0351-6819503
E-mail	dongban@jshbank.com
Website	www.jshbank.com
Website of the Hong Kong Stock Exchange for publishing the H-share interim report	www.hkexnews.hk

Notes:

1 According to the Articles of Association, the chairwoman of the Bank is the legal representative.

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

Initial Registration Date	October 16, 1998
Unified Social Credit Code	911400007011347302
Financial License Institution Number	B0116H214010001
Listing Place of H Shares	The Stock Exchange of Hong Kong Limited
Stock Name	JINSHANG BANK
Stock Code	2558
H Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
PRC Legal Advisor	Jun He Law Offices 20/F, China Resources Building 8 Jianguomenbei Avenue Dongcheng District Beijing, the PRC
Hong Kong Legal Advisor	Morgan, Lewis & Bockius 19th Floor, Edinburgh Tower The Landmark 15 Queen's Road Central Hong Kong
Auditor	KPMG Huazhen LLP 8th Floor, KPMG Tower, Oriental Plaza, No. 1 East Changan Ave. Beijing, the PRC KPMG *(Public Interest Entity Auditor registered under the Accounting and Financial Reporting Council Ordinance)* 8th Floor, Prince's Building 10 Chater Road Central, Hong Kong

Board Committees	Development and Strategy Committee HAO Qiang (chairperson), ZHANG Yunfei (vice chairperson), GAO Yurong, HU Zhihong, WANG Liyan
	Audit Committee LIANG Yongming (chairperson), DUAN Qingshan (vice chairperson), RONG Changqing, CHAN Ngai Sang Kenny
	Risk Management Committee DUAN Qingshan (chairperson), ZHANG Yunfei, WANG Jianjun, HU Zhihong, WANG Liyan
	Related Parties Transactions Control Committee LIANG Yongming (chairperson), ZHANG Yunfei, WANG Qi, DUAN Qingshan, WANG Liyan
	Nomination, Remuneration and HR Committee DUAN Qingshan (chairperson), LIANG Yongming (vice chairperson), HAO Qiang, WANG Xiankui, HU Zhihong
	Consumer Rights Protection Committee HU Zhihong (chairperson), CHAN Ngai Sang Kenny (vice chairperson), WANG Qi, LI Yang

2 CORPORATE INFORMATION

JINSHANG BANK CO., LTD. (hereinafter referred to as "**Jinshang Bank**", 2558.HK), head-quartered in Taiyuan, Shanxi, was renamed from Taiyuan Commercial Bank on December 30, 2008 with the approval of former China Banking Regulatory Commission (the "**former CBRC**"). It was officially established on February 28, 2009 and listed on the Hong Kong Stock Exchange on July 18, 2019.

Under the correct leadership of the Provincial Party Committee and the Provincial Government of Shanxi Province, and with the guidance and assistance of regulatory authorities, Jinshang Bank has successively achieved strategic breakthroughs such as introducing strategic investors and listing of H Shares, and gradually embarked on a development path of a modern commercial bank featuring steady development, good performance and controllable risks. By the end of June 2026, the Bank's total assets, deposit balance and loan balance amounted to RMB401.72 billion, RMB309.76 billion and RMB239.33 billion, respectively, with a capital adequacy ratio of 12.91%, a core tier-one capital adequacy ratio of 10.53% and an allowance coverage ratio of 165.40%, and the main regulatory indicators met the regulatory requirements.

Since its establishment, by adhering to the “customer-centric” service concept, Jinshang Bank has expanded its outlet services into 11 prefecture-level cities in Shanxi Province. With 153 outlets under its supervision, the Bank established a small enterprises financial service center, and initiated the establishment of the first consumer finance company in Shanxi Province – Jinshang Consumer Finance Co., Ltd. In addition, electronic channels such as online banking, mobile banking and WeChat banking have been steadily promoted, forming an “integrated online and offline” financial service pattern.

Jinshang Bank has been widely recognized by the Provincial Party Committee and the Provincial Government of Shanxi Province, and all sectors of society for its excellent business performance and quality financial services. It has been successively named the “Most Competitive National Brand among China’s City Commercial Banks (中國城商行最具競爭力民族品牌)”, “Most Competitive Small-and Medium-sized Bank in China (中國最具競爭力中小銀行)”, “Meritorious Enterprise in Shanxi Province (山西省功勳企業)” and “Most Popular Bank in Shanxi (山西老百姓最喜愛的銀行)”, and won the “May 1st Labor Award in Shanxi Province (山西省五一勞動獎狀)”.

Jinshang Bank continues to promote the development strategy planning goals for 2026-2030

Strategic Mission: For the people, for practical outcomes, to create a better life; embrace innovation and progress, to connect with the future.

Strategic Vision: Pursuing high-quality development to become a regional boutique listed bank that excels in value creation.

Strategic Positioning

Regional positioning: Rooted in Sanjin, serving Shanxi.

Market positioning: Serving the local economy, serving micro and small and medium enterprises, serving urban and rural residents.

Customer positioning: Strengthen and specialize in government finance as the government’s financial steward;

Optimize and revitalize central and state-owned enterprises to serve as their local corporate bank partner;

Solidify and grow our private client base to be a steadfast supporter of private enterprises;

Wholeheartedly serve small and micro enterprises as their growth partner; and

Serve urban and rural residents with a “finance-for-the-people” commitment and act as their wealth steward.

Business positioning: Strengthening corporate business, refining retail business, optimizing inclusive finance, and specializing in the financial market.

SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

	For the six months ended June 30,		
	2026	2025	Rate of change (%)
	(Expressed in millions of RMB, unless otherwise stated)		
Results of operations			
Interest income	**5,263.4**	5,602.6	(6.1)
Interest expense	**(2,984.9)**	(3,571.1)	(16.4)
Net interest income	**2,278.5**	2,031.5	12.2
Fee and commission income	**273.1**	294.2	(7.2)
Fee and commission expense	**(42.7)**	(35.3)	21.0
Net fee and commission income	**230.4**	258.9	(11.0)
Net trading gains	**97.3**	(74.0)	(231.5)
Net gains arising from investment securities	**282.6**	509.5	(44.5)
Other operating income [(1)]	**2.6**	9.8	(73.5)
Operating income	**2,891.4**	2,735.7	5.7
Operating expenses	**(889.7)**	(899.9)	(1.1)
Impairment losses on credit	**(953.0)**	(775.0)	23.0
Impairment losses on other assets	**(0.6)**	0.1	(700.0)
Share of profits of associate	**3.0**	13.1	(77.1)
Profit before tax	**1,051.1**	1,074.0	(2.1)
Income tax expense	**(8.0)**	(23.5)	(66.0)
Net profit	**1,043.1**	1,050.5	(0.7)
Net profit attributable to:			
Equity shareholders of the Bank	**1,043.1**	1,052.4	(0.9)
Non-controlling interests	**–**	(1.9)	
Earnings per share attributable to equity shareholders of the Bank (RMB per share)			
– Basic	**0.18**	**0.18**	
– Diluted	**0.18**	**0.18**	

Note:

(1) Consists primarily of operating government grants and other business income.

SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

	As of June 30, 2026	As of December 31, 2025	Rate of change (%)
	(Expressed in millions of RMB, unless otherwise stated)		
Key indicators for assets/liabilities			
Total assets	**401,723.7**	393,000.4	2.2
of which: net loans and advances to customers	**232,116.4**	210,457.4	10.3
Total liabilities	**371,806.5**	363,913.5	2.2
of which: deposits from customers	**318,189.6**	320,797.0	(0.8)
Total equity	**29,917.2**	29,086.9	2.9
of which: share capital	**5,838.7**	5,838.7	0.0
equity attributable to equity holders of the Bank	**29,917.2**	29,086.9	2.9

	For the six months ended June 30, 2026	2025	Change
Profitability indicators (%)			
Return on average total assets (1)	**0.53**	0.55	(0.02)
Return on average equity (2)	**7.59**	7.99	(0.40)
Net interest spread (3)	**1.10**	1.02	0.08
Net interest margin (4)	**1.22**	1.13	0.09
Net fee and commission income to operating income ratio	**7.97**	9.46	(1.49)
Cost-to-income ratio (5)	**29.25**	31.47	(2.22)

	As of June 30, 2026	As of December 31, 2025	Change
Asset quality indicators (%)			
NPL ratio (6)	**2.05**	1.95	0.10
Allowance coverage ratio (7)	**165.40**	191.00	(25.60)
Allowance to gross loan ratio (8)	**3.40**	3.73	(0.33)

SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

	As of June 30, 2026	As of December 31, 2025	Change
Capital adequacy indicators (%) [9]			
Core tier-one capital adequacy ratio [10]	**10.53**	10.46	0.07
Tier-one capital adequacy ratio [11]	**11.29**	11.24	0.05
Capital adequacy ratio [12]	**12.91**	13.96	(1.05)
Total equity to total assets ratio	**7.45**	7.40	0.05

	As of June 30, 2026	As of December 31, 2025	Change
Other indicators (%)			
Loan-to-deposit ratio [13]	**77.26**	69.96	7.30
Liquidity coverage ratio [14]	**143.98**	178.84	(34.86)
Liquidity ratio [15]	**92.58**	100.73	(8.15)

	As of June 30, 2026	As of March 31, 2026	As of December 31, 2025
	(Expressed in millions of RMB, unless otherwise stated)		
Net stable funding ratio [16]			
Net stable funding ratio (%)	**122.69**	126.73	130.49
Available stable funding	**268,596.1**	261,713.2	262,912.8
Required stable funding	**218,927.9**	206,505.1	201,479.8

Notes:

(1) Calculated by dividing net profit by the average balance of total assets at the beginning and the end of the period, and adjusted on an annualized basis.

(2) Calculated by dividing net profit by the average net assets. When calculating the return on average equity, the interests on undated capital bonds distributed during the period had been deducted from the net profit, and the net funds raised from undated capital bonds had been deducted from the average net assets.

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

(4) Calculated by dividing net interest income by the average balance of total interest-earning assets, and adjusted on an annualized basis.

(5) Calculated by dividing total operating expenses (net of taxes and surcharges) by total operating income.

(6) Calculated by dividing total non-performing loans ("NPL") by gross loans and advances to customers. Except as otherwise stated, the "gross loans and advances" referred to in this interim report exclude interest accrued.

(7) Calculated by dividing total allowance for impairment losses on loans to customers (including the provision for impairment losses of loans and advances to customers measured at fair value through other comprehensive income) by total NPLs.

(8) Calculated by dividing total allowance for impairment losses on loans to customers (including the provision for impairment losses of loans and advances to customers measured at fair value through other comprehensive income) by gross loans and advances to customers.

(9) Calculated in accordance with the Capital Administrative Measures for Commercial Banks (《商業銀行資本管理辦法》).

(10) Calculated by dividing core tier-one capital, net of core tier-one capital deductions, by risk-weighted assets.

(11) Calculated by dividing tier-one capital, net of tier-one capital deductions, by risk-weighted assets.

(12) Calculated by dividing total capital, net of capital deductions, by risk-weighted assets.

(13) Calculated by dividing gross loans and advances to customers by total deposits from customers (excluding interest accrued).

(14) Liquidity coverage ratio is calculated in accordance with the formula promulgated by the former CBIRC. Liquidity coverage ratio = eligible high-quality liquid assets/net cash outflows for the next 30 days × 100%.

(15) Liquidity ratio is calculated in accordance with the formula promulgated by the former CBIRC. Liquidity ratio = balance of current assets/balance of current liabilities × 100%.

(16) Net stable funding ratio is calculated in accordance with the formula stipulated in the Measures for Disclosure of Information on Net Stable Funding Ratio by Commercial Banks (Yin Bao Jian Fa [2019] No.11) (《商業銀行淨穩定資金比例信息披露辦法》(銀保監發[2019]11號)) as promulgated by the former CBIRC. Net stable funding ratio = available stable funding/required stable funding × 100%.

1 REVIEW OF THE ECONOMIC, FINANCIAL AND POLICY ENVIRONMENT

In the first half of 2026, in the face of complex changes in both domestic and international economic environments, China upheld the principle of pursuing progress while maintaining stability, drove high-quality development, and rolled out more proactive and effective macro policies. The economy withstood pressures and stayed within a reasonable range, with production and supply growing briskly, new drivers expanding swiftly, and development resilience continuing to manifest itself.

In the first half of 2026, the gross domestic product (GDP) was RMB69,570.4 billion at constant prices, representing an increase of 4.7% compared to the previous year. Industrial production experienced rapid growth. The added value of national industrial enterprises above the designated size increased by 5.4% compared to the previous year. The equipment manufacturing and high-tech manufacturing sectors maintained robust growth, representing 3.9 and 7.9 percentage points higher than that of industrial enterprises above the designated size, respectively; while the service industry recorded steady growth, with its added value increasing by 5.2% year-on-year in the first half of the year. The consumer market continued to expand, with relatively rapid growth in services retail. In the first half of the year, the total retail sales of consumer goods and services increased by 2.7% year-on-year, among which services retail sales grew by 5.3%. Fixed asset investment came under overall pressure while its structure improved. In the first half of the year, national fixed asset investment (excluding rural households) reached RMB22,637.0 billion, down by 5.7% year-on-year. Imports and exports of goods grew rapidly, with continued optimization of the trade structure. In the first half of the year, the total value of goods imports and exports reached RMB25,468.6 billion, up 16.9% year-on-year. Consumer prices rose moderately, while producer prices increased year-on-year. In the first half of the year, the national consumer price index (CPI) rose by 1.0% year-on-year, and the national producer price index (PPI) for industrial products rose by 1.5% year-on-year. Residents' income grew steadily. In the first half of the year, the per capita disposable income of residents nationwide was RMB22,981, up 5.2% year-on-year in nominal terms, and the overall employment remained stable.

In the first half of 2026, Shanxi Province stayed committed to high-quality development and all-round transformation. Industrial enterprise earnings improved at an accelerated pace, services posted steady growth, employment and prices remained broadly stable, and the provincial economy maintained overall stability.

The regional GDP of Shanxi Province amounted to RMB1,174.71 billion in the first half of 2026, representing an increase of 2.1% compared to the previous year. Industrial production edged down slightly, with the value-added output of industrial enterprises above designated size in the province declining by 0.2% in the first half of the year compared to the previous year. Growth of new drivers accelerated. In the first half of the year, the value-added output of the computer and office equipment manufacturing industry in the province increased by 60.8%, the new materials sector grew by 12.9%, the general equipment manufacturing industry rose by 9.1%, and the automobile manufacturing industry increased by 11.0%. The service sector registered steady growth, with its value-added output expanding year-on-year by 4.1% in the first half of the year. The development of modern services continued to improve. In the first half of the year, the value-added output of the information transmission, software and information technology services sector increased by 8.0%, and that of the leasing and business services sector grew by 7.4%. Fixed asset investment declined. In the first half of the year, the province's fixed asset investment dropped year-on-year by 8.7%. The large-scale equipment renewal policy continued to be implemented and delivered tangible results, with investment in equipment purchases rising by 1.7%, contributing 0.3 percentage points to overall investment growth. The potential of new types of consumption continued to be unleashed. Online retail sales of enterprises above designated size in the province increased by 8.0%, outpacing the growth of retail sales of enterprises above designated size by 15.7 percentage points. Wearable smart devices, computers and supporting products, and high-efficiency home appliances grew by 118.3%, 19.4% and 6.6%, respectively. In the first half of the year, the province's CPI rose year-on-year by 1.0%, and the PPI for industrial products increased by 0.4%. Residents' income grew steadily. In the first half of the year, the per capita disposable income of residents in the province reached RMB16,572, up year-on-year by 5.3%, and the overall employment remained stable.

In the first half of 2026, China pursued a more proactive and effective macro policy approach. The monetary policy remained moderately accommodative, with enhanced counter-cyclical and cross-cyclical fine-tuning. A diverse range of monetary policy instruments were comprehensively utilized to foster an appropriate monetary and financial environment that supports steady economic expansion, high-quality development and the sound functioning of financial markets. The effectiveness of Loan Prime Rate (LPR) reform was further unleashed, the role of the market-based adjustment mechanism for deposit rates was effectively exerted, and the transmission efficiency of monetary policy was enhanced. The financing costs for the society remained at historically low levels. The foreign exchange market saw a basic balance between supply and demand. The RMB exchange rate floated in both directions, remaining generally stable at an adaptive and balanced level.

In the first half of 2026, financial markets operated broadly smoothly. Aggregate financial volumes grew at a moderate pace. By the end of June 2026, M2 stood at RMB356.7 trillion, up year-on-year by 8.0%, and total social financing stock reached RMB462.1 trillion, up year-on-year by 7.4%, both continued to grow faster than nominal GDP. RMB loans by financial institutions totaled RMB282.6 trillion, up year-on-year by 5.2%, while new bond financing rose by RMB8.51 trillion, with a higher share of bond financing, underscoring robust financial support for the real economy. The overall social financing cost stayed at a historically low level. In June 2026, the weighted average interest rate on new corporate loans was approximately 3.0%, 20 basis points lower year-on-year, while the rate on new personal housing loans was approximately 3.1%, largely unchanged from a year earlier. Credit structure continued to improve. By the end of June 2026, inclusive small and micro loans grew year-on-year by 8.3%, industrial medium- and long-term loans rose 5.9%, and the balance of service-sector medium- and long-term loans (excluding real estate) increased by 9.2%, all exceeding the growth rate of total loans. Financial market development deepened further, with active capital markets, a stable bond market, and a firming RMB exchange rate. By the end of June 2026, the RMB had appreciated 4.7% against the currency basket and 3% against the US dollar from the end of the previous year.

2 BUSINESS OVERVIEW AND DEVELOPMENT STRATEGIES

In the first half of 2026, in the face of a complex and challenging operating environment, guided by XI Jinping's Thought on Socialism with Chinese Characteristics for a New Era, the Bank resolutely and consistently implemented the work arrangement of the provincial committee and the provincial government. Adhering to the overarching principle of pursuing progress while ensuring stability, the Bank coordinated its efforts across business development, risk control and internal management. Through a range of measures, including strengthening liability cost management and optimising the credit asset mix, the Group's net interest spread and net interest margin increased year-on-year, achieving a steady improvement in profitability. For the six months ended June 30, 2026, the Group achieved operating income of RMB2,891 million, representing an increase of RMB156 million compared with the corresponding period in 2025.

First, the Bank closely followed strategic directives and continued to strengthen its support for the real economy. In line with the province's strategic focus on the "Five Priorities", the Bank proactively engaged with key priorities including the comprehensive reform of the energy sector, industrial transformation and upgrading, rural revitalization and the cultivation of specialized industrial clusters. Financial resources were allocated to various market players and key industrial projects across the province, while financial services were further extended to the grassroots level, effectively integrating the Bank's business development into the broader economic growth of the province. During the first half of the year, the scale of loans extended to the real economy grew steadily, reinforcing the Bank's role as a local financial mainstay. At the same time, the Bank actively addressed the financial needs of the general public and implemented various policies to support enterprises in overcoming difficulties, further strengthening its commitment to serving the people through financial services.

Second, the Bank remained committed to its transformation strategy and sought to enhance the quality of its business development. It continued to deepen institutional reforms, refine its modern corporate governance framework, and optimize internal mechanisms with a focus on business quality and process efficiency. The Bank further enriched its product offering to better align with the industrial characteristics of Shanxi Province. Through digital transformation, it comprehensively empowered front-end marketing, mid-end risk control and grassroots management, achieving phased progress in its internal management reforms. In parallel, the Bank advanced the optimisation of its performance management system by restructuring mechanisms to clarify line responsibilities and streamline approval procedures, resulting in a steady improvement in overall operational efficiency, with various transformation initiatives being implemented in an orderly manner.

Third, the Bank adhered to a prudent approach to risk management to safeguard its foundation for sustainable development. It made coordinated efforts to build a comprehensive risk management framework and enhance its internal control and compliance mechanisms, establishing a clearly structured risk control system covering the entire business chain. Routine activities such as non-performing asset disposal, internal control compliance reviews, public opinion monitoring and safety inspections were conducted on an ongoing basis. The processes for risk identification, early warning and resolution were continuously refined, and the Bank's capacity for proactive risk control was further strengthened. Meanwhile, the Bank stepped up its consolidated management capabilities and intensified governance oversight over Jinshang Consumer Finance Co., Ltd., laying the groundwork for a coordinated risk prevention framework, thereby firmly safeguarding the Bank's operational security and stability.

Fourth, the Bank strengthened Party-building leadership to enhance its internal drivers for development. The Bank consistently upheld the Party's leadership throughout its entire management and operations, and deepened the integration of Party-building with business development and risk control to ensure that all operational plans remained aligned with the requirements of the Provincial Party Committee and the Provincial Government. Dedicated efforts were made to promote the study and education on establishing a correct approach to performance evaluation, and to advance the development of a culture of integrity and clean governance. The Bank adhered to the principle of Party supervision over talent management, fully leveraged the role of primary-level Party organizations as strongholds and the exemplary role of Party members, thereby rallying collective strength and aligning business direction through Party-building. This provided a solid political foundation for the Bank's steady operations and its ongoing transformation.

In the second half of 2026, the Bank will closely align with the major decisions and deployments of the Party Central Committee and the provincial Party committee to plan and position our work. Under the strong leadership of the Party Committee of the Bank's head office, we will further consolidate consensus, strengthen confidence, and act with a strong sense of responsibility. With an enterprising spirit, we will tackle challenges head-on, advance steadily through pragmatic measures, and promote development through concerted efforts, steadily elevating the Bank's high-quality development to a new level.

3 INCOME STATEMENT ANALYSIS

	For the six months ended June 30,		
	2026	2025	Rate of change (%)
	(Expressed in millions of RMB, unless otherwise stated)		
Interest income	**5,263.4**	5,602.6	(6.1)
Interest expense	**(2,984.9)**	(3,571.1)	(16.4)
Net interest income	**2,278.5**	2,031.5	12.2
Fee and commission income	**273.1**	294.2	(7.2)
Fee and commission expense	**(42.7)**	(35.3)	21.0
Net fee and commission income	**230.4**	258.9	(11.0)
Net trading gains	**97.3**	(74.0)	(231.5)
Net gains arising from investment securities	**282.6**	509.5	(44.5)
Other operating income [1]	**2.6**	9.8	(73.5)
Operating income	**2,891.4**	2,735.7	5.7
Operating expenses	**(889.7)**	(899.9)	(1.1)
Impairment losses on credit	**(953.0)**	(775.0)	23.0
Impairment losses on other assets	**(0.6)**	0.1	(700.0)
Share of profits of associate	**3.0**	13.1	(77.1)
Profit before tax	**1,051.1**	1,074.0	(2.1)
Income tax expense	**(8.0)**	(23.5)	(66.0)
Net profit	**1,043.1**	1,050.5	(0.7)

Note:

(1) Consists primarily of operating government grants and other business income.

For the six months ended June 30, 2026, the profit before tax of the Group decreased by 2.1% from RMB1,074.0 million for the six months ended June 30, 2025 to RMB1,051.1 million. The net profit remained relatively stable for the same periods, amounting to RMB1,050.5 million and RMB1,043.1 million for the six months ended June 30, 2025 and the six months ended June 30, 2026, respectively.

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

For the six months ended June 30, 2026, the net interest income of the Group increased by 12.2% to RMB2,278.5 million from RMB2,031.5 million for the six months ended June 30, 2025, mainly due to a decrease in interest expenses on liabilities of RMB586.2 million, partially offset by a decrease in interest income on assets of RMB339.2 million.

The net interest margin for the six months ended June 30, 2026 was 1.22%, representing an increase of 0.09 percentage points compared to that for the six months ended June 30, 2025. The net interest spread of the Group for the six months ended June 30, 2026 was 1.10%, representing an increase of 0.08 percentage points compared to that for the six months ended June 30, 2025, mainly because the cost of interest-bearing liabilities decreased by 0.40 percentage points from 2.11% for the six months ended June 30, 2025 to 1.71% for the six months ended June 30, 2026, which was partially offset by a decrease of 0.32 percentage points in the yield on interest-earning assets from 3.13% for the six months ended June 30, 2025 to 2.81% for the six months ended June 30, 2026. The decrease in the yield on interest-earning assets was firstly due to the lower yields on loans and advances to customers during the Reporting Period as a result of the downward trend in the loan market rate and the bill market rate; and secondly due to the decrease in the yield on placements with banks and other financial institutions and financial assets held under resale agreements during the Reporting Period as a result of the downward trend of the bond market rate. The decrease in the cost of interest-bearing liabilities was firstly due to the continued downward adjustment in the benchmark deposit rates, coupled with the concentration of high-interest time deposits maturing, which led to a decrease in cost of deposits; and secondly due to the decrease in the interest rate on the issuance of interbank deposits as a result of the reasonable and ample market liquidity.

The following table sets forth the average balances of the Group's interest-earning assets and interest-bearing liabilities, the related interest income or expense, and the related average yield on assets or related average cost on liabilities for the six months ended June 30, 2025 and 2026.

	For the six months ended June 30,					
	2026			2025		
	Average balance	**Interest income/ expense**	**Average yield/cost (%) (1)**	Average balance	Interest income/ expense	Average yield/cost (%) (1)
	(in millions of RMB, except percentages)					
Interest-earning assets						
Loans and advances to customers	**226,304.8**	**3,672.6**	**3.25**	204,746.8	3,798.3	3.71
Financial investments (2)	**96,523.6**	**1,133.4**	**2.35**	88,226.9	1,150.5	2.61
Placements with banks and other financial institutions	**19,215.9**	**211.5**	**2.20**	17,534.3	234.0	2.67
Financial assets held under resale agreements	**14,742.2**	**115.0**	**1.56**	28,356.3	272.5	1.92
Deposits with the central bank (3)	**17,718.9**	**128.2**	**1.45**	17,113.5	125.6	1.47
Deposits with banks and other financial institutions	**463.5**	**2.7**	**1.17**	2,093.5	21.7	2.07
Total interest-earning assets	**374,968.9**	**5,263.4**	**2.81**	358,071.3	5,602.6	3.13
Interest-bearing liabilities						
Deposits from customers	**303,945.3**	**2,621.2**	**1.72**	300,085.2	3,177.4	2.12
Deposits from banks and other financial institutions	**247.5**	**1.2**	**0.97**	102.4	0.8	1.56
Placements from banks and other financial institutions	**6.1**	**0.0**	**1.32**	1.7	0.0	1.76
Financial assets sold under repurchase agreements	**12,132.2**	**85.7**	**1.41**	14,071.9	129.6	1.84
Debt securities issued (4)	**29,051.0**	**246.4**	**1.70**	22,358.0	243.1	2.17
Borrowing from the central bank	**4,214.3**	**30.4**	**1.44**	2,321.6	20.2	1.74
Total interest-bearing liabilities	**349,596.4**	**2,984.9**	**1.71**	338,940.8	3,571.1	2.11
Net interest income		**2,278.5**			2,031.5	
Net interest spread (5)			**1.10**			1.02
Net interest margin (6)			**1.22**			1.13

Notes:

(1) Calculated by dividing interest income/expense by average balance, and adjusted on an annualized basis.

(2) Consist of financial investments measured at amortised costs and financial investments measured at fair value through other comprehensive income.

(3) Consist primarily of statutory deposit reserves and surplus deposit reserves.

(4) Consist of certificates of interbank deposits, financial bonds and tier-two capital debts.

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

(6) Calculated by dividing net interest income by the average balance of total interest-earning assets, and adjusted on an annualized basis.

3.2 Interest income

For the six months ended June 30, 2026, interest income of the Group decreased by 6.1% to RMB5,263.4 million from RMB5,602.6 million for the six months ended June 30, 2025, primarily due to a decrease of the average yield on interest-earning assets from 3.13% for the six months ended June 30, 2025 to 2.81% for the six months ended June 30, 2026, which was partially offset by an increase of 4.7% in the average balance on interest-earning assets from RMB358,071.3 million for the six months ended June 30, 2025 to RMB374,968.9 million for the six months ended June 30, 2026.

Interest income from loans and advances to customers

Interest income from loans and advances to customers decreased by 3.3% from RMB3,798.3 million for the six months ended June 30, 2025 to RMB3,672.6 million for the six months ended June 30, 2026, primarily due to a decrease in the average yield of loans and advances to customers from 3.71% for the six months ended June 30, 2025, to 3.25% for the six months ended June 30, 2026, which was partially offset by an increase of 10.5% in the average balance of loans and advances to customers from RMB204,746.8 million for the six months ended June 30, 2025, to RMB226,304.8 million for the six months ended June 30, 2026. The increase in the average balance of loans and advances to customers, mainly because the Group earnestly implements the Provincial Party Committee and the Provincial Government's requirements on financial services for the real economy, sticks to our roots and local presence, vigorously supports key areas and major projects across the province, focuses on meticulously serving private enterprises and micro and small enterprises, fully practices finance for the people, and continuously channels credit resources precisely into key areas and weak spots of the province's economic and social development. The decrease in the average yield was mainly due to two factors: first, the decline in interest rates on newly issued loans, as a result of the downward trend in the loan market interest rates, and second, the decline in bill discount rates, as a result of the downward trend in the bill market interest rates.

Interest income from financial investments

For the six months ended June 30, 2026, interest income from financial investments decreased by 1.5% from RMB1,150.5 million for the six months ended June 30, 2025 to RMB1,133.4 million, primarily due to a decrease in the average yield on financial investments from 2.61% for the six months ended June 30, 2025 to 2.35% for the six months ended June 30, 2026, which was partially offset by an increase of 9.4% in the average balance of financial investments from RMB88,226.9 million for the six months ended June 30, 2025 to RMB96,523.6 million for the six months ended June 30, 2026. The increase in the average balance of financial investments mainly because the Group moderately increased the scale of financial investments measured at fair value through other comprehensive income during asset allocation; the average yield on financial investments decreased mainly due to the impact of falling market interest rates, which led to a drop in the Group's bond yields.

Interest income from placements with banks and other financial institutions

For the six months ended June 30, 2026, interest income from placements with banks and other financial institutions decreased by 9.6% to RMB211.5 million from RMB234.0 million for the six months ended June 30, 2025, primarily due to a decrease in the average yield on placements with banks and other financial institutions from 2.67% for the six months ended June 30, 2025 to 2.20% for the six months ended June 30, 2026, which was partially offset by an increase of 9.6% in the average balance of placements with banks and other financial institutions from RMB17,534.3 million for the six months ended June 30, 2025 to RMB19,215.9 million for the six months ended June 30, 2026. The increase in the average balance of placements with banks and other financial institutions was primarily because under controllable risk conditions, the Group moderately increased the scale of funds lent out after comprehensively considering the yields, and the decline in the yields of placements with banks and other financial institutions is mainly due to the downward trend of fund market interest rates, driven by ample market liquidity.

Interest income from financial assets held under resale agreements

For the six months ended June 30, 2026, interest income from financial assets held under resale agreements decreased by 57.8% to RMB115.0 million from RMB272.5 million for the six months ended June 30, 2025, primarily due to a decrease of 48.0% in the average balance of financial assets held under resale agreements from RMB28,356.3 million for the six months ended June 30, 2025 to RMB14,742.2 million for the six months ended June 30, 2026, and the average yield of financial assets held under resale agreements decreased from 1.92% for the six months ended June 30, 2025 to 1.56% for the six months ended June 30, 2026. The decrease in average balance of financial assets held under resale agreements was primarily because the Group, following the business development strategy and the asset allocation requirements, reduced the scale of assets held under resale agreements. The decrease in the yield on assets held under resale agreements was mainly attributable to the downward trend of fund market interest rates, driven by ample market liquidity.

Interest income from deposits with the central bank

Interest income from deposits with the central bank increased by 2.1% from RMB125.6 million for the six months ended June 30, 2025 to RMB128.2 million for the six months ended June 30, 2026, primarily due to an increase of 3.5% in the average balance of deposits with the central bank from RMB17,113.5 million for the six months ended June 30, 2025 to RMB17,718.9 million for the six months ended June 30, 2026. The increase in the average balance of deposits with the central bank was primarily due to a corresponding increase in statutory deposit reserves as the deposits of the Group increased.

Interest income from deposits with banks and other financial institutions

For the six months ended June 30, 2026, interest income from deposits with banks and other financial institutions decreased by 87.6% from RMB21.7 million for the six months ended June 30, 2025 to RMB2.7 million, primarily due to a decrease of 77.9% in the average balance of deposits with banks and other financial institutions from RMB2,093.5 million for the six months ended June 30, 2025 to RMB463.5 million for the six months ended June 30, 2026. The decrease in the average balance of deposits with banks and other financial institutions was mainly due to a moderate reduction in the scale of amounts placed with banks and other financial institutions in accordance with the asset allocation requirements.

3.3 Interest expense

The Group's interest expense decreased by 16.4% from RMB3,571.1 million for the six months ended June 30, 2025 to RMB2,984.9 million for the six months ended June 30, 2026, primarily due to a decrease of 0.40 percentage points in the average cost on interest-bearing liabilities from 2.11% for the six months ended June 30, 2025 to 1.71% for the six months ended June 30, 2026, which was partially offset by an increase of 3.1% in the average balance of interest-bearing liabilities from RMB338,940.8 million for the six months ended June 30, 2025 to RMB349,596.4 million for the six months ended June 30, 2026.

Interest expense on deposits from customers

Interest expense on deposits from customers decreased by 17.5% from RMB3,177.4 million for the six months ended June 30, 2025 to RMB2,621.2 million for the six months ended June 30, 2026, primarily because the average cost on deposits from customers decreased by 0.40 percentage points from 2.12% for the six months ended June 30, 2025 to 1.72% for the six months ended June 30, 2026, partially offset by an increase of 1.3% in the average balance of deposits from customers from RMB300,085.2 million for the six months ended June 30, 2025 to RMB303,945.3 million for the six months ended June 30, 2026. The decrease in the average cost of deposits from customers was firstly due to the continued downward adjustment in the benchmark deposit rates, coupled with the concentration of high-interest time deposits maturing, which led to a decrease in cost of deposits; and secondly due to the Group's proactive adjustment of its deposit structure, which led to a decrease in the proportion of the average balance of time deposits with longer maturities and higher interest payment rates. The increase in the average balance on deposits from customers was primarily driven by the Group's focus on expanding its customer base and targeting core customer segments. Through enhanced product innovation, channel expansion and scenario-based development, together with a strong emphasis on strategic corporate customers, asset-backed customers and retail customers, the Group has strengthened customer loyalty, built distinctive brand features and promoted steady deposit growth.

Interest expense on deposits from banks and other financial institutions

Interest expense on deposits from banks and other financial institutions increased by 50.0% from RMB0.8 million for the six months ended June 30, 2025 to RMB1.2 million for the six months ended June 30, 2026, mainly due to an increase of 141.7% in the average balance of deposits from banks and other financial institutions from RMB102.4 million for the six months ended June 30, 2025 to RMB247.5 million for the six months ended June 30, 2026. At the same time, the Group optimized its interbank business structure and reduced the cost of interbank liabilities. The average cost of deposits from banks and other financial institutions decreased from 1.56% for the six months ended June 30, 2025 to 0.97% for the six months ended June 30, 2026.

Interest expense on financial assets sold under repurchase agreements

Interest expense on financial assets sold under repurchase agreements decreased by 33.9% from RMB129.6 million for the six months ended June 30, 2025 to RMB85.7 million for the six months ended June 30, 2026, primarily due to a decrease of 13.8% in the average balance of financial assets sold under repurchase agreements from RMB14,071.9 million for the six months ended June 30, 2025 to RMB12,132.2 million for the six months ended June 30, 2026, as well as a decrease of 0.43 percentage points in the average cost on financial assets sold under repurchase agreements from 1.84% for the six months ended June 30, 2025 to 1.41% for the six months ended June 30, 2026. The decrease in the average balance of financial assets sold under repurchase agreements was mainly because the Group reduced the scale of assets sold under repurchase agreements in line with its liquidity and liability management considerations. The decrease in the average cost was mainly due to the downward trend of fund market interest rates, driven by ample market liquidity.

Interest expense on debt securities issued

Interest expense on debt securities issued increased by 1.4% from RMB243.1 million for the six months ended June 30, 2025 to RMB246.4 million for the six months ended June 30, 2026, primarily due to an increase of 29.9% in the average balance of debt securities issued from RMB22,358.0 million for the six months ended June 30, 2025 to RMB29,051.0 million for the six months ended June 30, 2026, partially offset by the decrease in the average cost on debt securities issued by 0.47 percentage points from 2.17% for the six months ended June 30, 2025 to 1.70% for the six months ended June 30, 2026. The increase in the average balance of debt securities issued was mainly due to an increase in the Group's interbank deposits issued in response to its liability management needs. The decrease in the average cost was primarily due to the impact of fund market interest rates, which led to lower interest rate on the issuance of interbank deposits.

Interest expense on borrowing from the central bank

Interest expense on borrowing from the central bank increased by 50.5% from RMB20.2 million for the six months ended June 30, 2025 to RMB30.4 million for the six months ended June 30, 2026, primarily due to an increase of 81.5% in the average balance of borrowing from the central bank from RMB2,321.6 million for the six months ended June 30, 2025 to RMB4,214.3 million for the six months ended June 30, 2026. The decrease in the average cost was primarily attributable to the downward adjustment in the central bank's refinancing rate. The increase in the average balance of borrowing from the central bank was mainly due to the increase in the amount of relending loans applied for by the Group from the central bank.

3.4 Net fee and commission income

The following table sets forth the principal components of net fee and commission income of the Group for the six months ended June 30, 2025 and 2026.

	For the six months ended June 30,			
	2026	2025	Amount change	Rate of change (%)
	(in millions of RMB, except percentages)			
Fee and commission income				
Wealth management business service fees	**115.0**	130.3	(15.3)	(11.7)
Acceptance and guarantee service fees	**60.4**	68.5	(8.1)	(11.8)
Bank card service fees	**37.9**	44.6	(6.7)	(15.0)
Settlement and clearing fees	**27.7**	28.6	(0.9)	(3.1)
Agency service fees and others	**32.1**	22.2	9.9	44.6
Subtotal	**273.1**	294.2	(21.1)	(7.2)
Fee and commission expense				
Settlement and clearing fees	**(16.9)**	(11.2)	(5.7)	50.9
Bank card service fees	**(12.9)**	(10.6)	(2.3)	21.7
Agency service fees and others	**(12.9)**	(13.5)	0.6	(4.4)
Subtotal	**(42.7)**	(35.3)	(7.4)	21.0
Net fee and commission income	**230.4**	258.9	(28.5)	(11.0)

Net fee and commission income decreased by 11.0% from RMB258.9 million for the six months ended June 30, 2025 to RMB230.4 million for the six months ended June 30, 2026, mainly due to the decrease in fee and commission income by 7.2% from RMB294.2 million for the six months ended June 30, 2025 to RMB273.1 million for the six months ended June 30, 2026, meanwhile, fee and commission expenses increased by 21.0% from RMB35.3 million for the six months ended June 30, 2025 to RMB42.7 million for the six months ended June 30, 2026.

3.5 Net trading gains

Net trading gains of the Group changed from RMB-74.0 million for the six months ended June 30, 2025 to RMB97.3 million for the six months ended June 30, 2026, primarily due to the downward trend in the bond market interest rates, which led to an increase in the fair value of bonds and funds.

3.6 Net gains arising from investment securities

Net gains arising from investment securities of the Group decreased by 44.5% from RMB509.5 million for the six months ended June 30, 2025 to RMB282.6 million for the six months ended June 30, 2026, primarily due to the Group's adjustment of its asset structure, which led to a decrease in dividend from funds and bond investment income.

3.7 Operating expenses

The following table sets forth, for the six months ended June 30, 2025 and 2026, the principal components of operating expenses of the Group.

	For the six months ended June 30,			
	2026	2025	Amount change	Rate of change (%)
	(in millions of RMB, except percentages)			
Staff costs	**475.8**	534.2	(58.4)	(10.9)
Depreciation and amortization	**156.7**	150.6	6.1	4.1
Taxes and surcharges	**44.0**	39.1	4.9	12.5
Rental and property management expenses	**19.7**	21.9	(2.2)	(10.0)
Other general and administrative expenses [(1)]	**193.5**	154.1	39.4	25.6
Total operating expenses	**889.7**	899.9	(10.2)	(1.1)
Cost-to-income ratio [(2)]	**29.25%**	31.47%		

Notes:

(1) Consist primarily of insurance premiums, input VAT transferred out from ancillary operations, electronic equipment operating cost, business marketing expenses and banknote shipping fee.

(2) Calculated by dividing total operating expenses (net of taxes and surcharges) by total operating income.

Operating expenses decreased by 1.1% from RMB899.9 million for the six months ended June 30, 2025 to RMB889.7 million for the six months ended June 30 2026.

For the six months ended June 30, 2025 and 2026, the Group's cost-to-income ratios (excluding taxes and surcharges) were 31.47% and 29.25%, respectively. The decrease in cost-to-income ratio was primarily due to the Group's practice of strategic plan of reducing costs and increasing efficiency, which deepened the cost control system, and optimized the resource allocation structure.

Staff costs

Staff costs decreased by 10.9% from RMB534.2 million for the six months ended June 30, 2025 to RMB475.8 million for the six months ended June 30, 2026. The following table sets forth the main components of staff costs for the periods indicated.

	For the six months ended June 30,			
	2026	2025	Amount change	Rate of change (%)
	(in millions of RMB, except percentages)			
Salaries, bonuses and allowances	**267.5**	328.3	(60.8)	(18.5)
Social insurance and annuity	**132.6**	130.8	1.8	1.4
Housing allowances	**48.8**	47.3	1.5	3.2
Staff welfare	**16.7**	15.3	1.4	9.2
Employee education expenses and labour union expenses	**9.8**	11.0	(1.2)	(10.9)
Supplementary retirement benefits	**0.4**	0.5	(0.1)	(20.0)
Others	**0.0**	1.0	(1.0)	(100.0)
Total staff costs	**475.8**	534.2	(58.4)	(10.9)

Depreciation and amortization

Depreciation and amortization expenses increased by 4.1% from RMB150.6 million for the six months ended June 30, 2025 to RMB156.7 million for the six months ended June 30, 2026.

Taxes and surcharges

Taxes and surcharges increased by 12.5% from RMB39.1 million for the six months ended June 30, 2025 to RMB44.0 million for the six months ended June 30, 2026.

Rental and property management expenses

Rental and property management expenses decreased by 10.0% from RMB21.9 million for the six months ended June 30, 2025 to RMB19.7 million for the six months ended June 30, 2026, which was mainly due to the Bank's thorough implementation of the relevant requirements on its cost-consciousness initiative, with continuous strengthening of rental cost management and control.

Other general and administrative expenses

Other general and administrative expenses primarily consisted of insurance premiums, input VAT transferred out from ancillary operations, electronic equipment operating cost, business marketing expenses and banknote shipping fee. The Group's other general and administrative expenses increased by 25.6% from RMB154.1 million for the six months ended June 30, 2025 to RMB193.5 million for the six months ended June 30, 2026, which was mainly due to the change in the input VAT transferred out from ancillary operations.

3.8 Impairment losses on credit

The following table sets forth the principal components of the Group's impairment losses on credit for the periods indicated.

	For the six months ended June 30,			
	2026	2025	Amount change	Rate of change (%)
	(in millions of RMB, except percentages)			
Impairment losses on credit				
Loans and advances to customers	**958.7**	643.8	314.9	48.9
Placements with banks and other financial institutions	**(15.5)**	(3.0)	(12.5)	416.7
Deposits with banks and other financial institutions	**(1.2)**	(3.6)	2.4	(66.7)
Financial assets held under resale agreements	**(0.4)**	0.0	(0.4)	(100.0)
Credit commitments	**17.7**	(82.4)	100.1	(121.5)
Financial investments	**(10.5)**	218.5	(229.0)	(104.8)
Others	**4.2**	1.7	2.5	147.1
Total	**953.0**	775.0	178.0	23.0

The Group's impairment losses on credit was RMB953.0 million for the six months ended June 30, 2026, representing an increase of 23.0% from RMB775.0 million for the six months ended June 30, 2025, primarily due to the increase in expected credit losses on certain loans, driven by operational difficulties faced by some enterprises as a result of weak consumer market conditions.

3.9 Income tax expense

The following table sets forth the reconciliation between the income tax calculated at the statutory income tax rate applicable to the Group's profit before tax and the Group's actual income tax for the periods indicated.

	For the six months ended June 30,			
	2026	2025	Amount change	Rate of change (%)
	(in millions of RMB, except percentages)			
Profit before tax	**1,051.1**	1,074.0	(22.9)	(2.1)
Income tax calculated at applicable statutory tax rate of 25%	**262.8**	268.5	(5.7)	(2.1)
Non-deductible expenses and others	**99.6**	24.6	75.0	304.9
Non-taxable income [(1)]	**(354.4)**	(269.6)	(84.8)	31.5
Income tax expense	**8.0**	23.5	(15.5)	(66.0)

Note:

(1) Non-taxable income mainly represents the interest income arising from the PRC government bonds and dividends from domestic funds.

Income tax expense decreased by 66.0% from RMB23.5 million for the six months ended June 30, 2025 to RMB8.0 million for the six months ended June 30, 2026, mainly due to changes in tax-exempt income from funds.

4 FINANCIAL STATEMENT ANALYSIS

4.1 Assets

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

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Cash and deposits with the central bank	**18,903.9**	**4.7**	19,397.7	4.9
Deposits with banks and other financial institutions	**157.3**	**0.0**	1,159.3	0.3
Placements with banks and other financial institutions	**19,556.8**	**4.9**	19,442.7	4.8
Financial assets held under resale agreements	**9,327.9**	**2.3**	22,290.5	5.7
Net loans and advances to customers	**232,116.4**	**57.8**	210,457.4	53.6
Net financial investments	**115,017.4**	**28.6**	114,181.9	29.1
Investment in an associate	**389.0**	**0.1**	385.9	0.1
Property and equipment	**1,127.1**	**0.3**	1,162.2	0.3
Deferred income tax assets	**2,677.4**	**0.7**	2,694.1	0.7
Other assets [(1)]	**2,450.5**	**0.6**	1,828.7	0.5
Total assets	**401,723.7**	**100.0**	393,000.4	100.0

Note:

(1) Consist primarily of accounts receivable and prepayments, right-of-use assets and intangible assets.

The Group's total assets increased by 2.2% from RMB393,000.4 million as of December 31, 2025 to RMB401,723.7 million as of June 30, 2026, primarily due to the Group's continued efforts to increase support for the real economy, which led to relatively rapid growth in various loan portfolios.

Loans and advances to customers

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

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Corporate loans	**154,375.4**	**64.5**	143,962.3	66.2
Personal loans	**35,464.8**	**14.8**	35,705.7	16.4
Discounted bills	**49,486.7**	**20.7**	37,958.4	17.4
Gross loans and advances to customers	**239,326.9**	**100.0**	217,626.4	100.0
Interest accrued	**877.1**		923.2	
Less: Allowance for impairment on loans and advances to customers measured at amortised cost	**(8,087.6)**		(8,092.2)	
Net loans and advances to customers	**232,116.4**		210,457.4	

Corporate loans

As of June 30, 2026, the Group's corporate loans amounted to RMB154,375.4 million, representing an increase of 7.2% from RMB143,962.3 million as of December 31, 2025, primarily due to the Bank's focus on the "Five Priorities (五篇大文章)" in finance, and providing precise services to the real economy. The Group has expanded credit scale while optimizing its structure, providing our credit support to directly reach entities involved in fields such as the transformation and upgrading of the manufacturing sector and the industrial chain customer groups in the energy industry. The Group has vigorously supported the high-quality development of the manufacturing sector and the real economy characterized by new quality productive forces, directing our credit resources towards key areas of the national economy, including technological innovation, advanced manufacturing, green development, micro and small enterprises, infrastructure, and the private sector. This approach has accelerated the deployment of high-quality assets and maintained the steady development of our core businesses.

The following table sets forth the breakdown of the Group's corporate loans by contract maturity as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Short-term loans and advances (one year or less)	**50,658.9**	**32.8**	51,195.3	35.6
Medium-and long-term loans (above one year)	**103,716.5**	**67.2**	92,767.0	64.4
Total corporate loans	**154,375.4**	**100.0**	143,962.3	100.0

Short-term loans and advances as a percentage of total corporate loans decreased from 35.6% as of December 31, 2025 to 32.8% as of June 30, 2026, while medium-and long-term loans as a percentage of total corporate loans increased from 64.4% as of December 31, 2025 to 67.2% as of June 30, 2026. The percentage change of the above-mentioned corporate loan portfolio was primarily due to the Group's continued efforts to increase the deployment of medium- and long-term loans to the manufacturing sector and loans for key provincial and municipal projects.

The following table sets forth the distribution of the Group's corporate loans by product type as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Working capital loans	**108,606.2**	**70.4**	98,912.8	68.7
Fixed asset loans	**29,685.8**	**19.2**	29,062.4	20.2
Others (1)	**16,083.4**	**10.4**	15,987.1	11.1
Total corporate loans	**154,375.4**	**100.0**	143,962.3	100.0

Note:

(1) Consist primarily of trade financing, syndicated loans and merger and acquisition loans and advances.

Personal loans

As of December 31, 2025 and June 30, 2026, the Group's personal loans remained relatively stable at RMB35,705.7 million and RMB35,464.8 million, respectively. As at June 30, 2026, the Group's personal residential mortgage loans and credit card balances declined, primarily due to subdued real estate market conditions and weak consumer spending sentiment on the credit demand side.

The table below sets forth the distribution of the Group's personal loans by product type as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Residential mortgage loans	**24,019.3**	**67.7**	24,607.5	68.9
Personal consumption loans	**6,304.4**	**17.8**	5,805.4	16.3
Personal business loans	**2,006.8**	**5.7**	1,821.0	5.1
Credit card balances	**3,134.3**	**8.8**	3,471.8	9.7
Total personal loans	**35,464.8**	**100.0**	35,705.7	100.0

As of June 30, 2026, residential mortgage loans amounted to RMB24,019.3 million, representing a decrease of 2.4% from RMB24,607.5 million as of December 31, 2025, which was primarily due to the continued downturn in the real estate market, with overall weak transaction volumes of commercial housing, substantial repayments of existing loans, and insufficient new loan origination to offset the decrease in outstanding balances.

As of June 30, 2026, personal consumption loans amounted to RMB6,304.4 million, representing an increase of 8.6% from RMB5,805.4 million as of December 31, 2025, which was primarily attributable to the Group's proactive transformation efforts in personal consumption loans, through enhancing its online service capabilities and strengthening the development of consumer brands, which enabled the Group to achieve sustained growth in personal consumption loans.

As of June 30, 2026, personal business loans amounted to RMB2,006.8 million, representing an increase of 10.2% from RMB1,821.0 million as of December 31, 2025, which was primarily attributable to the Group's launch of product Jinshang "e" loan online and the development of "code-based loan+" series business scenarios.

As of June 30, 2026, credit card balances amounted to RMB3,134.3 million, representing a decrease of 9.7% from RMB3,471.8 million as of December 31, 2025, which was primarily attributable to, firstly the proliferation of credit instruments such as mobile payment and consumer loans, which diverted usage scenarios from credit cards; and secondly, influenced by the macro market environment, residents held a more cautious outlook on the stability of future income, leading to more conservative consumption behavior and a consequent decline in the overall transaction volume of the credit card industry.

Discounted bills

The balance of discounted bills increased by 30.4% from RMB37,958.4 million as of December 31, 2025 to RMB49,486.7 million as of June 30, 2026, which was mainly attributable to the Group's asset and liability allocation requirements, which involved a moderate increase in the scale of certain discounted bills.

Financial investments

As of June 30, 2026, the Group's net financial investments (mainly consisting of debt securities investment and special purpose vehicles ("**SPV**") investment) reached RMB115,017.4 million, representing an increase of 0.7% from RMB114,181.9 million as of December 31, 2025, which was mainly attributable to the Group's optimization of its asset structure, which led to an increase in the scale of bond investments.

The following table sets forth the classification of the Group's financial investments, based on its business model and cash flow characteristics, as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Financial investments measured at amortised cost	**80,266.5**	**69.7**	77,840.0	68.1
Financial investments measured at fair value through other comprehensive income	**19,061.5**	**16.5**	19,478.7	17.0
Financial investments measured at fair value through profit or loss	**15,942.9**	**13.8**	17,009.1	14.9
Total financial investments	**115,270.9**	**100.0**	114,327.8	100.0
Interests accrued	**1,013.7**		1,131.5	
Less: allowance for impairment losses	**(1,267.2)**		(1,277.4)	
Net financial investments	**115,017.4**		114,181.9	

Debt securities investment

The following table sets forth the components of the Group's debt securities investment by issuer as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026		As of December 31, 2025	
		% of total		% of total
	Amount	**(%)**	Amount	(%)
	(in millions of RMB, except percentages)			
Debt securities issued by the PRC government	**57,332.0**	**60.2**	57,935.6	64.0
Debt securities issued by policy banks	**21,752.8**	**22.8**	17,781.9	19.6
Debt securities issued by commercial banks and other financial institutions	**15,954.7**	**16.7**	13,453.3	14.9
Debt securities issued by corporates	**310.1**	**0.3**	1,388.3	1.5
Total debt securities investment	**95,349.6**	**100.0**	90,559.1	100.0

The Group's investment in debt securities issued by the PRC government decreased by 1.0% from RMB57,935.6 million as of December 31, 2025 to RMB57,332.0 million as of June 30, 2026, remaining relatively stable.

The Group's investment in debt securities issued by policy banks increased by 22.3% from RMB17,781.9 million as of December 31, 2025 to RMB21,752.8 million as of June 30, 2026, which was primarily due to the Group's increase in the scale of certain policy bank bonds, following a comprehensive assessment of yield and risk factors.

The Group's investment in debt securities issued by commercial banks and other financial institutions increased by 18.6% from RMB13,453.3 million as of December 31, 2025 to RMB15,954.7 million as of June 30, 2026, which was primarily due to the Group's increase in the scale of certain commercial bank bonds, following a comprehensive assessment of yield and risk factors.

The Group's investment in debt securities issued by corporates decreased by 77.7% from RMB1,388.3 million as of December 31, 2025 to RMB310.1 million as of June 30, 2026, which was primarily due to the Group's comprehensive consideration of asset allocation, whereby certain corporate bonds were not reinvested upon maturity.

SPV investment

The following table sets forth the distribution of the Group's SPV investment by product type as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Trust plans	**664.2**	**4.6**	715.2	4.7
Funds	**13,767.4**	**95.4**	14,555.8	95.3
Total SPV investment	**14,431.6**	**100.0**	15,271.0	100.0

As of June 30, 2026, the total SPV investment decreased by 5.5% from RMB15,271.0 million as of December 31, 2025 to RMB14,431.6 million, which was primarily due to the Group's optimization of its asset structure, which led to a decrease in the scale of certain fund investments.

Other components of the Group's assets

The following table sets forth the composition of the Group's other components of assets as of December 31, 2025 and June 30, 2026:

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Cash and deposits with the central bank	**18,903.9**	**34.6**	19,397.7	28.4
Deposits with banks and other financial institutions	**157.3**	**0.3**	1,159.3	1.7
Placements with banks and other financial institutions	**19,556.8**	**35.8**	19,442.7	28.4
Financial assets held under resale agreements	**9,327.9**	**17.1**	22,290.5	32.6
Investment in an associate	**389.0**	**0.7**	385.9	0.6
Property and equipment	**1,127.1**	**2.1**	1,162.2	1.7
Deferred income tax assets	**2,677.4**	**4.9**	2,694.1	3.9
Other assets [(1)]	**2,450.5**	**4.5**	1,828.7	2.7
Total other components of assets	**54,589.9**	**100.0**	68,361.1	100.0

Note:

(1) Consist primarily of accounts receivable and prepayments, intangible assets and right-of-use assets.

As of June 30, 2026, total other components of assets decreased by 20.1% to RMB54,589.9 million from RMB68,361.1 million as of December 31, 2025, which was primarily due to the Group's adjustment of its asset structure, which led to a reduction in financial assets held under resale agreements. Such financial assets held under resale agreements decreased by 58.2% from RMB22,290.5 million as of December 31, 2025 to RMB9,327.9 million as of June 30, 2026. Placements with banks and other financial institutions increased by 0.6% from RMB19,442.7 million as of December 31, 2025 to RMB19,556.8 million as of June 30, 2026, which remained relatively stable. Cash and deposits with the central bank decreased by 2.5% from RMB19,397.7 million as of December 31, 2025 to RMB18,903.9 million as of June 30, 2026, which was primarily due to the reduction in excess reserve funds as a result of the Group's improved efficiency in fund utilisation.

4.2 Liabilities

The following table sets forth the components of the Group's total liabilities as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Borrowing from the central bank	**7,284.1**	**2.0**	3,148.6	0.9
Deposits from banks and other financial institutions	**1,039.2**	**0.3**	158.5	0.0
Financial assets sold under repurchase agreements	**12,654.5**	**3.3**	9,866.4	2.7
Deposits from customers	**318,189.6**	**85.6**	320,797.0	88.2
Income tax payable	**219.2**	**0.1**	312.0	0.1
Debt securities issued [(1)]	**29,849.4**	**8.0**	27,648.8	7.6
Other liabilities [(2)]	**2,570.5**	**0.7**	1,982.2	0.5
Total liabilities	**371,806.5**	**100.0**	363,913.5	100.0

Notes:

(1) Consist of interbank deposit and tier-two capital debts.

(2) Consist primarily of employee compensation payable, accounts payable in the process of clearance and settlement, provisions, lease liabilities and other taxes payable.

As of June 30, 2026, the Group's total liabilities amounted to RMB371,806.5 million, representing an increase of 2.2% from RMB363,913.5 million as of December 31, 2025, mainly due to the Group's optimization of its liability structure, which involved an increase in the scale of central bank refinancing, financial assets sold under repurchase agreements and interbank deposits.

Deposits from customers

As of December 31, 2025 and June 30, 2026, the Group's deposits from customers amounted to RMB320,797.0 million and RMB318,189.6 million, respectively, remaining relatively stable.

The following table sets forth the distribution of the Group's deposits from customers by product type and term structure of deposits as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Corporate deposits				
Demand	**45,889.3**	**14.8**	53,782.5	17.3
Time	**77,380.0**	**25.0**	75,776.4	24.4
Subtotal	**123,269.3**	**39.8**	129,558.9	41.7
Personal deposits				
Demand	**14,988.9**	**4.8**	14,629.3	4.7
Time	**154,548.2**	**49.9**	150,839.5	48.5
Subtotal	**169,537.1**	**54.7**	165,468.8	53.2
Others (1)	**16,950.9**	**5.5**	16,026.0	5.1
Total	**309,757.3**	**100.0**	311,053.7	100.0
Interests accrued	**8,432.3**		9,743.3	
Deposits from customers	**318,189.6**		320,797.0	

Note:

(1) Consist primarily of pledged deposits, inward and outward remittances and fiscal deposits.

Debt securities issued

As of June 30, 2026, debt securities issued amounted to RMB29,849.4 million, representing an increase of 8.0% from RMB27,648.8 million as of December 31, 2025, and the increase in debt securities issued was mainly due to the Group's optimization of its liability structure, which led to an increase in the interbank deposits issued.

Financial assets sold under repurchase agreements

As of June 30, 2026, financial assets sold under repurchase agreements amounted to RMB12,654.5 million, representing an increase of 28.3% from RMB9,866.4 million as of December 31, 2025, primarily due to the Group's optimization of its liability structure, which led to an increase in short-term financial assets sold under repurchase agreements.

4.3 Equity

The following table sets forth the components of the Group's equity as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Share capital	**5,838.7**	**19.5**	5,838.7	20.1
Other equity instruments	**2,000.0**	**6.7**	2,000.0	6.9
Capital reserve	**6,582.9**	**22.0**	6,582.9	22.6
Surplus reserve	**7,128.9**	**23.8**	6,375.3	21.9
General reserve	**4,536.4**	**15.2**	4,536.4	15.6
Fair value reserve	**(48.0)**	**(0.1)**	(116.4)	(0.4)
Impairment reserve	**44.3**	**0.1**	33.6	0.1
Deficit on remeasurement of a net defined benefit liability	**(5.3)**	**0.0**	(5.3)	0.0
Retained earnings	**3,839.3**	**12.8**	3,841.7	13.2
Equity attributable to equity holders of the Bank	**29,917.2**	**100.0**	29,086.9	100.0
Non-controlling interests	**0.0**	**0.0**	0.0	0.0
Total equity	**29,917.2**	**100.0**	29,086.9	100.0

As of June 30, 2026, the total equity of the Group amounted to RMB29,917.2 million, representing an increase of 2.9% from RMB29,086.9 million as of December 31, 2025. As of the same date, the equity attributable to equity holders of the Bank amounted to RMB29,917.2 million, representing an increase of 2.9% from RMB29,086.9 million as of December 31, 2025. The increase in equity was mainly attributable to the rise in retained earnings resulting from the Group's net profit, partially offset by the dividends distributed during the period. According to the 2025 profit distribution plan approved at the general meeting, cash dividends of RMB291.9 million were distributed to all Shareholders.

5 OFF-BALANCE SHEET ITEMS ANALYSIS

The following table sets forth the contractual amounts of the Group's off-balance sheet commitments as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026	As of December 31, 2025
	(in millions of RMB)	
Loan commitments	**6,662.8**	5,923.9
Credit card commitments	**5,862.6**	5,761.4
Bank acceptances	**26,458.6**	30,540.2
Letters of credit	**9,370.8**	8,449.6
Letters of guarantee	**190.7**	359.0
Capital commitments	**69.5**	89.1
Total off-balance sheet commitments	**48,615.0**	51,123.2

As of June 30, 2026, the Group's total off-balance sheet commitments amounted to RMB48,615.0 million, representing a decrease of 4.9% from RMB51,123.2 million as of December 31, 2025, mainly due to a decrease in customers' willingness to undertake bill financing, resulting in a reduction of RMB4,081.6 million in bank acceptances as compared to the end of the previous year.

6 CAPITAL ADEQUACY RATIO ANALYSIS AND LEVERAGE RATIO ANALYSIS

The Group is subject to capital adequacy requirements as promulgated by National Financial Regulatory Administration. The following table sets forth the information relating to the Group's capital adequacy ratio as of the dates indicated.

	As of June 30, 2026	As of December 31, 2025
	(in millions of RMB, except percentages)	
Core tier-one capital		
– Share capital	**5,838.7**	5,838.7
– Qualifying portion of capital reserve	**6,582.9**	6,582.9
– Surplus reserve	**7,128.9**	6,375.3
– General reserve	**4,536.4**	4,536.4
– Other comprehensive income	**(9.0)**	(88.1)
– Retained earnings	**3,839.3**	3,841.7
– Qualifying portions of non-controlling interests	**0.0**	0.0
Total core tier-one capital	**27,917.2**	27,086.9
Core tier-one capital deductions	**(331.2)**	(354.6)
Net core tier-one capital	**27,586.0**	26,732.3
Other tier-one capital	**2,000.0**	2,000.0
Net tier-one capital	**29,586.0**	28,732.3
Tier-two capital	**4,246.5**	6,940.3
Net capital base	**33,832.5**	35,672.6
Total risk-weighted assets	**262,060.3**	255,530.3
Core tier-one capital adequacy ratio(%)	**10.53**	10.46
Tier-one capital adequacy ratio(%)	**11.29**	11.24
Capital adequacy ratio(%)	**12.91**	13.96

Note:

(1) The relevant information on the Group's capital adequacy ratio as of June 30, 2026 and as of December 31, 2025 is calculated in accordance with the Capital Administrative Measures for Commercial Banks issued by National Financial Regulatory Administration with effect from January 2025 and the PRC Generally Accepted Accounting Principles.

As of June 30, 2026, the Group's capital adequacy ratio was 12.91%, down by 1.05 percentage points from the end of 2025. The tier-one capital adequacy ratio was 11.29%, up by 0.05 percentage points from the end of 2025, and core tier-one capital adequacy was 10.53%, up by 0.07 percentage points from the end of 2025. Such changes were mainly due to: first, the effective replenishment of core tier-one capital and tier-one capital through retained profits; and second, the decrease in total net capital resulting from the non-renewal of certain tier-two capital bonds upon maturity.

As of June 30, 2026, the Group's leverage ratio was 6.83%, up by 0.15 percentage points from 6.68% as of December 31, 2025. Pursuant to the Capital Administrative Measures for Commercial Banks issued by National Financial Regulatory Administration with effect from January 2025, the minimum leverage ratio shall not be lower than 4%.

7 ASSET QUALITY ANALYSIS

Borrowers concentration

Loans to the ten largest single borrowers

In accordance with applicable PRC Banking Industry guidelines, the Group is subject to a lending limit of 10% of its net capital base to any single borrower. As of June 30, 2026, the Group's loans to the largest single borrower accounted for 9.0% of the Group's net capital base, which was in compliance with regulatory requirements.

The following table sets forth the Group's loan balances to the ten largest single borrowers as of the date indicated, which were all classified as normal on that date.

		As of June 30, 2026			
	Industry	Amount	% of total loans (%)	% of net capital base [1] (%)	Classification
		(in millions of RMB, except percentages)			
Borrower A	Leasing and business services	**3,061.4**	**1.3**	**9.0**	Normal
Borrower B	Mining	**2,358.8**	**1.0**	**7.0**	Normal
Borrower C	Manufacturing	**2,302.0**	**1.0**	**6.8**	Normal
Borrower D	Manufacturing	**2,162.0**	**0.9**	**6.4**	Normal
Borrower E	Construction	**2,064.0**	**0.9**	**6.1**	Normal
Borrower F	Mining	**2,031.0**	**0.8**	**6.0**	Normal
Borrower G	Manufacturing	**2,007.1**	**0.8**	**5.9**	Normal
Borrower H	Manufacturing	**1,791.7**	**0.7**	**5.3**	Normal
Borrower I	Manufacturing	**1,780.0**	**0.7**	**5.3**	Normal
Borrower J	Manufacturing	**1,743.6**	**0.7**	**5.2**	Normal
Total		**21,301.6**	**8.8**	**63.0**	

Note:

(1) Represents loan balances as a percentage of the net capital base. The net capital base is calculated in accordance with the requirements of the Capital Administrative Measures for Commercial Banks and based on the financial statements prepared in accordance with PRC Generally Accepted Accounting Principles.

As of June 30, 2026, the balance of the Group's loans to the largest single borrower amounted to RMB3,061.4 million, accounting for 1.3% of the gross loans and advances to customers; the total loans to the ten largest single borrowers amounted to RMB21,301.6 million, accounting for 8.8% of the gross loans and advances to customers.

Distribution of loans by the five-category loan classification

The following table sets forth the distribution of the Group's loans by the five-category loan classification as of December 31, 2025 and June 30, 2026. According to the current guidelines of risk-based classification of loans, NPLs are classified as substandard, doubtful and loss.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Normal	**225,485.8**	**94.2**	204,287.0	93.8
Special Mention	**8,928.3**	**3.7**	9,090.4	4.2
Subtotal	**234,414.1**	**97.9**	213,377.4	98.0
Substandard	**2,541.7**	**1.1**	2,148.3	1.0
Doubtful	**1,507.3**	**0.6**	284.1	0.1
Loss	**863.8**	**0.4**	1,816.6	0.9
Subtotal	**4,912.8**	**2.1**	4,249.0	2.0
Gross loans and advances to customers	**239,326.9**	**100.0**	217,626.4	100.0
NPL ratio [(1)]		**2.05**		1.95

Note:

(1) Calculated by dividing total NPLs by gross loans and advances to customers.

As of June 30, 2026, according to the five-category loan classification, the Group's normal loans amounted to RMB225,485.8 million, representing an increase of RMB21,198.8 million from that as of December 31, 2025, accounting for 94.2% of the gross loans and advances to customers. Special mention loans amounted to RMB8,928.3 million, representing a decrease of RMB162.1 million from the special mention loan balance as of December 31, 2025, accounting for 3.7% of the gross loans and advances to customers. NPLs amounted to RMB4,912.8 million, representing an increase of RMB663.8 million from that as of December 31, 2025. The NPL ratio was 2.05%, representing an increase of 0.1 percentage points from that as of December 31, 2025. Both the total NPLs and the NPL ratio increased, mainly due to three factors. First, certain industries continued to experience operational pressure due to the transmission of external environmental risks and cyclical fluctuations, leading to a decline in customers' debt-servicing capacity and an increase in non-performing loans. Second, affected by external factors such as the slowdown in the pace of regional macroeconomic recovery and insufficient momentum for domestic demand recovery, some small and medium-sized enterprises faced temporary operational pressures, resulting in a certain decline in their ability to fulfil contractual obligations. Third, the Bank adhered to a prudent and conservative classification principle, proactively reclassifying loans with apparent risk characteristics to a more appropriate classification category, thereby forward-looking consolidation of asset quality.

Loan aging schedule

The following table sets forth the Group's loan aging schedule as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total loans (%)**	Amount	% of total loans (%)
	(in millions of RMB, except percentages)			
Current loan	**232,758.7**	**97.3**	213,724.9	98.2
Loans past due for				
Up to 3 months [(1)]	**2,709.4**	**1.1**	571.0	0.3
Over 3 months up to 6 months [(1)]	**1,569.9**	**0.7**	927.8	0.4
Over 6 months up to 1 year [(1)]	**1,049.6**	**0.4**	752.5	0.3
Over 1 year up to 3 years [(1)]	**990.8**	**0.4**	1,275.0	0.6
Over 3 years [(1)]	**248.5**	**0.1**	375.2	0.2
Subtotal	**6,568.2**	**2.7**	3,901.5	1.8
Gross loans and advances to customers	**239,326.9**	**100.0**	217,626.4	100.0

Note:

(1) Represents the principal amount of loans with principal or interest overdue as of the dates indicated.

Distribution of loans by collateral

The following table sets forth the distribution of the Group's loans and advances to customers by types of collateral as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Pledged loans [1]	**58,432.4**	**24.4**	47,680.8	21.9
Collateralized loans [1]	**37,062.3**	**15.5**	35,496.2	16.3
Guaranteed loans [1]	**95,292.9**	**39.8**	91,594.8	42.1
Unsecured loans	**48,539.3**	**20.3**	42,854.6	19.7
Gross loans and advances to customers	**239,326.9**	**100.0**	217,626.4	100.0

Note:

(1) Represent the total amount of loans fully or partially secured by collateral, pledges or guarantees in each category. If a loan is secured by more than one form of security interest, the categorization is based on the primary form of security interest.

Distribution of corporate loans by industry

The following table sets forth the distribution of the Group's corporate loans by industry as of the dates indicated.

	As of June 30, 2026		As of December 31, 2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Manufacturing	**44,812.6**	**29.0**	43,924.2	30.5
Mining	**41,088.4**	**26.6**	33,838.3	23.5
Wholesale and retail	**14,194.9**	**9.2**	13,799.3	9.6
Leasing and business services	**12,361.3**	**8.0**	12,039.4	8.4
Real estate	**10,048.0**	**6.5**	10,259.8	7.1
Electricity, heating, gas and water production and supply	**9,972.3**	**6.5**	9,396.0	6.5
Construction	**9,132.8**	**5.9**	8,523.4	5.9
Transportation, warehousing and postal services	**4,171.8**	**2.7**	4,027.2	2.8
Water, environment and public utility management	**2,959.0**	**1.9**	2,789.5	1.9
Finance	**1,399.7**	**0.9**	1,429.1	1.0
Lodging and catering	**567.9**	**0.4**	544.0	0.4
Education	**150.3**	**0.1**	126.1	0.1
Agriculture, forestry, animal husbandry and fishery	**122.3**	**0.1**	298.7	0.2
Others [(1)]	**3,394.1**	**2.2**	2,967.3	2.1
Total corporate loans	**154,375.4**	**100.0**	143,962.3	100.0

Note:

(1) Consist primarily of the following industries: (i) scientific research and technical services; (ii) information transmission, software and information technology services; (iii) health and social services; (iv) resident services, maintenance and other services; (v) culture, sports and entertainment; and (vi) public management, social security and social organization.

For the six months ended June 30, 2026, the Group further optimized its credit structure and actively supported the development of the real economy. As of June 30, 2026, the Group's five major components of corporate loans were offered to customers in the following industries: manufacturing, mining, wholesale and retail, leasing and business services and real estate, and the total loans to corporate customers in the top five industries amounted to RMB122,505.2 million, accounting for 79.3% of the total corporate loans and advances to customers granted by the Group.

Distribution of NPLs by product type

The table below sets forth the distribution of NPLs by product type as of the dates indicated.

	As of June 30, 2026			As of December 31, 2025		
	Amount	**% of total (%)**	**NPL ratio [1] (%)**	Amount	% of total (%)	NPL ratio [1] (%)
	(in millions of RMB, except percentages)					
Corporate loans	**4,155.4**	**84.6**	**2.69**	3,437.3	80.9	2.39
Personal loans	**757.4**	**15.4**	**2.14**	811.7	19.1	2.52
Total NPLs	**4,912.8**	**100.0**	**2.05**	4,249.0	100.0	1.95

Note:

(1) Calculated by dividing NPLs in each product type by gross loans and advances to customers in that product type.

The NPL ratio for corporate loans increased from 2.39% as of December 31, 2025 to 2.69% as of June 30, 2026, while the balance of non-performing corporate loans increased from RMB3,437.3 million as of December 31, 2025 to RMB4,155.4 million as of June 30, 2026. The primary reason was the impact of macroeconomic and regional economic adjustments, which led to a weakening in the debt-servicing capacity of certain customers and a moderate increase in NPLs during the period.

The NPL ratio for personal loans decreased from 2.52% as of December 31, 2025 to 2.14% as of June 30, 2026, and the balance of NPLs for personal loans decreased from RMB811.7 million as of December 31, 2025 to RMB757.4 million as of June 30, 2026. The decrease in balance of NPLs for personal loans and the decrease in NPL ratio were mainly due to the Bank's intensified write-off efforts on non-performing loans to individuals.

Distribution of NPLs by geographical region

The following table sets forth the distribution of the Group's NPLs by geographical region as of December 31, 2025 and June 30, 2026.

	As of June 30, 2026			As of December 31, 2025		
	Amount	**% of total (%)**	**NPL ratio [1] (%)**	Amount	% of total (%)	NPL ratio [1] (%)
	(in millions of RMB, except percentages)					
Taiyuan	**3,694.6**	**75.2**	**2.67**	3,481.8	81.9	2.73
Outside Taiyuan	**1,218.2**	**24.8**	**1.21**	767.2	18.1	0.85
Total NPLs	**4,912.8**	**100.0**	**2.05**	4,249.0	100.0	1.95

Note:

(1) Calculated by dividing NPLs in each region by gross loans and advances to customers in that region.

Changes to allowance for impairment losses

The Group strictly complied with the expected credit loss measurement standards and made adequate impairment provisions across all business categories, continuously strengthening its risk absorption capabilities. At the same time, the Group refined its early risk resolution mechanisms and adopted a diversified range of disposal measures, to accelerate the recovery and disposal of non-performing credit assets and steadily alleviate the pressure from existing credit risks. Allowance for impairment losses on loans to customers increased by 0.1% from RMB8,115.7 million as of January 1, 2026 to RMB8,125.7 million as of June 30, 2026, which was basically the same as that the end of 2025.

	As of June 30, 2026 Amount	As of December 31, 2025 Amount
	(in millions of RMB)	
Beginning of the period (January 1)	**8,115.7[(1)]**	7,326.1[(3)]
Charge for the period	**958.7**	1,812.5
Transfer out	**(554.9)**	(681.8)
Recoveries	**9.7**	20.0
Write-offs	**(355.1)**	(287.9)
Other changes	**(48.4)**	(73.2)
End of the period	**8,125.7[(2)]**	8,115.7

Notes:

(1) Including (i) allowance for impairment losses on the loans and advances to customers measured at amortised cost which amounted to RMB8,092.2 million; and (ii) allowance for impairment losses on the loans and advances measured at fair value through other comprehensive income which amounted to RMB23.5 million.

(2) Including (i) allowance for impairment losses on the loans and advances to customers measured at amortised cost which amounted to RMB8,087.6 million; and (ii) allowance for impairment losses on the loans and advances measured at fair value through other comprehensive income which amounted to RMB38.1 million.

(3) Including (i) allowance for impairment losses on the loans and advances to customers measured at amortised cost which amounted to RMB7,322.8 million; and (ii) allowance for impairment losses on the loans and advances measured at fair value through other comprehensive income which amounted to RMB3.3 million.

8 GEOGRAPHICAL SEGMENTS REPORT

In presenting information by geographical segments, operating income is gathered according to the locations of the branches or subsidiaries that generated the income. For the purpose of presentation, the Group categorizes such information by geographic regions.

The following table sets forth the total operating income of each geographical region for the periods indicated.

	For the six months ended June 30,			
	2026		2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Taiyuan	**1,808.2**	**62.5**	1,684.3	61.6
Outside Taiyuan	**1,083.2**	**37.5**	1,051.4	38.4
Total operating income	**2,891.4**	**100.0**	2,735.7	100.0

9 RISK MANAGEMENT

The primary risks related to the Bank's operations include: credit risk, market risk, liquidity risk, operational risk, information technology risk, reputational risk, strategic risk and ESG risk.

In the first half of 2026, the Bank firmly upheld the main keynote of "risk management by the Party", while strengthening its bottom-line thinking and risk awareness with an increasing focus on risk prevention while pursuing steady growth and high-quality development. The Bank constantly improved the long-term mechanism of risk management and control, promoted refined management, strengthened system construction to facilitate and support the steady and rapid development of all businesses across the Bank, and resolutely safeguarded financial stability and financial security.

Credit risk

Credit risk refers to the risk of loss that may arise from the default by, or downgrade of credit rating of, an obligor or counterparty, or from its reduced capacity of fulfilling its contractual obligations. The Bank is exposed to credit risks primarily associated with corporate loan business, personal loan business and financial market business.

The Bank has built and continuously enhances its credit risk management system to identify, measure, monitor, mitigate and control risks that arise from its credit business. In the first half of 2026, the Bank has actively implemented the strategic directives of the Central Committee and the Shanxi Provincial Party Committee, fulfilling its responsibilities and mission as a local financial institution. The Bank's operating indicators recorded steady growth, with its corporate, retail, inclusive finance and financial market businesses progressing in parallel. The Bank continued to advance the "Five Priorities", vigorously supporting provincial reserve projects, accurately identifying and assessing project risks, and intensifying product innovation. Leveraging the strengths of a local financial institution in being "early, fast and precise", the Bank has played a leading and pioneering role in facilitating project implementation, industrial upgrading and improvements in people's livelihoods, with its transformation outcomes gradually coming to fruition. The Bank has refined its risk control framework, deepened granular risk management across the entire process, enhanced its "five-dimensional integrated" customer risk classification and monitoring mechanism, embedded risk alerts into business processes, optimised early warning models, and fully implemented the "four earlies" risk management mechanism. It has intensified efforts to resolve legacy risks, focusing on high-risk sectors such as real estate, manufacturing and mining, implemented "a policy for a household" strategies, strengthened recovery and disposal measures, and prevented the spread of risks. The Bank has also reinforced its "digital" risk control capabilities, established and upgraded risk management-related systems, and provided efficient technical support for risk monitoring, early warning and analysis. These efforts have facilitated the transformation of risk control from a "manually driven" approach to one "empowered by technology", enhancing management efficiency and precision. Furthermore, the Bank has strictly implemented the risk-based classification method of financial asset, continuously improved the risk-based classification management system of financial asset of the Bank, carried out risk-based classification management in accordance with the principle of substantial risk judgment, timely adjusted the risk-based classification results, and improved the refinement level of risk-based classification management of financial asset.

The Bank is committed to using advanced information technology systems to improve our credit risk management, strengthening financial technology to empower the risk prevention and control, continually optimizing technology risk monitoring indicators, and continually improving the technology capability of risk prevention and control. The Bank introduced external big data such as business administration information and judicial litigation into the credit management system, developed the rules for intelligent risk management, intercepted high-risk customers, and effectively improved the capability of risk identification and the efficiency of risk decision-making management. The Group applied the concept of digital intelligent management to reconstruct the post-lending management function, iterated the manual-dominated post-lending management with the intelligent post-lending management model, and promoted the digital transformation of the post-lending management mechanism.

The Bank is dedicated to striking a balance between achieving steady loan growth and maintaining a prudent culture of risk management. The Bank prepared detailed guidelines on credit risk management based on the provincial, national and international economic conditions, as well as government policies and regulatory requirements. In formulating the credit policies, the Bank studies the macroeconomic environment in the PRC and Shanxi Province and analyzes the risks and uncertainties relevant to the Bank's operations. The Bank also keeps track of the development of the national and local economic development plans, financial regulations and monetary policies, and adjusts the Bank's credit guidelines accordingly.

Management of large-scale risk exposure

The Bank strictly implemented regulatory requirements, formulated management rules for large-scale risk exposure, consolidated the data basis, carried out the measurement, monitoring and system construction of large exposures in an orderly manner, strictly implemented each regulatory indicator, regularly submitted regulatory statements and management reports, and continuously improved our capability to measure and manage large-scale risk exposure. As of June 30, 2026, other than exempted customers, all limit indicators for the Bank's large-scale risk exposures were in compliance with the regulatory requirements.

Market risk

Market risk refers to the risk from adverse changes in market prices (interest rates, currency rates, stock prices and commodity prices) that results in losses to the Bank's on- and off-balance sheet businesses. The Bank is exposed to market risks primarily from interest rate risk and currency rate risk.

During the Reporting Period, the Bank adopted a prudent market risk management policy, continuously monitored developments in the financial markets, and constantly refined its market risk management procedures based on its business operations. The Bank strictly distinguished between the trading book and the banking book, dynamically adjusted market risk limit indicators, and, in line with its risk appetite, maintained market risk within reasonable bounds. Prior to the launch of new businesses and products during the Reporting Period, the Bank conducted market risk identification and assessment, and provided corresponding recommendations and opinions. For its trading book, the Bank established market risk limit indicators, including stop-loss limits, bond floating loss ratio limits, portfolio asset limits, modified duration limits and VaR (value at risk limit) limits, and carried out daily risk monitoring and measurement. The Bank conducted market risk stress tests on a quarterly basis to evaluate the potential adverse impact of unfavorable market risk scenarios. In addition, the Bank regularly compiled market risk reports and submitted them to senior management and the Board for review. Overall, the Bank's market risk remained stable and controllable during the Reporting Period.

As of June 30, 2026, the Bank was engaged in a small-scale foreign exchange business and held an insignificant amount of U.S. dollars and other foreign currencies. The Bank has established various policies and operational procedures for its foreign exchange businesses, such as foreign exchange capital businesses, and business of foreign exchange settlement and sale, to control the relevant currency rate risks.

Liquidity risk

Liquidity risk is the risk of failure to obtain sufficient funds in a timely manner or at a reasonable cost to fulfill payment obligations when due. The liquidity management of the Bank is primarily to provide timely payment of funds for lending, trading and investment activities in business development to meet capital needs, and to fulfill payment obligations when due.

The Bank has established a liquidity risk management system and an organizational structure where the Board bears the ultimate responsibilities for the Bank's liquidity risk management and the senior management is responsible for formulating liquidity risk management strategies and policies. The Bank manages liquidity risk by monitoring the maturities of assets and liabilities to ensure it has sufficient funds readily available or at a reasonable cost to fulfill the payment obligations as they become due. The Assets and Liabilities Management Department monitors the Bank's capital position on a daily basis and provides risk alerts and reminders in a timely manner. The Bank also strictly observes the relevant regulatory requirements, closely monitors each liquidity indicator, formulates crisis management plans, enhances daily liquidity risk management and regularly applies stress tests.

In the first half of 2026, the Bank closely monitored the changes in the market interest rates, strengthened the monitoring and management of the regular liquidity risks, and reasonably adjusted its liquidity risk management strategy according to the external market environment by strengthening its fund position management during the intraday and rationally adjusting the term structure of assets and liabilities, to ensure that the liquidity risk is controllable for safety purposes. Liquidity risk management was strengthened mainly in the following aspects: 1. The Bank strengthened the routine monitoring of liquidity risks. The Bank improved the monitoring and analysis of large – amount funds through the information system of liquidity risks, rationally adjusted and controlled its intraday excess reserves level to ensure that payment and settlement and other businesses could be operated normally. Meanwhile, the Bank strengthened the management and control of liquidity risk indicators and rationally adjusted the structure of its assets and liabilities to ensure that the Bank's liquidity indicators continued to be stable and meet regulatory requirements. 2. The Bank adopted the management of liquidity risk limit indicators and set the limit indicators based on the external market and the actual development of the Bank's business. 3. The Bank strengthened the management of quality liquidity assets to ensure that there were sufficient reserves of quality liquidity assets to meet external financing needs under stress scenarios. 4. The Bank had developed a liquidity risk reporting mechanism to ensure that the Board and senior management can keep abreast of the Bank's liquidity status. 5. The Bank regularly conducted liquidity stress tests and timely predicted the potential liquidity risks based on the results of the stress tests to formulate relevant management measure.

Operational risk

Operational risk refers to the risk of losses arising from potentially defective internal procedures, personnel and information technology systems, and external events.

The Bank has established an operational risk management structure with the Board and senior management, and clarified the "three lines of defense" of the operational risk management system for various business and management departments, the Legal and Compliance Department, the Assets and Liabilities Management Department and the Audit Department. During the Reporting Period, the Bank continued to optimize its operational risk management framework, actively employing management tools such as process reviews, key risk indicator monitoring, self-assessment of loss events, and stress testing. The Bank also continuously strengthen employee compliance education and the development of system-based technical controls, ensuring that the Bank's overall operational risk profile remains generally stable and under control.

On the basis of reinforcing internal control and compliance management, the Bank carried out on an ongoing basis the internalization of external regulations, the establishment, revision, and abolition of policies and procedures, as well as training and learning programs. The Bank organized special campaigns to improve policy and procedure quality. The Bank focused on key areas such as credit business and agency business to conduct targeted inspections and mitigate various operational risks. The Bank continued to enrich monitoring measures to enhance employee conduct reviews, strictly enforce rotation of key positions, mandatory leave, and conflict-of-interest avoidance systems, and organize special data security self-assessment initiatives. The Bank also steadily advanced business continuity risk assessments and emergency drills, cybersecurity technical protection, and outsourcing risk control, so as to continuously strengthen our capabilities in risk prevention and resolution.

Information technology risk

Information technology risks include operational risk, reputational risk, legal risk and other types of risks caused by natural factors, human errors, technical loopholes and management failure arising from the Bank's use of information technology. The Bank has established an Information Technology Management Committee and appointed a Chief Information Officer. Information technology risk management is conducted through the Bank's Science and Technology Information Department, Legal and Compliance Department, and Audit Department, which serve as the first, second and third lines of defence, respectively, for information technology risk management. The Bank strives to continuously improve the information technology infrastructure and the Bank's information technology management system to comply with the national standards and regulatory requirements.

To ensure information technology security, the Bank has hired professionals to supervise the information security system and established a series of information security management measures to prevent any unauthorized network intrusions, cyber attacks, data leaks or third-party tampering with the Bank's information system. As part of the Bank's business continuity management measures, the Bank has established a disaster backup and recovery system comprising two local active application-level centers and one off-site data-level disaster recovery center. The Bank has also established detailed contingency plans regarding the potential failure of the information system to ensure the continuity of operations. The Bank conducts periodic disaster recovery drills for business continuity for important businesses.

Reputational risk

Reputational risk refers to the risk that arises from the behavior of the Bank or its employees or external events that lead to negative evaluations of the Bank by stakeholders, the public and the media, thereby damaging the brand value of the Bank, adversely affecting the operation and management of the Bank, and even affecting the market stability and social stability. The Bank takes its reputation seriously and has established an effective reputational risk management mechanism to monitor, identify, report, control and assess the reputational risk, and at the same time manages the reputational risk emergency handling, and minimizes any loss and negative impact on the Bank due to such incidents.

The office of the Board of the Bank is responsible for undertaking the management of overall reputational risks, including establishing a reputational risk management system, and formulating fundamental internal policies. The Bank has established emergency response teams for reputational risk incidents at the branches and sub-branches, so that the head office can be promptly informed upon the occurrence of material and urgent incidents and take appropriate actions accordingly.

Strategic risk

Strategic risk refers to the risk caused by inappropriate business strategies or changes in the external operating environment during strategy development and implementation, which may have a negative impact on the current or future profitability, capital, reputation or market position of the Bank.

The Bank strengthens its guidance on the strategic development plan, continually focuses on the changes in the external environment, conducts a comprehensive diagnosis of its resource endowments, scientifically formulates its 2026-2030 strategic development plan, and always ensures the strategic planning is aligned with the external environment, so as to enhance the Bank's adaptability in the face of unexpected market changes. The office of the Board is responsible for managing the Bank's strategic risks. The Bank identifies strategic risk factors through cooperation between the office of the Board and the Risk Management Department; conducts regular reviews and studies on prevailing market conditions and the Bank's business operation status to timely identify potential risks, makes prompt adjustments to the strategies and relevant measures accordingly, and closely monitors the implementation of the strategies.

ESG risk

ESG risk refers to the risk of financial losses, legal sanctions, regulatory penalties or reputational damage due to inadequate practices in environmental, social and governance or external shocks (such as climate change, social conflicts, etc.) faced by the Bank. The Bank has effectively established an organizational structure for environmental and social risk management with coordinated efforts across levels. As the highest decision-making body on environmental and social risk management, the Board is responsible for formulating green finance development strategies and ensuring that an appropriate and effective risk management system is in place to address environmental and social-related risks. At the same time, the Bank has set up a Development and Strategy Committee at the Board level to deliberate on environmental, social and governance (ESG) related proposals.

Senior management is responsible for setting environment-related targets, establishing green credit mechanisms and processes, conducting internal control inspections and evaluations, and regularly reporting to the Board on environment-related developments such as green credit. All departments of the Bank's head office and branches are responsible for the implementation of specific work related to the environment in accordance with the division of responsibilities. Among them, the Corporate Finance Department is the lead management department of green finance of the Bank, which is responsible for improving the green finance system, collecting green finance data, organizing and carrying out green finance training, etc., other departments and branches are responsible for cooperating with relevant specific work. The Bank has incorporated climate factors into its ESG risk management system, clearly defined ESG risk management requirements throughout the entire credit business process, and refined the review points and standards for each stage, thereby substantially enhancing its capacity to prevent ESG risks.

10 BUSINESS REVIEW

For the six months ended June 30, 2026, the Group's principal business lines comprised corporate banking, retail banking and financial markets.

For corporate banking business, the Group has actively responded to the industrial policy directives of the national and Shanxi provincial governments, continuously strengthening financial support to key sectors and areas of weakness, with a firm commitment to advancing the "Five Priorities (五篇大文章)". Corporate loans recorded steady growth, while overall asset quality remained stable. The Group's capabilities in green finance, technology finance and bond underwriting continued to improve, and its comprehensive financial service capabilities were steadily enhanced ; for retail banking business, the Group focused on two key transformations : "customer service models" and "business growth drivers" — with an emphasis on improving the quality and efficiency of individual customer relationship management. This has facilitated the transition of the retail business towards an intrinsic growth model that balances both scale and quality, so as to achieve significant improvement for retail banking in terms of market competitiveness and influence; for financial markets business, the Bank adjusts the asset structure of its bond and bill business proactively, expands credit granting to peer institutions actively, and strengthens the management of counterparties.

The following table sets forth the breakdown of the Group's operating income by business line for the six months ended June 30, 2025 and 2026.

	For the six months ended June 30,			
	2026		2025	
	Amount	**% of total (%)**	Amount	% of total (%)
	(in millions of RMB, except percentages)			
Corporate banking	**1,749.4**	**60.5**	1,636.4	59.8
Retail banking	**576.3**	**19.9**	686.7	25.1
Financial markets	**563.2**	**19.5**	407.3	14.9
Others [(1)]	**2.5**	**0.1**	5.3	0.2
Total operating income	**2,891.4**	**100.0**	2,735.7	100.0

Note:

(1) Consist primarily of income that is not directly attributable to any specific segment.

Corporate banking

Positioning itself as a "financial steward" for local governments in Shanxi Province and a "partner" of the real economy, the Bank has embraced the concept of green development, and has given its full support to the energy revolution and transformation and comprehensive reform in Shanxi Province. The Bank actively provides financing support for key projects in Shanxi Province and other cities, and constantly provides corporate banking customers with diversified products and services, including deposits, loans, trade finance, cash management, remittance and settlement, bonds and bills service, etc.

For the six months ended June 30, 2026, the Group's operating income from corporate banking was RMB1,749.4 million, representing a year-on-year increase of 6.9% and accounting for 60.5% of the total operating income for the same period add space. The increase in the operating income from corporate banking was primarily attributable to: (i) the sustained increase in corporate credit deployment, with loan portfolios expanded in key areas such as provincial-level major projects, green transformation and manufacturing upgrading, leading to a continuous expansion of interest-earning assets; and (ii) the deepening of comprehensive service offerings to existing customers through in-depth assessment of their holistic needs, thereby enhancing the overall contribution of customers.

As of June 30, 2026, the total corporate loans of the Group amounted to RMB154,375.4 million, representing an increase of 7.2% as compared to that as of December 31, 2025. As of June 30, 2026, the total corporate deposits amounted to RMB123,269.3 million, representing a decrease of 4.9% as compared to that as of December 31, 2025.

The Bank continued to enhance its capacity to meet the needs of corporate banking customers for differentiated financial products, actively responded to the guidance of the national industrial policies and vigorously promoted the credit orientation towards medium- and long-term manufacturing. The Bank also placed a focus on the development of intelligent online products centering on the improvement of customer experiences, actively expanded green and low-carbon corporate financing, strongly supported technology-based small or medium-sized enterprises to broaden capital sources, so as to continuously optimize its business structure, enrich its product portfolio, and enhance its overall service capacity.

Retail banking

Capitalizing on its extensive knowledge of the local market and the preferences of retail banking customers, the Group continually develops and promotes retail banking products and services that are well-received by the market and makes consistent efforts in wealth management, customer service, channel operation, product innovation, etc. The Group provided a range of products and services to retail banking customers, including personal loans, deposit taking services, personal wealth management services, credit card services, funds, insurance services, treasury bonds and other agency services and remittance services, etc.

For the six months ended June 30, 2026, the Group's operating income from retail banking was RMB576.3 million, representing a year-on-year decrease of 16.1% and accounting for 19.9% of the total operating income for the same period. The decrease in operating income from retail banking was mainly due to insufficient effective credit demand in the market and downward pressure on loan yields, which compressed interest income. In addition, in compliance with regulatory policy requirements, the Bank orderly reduced the scale of its proprietary wealth management business, resulting in a decline in fee and commission income.

As of June 30, 2026, the total personal loan was RMB35,464.8 million, accounting for 14.8% of the gross loans and advances to customers. As of June 30, 2026, residential mortgage loans, personal consumption loans, personal business loans and credit card balances were RMB24,019.3 million, RMB6,304.4 million, RMB2,006.8 million and RMB3,134.3 million, respectively, accounting for 67.7%, 17.8%, 5.7% and 8.8% of the total personal loans of the Bank, respectively. As of June 30, 2026, the Group's total personal deposits amounted to RMB169,537.1 million, representing an increase of 2.5% as compared to that as of December 31, 2025.

Leveraging its quality services, the Group's retail banking customer base further grew during the Reporting Period, increasing from 3,377.5 thousand as of December 31, 2025 to 3,417.57 thousand as of June 30, 2026. After years of persistent efforts, the Group has established an extensive business network in key cities in Shanxi Province. As of June 30, 2026, the Bank had outlets across 11 prefecture-level cities in Shanxi Province. The Bank currently has 153 outlets under its supervision and established a Small Enterprises Financial Service Center. The Bank initiated the establishment of the first consumer finance company in Shanxi Province – Jinshang Consumer Finance Co., Ltd.

During the Reporting Period, with a business network that has extensive coverage, the Group was committed to providing customers with convenient online and mobile financial products and services with the use of advanced technologies. During the Reporting Period, the Group continued to enrich the types of services offered through online banking and introduced differentiated user experience for customers through technological upgrades. In addition, by integrating high-quality resources, the Group provided professional and comprehensive financial services to customers in the province. Leveraging its professional and high-quality services, the Private Banking Center was honored with several awards at the 2026 Golden Reputation Awards, including "Excellent Private Bank in Regional Service," "Excellent City Commercial Bank in Wealth Management," "Excellent Mixed-Type Bank Wealth Management Product," and "Excellent Bank with Growth Potential in Wealth Management Product Distribution."

To build an image as a private bank for the Bank and to facilitate effective customer management for the private banking business, and with a focus on the service system of "promoting the future (升擢未來)", "promoting privileges (升享尊貴)", "promoting the wellbeing (升生之道)", and "promoting extraordinary experience (升鑑不凡)", the Private Banking Center actively explores the development model of private banking in line with its own development strategy, scale and management capabilities, consolidates its presence in the family wealth planning service market, builds a differentiated and distinctive private banking brand, and accelerates the steady and robust development of private banking in the region.

Financial market business

The financial market business of the Group primarily includes inter-bank money market transactions, repurchases transactions, debt securities investment and trading. It also covers the management of the Group's overall liquidity position.

During the Reporting Period, the Group closely monitored the changes in the macroeconomic situation, adhered to the direction of financial market policies, strengthened the monitoring and analysis of market conditions, seized business development opportunities, rationally formulated investment strategies, continuously optimized the investment portfolio, adjusted investment structure and actively carried out innovative business under the premise of risk control, while building a more competitive financial market business. For the financial market business, the Group continued to focus on liquidity management, constantly promoted its business implementation, maintained risk prevention and compliance management, continuously enhanced its market activity and influence, and made great efforts to improve its profitability.

For the six months ended June 30, 2026, the operating income from the Group's financial market business amounted to RMB563.2 million, accounting for 19.5% of total operating income and representing an increase of RMB155.9 million compared to RMB407.3 million in the same period in 2025, which was mainly due to an increase in the scale of certain bond investments, coupled with a decrease in the cost of liabilities.

Interbank market transactions

The Group's interbank market transactions business primarily consists of: (i) interbank deposits; (ii) interbank placements; and (iii) purchase under resale agreements and sale under repurchase agreements, which mainly involves bonds and bills.

As of June 30, 2026, deposits with banks and other financial institutions were RMB157.3 million.

As of June 30, 2026, placements with banks and other financial institutions were RMB19,556.8 million, accounting for 4.9% of the Group's total assets as of June 30, 2026.

As of June 30, 2026, financial assets held under resale agreements were RMB9,327.9 million, accounting for 2.3% of the Group's total assets as of June 30, 2026. As of the same date, financial assets sold under repurchase agreements amounted to RMB12,654.5 million, accounting for 3.3% of the Group's total liabilities as of June 30, 2026.

Investment management

The Group's investment management business mainly consists of debt securities investment and SPV investment. Specifically, debt securities include debt securities issued by the PRC government, policy banks, commercial banks and other financial institutions and enterprises. SPV investment refers to investments in trust plans, asset management plans and mutual funds. When making debt securities investment and SPV investment, the Group takes into account a broad range of factors, including but not limited to risk preferences, capital consumption level and expected yields of relevant products of the Group, as well as overall economic conditions and relevant regulatory development, to achieve a better balance between risk and return.

As of June 30, 2026, the balance of debt securities investment was RMB95,349.6 million, representing an increase of 5.3% from that as of December 31, 2025, primarily due to the Group's optimization of its asset structure, which led to an increase in the scale of certain bond investments.

As of June 30, 2026, the balance of SPV investment was RMB14,431.6 million, representing a decrease of 5.5% from that as of December 31, 2025, primarily due to the Group's optimization of its asset structure, which led to a decrease in the scale of certain fund investments.

Wealth management

For the six months ended June 30, 2026, the Group did not issue any new wealth management products, primarily due to the fact that during the Reporting Period, in order to implement the regulatory requirements on standardising wealth management business and orderly reducing the scale of proprietary wealth management products, and against the backdrop of a moderate pace of macroeconomic recovery, insufficient supply of quality assets in the market, and a continued downward trend in the average asset yield, the Bank adhered to the bottom line of compliance and upheld prudent operational principles. The Bank proactively optimised the issuance schedule of wealth management products and reasonably managed the fundraising scale, which resulted in a significant year-on-year decrease in the issuance amount of wealth management products during the Reporting Period. As of June 30, 2026, the Group had more than 480,469 wealth management customers, reflecting a further increase from the end of 2025.

As of June 30, 2026, the outstanding balance of the non-principal guaranteed wealth management products issued by the Group was RMB20,548.1 million, representing a decrease of 33.8% from that as of December 31, 2025, primarily attributable to the fact that during the Reporting Period, in response to regulatory requirements for commercial banks to orderly reduce the outstanding proprietary wealth management business, the Bank proactively advanced the transformation of its wealth management operations. Coupled with the scarcity of quality assets in the market and the narrowing of credit spreads, which limited the yield potential of new products, some clients chose to redeem their investments due to revised return expectations and changes in risk appetite. As a result, the outstanding balance of wealth management products continued its year on year downward trend. For the six months ended June 30, 2026, the fee and commission income from the wealth management products issued by the Group was RMB115.0 million, representing a decrease of 11.7% as compared to the six months ended June 30, 2025, primarily due to the direct impact of the orderly reduction of proprietary wealth management scale during the Reporting Period, which led to a concurrent decline in fee income such as management fees and sales service fees that are linked to the scale of wealth management business. And compounded by market factors including bond market interest rate volatility and divergence in product net asset value performance, the overall comprehensive income from wealth management business came under pressure, resulting in a year on year decrease in net fee and commission income during the Reporting Period.

Debt securities underwriting and distribution

The Bank's investment banking team provides customers with comprehensive financial services through the debt securities underwriting and distribution business, further leverages the Bank's strong capacity in managing capital market transactions, and broadens its customer base.

The Bank obtained the preliminary and Class-B qualification for underwriting debt financing instruments issued by non-financial enterprises in October 2016 and February 2019, respectively, and the qualification to independently act as a lead underwriter for debt financing instruments issued by non financial enterprises in February 2024. For the six months ended June 30, 2026, the aggregate principal amount of debt securities that the Bank underwrote amounted to RMB450.00 million, representing a decrease of 56.94% as compared to the six months ended June 30, 2025, and the aggregate principal amount of debt securities that the Bank distributed amounted to RMB1,260.00 million, representing a decrease of 87.62% compared to the six months ended June 30, 2025, primarily due to a decrease in overall market issuance volume, which led to a year-on-year decrease in business scale.

Small and micro enterprises

During the Reporting Period, the Bank actively implemented the relevant decisions and deployments of the Central Party Committee, the State Council, the provincial Party Committee and provincial government of Shanxi Province to deepen its efforts to enhance financial services for micro and small enterprises, and fully support economic recovery and industrial growth.

As of June 30, 2026, the Bank's head office has set up an Inclusive Finance Department (Small Enterprises Financial Department/Small Enterprises Financial Service Center), four directly controlled branches in Taiyuan and ten non-local branches have also set up Inclusive Finance Departments (Small Enterprises Financial Department).

As of June 30, 2026, the balance of inclusive loans to small and micro enterprises of the Bank amounted to RMB13,782.5 million, representing an increase of RMB309.1 million from the beginning of the year. The number of accounts with balance of inclusive loans to small and micro enterprises was 10,334, representing a net decrease of 375 from the beginning of the year. The NPL ratio of inclusive loans to small and micro enterprises was 2.92%, representing an increase of 0.23 percentage points from the beginning of the year, and the accumulative annualized interest rate was 4.03%, representing a decrease of 0.05 percentage points from the beginning of the year.

Digital transformation

During the Reporting Period, the Bank carried out its work under the framework of the Digital Finance Action Plan (2024-2026), one of the "five major financial initiatives." With a clear focus on digitalisation and intelligent transformation, the Bank took a holistic approach to advancing data governance, data application development, digital business enablement, channel optimisation, and talent cultivation. The Bank successfully completed a number of key tasks, effectively closing the loop from "managing data" to "leveraging data," and tangibly improved grassroots operational efficiency, customer service experience, and risk prevention capabilities.

In terms of data governance and application, the Bank established a quality control mechanism featuring "proactive discovery, closed-loop rectification, and pre-emptive rule setting." The Bank advanced data security classification and grading across the entire system, achieving full coverage for all banking systems. The Bank also supported business operations by coordinating external data access and indicator frameworks, while balancing business enhancement, cost reduction, and regulatory compliance, thereby fully unlocking the value of data.

On data infrastructure, the Bank continued to deepen its “lakehouse (湖倉一體)” data architecture and expanded real-time data application scenarios. The Bank successively launched use cases such as AI-powered outbound calling, a remote marketing integrated platform, intelligent operations, and a unified retail customer view. The Bank also rolled out a large language model knowledge base and an intelligent agent development platform, establishing a multi-tier knowledge management system. By embedding AI into key business control nodes, the Bank enabled multiple AI-driven applications, including intelligent, which improved processing efficiency and risk control accuracy, while steadily releasing digital productivity.

In building a digital talent pipeline, the Bank leveraged data governance outcomes and digital reporting as entry points to extend data application capabilities from head office to branches. Through integrated online-offline training, one-on-one targeted coaching, and other methods, the Bank instilled digital skills and data-driven thinking into its frontline units, significantly enhancing their ability to utilise data independently. As a result, the Bank’s digital talent pool continued to expand.

CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

Share capital

There was no change in the share capital of the Bank during the Reporting Period.

As of June 30, 2026, the Bank issued a total of 5,838,650,000 Shares, including 4,868,000,000 Domestic Shares and 970,650,000 H Shares.

	December 31, 2025			**June 30, 2026**	
	Number of Shares	Percentage to total share capital	Changes during the Reporting Period	**Number of Shares**	**Percentage to total share capital**
Domestic state-owned shares	1,182,581,164	20.25%	–	**1,182,581,164**	**20.25%**
Domestic state-owned legal person shares	2,015,684,717	34.52%	–	**2,015,684,717**	**34.52%**
Domestic social legal person shares	1,593,451,414	27.29%	–	**1,593,451,414**	**27.29%**
Domestic natural person shares	76,282,705	1.31%	–	**76,282,705**	**1.31%**
H Shares	970,650,000	16.62%	–	**970,650,000**	**16.62%**
Total shares	5,838,650,000	100.00%	–	**5,838,650,000**	**100.00%**

Note: The difference between the figures in the table and the aggregate figures is due to rounding.

II. INFORMATION ON SHAREHOLDERS

1. Total number of domestic Shareholders

As at June 30, 2026, the total number of Shareholders of Domestic Shares of the Bank was 6,882.

2. Top 10 Shareholders of Domestic Shares

As at June 30, 2026, the Bank's top 10 Shareholders of Domestic Shares are as follows:

No.	Name of Shareholder	Capacity/Nature of Shareholder	Total number of Shares held at the beginning of the Reporting Period (shares)	Total number of Shares held at the end of the Reporting Period (shares)	Percentage to total share capital at the end of the Reporting Period (%)	Shares pledged or frozen Share status	Shares pledged or frozen Quantity
1	Shanxi Finance Bureau (山西省財政廳)	State-owned shares	715,109,200	715,109,200	12.25%	Normal	–
2	Huaneng Capital Services Co., Ltd. (華能資本服務有限公司)	State-owned legal person shares	600,000,000	600,000,000	10.28%	Normal	–
3	Taiyuan Municipal Finance Bureau (太原市財政局)	State-owned shares	467,471,964	467,471,964	8.01%	Normal	–
4	Changzhi Nanye Industry Group Co., Ltd. (長治市南燁實業集團有限公司) ("**Changzhi Nanye**")	Social legal person shares	450,657,435	450,657,435	7.72%	Normal	–
5	Shanxi Lu'an Mining (Group) Co., Ltd. (山西潞安礦業(集團)有限責任公司)	State-owned legal person shares	359,091,687	359,091,687	6.15%	Normal	–
6	Shanxi International Electricity Group Limited Company (山西國際電力集團有限公司) ("**Shanxi International Electricity**")	State-owned legal person shares	300,000,000	300,000,000	5.14%	Normal	–
7	Shanxi Coking Coal Group Co., Ltd. (山西焦煤集團有限責任公司)	State-owned legal person shares	291,339,054	291,339,054	4.99%	Normal	–
8	Changzhi Huashengyuan Mining Industry Co., Ltd. (長治市華晟源礦業有限公司) ("**Changzhi Huashengyuan**")	Social legal person shares	234,569,820	234,569,820	4.02%	Normal	–
9	Taiyuan Steel (Group) Co., Ltd. (太原鋼鐵(集團)有限公司)	State-owned legal person shares	200,000,000	200,000,000	3.43%	Normal	–
10	Jinneng Holding Equipment Manufacturing Group Co., Ltd. (晉能控股裝備製造集團有限公司)[2]	State-owned legal person shares	200,000,000	200,000,000	3.43%	Normal	–
	Total			3,818,239,160	65.40%[1]	–	–

Notes:

(1) The difference between the figures in the table and the aggregate figures is due to rounding.

(2) Jinneng Holding Equipment Manufacturing Group Co., Ltd. (晉能控股裝備製造集團有限公司) was formerly known as Shanxi Jincheng Anthracite Coal Mining Group Co., Ltd. (山西晉城無煙煤礦業集團有限責任公司).

3. Interests and short positions under the SFO in Hong Kong

As at June 30, 2026, according to the register maintained by the Bank pursuant to section 336 of the SFO, and to the best knowledge of the Bank, the following persons (other than the Directors and chief executive of the Bank) had or were deemed or taken to have interests and/or short positions in the Shares or underlying Shares of the Bank which would be required to be disclosed to the Bank and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 5% or more of the nominal value any class of share capital of the Bank:

Name of Shareholder	Capacity/Nature of interest	Class of Shares	Number of Shares directly or indirectly held (long position)	Number of Shares directly or indirectly held (short position)	Approximate % of interest in the Bank	Approximate % of the relevant class of Shares of the Bank
SASAC of the Shanxi Provincial People's Government [1]	Interest in controlled corporations	Domestic Shares	1,212,220,564		20.76%	24.90%
Shanxi Finance Bureau (山西省財政廳)	Beneficial owner	Domestic Shares	715,109,200		12.25%	14.69%
China Huaneng Group Co., Ltd. (中國華能集團有限公司) [2] ("**China Huaneng Group**")	Interest in controlled corporations	Domestic Shares	600,000,000		10.28%	12.33%
Huaneng Capital Services Co., Ltd. (華能資本服務有限公司)	Beneficial owner	Domestic Shares	600,000,000		10.28%	12.33%
Taiyuan Municipal Finance Bureau (太原市財政局)	Beneficial owner	Domestic Shares	467,471,964		8.01%	9.60%
	Interest in controlled corporations	H Shares	102,400,000		1.75%	10.55%
Taiyuan State-owned Investment Group Limited (太原國有投資集團有限公司)	Beneficial owner	H Shares	102,400,000		1.75%	10.55%
Changzhi Nanye [3]	Beneficial owner	Domestic Shares	450,657,435		7.72%	9.26%
	Interest of concert parties	Domestic Shares	234,569,820		4.02%	4.82%
Mr. LI Jianming [3]	Interest in controlled corporations/Interest of concert parties	Domestic Shares	685,227,255		11.74%	14.08%
Ms. WANG Yanli [3]	Interest in controlled corporations/Interest of concert parties	Domestic Shares	685,227,255		11.74%	14.08%

Name of Shareholder	Capacity/Nature of interest	Class of Shares	Number of Shares directly or indirectly held (long position)	Number of Shares directly or indirectly held (short position)	Approximate % of interest in the Bank	Approximate % of the relevant class of Shares of the Bank
Changzhi Huashengyuan [3]	Beneficial owner	Domestic Shares	234,569,820		4.02%	4.82%
	Interest of concert parties	Domestic Shares	450,657,435		7.72%	9.26%
Lu'an Chemical Group Co., Ltd. (潞安化工集團有限公司) [1]	Interest in controlled corporations	Domestic Shares	359,091,687		6.15%	7.38%
Shanxi Lu'an Mining (Group) Co., Ltd. [1]	Beneficial owner	Domestic Shares	359,091,687		6.15%	7.38%
Jinneng Holdings Group Co., Ltd. (晉能控股集團有限公司) [4]	Interest in controlled corporations	Domestic Shares	500,000,000		8.56%	10.27%
Jinneng Holding Power Group Co., Ltd. (晉能控股電力集團有限公司) [4]	Interest in controlled corporations	Domestic Shares	300,000,000		5.14%	6.16%
Shanxi International Electricity [1][4]	Beneficial owner	Domestic Shares	300,000,000		5.14%	6.16%
Shanxi Coking Coal Group Co., Ltd. [1]	Beneficial owner	Domestic Shares	291,339,054		4.99%	5.98%
	Interest in controlled corporations	Domestic Shares	5,789,823		0.10%	0.12%
Taiyuan Industrial Park Investment Holdings Co., Ltd. (太原工業園區投資控股有限公司)	Beneficial owner	H Shares	102,297,000		1.75%	10.54%
China Credit Trust Co., Ltd. (中誠信託有限責任公司) [5]	Interest in controlled corporations	H Shares	102,297,000		1.75%	10.54%
Harvest Fund Management Co., Ltd. (嘉實基金管理有限公司) [5]	Investment manager	H Shares	102,297,000		1.75%	10.54%
Guotai Asset Management Co., Ltd. (國泰基金管理有限公司)	Investment manager	H Shares	62,044,000		1.06%	6.39%
Guotai Junan Securities Co., Ltd. [6]	Interest in controlled corporations	H Shares	61,300,000		1.05%	6.32%
	Interest in controlled corporations	H Shares		61,300,000	1.05%	6.32%
Guotai Junan Financial Holdings Limited [6]	Interest in controlled corporations	H Shares	61,300,000		1.05%	6.32%
	Interest in controlled corporations	H Shares		61,300,000	1.05%	6.32%
Guotai Junan Holdings Limited [6]	Interest in controlled corporations	H Shares	61,300,000		1.05%	6.32%
	Interest in controlled corporations	H Shares		61,300,000	1.05%	6.32%
Guotai Junan International Holdings Limited	Interest in controlled corporations	H Shares	61,300,000		1.05%	6.32%
(國泰君安國際控股有限公司) [6]	Interest in controlled corporations	H Shares		61,300,000	1.05%	6.32%
Guotai Junan (Hong Kong) Limited	Interest in controlled corporations	H Shares	61,300,000		1.05%	6.32%
(國泰君安(香港)有限公司) [6]	Interest in controlled corporations	H Shares		61,300,000	1.05%	6.32%
Guotai Junan Financial Products Limited	Beneficial owner	H Shares	61,300,000		1.05%	6.32%
(國泰君安金融產品有限公司) [6]	Beneficial owner	H Shares		61,300,000	1.05%	6.32%
LI Gaier (李蓋爾)	Beneficial owner	H Shares	57,155,000		0.98%	5.89%
SINGAPORE ANKATU PTE. LTD.	Beneficial owner	H Shares	54,735,150		0.94%	5.64%

Notes:

(1) In 2026, Shanxi State-owned Capital Operation Co., Ltd. (山西省國有資本運營有限公司) transferred the equity interests in certain of its subsidiaries to its sole shareholder, State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province (山西省人民政府國有資產監督管理委員會). As a result, State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province indirectly held 1,212,220,564 Domestic Shares, representing 20.76% equity interest in our Bank. State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province's shareholding in our Bank was held through certain subsidiaries, including (i) Shanxi Lu'an Mining (Group) Co., Ltd. (山西潞安礦業(集團)有限責任公司) (a wholly-owned subsidiary of Lu'an Chemical Group Co., Ltd. (潞安化工集團有限公司), in which State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province held 90% equity interest) with 6.15% equity interest in our Bank; (ii) Shanxi Coking Coal Group Co., Ltd. (山西焦煤集團有限責任公司) (in which State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province held 90% equity interest) with 4.99% equity interest in our Bank and Shanxi Tongpei Coal Mine and Coke Co., Ltd. (山西統配煤礦煤焦有限公司) (formerly known as Shanxi Tongpei Coal Comprehensive Operation Company (山西統配煤礦綜合經營總公司)) (a wholly-owned subsidiary of Shanxi Coking Coal Group Co., Ltd.) holds 0.10% equity interest in our Bank (As of the date of this interim report, Shanxi Coking Coal Group Co., Ltd. has not yet completed the business registration for the relevant shareholder change; however, 90% of its shareholders' rights are already vested in State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province); (iii) Shanxi International Electricity with 5.14% equity interest in our Bank; (iv) Jinneng Holding Equipment Manufacturing Group Co., Ltd. with 3.43% equity interest in our Bank; and (v) Shanxi Investment Group Co., Ltd. (山西省投資集團有限公司) (a wholly-owned subsidiary of Shanxi Cultural Tourism Investment Holding Group Co., Ltd. (山西省文化旅遊投資控股集團有限公司) in which State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province held 90% equity interest) with 0.96% equity interest in our Bank.

(2) China Huaneng Group indirectly held 600,000,000 Domestic Shares, representing 10.28% equity interest in our Bank through Huaneng Capital Services Co., Ltd., in which China Huaneng Group held 61.22% equity interest. By virtue of SFO, China Huaneng Group is deemed to be interested in the Domestic Shares held by Huaneng Capital Services Co., Ltd.

(3) Mr. LI Jianming held 90% of the equity interest in Changzhi Nanye, and Ms. WANG Yanli held 70% of the equity interest in Changzhi Huashengyuan.

Changzhi Nanye and Changzhi Huashengyuan are parties acting-in-concert according to their respective confirmation. Therefore, Mr. LI Jianming, Ms. WANG Yanli, Changzhi Nanye and Changzhi Huashengyuan are deemed to be interested in 685,227,255 Domestic Shares, representing approximately 11.74% equity interest in our Bank. By virtue of SFO, Mr. LI Jianming and Ms. WANG Yanli are deemed to be interested in the Domestic Shares held by both Changzhi Nanye and Changzhi Huashengyuan, while Changzhi Nanye and Changzhi Huashengyuan are deemed to be interested in the Domestic Shares held by each other.

(4) State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province held 90% equity interest in Jinneng Holding Group Co., Ltd. (晉能控股集團有限公司). Jinneng Holding Power Group Co., Ltd., a subsidiary of Jinneng Holding Group Co., Ltd. with 64% equity interest, indirectly held 300,000,000 Domestic Shares, representing 5.14% equity interest in the Bank through its wholly-owned subsidiary, Shanxi International Electricity. By virtue of SFO, Jinneng Holding Group Co., Ltd. and Jinneng Holding Power Group Co., Ltd. are deemed to be interested in the Domestic Shares held by Shanxi International Electricity.

Jinneng Holding Group Co., Ltd. indirectly held 200,000,000 Domestic Shares, representing 3.43% equity interest in the Bank, through its 70% equity interest in Jinneng Holding Equipment Manufacturing Group Co., Ltd. By virtue of SFO, Jinneng Holding Group Co., Ltd. is deemed to be interested in the Domestic Shares held by Jinneng Holding Equipment Manufacturing Group Co., Ltd.

(5) China Credit Trust Co., Ltd. was interested in the long position of 102,297,000 H Shares, representing 1.75% equity interest in our Bank through its 40%-owned company, Harvest Fund Management Co., Ltd. By virtue of SFO, China Credit Trust Co., Ltd. is deemed to be interested in the H Shares held by Harvest Fund Management Co., Ltd.

(6) Guotai Junan Securities Co., Ltd. was interested in the long position of 61,300,000 H Shares, representing 1.05% equity interest in our Bank, and short positions of 61,300,000 H Shares, representing 1.05% equity interest in our Bank through its wholly-owned subsidiaries, Guotai Junan Financial Holdings Limited, Guotai Junan Holdings Limited, Guotai Junan International Holdings Limited with an indirect 68.10% equity interest, Guotai Junan (Hong Kong) Limited (a wholly-owned subsidiary) and Guotai Junan Financial Products Limited (a wholly-owned subsidiary). By virtue of SFO, Guotai Junan Securities Co., Ltd., Guotai Junan Financial Holdings Limited, Guotai Junan Holdings Limited, Guotai Junan International Holdings Limited and Guotai Junan (Hong Kong) Limited are deemed to be interested in the H Shares held by Guotai Junan Financial Products Limited.

Save as disclosed above, as of the end of the Reporting Period, there were no other persons (other than the Directors and chief executive of the Bank) or companies who had interests or short positions in the Shares or underlying Shares of the Bank which would fall to be disclosed to the Bank and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register maintained by the Bank pursuant to section 336 of the SFO.

III. SUBSTANTIAL SHAREHOLDERS DURING THE REPORTING PERIOD

According to the Interim Measures for the Equity Management of Commercial Banks (《商業銀行股權管理暫行辦法》) issued by the former CBIRC, substantial shareholders of a commercial bank refer to shareholders holding or controlling 5% or more of shares or voting rights of the commercial bank, or holding less than 5% of total capital or total shares of the commercial bank but having significant impact on the operational management of the commercial bank. The "significant impact" mentioned above includes, but is not limited to dispatching directors, supervisor or senior management to a commercial bank, influencing the financial and operational management decisions of commercial banks through agreements or other means and other circumstances identified by the National Financial Regulatory Administration or its local offices.

1. Shareholders Holding 5% or More of the Bank's Share Capital

Shanxi Finance Bureau is a government authority legal person, and the ultimate beneficiary is the Shanxi Finance Bureau, without any person acting-in-concert.

The controlling shareholder of Huaneng Capital Services Co., Ltd. is China Huaneng Group; the actual controller is the State-owned Assets Supervision and Administration Commission of the State Council, and the ultimate beneficiary is Huaneng Capital Services Co., Ltd., without any person acting-in-concert.

Taiyuan Municipal Finance Bureau is a government authority legal person, and the ultimate beneficiary is the Taiyuan Municipal Finance Bureau, without any person acting-in-concert.

The controlling shareholder of Changzhi Nanye is LI Jianming; the actual controller is LI Jianming, and the ultimate beneficiary is Changzhi Nanye, being persons acting-in-concert with Changzhi Huashengyuan.

Shanxi Lu'an Mining (Group) Co., Ltd. is wholly-owned by Lu'an Chemical Group Co., Ltd. (潞安化工集團有限公司); the actual controller is the State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province, and the ultimate beneficiary is Shanxi Lu'an Mining (Group) Co., Ltd., without any person acting-in-concert.

Shanxi International Electricity is wholly-owned by Jinneng Holding Power Group Co., Ltd.; the actual controller is State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province, and the ultimate beneficiary is Shanxi International Electricity, without any person acting-in-concert.

For Shareholders holding 5% or more of the Bank's share capital, please also see "II. Information on Shareholders" above.

2. Other Substantial Shareholders

In addition to the Shanxi Finance Bureau, Huaneng Capital Services Co., Ltd., Taiyuan Municipal Finance Bureau, Changzhi Nanye, Shanxi Lu'an Mining (Group) Co., Ltd. and Shanxi International Electricity disclosed above, Jinneng Holding Equipment Manufacturing Group Co., Ltd. holds less than 5% of the Bank's shares but together with its associate Shanxi International Electricity, holds an aggregate of more than 5% of the Bank's shares; Shanxi Coking Coal Group Co., Ltd. (山西焦煤集團有限責任公司) in aggregate holds more than 5% of the Bank's shares, directly and through its wholly-owned subsidiary, Shanxi Tongpei Coal and Coke Co., Ltd. (山西統配煤礦煤焦有限公司); and Changzhi Huashengyuan and Changzhi Nanye, being persons acting-in-concert, in aggregate hold more than 5% of the Bank's shares.

The controlling shareholder of Jinneng Holding Equipment Manufacturing Group Co., Ltd. is Jinneng Holding Group Co., Ltd. The actual controller is the State-owned Assets Supervision and Administration Commission of Shanxi Province, and the ultimate beneficiary is Jinneng Holding Equipment Manufacturing Group Co., Ltd., without any person acting-in-concert.

IV. SHAREHOLDERS' NOMINATION OF DIRECTORS

(1) Shanxi Finance Bureau nominated Mr. GAO Yurong as a Director of the Bank;

(2) Huaneng Capital Services Co., Ltd. nominated Mr. WANG Qi and Mr. RONG Changqing as Directors of the Bank;

(3) Taiyuan Municipal Finance Bureau nominated Mr. WANG Xiankui as a Director of the Bank;

(4) Changzhi Nanye nominated Mr. LI Yang as a Director of the Bank; and

(5) Shanxi Lu'an Mining (Group) Co., Ltd. nominated Mr. WANG Jianjun as a Director of the Bank.

V. PURCHASE, SALE AND REDEMPTION OF ANY OF THE BANK'S LISTED SECURITIES

From January 1, 2026 to the date of this interim report, the Bank or any of its subsidiaries did not purchase, sell or redeem any of the Bank's listed securities.

As of June 30, 2026, the Bank did not hold any treasury shares as defined under the Hong Kong Listing Rules.

DIRECTORS, SUPERVISOR, SENIOR MANAGEMENT AND EMPLOYEES

I. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. Directors

Our Board of Directors consists of thirteen Directors, including three executive Directors, five non-executive Directors and five independent non-executive Directors. Our Directors are elected for a term of three years and are subject to re-election, provided that the cumulative term of an independent non-executive Director shall not exceed six years in accordance with PRC laws and regulations. Pursuant to the Bank's announcement dated November 15, 2024, Mr. WANG Liyan has tendered his resignation as an independent non-executive Director, due to the fact that he has served as an independent non-executive Director for a term of six years. Since the resignation of Mr. WANG Liyan will result in the number of the independent non-executive Directors falling below the minimum number required by the Articles of Association, pursuant to the requirements of the Articles of Association, Mr. WANG Liyan will continue to perform his duties as an independent non-executive Director, until the appointment of a new independent non-executive Director is approved by the Shareholders at a general meeting and his/her qualification of directorship is approved by Shanxi Supervision Bureau. The following table sets forth certain information regarding our Directors.

Name	Age	Position(s)	Date of appointment [(1)]
Ms. HAO Qiang (郝強)	53	Executive Director, chairwoman	July 16, 2021
Mr. ZHANG Yunfei (張雲飛)	55	Executive Director, vice chairman	August 30, 2021
Mr. WANG Qi (王琦)	48	Executive Director	December 27, 2024
Mr. GAO Yurong (高玉榮)	54	Non-executive Director	August 27, 2025
Mr. RONG Changqing (容常青)	56	Non-executive Director, vice chairman	April 8, 2026
Mr. WANG Xiankui (王先奎)	49	Non-executive Director	June 1, 2026
Mr. LI Yang (李楊)	39	Non-executive Director	September 20, 2022
Mr. WANG Jianjun (王建軍)	50	Non-executive Director	August 8, 2018
Mr. WANG Liyan (王立彥)	69	Independent non-executive Director	September 14, 2018
Mr. DUAN Qingshan (段青山)	68	Independent non-executive Director	August 26, 2022
Mr. LIANG Yongming (梁永明)	60	Independent non-executive Director	October 30, 2025
Ms. HU Zhihong (胡稚弘)	67	Independent non-executive Director	June 25, 2023
Mr. CHAN Ngai Sang Kenny (陳毅生)	61	Independent non-executive Director	June 25, 2023

Note:

(1) The date of appointment as a Director stated here represents the date on which the relevant Director obtained the qualification approval from the regulatory authority of the banking industry of the PRC.

2. Supervisors

The PRC Company Law stipulates that a joint stock limited company may establish a board of supervisors. The Bank's Board of Supervisors is responsible for supervising the performance of duties by the Board of Directors and senior management and their members, the financial activities, internal control, risk management, etc. Our Board of Supervisors consists of nine Supervisors, including three employee Supervisors, three Shareholder Supervisors and three external Supervisors. Our Supervisors are elected for a term of three years and may be subject to re-election, and the cumulative term of an external Supervisor shall not exceed six years. The following table sets forth certain information about our Supervisors during the Reporting Period. With effect from April 27, 2026, the Bank have dissolved the Board of Supervisors.

Name	Age	Position(s)	Date of appointment
Mr. XIE Liying (解立鷹)	59	Employee Supervisor Chairman of the Board of Supervisors	July 24, 2009 (as a Supervisor) December 8, 2016 (as the chairman of the Board of Supervisors)
Mr. WANG Weiping (王衛平)	55	Shareholder Supervisor	December 22, 2022
Mr. PANG Zhengyu (龐徵宇)	43	Shareholder Supervisor	December 22, 2022
Ms. XU Jin (徐瑾)	49	Shareholder Supervisor	December 22, 2022
Mr. WEN Qingquan (溫清泉)	53	Employee Supervisor	May 13, 2019
Mr. SU Hua (蘇華)	49	Employee Supervisor	December 22, 2022
Mr. ZHUO Zeyuan (卓澤淵)	63	External Supervisor	December 22, 2022
Mr. WU Jun (吳軍)	73	External Supervisor	May 4, 2018
Mr. BAI Guangwei (擺光煒)	61	External Supervisor	December 22, 2022

3. Senior Management

Name	Age	Position(s)	Date of appointment [(1)]
Mr. ZHANG Yunfei (張雲飛)	55	President Chief Compliance Officer	September 30, 2022 March 27, 2026
Mr. WANG Yibin (王義斌)	56	Vice president	June 14, 2022
Mr. WANG Qi (王琦)	48	Vice president Board secretary	July 25, 2024 June 12, 2026
Mr. SHANGGUAN Yujiang (上官玉將)	53	Assistant to the president	December 9, 2019
Mr. LI Gang (李鋼)	54	Chief Information Officer	May 26, 2025
Mr. GUO Zhihua (郭志華)	48	Chief Risk Officer	June 25, 2026 [(2)]

Notes:

(1) Unless otherwise stated, the date of appointment stated here represents the date on which the relevant senior management members obtained the qualification approval from the regulatory authority of the banking industry of the PRC.

(2) The date of appointment stated here represents the date on which Mr. GUO Zhihua was appointed by the Bank's Board of Directors, and his qualification for the position is subject to approval from the regulatory authority of the banking industry of the PRC.

II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD AND UP TO THE DATE OF THIS INTERIM REPORT

Changes in Directors

On March 27, 2025, the Board resolved to nominate Mr. RONG Changqing ("**Mr. Rong**") as a non-executive Director. The appointment of Mr. Rong as a non-executive Director has been approved by the Shareholders at the 2024 annual general meeting on June 27, 2025. On April 8, 2026, the qualification of directorship of Mr. RONG has been approved by Shanxi Supervision Bureau. Mr. Ma Hongchao has proposed to resign as a non-executive director, vice chairman and a member of the Nomination, Remuneration and HR Committee of the Board due to work adjustment, and his resignation will not become effective until the date of the approval by Shanxi Supervision Bureau on the qualification of directorship of Mr. Rong (i.e., April 8, 2026). For details, please refer to the announcement titled "PROPOSED CHANGE OF NON-EXECUTIVE DIRECTOR" published by the Bank on March 27, 2025, the announcement titled "POLL RESULTS OF THE 2024 ANNUAL GENERAL MEETING HELD ON JUNE 27, 2025 (FRIDAY)" published by the Bank on June 27, 2025 and the announcement titled "ANNOUNCEMENT ON APPROVAL OF THE QUALIFICATION OF DIRECTORSHIP BY THE REGULATORY AUTHORITY" published by the Bank on April 10, 2026. Mr. Rong obtained legal advice on April 8, 2026, confirming his understanding of his responsibilities as a Director under the Hong Kong Listing Rules and the possible consequences of making a false declaration or giving false information to the Hong Kong Stock Exchange.

On May 27, 2025, the Board resolved to nominate Mr. WANG Xiankui (王先奎) ("**Mr. Wang**") as a non-executive Director, and Mr. WU Xiaoping (吳小平) ("**Mr. Wu**") as an independent non-executive Director. The appointment of Mr. Wang as a non-executive Director and Mr. Wu as an independent non-executive Director have been approved by the Shareholders at the 2024 annual general meeting on June 27, 2025. On June 1, 2026, Mr. Wang's qualification to serve as a Director was approved by Shanxi Supervision Bureau. Based on the Bank's announcement dated May 27, 2025, Mr. LIU Chenhang (劉晨行) proposed to resign as a non-executive Director, and his resignation would not become effective until the date of the approval by Shanxi Supervision Bureau on the qualification of directorship of Mr. Wang (namely June 1, 2026). Mr. Wu's qualification to serve as a Director is subject to the approval of Shanxi Supervision Bureau. For details, please refer to the announcement entitled "PROPOSED CHANGE OF DIRECTOR" issued by the Bank on May 27, 2025, the announcement entitled "POLL RESULTS OF THE 2024 ANNUAL GENERAL MEETING HELD ON JUNE 27, 2025 (FRIDAY)" issued by the Bank on June 27, 2025 and the announcement entitled "ANNOUNCEMENT ON APPROVAL OF THE QUALIFICATION OF DIRECTORSHIP BY THE REGULATORY AUTHORITY" on June 5, 2026. On June 1, 2026, Mr. Wang obtained legal advice confirming that he understands his responsibilities as a director under the Hong Kong Listing Rules, as well as the possible consequences of making false statements or providing false information to the Hong Kong Stock Exchange.

Changes in Supervisors

Pursuant to the Notice on Matters in relation to Alignment of Corporate Governance Supervision Regulations with the Company Law (《關於公司治理監管規定與公司法銜接有關事項的通知》(金規[2024]23號)) (Jingui [2024] No. 23) issued by National Financial Regulatory Administration (國家金融監督管理總局) on December 17, 2024, financial institutions may, in accordance with the articles of association, establish an audit committee composed of directors under the board of directors to exercise the functions and powers of the board of supervisors as prescribed under the PRC Company Law and other applicable regulatory requirements, in lieu of establishing the board of supervisors or appointing supervisors.

Considering the actual situation of the Bank and the corporate governance practices, and in order to further improve decision-making efficiency and optimize the governance structure, the Bank discontinues the establishment of the Board of Supervisors, and the amendments to the Articles of Association had been approved on the annual general meeting held on June 27, 2025. Pursuant to the Approval of the Amendments to the Articles of Association of Jinshang Bank Co., Ltd. by the Shanxi Bureau of National Financial Regulatory Administration (Jin Jin Guan Fu [2026] No. 46) (《國家金融監督管理總局山西監管局關於晉商銀行股份有限公司修改公司章程的批覆》(晉金管覆〔2026〕46號)), the amended Articles of Association of the Bank have been approved, which shall take effect on April 27, 2026.

With effect from the date of approval of the amended Articles of Association, the Bank will dissolve the Board of Supervisors, and the audit committee of the Board shall exercise the functions and powers of the Board of Supervisors as stipulated in the relevant laws and regulations and other regulatory documents, special committees under the Board of Supervisors will be simultaneously dissolved and the related governance documents of the Board of Supervisors shall be abolished accordingly. Please refer to the announcements dated May 27, 2025, June 27, 2025 and April 28, 2026 and the circular dated May 28, 2025 of the Bank for details.

During the Reporting Period and up to the date on which the Bank ceased to have a Board of Supervisors, there was no change in the supervisors of the Bank.

Changes in Senior Management

On March 27, 2026, the Board appointed Mr. ZHANG Yunfei to concurrently serve as a chief compliance officer of the Bank.

On June 25, 2026, the Board appointed Mr. GUO Zhihua as the chief risk officer of the Bank, and his qualification shall take effect upon obtaining the regulatory authority of the banking industry of the PRC.

Save as disclosed above, there is no other relevant information required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules during the Reporting Period.

III. BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. Directors

Executive Director and chairwoman, HAO Qiang

Ms. HAO Qiang (郝強), aged 53, has been an executive Director and the chairwoman of the Board since July 16, 2021. She currently serves as the chairperson of the Development and Strategy Committee of the Board, a member of the Nomination, Remuneration and HR Committee of the Board, and the party committee secretary of the Bank.

Ms. Hao has over 30 years of experience in the banking industry. She joined our Bank in September 2008 and worked at the preparatory team of our Bank from September 2008 to May 2009. Afterwards, Ms. Hao served as the general manager of the credit review department (授信審查部) of our Bank from May 2009 to May 2013, as the principal (負責人) and then the president of the Jinyang sub-branch of our Bank from May 2013 to January 2015, as the assistant to the president of our Bank and the general manager of the corporate finance department (公司金融部) from January 2015 to November 2017, during which period she was also the general manager of the investment banking department (投資銀行部) of our Bank from April 2015 to January 2017, as the secretary to the Board from June 2017 to April 2019, and as the vice president of our Bank from November 2017 to April 2021. Prior to joining our Bank, Ms. Hao successively worked at the Taiyuan branch and then the Shanxi branch of Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司) ("**ICBC**") (a company listed on the Shanghai Stock Exchange with stock code 601398, and on the Hong Kong Stock Exchange with stock code 1398) from December 1993 to September 2008.

Ms. Hao obtained a bachelor's degree in English from Shanxi Normal University (山西師範大學) in Shanxi Province, the PRC, in June 1993. She completed the on-the-job postgraduate study in finance at Shanxi University of Finance and Economics (山西財經大學) in Shanxi Province, the PRC, in July 2003. Ms. Hao completed the EMBA core courses training program of ICBC and obtained the training certificate in November 2005.

Executive Director and vice chairman, ZHANG Yunfei

Mr. ZHANG Yunfei (張雲飛), aged 55, has been a chief compliance officer since March 27, 2026, an executive Director and the vice chairman of the Board since August 30, 2021 and the president of the Bank since September 30, 2022. He is currently the vice chairperson of the Board's Development and Strategy Committee, a member of the Risk Management Committee of the Board and a member of Related Parties Transactions Control Committee of the Board, and the deputy party committee secretary of the Bank.

Mr. Zhang has more than 30 years of experience in the banking industry. He joined our Bank in September 2009 and worked at our Bank's risk management department from September 2009 to January 2014 and served as the general manager of the risk management department of our Bank from May 2013 to January 2014, served as the chief risk officer of the Bank from May 2011 to April 2021, and served as the Bank's deputy party committee secretary and vice president from August 2021 to September 2022, taking up the duties and responsibilities of the president of the Bank. Prior to joining our Bank, Mr. Zhang successively worked at the Taiyuan branch, Changzhi branch and Shanxi branch of ICBC from September 1994 to September 2009.

Mr. Zhang obtained a bachelor's degree in international trade from Shanxi Economics Management College (山西經濟管理學院) (currently known as Shanxi University of Finance and Economics (山西財經大學)) in Shanxi Province, the PRC, in July 1994. Mr. Zhang is a middle level economist granted by ICBC in July 1999 and was recognized as a senior economist in February 2023. For the details of the warning received by Mr. Zhang from the former CBIRC Shanxi Office as our chief risk officer in March 2018, please refer to the 2020 annual report of the Bank.

Executive Director, WANG Qi

Mr. WANG Qi (王琦), aged 48, has been a company secretary of the Bank since June 12, 2026, a vice president of the Bank since July 25, 2024 and an executive Director since December 27, 2024. He is currently a member of the Related Party Transactions Control Committee of the Board and a member of the Consumer Rights Protection Committee of the Board.

Mr. Wang has more than 20 years of experience in economic management. He has been working in China Huaneng Finance Co., Ltd. (中國華能財務有限責任公司) (“**Huaneng Finance**”) since July 2005, and has been the director (主任) of its credit business department (信貸業務部) since March 2023. He worked in the settlement business department (結算業務部) of Huaneng Finance and served as a trainee (見習生) from July 2005 to January 2006 and an operator (業務員) from January 2006 to March 2007; he served as the specialist (專責) in the general manager working department (總經理工作部) from March 2007 to August 2008; he worked in the human resources department (人力資源部) and served as the specialist (專責) from August 2008 to September 2009 and the department head (主管) from September 2009 to March 2013; he served as the department head (主管) of the comprehensive planning department (綜合計劃部) from March 2013 to May 2014, and the manager assistant (經理助理) of the settlement business department from May 2014 to March 2016; he worked in the credit business department and served as the manager assistant (經理助理) from March 2016 to April 2016, the deputy manager (副經理) from April 2016 to April 2018, and the manager (經理) from April 2018 to August 2019; he served as the director (主任) of the party committee office (黨委辦公室) from August 2019 to March 2023, the director (主任) of the procurement management office (採購管理辦公室) from October 2019 to March 2023, and took a temporary post (掛職) in Huaneng Taicang Power Plant (華能太倉電廠) from October 2020 to October 2021. Before joining Huaneng Finance, he worked at the comprehensive management department (綜合管理部) of Qilu Petrochemical Company specialized sub-branch (齊魯石化公司專業支行) of China Construction Bank Corporation (中國建設銀行股份有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 0939 and on the Shanghai Stock Exchange with stock code 601939) from July 2000 to September 2002.

Mr. Wang obtained a bachelor’s degree in economic information management (經濟信息管理) from Shandong Building Materials Industry College (山東建築材料工業學院) (currently known as Jinan University (濟南大學)) in Jinan, Shandong Province, the PRC in July 2000, and a master’s degree in finance from Capital University of Economics and Business (首都經濟貿易大學) in Beijing, the PRC in July 2005. Mr. Wang is a senior accountant (高級會計師) granted by China Huaneng Group Co., Ltd. (中國華能集團有限公司) in December 2019.

Non-executive Director, GAO Yurong

Mr. GAO Yurong (高玉榮), aged 54, has served as a non-executive Director of the Bank since August 27, 2025, and possesses experience and expertise in financial management and legal compliance. He is currently a member of the Development and Strategy Committee of the Board.

Mr. Gao has been the division director (處長) of Yangquan supervision division of Shanxi Finance Bureau (山西省財政廳陽泉監管處) ("**Yangquan Supervision Division**") since September 2023. He served as the deputy division director (副處長) of Yangquan Supervision Division from September 2022 to September 2023, and served as a third-grade researcher (三級調研員) of Yangquan Supervision Division from May 2023 to September 2023. He served as the deputy division director (副處長) of Yangquan financial supervision division of Shanxi Finance Bureau (山西省財政廳駐陽泉市財政監察處) from November 2021 to September 2022. He worked at Shanxi Accounting Service Center (山西省會計服務中心) and served as the deputy division director (副處長) from October 2021 to November 2021. Mr. Gao worked at Shanxi CPA Management Center (山西省註冊會計師管理中心) from July 1995 to April 2019 and served as a deputy section chief (副科長) from February 2000 to March 2001; a deputy director (副主任) of the examination office from March 2001 to November 2006; the director (主任) of the finance department from November 2006 to January 2009; the director (主任) of the examination office from January 2009 to April 2019. He worked at Shanxi Property Evaluation Management Center (山西省財產評估管理中心) and served as the deputy director (副主任) from April 2019 to October 2021, during which period, he was seconded to serve as the head (隊長) of the village-based working team in Bao Village, Liyang Town, Heshun County (和順縣李陽鎮包村工作隊), and took a temporary position (掛職) as the deputy party committee secretary of Liyang Town from May 2019 to July 2021.

Mr. Gao obtained a bachelor's degree in law from Shanxi University (山西大學) in Taiyuan, Shanxi Province, the PRC, in September 2002.

As a non-executive Director, Mr. Gao does not receive remuneration from the Bank.

Non-executive Director and vice chairman, RONG Changqing

Mr. RONG Changqing (容常青), aged 56, has served as a non-executive Director and vice chairman since April 8, 2026. He is currently a member of the Audit Committee of the Board.

Mr. Rong has more than 33 years of experience in auditing, financial management and risk control. He has been a deputy general manager (副總經理) and a member of the party committee in Huaneng Capital Services Co., Ltd. (華能資本服務有限公司) ("**Huaneng Capital**") since December 2023, and held a concurrent post as the general counsel and the chief compliance officer of Huaneng Capital since January 2024. He held concurrent posts as the chairman of Huaneng Investment Management Co., Ltd. (華能投資管理有限公司) since February 2026, the chairman of Huaneng Invesco Private Equity Fund Management Co., Ltd. (華能景順私募基金管理有限公司) since June 2026 and a director of Huajing Private Equity Investment Management Co., Ltd. (華景私募股權投資管理有限公司) since June 2026.He served as the proposed president and the deputy party committee secretary of Alltrust Insurance Company Limited (永誠財產保險股份有限公司) (a company listed on the National Equities Exchange and Quotations with stock code 834223) from October 2020 to December 2023. He worked at Huaneng Capital from June 2004 to November 2020 and served as the head (主管) and then the deputy division director (副處長) of audit and supervision department (審計監察部) from June 2004 to December 2008, the deputy division director (副處長) and then the deputy manager (副經理) of general manager department (總經理工作部) from December 2008 to November 2011, the department manager (部門經理) of risk control department (風險控制部) from November 2011 to May 2018, during which period he also served as the general counsel from April 2016 to May 2018, and he was also assigned to the Bank and served as an executive Director from September 2018 to November 2020 and served as a vice president of the Bank from December 2018 to November 2020. He worked at Beijing Wandong Medical Technology Co., Ltd. (北京萬東醫療科技股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code 600055 and formerly known as Beijing Wandong Medical Equipment Co., Ltd. (北京萬東醫療裝備股份有限公司)) and served as the deputy general manager (副經理) of finance department from April 2004 to June 2004. He worked at Beijing Kaiya Real Estate Development Co., Ltd. (北京凱亞房地產開發有限公司) (formerly known as Beijing Rongtai Hengjia Real Estate Development Co., Ltd. (北京榮泰恒嘉房地產開發有限公司)) and served as the chief auditor (審計總監) from October 2003 to April 2004. He worked at BOE Technology Group Co., Ltd. (京東方科技集團股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 000725 for its A shares and stock code 200725 for its B shares) and served as a staff member (職員) at the finance department of mobile digital division (移動數碼事業部財務部) from February 2003 to October 2003. He worked at the Audit Commission (審計署) from July 1991 to February 2003, and consecutively served as a staff member (科員), senior staff member (副主任科員) and then principal staff member (主任科員) of Wuhan Office (武漢特派辦) from July 1991 to January 2000, the principal staff member (主任科員) of Trade Audit Bureau (貿易審計局) from January 2000 to May 2002, and the principal staff member (主任科員) of Wuhan Office (武漢特派辦) from May 2002 to February 2003.

Mr. Rong obtained a master's degree in management from Zhongnan University of Economics and Law (中南財經政法大學) in Wuhan, Hubei Province, the PRC, in December 2002. He obtained a bachelor's degree in economics from Wuhan University (武漢大學) in Wuhan, Hubei Province, the PRC, in July 1991. Mr. Rong is a senior auditor (高級審計師) granted by the National Audit Office of the PRC (中華人民共和國審計署) in September 2005.

Non-executive Director, WANG Xiankui

Mr. WANG Xiankui (王先奎), aged 49, has served as a non-executive Director since June 1, 2026. He is currently a member of the Nomination, Remuneration and HR Committee of the Board.

Mr. Wang currently serves as the chairman of Taiyuan Local Financial Investment Management Co., Ltd. (太原市地方金融投資管理有限公司) and the chairman of Taiyuan Haixin Asset Management Co., Ltd. (太原市海信資產管理有限公司). From March 2025 to July 2026, he has been the chairman of the board of directors and the general manager (總經理) of Taiyuan Local Financial Investment Management Co., Ltd. (太原市地方金融投資管理有限公司), and the chairman of the board of directors of Taiyuan Haixin Asset Management Co., Ltd. (太原市海信資產管理有限公司). Mr. Wang worked at Loufan County Agricultural Machinery Bureau (婁煩縣農機局) from September 1995 to June 1996, and from October 2000 to January 2004. He served as the branch secretary of Hebei Village, Luojiacha Town, Loufan County (婁煩縣羅家岔鄉河北村支部書記) from June 1996 to October 2000. He worked at the Leading Group Office for Rectifying and Standardizing the Mining Order in Loufan County (婁煩縣整頓和規範礦業秩序領導組辦公室) from January 2004 to January 2005. He served as the vice county mayor (副縣長) of the People's Government of Tianchi Town, Loufan County (婁煩縣天池鄉人民政府) from January 2001 to February 2007, and as the deputy mayor (副鄉長) of the People's Government of Majiazhuang Town, Loufan County (婁煩縣馬家莊鄉人民政府) from February 2007 to July 2008. He worked at the Loufan County Law Society (婁煩縣法學會) and served as the general secretary (秘書長) from July 2008 to April 2011. He worked at the Miyuzhen Town of Loufan County (婁煩縣米峪鎮鄉) from April 2011 to May 2016, and served as the deputy party committee secretary and the mayor (鄉長) from April 2011 to April 2012, and the party committee secretary and the chairman of the People's Congress from April 2012 to May 2016. He worked at Loufan Financial Bureau (婁煩縣財政局) from May 2016 to November 2019, and served as the party group secretary and the director (局長) from December 2016 to November 2019. He served as the deputy manager (副經理) of Taiyuan Financial Asset Management Center (太原市財政資產管理中心) and the deputy general manager (副總經理) of Taiyuan Haixin Asset Management Co., Ltd. from November 2019 to March 2025.

Mr. Wang obtained a master's degree from China Agricultural University (中國農業大學) in Beijing, the PRC, in December 2009 through on-the-job study, majoring in resources and environmental utilization.

Non-executive Director, LI Yang

Mr. LI Yang (李楊), aged 39, has served as a non-executive Director since September 20, 2022. He is currently a member of the Consumer Rights Protection Committee of the Board.

Mr. Li has more than 15 years of experience in corporate management. He worked as a vice director (副主任) of the office of the board of directors and the manager of the strategic investment department (戰略投資部經理) of Changzhi Nanye from March 2009 to April 2011. He subsequently served as the assistant to the chairman of the board of directors of Changzhi Nanye from April 2011 to July 2017. Mr. Li subsequently served as the executive director of Changzhi Nanye from July 2017 to June 2020. Mr. Li has been a director of Chang Jiang Shipping Group Phoenix Co., Ltd. (長航鳳凰股份有限公司, currently renamed as Phoenix Shipping (Wuhan) Co., Ltd. (鳳凰航運(武漢)股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code: 000520) since July 2020, the deputy general manager of China Coal Insurance Co., Ltd. (中煤財產保險股份有限公司) since February 2021, the vice chairman of China Coal Insurance Co., Ltd. since March 2021 and a director of Nanchang Kaixun Photoelectric Co., Ltd. (南昌凱訊光電股份有限公司) since February 2025.

Mr. Li obtained a bachelor's degree in law from Shanxi University (山西大學) in Shanxi Province, the PRC, in July 2015. Mr. Li was previously the legal representative, managing director or supervisor of the companies shown in the table below before their respective deregistration.

Name of the company	Place of establishment	Position(s)	Status	Date of deregistration
Changzhi Nanye Mining Industry Co., Ltd. (長治市南燁礦業有限責任公司) ("**Changzhi Nanye Mining Industry**")	PRC	Legal representative and managing director	Deregistered	September 1, 2020
Changzhi Huashengrong Mining Industry Co., Ltd. (長治市華晟榮礦業有限公司) ("**Changzhi Huashengrong**")	PRC	Supervisor	Dissolved and deregistered	June 30, 2012

Mr. Li confirmed that Changzhi Nanye Mining Industry was deregistered, and he did not incur any debt and/or liabilities because of such deregistration, and that the deregistration did not have any negative effect on our Bank.

Mr. Li confirmed that Changzhi Huashengrong was absorbed by Shanxi Huashengrong Coal Mine Co., Ltd. (山西華晟榮煤礦有限公司) in July 2010 and the debts and obligations of Changzhi Huashengrong were all transferred to Shanxi Huashengrong Coal Mine Co., Ltd. Mr. Li confirmed that after the absorption, Changzhi Huashengrong was deregistered and it was solvent at the time of deregistration, and he did not incur any debt and/or liabilities because of such deregistration, and that the deregistration did not have any negative effect on the Bank.

As a non-executive Director, Mr. Li does not receive remuneration from the Bank.

Non-executive Director, WANG Jianjun

Mr. WANG Jianjun (王建軍), aged 50, has been a non-executive Director since August 8, 2018. He is currently a member of the Risk Management Committee of the Board.

Mr. Wang has over 28 years of experience in accounting. He holds positions at several subsidiaries of Lu'an Mining (Group) Co., Ltd. (潞安礦業(集團)有限責任公司) ("**Lu'an Mining Group**"), including a director of Lu'an Group Finance Co., Ltd. (潞安集團財務有限公司) since August 2018, a director of Shanxi Lu'an Ruitai Investment Co., Ltd. (山西潞安瑞泰投資有限責任公司) since December 2017, and the head (部長) of the finance department (財務部) of Shanxi Lu'an Environmental-friendly Energy Development Co., Ltd. (山西潞安環保能源開發股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code: 601699) since November 2017. From March 2015 to November 2017, Mr. Wang worked at Wangzhuang pit (王莊煤礦) of Lu'an Mining Group, as the section chief (科長) of the finance section (財務科) from March 2015 to February 2017, and as the chief accountant (總會計師) and a deputy division chief (副處長) from February 2017 to November 2017. He was the financial director (財務總監) of Shanxi Shouyang Luyang Ruilong Coal Industry Co., Ltd. (山西壽陽潞陽瑞龍煤業有限公司) from July 2012 to March 2015. Prior to that, Mr. Wang worked as the financial director of Shanxi Shouyang Luyang Changtai Coal Industry Co., Ltd. (山西壽陽潞陽昌泰煤業有限公司) from December 2009 to July 2012. He worked at the finance section (財務科) of Changcun pit (常村煤礦) of Lu'an Mining Group, as a staff member (科員) and then a deputy section chief (副科長) from May 1997 to December 2009.

Mr. Wang graduated from Harbin Normal University (哈爾濱師範大學) through correspondence study in Heilongjiang Province, the PRC, in July 2013, majoring in financial management (財務管理). Mr. Wang has been a member of the Chinese Institute of Certified Public Accountants since December 2009. Mr. Wang is a middle level accountant granted by the Ministry of Finance of the PRC in May 2002.

As a non-executive Director, Mr. Wang does not receive remuneration from the Bank.

Independent non-executive Director, WANG Liyan

Mr. WANG Liyan (王立彥), aged 69, has been an independent non-executive Director since September 14, 2018. He is currently the member of the Development and Strategy Committee, a member of the Risk Management Committee and a member of the Related Party Transactions Control Committee of the Board.

Mr. Wang has been working at Peking University for over 40 years since 1985 and consecutively served as a teaching assistant (助教), teacher (講師), associate professor and professor of accounting. Mr. Wang is a professor and Ph.D. supervisor of the Accounting Faculty of Guanghua School of Management, Peking University. Mr. Wang is also the editor-in-chief of China Accounting Review (《中國會計評論》) and China Management Accounting (《中國管理會計》).

Mr. Wang was and is an independent non-executive director of the listed companies shown in the table below.

Name of the Company	Place of Establishment	Nature of Business	Term of Service
China Shengmu Organic Milk Limited (中國聖牧有機奶業有限公司) listed on the Hong Kong Stock Exchange (stock code: 1432)	Cayman Islands	Dairy industry	June 2017 to present
Beijing Dabeinong Technology Group Co., Ltd. (北京大北農科技集團股份有限公司) listed on the Shenzhen Stock Exchange (stock code: 002385)	PRC	Agricultural and sideline products processing industry	March 2020 to May 2023
Unigroup Guoxin Microelectronics Co., Ltd. (紫光國芯微電子股份有限公司) listed on the Shenzhen Stock Exchange (stock code: 002049)	PRC	Circuit chip design and development	March 2017 to March 2023
Gettop Acoustic Co., Ltd. (共達電聲股份有限公司) listed on the Shenzhen Stock Exchange (stock code: 002655)	PRC	Audio engineering industry	April 2018 to April 2021
Huaxin Cement Co., Ltd. (華新水泥股份有限公司) listed on the Shanghai Stock Exchange (stock code: 600801) and on the Hong Kong Stock Exchange (stock code: 6655)	PRC	Cement industry	April 2015 to April 2021

Mr. Wang obtained a doctor's degree in economics from Peking University in Beijing, the PRC, in July 1992. He has been a non-practicing member of the Chinese Institute of Certified Public Accountants since April 1994.

Independent non-executive Director, DUAN Qingshan

Mr. DUAN Qingshan (段青山), aged 68, has been an independent non-executive Director since August 26, 2022. He is currently the chairperson of the Nomination, Remuneration and HR Committee of the Board, the chairperson of the Risk Management Committee of the Board, the vice chairperson of Audit Committee of the Board and a member of the Related Party Transactions Control Committee of the Board.

Mr. Duan has more than 50 years of experience in the banking industry. He worked at the head office of China Minsheng Bank Corp., Ltd. (中國民生銀行股份有限公司) ("**China Minsheng Bank**") (a company listed on the Shanghai Stock Exchange with stock code 600016, and on the Hong Kong Stock Exchange with stock code 1988) from November 2007 to February 2017, and served as the general manager of the human resources department from November 2007 to September 2012, as the chief financial director (財務總監) from April 2010 to April 2012, and as the chairman of the board of supervisors from April 2012 to February 2017. Mr. Duan worked at the Taiyuan branch, China Minsheng Bank from November 1996 to November 2007, as a vice president from November 1996 to August 2000, and as the president from August 2000 to November 2007. Mr. Duan served as a staff member (職員) from July 1974 to August 1987 and worked in the audit division (稽核處) from September 1987 to October 1996 at the Taiyuan branch of the PBoC.

Mr. Duan obtained a master's degree in business administration from Wuhan University in Hubei Province, the PRC, in December 2006.

Independent non-executive Director, LIANG Yongming

Mr. LIANG Yongming (梁永明), aged 60, has served as an independent non-executive Director of the Bank since October 30, 2025. He has extensive experience in financial management, accounting, and auditing. He is currently the chairperson of the Audit Committee of the Board, the chairperson of the Related Party Transactions Control Committee of the Board and the vice chairperson of the Nomination, Remuneration and HR Committee of the Board.

Mr. Liang has been the deputy director of Shanghai Junhe Accounting Firm Co., Ltd. (上海君禾會計師事務所有限公司) since September 2021. He served as the deputy general manager of Huatai Insurance Group Co., Ltd. (華泰保險集團股份有限公司) from September 2011 to September 2021, and the executive director of Huatai Expo Real Estate Co., Ltd. (華泰世博置業有限公司) from August 2013 to October 2021. Mr. Liang served as the deputy director (副部長) (in charge of work) of the Department of Funds and Finance of Shanghai Expo Coordination Bureau (上海世博會事務協調局資金財務部) and then the chief accountant of Shanghai Expo Engineering Command Office (上海世博會工程指揮部辦公室) from November 2005 to September 2011. He consecutively served as the director of the legal affairs division (法制處), the economic and trade audit division (經貿審計處) and the financial audit division (財政審計處) of the Office of the Special Commissioner of the National Audit Office in Shanghai (審計署駐上海特派員辦事處) from July 1988 to November 2005. Mr. Liang is a Shanghai financial performance evaluation expert and government procurement evaluation expert. Mr. Liang was or is an independent non-executive director of the companies shown in the table below.

Name of the company	Place of establishment	Nature of business	Term of service
Shanghai Research Institute of Building Sciences Group Co., Ltd. (上海建科集團股份有限公司), listed on the Shanghai Stock Exchange (stock code: 603153)	PRC	Engineering consulting, inspection, testing and technical services	November 2020 to present
Singatron Electronic (China) Co., Ltd. (信音電子(中國)股份有限公司), listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 301329)	PRC	Computer, communications and other electronic equipment manufacturing industry	August 2020 to May 2025

Name of the company	Place of establishment	Nature of business	Term of service
Zhejiang Longsheng Group Co., Ltd. (浙江龍盛集團股份有限公司), listed on the Shanghai Stock Exchange (stock code: 600352)	PRC	Chemical industry	February 2015 to February 2021; May 2022 to present
Juxin International Financial Leasing Co., Ltd. (聚信國際融資租賃股份有限公司)	PRC	Financial leasing industry	August 2019 to July 2021 June 2022 to January 2023
Bank of Xi'an Co., Ltd. (西安銀行股份有限公司), listed on the Shanghai Stock Exchange (stock code: 600928)	PRC	Banking industry	July 2018 to August 2024
L and K Engineering (Suzhou) Co., Ltd. (亞翔系統集成科技(蘇州）股份有限公司), listed on the Shanghai Stock Exchange (stock code: 603929)	PRC	Construction and installation industry	January 2016 to March 2021
China Grand Automotive Services Group Company Limited (廣匯汽車服務集團股份有限公司), delisted from the Shanghai Stock Exchange on August 28, 2024	PRC	Automotive Industry	December 2015 to January 2022

Mr. Liang obtained a master's degree in business administration from Fudan University (復旦大學) in Shanghai, the PRC, in July 1999. He obtained a bachelor's degree in economics from Shanghai University of Finance and Economics (上海財經大學) in Shanghai, the PRC, in July 1988. Mr. Liang is a senior auditor and a non-practicing member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會).

Independent non-executive Director, HU Zhihong

Ms. HU Zhihong (胡稚弘), aged 67, has been an independent non-executive Director since June 25, 2023. She is currently the chairperson of the Consumer Rights Protection Committee of the Board, and a member of the Development and Strategy Committee of the Board, a member of the Risk Management Committee of the Board and a member of the Nomination, Remuneration and HR Committee of the Board.

Ms. Hu has over 40 years of experience in financial technology planning and innovation in the banking industry. Ms. Hu served as the senior information technology specialist (高級信息科技專家) from May 2011 to August 2019, as a researcher at the deputy general manager level (副總經理級調研員) from July 2007 to May 2011, as the assistant to the general manager from December 1999 to June 2007, and as a departmental general manager from June 1997 to December 1999 of the software development center (軟件開發中心) of ICBC. Ms. Hu was the section chief (科長) and the deputy chief engineer (副總工程師) of the computer center (電腦中心) of the Changchun branch of ICBC from September 1991 to June 1997, and a deputy section chief (副科長) of the technology section (科技處) of the Jilin branch of ICBC from September 1984 to September 1991. Before that, she worked in the electronic station (電子站) of Jilin Branch of the PBoC from October 1982 to September 1984.

Ms. Hu obtained a bachelor's degree in engineering from Jilin University (吉林大學) in Jilin Province, the PRC, in August 1982, a master's degree in computer science from Harbin Institute of Technology (哈爾濱工業大學) in Heilongjiang Province, the PRC, in November 2002. She is a senior engineer granted by the Senior Engineer Assessment Committee of ICBC (中國工商銀行高級工程師評審委員會) in August 1997.

Independent non-executive Director, CHAN Ngai Sang Kenny

Mr. CHAN Ngai Sang Kenny (陳毅生), aged 61, a Hong Kong Chinese citizen, has been an independent non-executive Director since June 25, 2023. He is currently the vice chairperson of the Consumer Rights Protection Committee of the Board and a member of the Audit Committee of the Board.

Mr. Chan has over 36 years of experience in accounting, taxation, auditing and corporate finance. He is a partner and founder of Kenny Chan & Co., a firm of Certified Public Accountants (Practicing). Mr. Chan has served on several tribunals and committees of the Government of Hong Kong, which includes the Mandatory Provident Fund Schemes Appeal Board (強制性公積金計劃上訴委員會), and the Advisory Committee on "Enhancing Self-Reliance" Through District Partnership Programme, where he has served as a committee member, and the Organizing Committee of the Hong Kong Youth Cultural & Arts Competitions Committee (全港青年學藝比賽大會統籌委員會) and the Youth Development Programme Advisory Committee of Home Affairs Department (民政事務總署青年發展計劃諮詢小組), where he has served as the chairperson. Mr. Chan was/currently is an independent non-executive director of the listed companies shown in the table below.

Name of the company	Place of establishment	Nature of business	Term of service
Minsheng Education Group Company Limited (民生教育集團有限公司) (listed on the Hong Kong Stock Exchange stock code: 1569)	Cayman Islands	Education industry	March 2017 to present
Hebei Construction Group Corporation Limited (河北建設集團股份有限公司) (listed on the Hong Kong Stock Exchange stock code: 1727)	PRC	Construction industry	December 2017 to June 2026
Pak Tak International Limited (百德國際有限公司) (listed on the Hong Kong Stock Exchange stock code: 2668)	Bermuda	Supply chain business, leasing business, property investment, money lending business and securities investment	October 2019 to December 2022
Zhongyuan Bank Co., Ltd. (中原銀行股份有限公司) (listed on the Hong Kong Stock Exchange stock code: 1216)	PRC	Banking industry	March 2017 to November 2023
Kingland Group Holdings Limited (景聯集團控股有限公司) (listed on the Hong Kong Stock Exchange stock code: 1751, formerly known as Sing On Holdings Limited)	Cayman Islands	Provision of concrete demolition services	November 2016 to May 2020
CMIC Ocean En-Tech Holding Co., Ltd. (華商國際海洋能源科技控股有限公司) (listed on the Hong Kong Stock Exchange, stock code: 206)	Cayman Islands	Asset investment and operation management of offshore engineering platforms, design, manufacturing and service of related equipment and packages in the land and offshore oil and gas exploration and development, the offshore wind power installation and other industries, and other clean energy and technology investments	October 2005 to present

Mr. Chan has been a member of the New Zealand Institute of Chartered Accountants (currently known as Chartered Accountants Australia and New Zealand) since March 1998, the Hong Kong Institute of Certified Public Accountants (香港會計師公會) since February 1992 and The Hong Kong Institute of Directors (香港董事學會) since October 2016. Mr. Chan received a bachelor's degree in commerce (accounting and finance) from the University of New South Wales in Australia in October 1988. Mr. Chan has been a member of The Taxation Institute of Hong Kong (香港稅務學會) since August 1998 and the Australian Society of Certified Practicing Accountants (currently known as CPA Australia) since February 1989.

2. Supervisors

The PRC Company Law stipulates that a joint stock limited company may establish a board of supervisors. The Bank's Board of Supervisors is responsible for supervising the performance of duties by the Board of Directors and senior management and their members, the financial activities, internal control, risk management, etc. Our Board of Supervisors consists of nine Supervisors, including three employee Supervisors, three Shareholder Supervisors and three external Supervisors. Our Supervisors are elected for a term of three years and may be subject to re-election, and the cumulative term of an external Supervisor shall not exceed six years. The following table sets forth certain information about our Supervisors.

Mr. XIE Liying (解立鷹), aged 59, has been an employee Supervisor since July 2009, the chairman of the Board of Supervisors since December 2016 and the full-time deputy secretary of the party committee since December 2020.

Mr. Xie has over 22 years of experience in administrative and corporate management. He has been the chief human resources officer (首席人力資源官) of our Bank from January 2014 to November 2016. He served as the general manager of the human resources department (人力資源部) of our Bank from May 2009 to January 2014. Mr. Xie was seconded to the preparatory team of our Bank from September 2008 to May 2009, when he worked as the deputy director (副主任) in the cadre report center (幹部舉報中心) of the organization department of the Shanxi Provincial Party Committee (山西省委組織部) from April 2006 to May 2009. Mr. Xie was a principal staff member (主任科員) in the cadre (under direct management) section (省直幹部處) of the organization department of the Shanxi Provincial Party Committee from April 2003 to April 2006. Prior to that, he worked as a director at the expert services center (專家服務中心) of the organization department of the Shanxi Provincial Party Committee (山西省委組織部) from February 1998 to April 2003. Mr. Xie worked as the deputy director (副主任) and then the director (主任) of the office of the training center (培訓中心辦公室) of Shanxi Administration for Industry and Commerce (山西省工商行政管理局) from December 1994 to February 1998, during which period he was seconded to the expert services center (專家服務中心) of the organization department of the Shanxi Provincial Party Committee (山西省委組織部) from October 1996 to February 1998.

Mr. Xie obtained a bachelor's degree in economics from Beijing College of Finance and Commerce (北京財貿學院) in Beijing, the PRC, in July 1989.

Mr. WANG Weiping (王衛平), aged 55, has been a Shareholder Supervisor of the Bank since December 2022.

Mr. Wang has 17 years of experience in economic management. Mr. Wang has served as the deputy chief accountant (副總會計師) and head of the financial asset department (財務資產部部長) of Jinneng Holding Power Group Co., Ltd. (晉能控股電力集團有限公司) since March 2021. Mr. Wang worked in Taiyuan No. 1 Construction Engineering Company (太原市第一建築工程公司) as a corporate accountant (公司會計) from May 1994 to July 1997. From July 1997 to October 1999, he worked as a project manager at Shanxi Gaoxin Accounting Firm (山西高新會計師事務所). He then worked in Shanxi Local Power Co., Ltd. (山西地方電力公司) from October 1999 to February 2002. He worked at Shanxi Financial Leasing Co., Ltd. (山西金融租賃 公司) from February 2002 to February 2008, during which period he served as the deputy chief accountant (副總會計師) and manager of the accounting and finance department (計財部) from February 2002 to January 2004, and as assistant to the general manager from January 2004 to February 2008. He worked at Shanxi International Electricity Group Limited Company (山西國際電力集團有限公司) from February 2008 to December 2008. After that, he worked as a member of the party committee and chief accountant (總會計師) in Shanxi International Electricity Asset Management Company (山西國際電力資產管理公司) from December 2008 to October 2009. Mr. Wang was a member of the party committee and chief accountant of Shanxi Top Energy Co., Ltd. (山西通寶能源股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600780) from October 2009 to January 2011 and a member of the party committee and chief accountant of Shanxi International Electricity Property Co., Ltd. (山西國電置業有限公司) from January 2011 to July 2014. Mr. Wang served as the manager of the finance department (財務部經理) of Jinneng Electricity Group Co., Ltd. (晉能電力集團有限公司) from July 2014 to March 2017. He then served as a member of the party committee and chief accountant (總會計師) of Jinneng Electricity Group Co., Ltd. from March 2017 to March 2021.

Mr. Wang obtained a bachelor's degree through correspondence study in accounting from Shanxi Radio and Television University (山西廣播電視大學) (currently known as Shanxi Open University (山西開放大學)) in Shanxi Province, the PRC, in June 2009. Mr. Wang is a senior accountant (高級會計師) granted by the Department of Human Resources and Social Security of Shanxi Province (山西省人力資源和社會保障廳) in October 2010.

Mr. PANG Zhengyu (龐徵宇), aged 43, has been a Shareholder Supervisor of the Bank since December 2022.

Mr. Pang has 17 years of experience in economic management. Mr. Pang has served as the deputy head of the planning and finance department (計劃財務部副部長) of Jinneng Holding Equipment Manufacturing Group Co., Ltd. (晉能控股裝備製造集團有限公司) since June 2021. He worked in Shanxi Jincheng Anthracite Mining Group Co., Ltd. (山西晉城無煙煤礦業集團有限責任公司) (currently known as Jinneng Holding Equipment Manufacturing Group Co., Ltd.) from September 2007 to December 2020, and consecutively served as the accountant, deputy section chief (副科長), and section chief (科長) of the property section, finance center (財務中心產權科). After that, Mr. Pang successively worked as the head of the finance department (財務部主管) and head of the financial management office (財務管理室主管) in Jinneng Holding Equipment Manufacturing Group Co., Ltd. from December 2020 to June 2021.

Mr. Pang obtained a bachelor's degree in accounting from Taiyuan University of Technology in Shanxi Province, the PRC, in July 2007. Mr. Pang further obtained a master's degree in economics from Dongbei University of Finance & Economics (東北財經大學) in Liaoning Province, the PRC, in January 2014 after studying in the executive Master of Professional Accounting (MPACC) class from January 2011 to January 2014. Mr. Pang obtained the qualification as an accountant (會計師) from the Ministry of Finance of the PRC (中華人民共和國財政部) in September 2018.

Ms. XU Jin (徐瑾), aged 49, was a Shareholder Supervisor of the Bank from December 2015 to June 2021, and has been a Shareholder Supervisor of the Bank since December 2022.

Ms. Xu has 24 years of experience in economic management. Ms. Xu has been working as the director (部長) of the capital operation department (資本運營部) of Shanxi Coking Coal Group Co., Ltd. (山西焦煤集團有限責任公司) ("**Shanxi Coking Coal**") since November 2020. From November 2009 to November 2020, Ms. Xu consecutively served as the vice director (副主任), head of property management (資產管理主管) and deputy head (副部長) of the finance department (財務部), director (主任) of the preparatory office of finance shared center (財務共享中心籌備辦公室) and deputy director (副主任) of the financial work office (金融工作辦公室) of Shanxi Coking Coal. Before that, she successively served as a staff member (科員) and deputy chief staff member (副主任科員) in the capital settlement and management center (資金結算管理中心) of Shanxi Coking Coal from January 2006 to November 2009. Ms. Xu worked in the West Bureau Workers General Hospital (西局職工總醫院) from December 1999 to September 2003. She then worked in the finance division (財務處) at the headquarters of Xishan Coal Company (西山煤礦總公司) from October 2003 to January 2006.

Ms. Xu obtained a bachelor's degree in engineering in June 2003 from Taiyuan University of Technology (太原理工大學) in Shanxi Province, the PRC. She obtained a bachelor's degree in accounting from Taiyuan University of Technology in January 2008 through correspondence study in the evening university (夜大). Ms. Xu obtained a master's degree in business administration in June 2011 from Shanxi University of Finance and Economics (山西財經大學) in Shanxi Province, the PRC. Ms. Xu has been a non-practicing member of the Chinese Institute of Certified Public Accountants since December 2006. She is also a holder of the certificate of senior level of accounting granted by the Department of Human Resources and Social Security of Shanxi Province (山西省人力資源和社會保障廳) in April 2011.

Mr. WEN Qingquan (溫清泉), aged 53, has been an employee Supervisor of the Bank since May 2019.

Mr. Wen has over 12 years of experience in the banking industry. Mr. Wen has been the head (部長) of the Party Committee Work Department (黨委工作部) of the Bank since September 2024. Mr. Wen joined our Bank in March 2011, and served as the general manager (總經理) of the Channel Management Department (渠道管理部) of our Bank from August 2021 to January 2025, the director (主任) of the president's office (行長辦公室) of our Bank from February 2019 to August 2021, the deputy general manager (副總經理) of the HR department (人力資源部) of our Bank from May 2015 to February 2019, during which period he also served as the deputy director (副主任) of the assessment office (考核辦公室) of our Bank from November 2016 to February 2018 and then the general manager (總經理) of the assessment training department (考核培訓部) of our Bank from February 2018 to February 2019. Mr. Wen served as the assistant to the general manager (總經理助理) of the HR department (人力資源部) of our Bank from April 2011 to May 2015. Prior to joining our Bank, Mr. Wen worked at the Shanxi Elderly Cadre Bureau of Shanxi Provincial Party Committee (山西省委老幹部局) from November 2001 to March 2011 and served as a senior staff member (副主任科員) from November 2002 to October 2005, as a principal staff member (主任科員) from October 2005 to February 2009 and as an associate editor (副主編) and the vice president (副社長) of Shanxi Elderly Magazine (老年雜誌社) of Shanxi Elderly Cadre Bureau of Shanxi Provincial Party Committee from February 2009 to March 2011. Mr. Wen worked at the party school of Heshun County Party Committee (和順縣委黨校) from August 1998 to October 2000 and then worked at the organization department of the Heshun County Party Committee (和順縣委組織部) from October 2000 to November 2001.

Mr. Wen obtained a bachelor's degree in economics from Shanxi Agricultural University (山西農業大學) in Shanxi Province, the PRC, in July 1998.

Mr. SU Hua (蘇華), aged 49, has served as the general manager of the audit department (審計部) of the Bank since September 2023, and has been an employee Supervisor of the Bank since December 2022.

Mr. Su has over 21 years of experience in audit, economics and economic management. He worked in the Taiyuan Audit Office of China National Audit Office (審計署太原特派辦) from July 2004 to September 2017, during which period he worked in section II for treasury auditing (財政審計二處) from July 2004 to July 2005 and was a senior staff member (副主任科員) of section II for treasury auditing from July 2005 to August 2005, a senior staff member of the financial auditing section (金融審計處) from August 2005 to September 2008, a principal staff member (主任科員) of the financial auditing section from September 2008 to December 2012, the deputy head (副處長) of the financial auditing section from December 2012 to February 2016, and the deputy head of the foreign funds utilization and application auditing section (外 資運用審計處) from February 2016 to September 2017. After that, Mr. Su joined the Bank in September 2017 and worked as the deputy general manager of the auditing department (審計部) of the Bank's head office from September 2017 to July 2019. He also served as the vice director of the disciplinary inspection committee office (紀委辦) of the Bank's head office from October 2018 to April 2019 and as the vice director (in charge) from July 2019 to March 2020. Mr. Su served as a member of the Shanxi Province Commission for Discipline Inspection and Supervisory Commission's disciplinary inspection and supervision group in the Bank (山西省紀委監委駐晉商銀行紀檢監察組紀檢監察員) from August 2019 to September 2021 and worked as the general manager of the legal compliance department (法律合規部) of the Bank's head office from November 2021 to August 2023.

Mr. Su obtained a bachelor's degree in statistics from Qingdao Construction and Engineering College (青島建築工程學院) (currently known as Qingdao University of Technology (青島理工大學)) in Shandong Province, the PRC in July 1999. He further obtained a master's degree in economics from Nankai University (南開大學) in Tianjin, the PRC in July 2004. Mr. Su obtained the qualification of Certified Internal Auditor from the Institute of Internal Auditors in July 2020, and he obtained the qualification of senior auditor (高級審計師) from the Department of Human Resources and Social Security of Shanxi Province (山西省人力資源和社會保障廳) in January 2024.

Mr. ZHUO Zeyuan (卓澤淵), aged 63, has been an external Supervisor of the Bank since December 2022.

Mr. ZHUO Zeyuan joined the Central Party School of the CPC (中央黨校) in August 2003. He became the vice director of the political science and law department (政法部副主任) in December 2003 and the principal of the graduate school (研究生院院長) in July 2008 at the Central Party School of the CPC. Mr. Zhuo has also been working as the deputy director (suspended post) of the office for judicial reform of the Supreme People's Court (最高人民法院司法體制改革辦公室副主任) since December 2012. Mr. Zhuo has been serving as the standing vice director (常務副主任) of the Central Party School of the CPC since January 2015, and the director of the political science and law department of the Central Party School of the CPC since November 2015. Mr. Zhuo served as the deputy head of the education division (副教育長) of the Central Party School of the CPC (National Academy of Governance)(中央黨校(國家行政學院)) from August 2018 to July 2021, and he subsequently resigned as the deputy head of the education division and became a professor in the political science and law department in July 2021. Mr. Zhuo served as a teaching assistant in the faculty of law of the Southwest University of Political Science & Law (西南政法大學)("**SWUPL**") from July 1984 to September 1987, and he then studied for a master's degree in SWUPL from September 1987 to July 1990. From July 1990 to August 2003, he worked in SWUPL and served consecutively as a teaching assistant, lecturer, associate professor, professor, member of the school's standing party committee and vice principal.

Mr. Zhuo obtained a bachelor's degree in law from SWUPL in Chongqing, the PRC, in July 1984, a master's degree in law from SWUPL in July 1990, and an on-job doctorate degree in law from the Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) in Beijing, the PRC, in July 2000.

Mr. WU Jun (吳軍), aged 73, has been an external Supervisor of the Bank since May 2018.

Mr. Wu worked at the School of Banking & Finance (金融學院) of the University of International Business and Economics ("**SoBF**") for over 26 years since 1992 and once served as deputy professor, professor, Ph.D. supervisor and dean of SoBF.

Mr. Wu was and is an independent non-executive director of the companies shown in the table below.

Name of the Company	Place of Establishment	Nature of Business	Positions	Term of Service
New China Asset Management Co., Ltd. (新華資產管理股份有限公司)	PRC	Insurance asset management	Independent director	March 2020 to present
Bank of Jinzhou Co., Ltd. (錦州銀行股份有限公司) (delisted from the Hong Kong Stock Exchange on April 15, 2024)	PRC	Financial services	Independent director	November 2019 to present
Shijihengtong Technology Co., Ltd. (世紀恒通科技股份有限公司) (listed on the Shenzhen Stock Exchange (stock code: 301428))	PRC	Technology services, etc.	Independent director	March 2019 to September 2023
Southwest Securities International Securities Limited (西證國際證券股份有限公司) (listed on the Hong Kong Stock Exchange (stock code: 0812))	Bermuda	Financial services	Independent director	January 2015 to June 2020
Southwest Securities Co., Ltd. (西南證券股份有限公司) (listed on the Shanghai Stock Exchange (stock code: 600369))	PRC	Financial services	Independent director	March 2009 to March 2017
Zhejiang Shaoxing Ruifeng Rural Commercial Bank Co., Ltd. (浙江紹興瑞豐農村商業銀行股份有限公司) (listed on the Shanghai Stock Exchange (stock code: 601528))	PRC	Financial services	Independent director	March 2005 to March 2017
Shenzhen Shenxin Taifeng Group Co., Ltd. (深圳市深信泰豐(集團)股份有限公司) (listed on the Shenzhen Stock Exchange (stock code: 000034)) (the company was renamed as "**Digital China Group Co., Ltd.** (神州數碼集團股份有限公司)" in 2016)	PRC	Technology, telecommunications and aquaculture, etc.	Independent director	June 2008 to June 2014

Mr. Wu obtained a junior college (專科) degree in finance from the finance department, at Yunnan Finance and Trade College in Yunnan Province, the PRC, in July 1981. He obtained a master's degree in finance from the Finance Research Institute of Head Office of the PBoC (中國人民銀行總行金融研究所)(currently known as PBC School of Finance, Tsinghua University (清華大學五道口金融學院)) in Beijing, the PRC, in July 1988. Mr. Wu obtained a doctor's degree in finance from the Finance Research Institute of Head Office of the PBoC in May 1995.

Mr. BAI Guangwei (擺光煒), aged 61, has been an external Supervisor of the Bank since December 22, 2022.

Mr. Bai has been the chairman of Shanghai Tian Quan Investment Management Co., Ltd. (上海天泉投資管理有限公司) since October 2014. Mr. Bai served consecutively as a staff member (科員) and the credit director of the operation division (營業部信貸負責人) of Shanxi branch of China Investment Bank (中國投資銀行) from July 1986 to December 1997, during which period he was seconded to the government of Shanxi Province from September 1992 to July 1993. He worked in Huaxia Bank Co., Ltd. (華夏銀行股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code 600015) from January 1998 to July 2014, during which period he served consecutively as the general manager of the division for individuals (個人部) in the Taiyuan branch, president of the Taoyuan South Road sub-branch under the Taiyuan branch, vice president of the Urumqi branch and vice president of the Shanghai branch.

Mr. Bai obtained an EMBA degree from South China University of Technology (華南理工大學) in Guangdong Province, the PRC, in July 2008. Mr. Bai obtained the qualification as an economist (經濟師) from the Ministry of Human Resources and Social Security of the People's Republic of China (中華人民共和國人力資源和社會保障部) in October 2003.

3. Senior Management

Mr. ZHANG Yunfei (張雲飛), aged 55, has been the chief compliance officer of the Bank since March 27, 2026 and the president of the Bank since September 30, 2022.

For the biographical information of Mr. ZHANG Yunfei, see "III. Biographies of Directors, Supervisors and Senior Management – 1. Directors – Executive Director and vice chairman, ZHANG Yunfei".

Mr. WANG Yibin (王義斌), aged 56, has been a vice president of the Bank since June 14, 2022.

Mr. Wang has more than 30 years of experience in the banking industry. He joined our Bank in May 2009. He served as the general manager of the Bank's asset custody department (preparatory) since June 2025. He has been the general manager of the Bank's consumer rights protection department from January 2024 to June 2025. He was the general manager of the Bank's retail banking division from April 2013 to January 2024 and during this period, served as the general manager of the Bank's asset management department from July 2016 to July 2021, and worked as the general manager of the Bank's private banking division from April 2013 to January 2014. From February 2011 to April 2013, he was the general manager of the personal business department and general manager of the credit card department of the Bank. From November 2009 to February 2011, he served as deputy general manager of new business development division of the Bank. From August 2009 to November 2009, he served as general manager of corporate business department No. 6 of the Bank. Prior to joining our Bank, he served as general manager of the corporate business department of Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司) ("**ICBC**") Changzhi Branch from March 2008 to May 2009, worked as a vice president of ICBC Changzhi County Sub-branch (presiding over the work) from April 2006 to March 2008, he served as a vice president of ICBC Licheng County Sub-branch (presiding over the work) from February 2004 to April 2006. He worked as the manager of new business development center of ICBC Changzhi Branch from February 2003 to February 2004, he worked as a vice president of ICBC Changzhi County Sub-branch from September 2001 to February 2003, he served as chief accountant of ICBC Huguan County Sub-branch from June 2000 to September 2001, chief accountant of ICBC Tunliu County Sub-branch from August 1998 to June 2000. From February 1997 to August 1998, he served as a section officer of the Planning & Finance Department of the ICBC Changzhi Branch, he worked as an officer and credit officer of ICBC Changzhi Changbei Office from July 1994 to February 1997.

Mr. Wang graduated from Harbin Finance College in Heilongjiang Province, China in July 1994, majoring in accounting and statistics. Mr. Wang graduated from China Central Radio and Television University in November 2005 through correspondence studies, majoring in law. Mr. Wang passed the examination of Shanxi Provincial Personnel Department in June 2000 and obtained the title of economist.

Mr. WANG Qi (王琦), aged 48, has been a vice president of the Bank since July 25, 2024 and a secretary to the Board of the Bank since June 12, 2026.

For the biographical information of Mr. WANG Qi, see "III. Biographies of Directors, Supervisors and Senior Management – 1. Directors – Executive Director, WANG Qi".

Mr. SHANGGUAN Yujiang (上官玉將), aged 53, has been serving as assistant to the president of the Bank since December 9, 2019.

Mr. Shangguan has about 30 years of experience in the banking industry. He has been the chairman of Jinshang Consumer Finance Co., Ltd. from April 2022 to October 2025. He has been the secretary to the party committee of Jinshang Consumer Finance Co., Ltd. (晉商消費金融股份有限公司) from December 2021 to October 2025. Mr. Shangguan was the president of the Bingzhou branch (并州支行) of our Bank and the general manager of the energy division of the Bank from January 2018 to July 2021 successively. During the period, he served as an employee Supervisor at our Bank from June 2018 to May 2019. From September 2012 to January 2018, Mr. Shangguan worked at the Changzhi branch (長治分行) of our Bank, as the leader of the preparatory team, a vice president and the president successively. Prior to joining our Bank, Mr. Shangguan worked for the Beijing branch, China Bohai Bank Co., Ltd. (渤海銀行股份有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 9668) from December 2007 to September 2012. He served as the president of the Taixi sub-branch (太西支行) and rural area sub-branch (郊區支行), Changzhi City Commercial Bank Co., Ltd. (長治市商業銀行股份有限公司) from October 2006 to December 2007 successively. Mr. Shangguan worked for several Urban Credit Cooperatives in Changzhi City from August 1995 to October 2006.

Mr. Shangguan obtained a master's degree in business administration from Xiamen University (廈門大學) in Fujian Province, the PRC, in September 2018. He was accredited as a Senior Economist by the Ministry of Human Resources and Social Security of the People's Republic of China in December 2023.

Mr. LI Gang (李鋼), aged 54, has served as the Chief Information Officer of the Bank since May 26, 2025.

Mr. Li has over 30 years of experience in banking industry. He has served as the general manager of the Bank's digital finance department since October 2025; and as the general manager of the Bank's technology and information department from January 2017 to June 2025. From January 2014 to January 2017, he successively served as the deputy general manager and general manager of the Bank's online finance department. He worked in the preparatory group of Jinzhong Branch (晉中分行) of the Bank from May 2013 to January 2014. From November 2009 to May 2013, he served as the deputy general manager of the Bank's technology and information department and director of the data center. Before joining the Bank, Mr. Li worked in the information technology department of Shanxi Branch (山西省分行) of ICBC from September 2003 to November 2009, and successively worked in the information technology department, planning and finance section, and audit section of Jinzhong Branch (晉中市分行) of ICBC from December 1995 to September 2003. He worked in Yuci Sub-branch (榆次市支行) of ICBC from July 1994 to December 1995.

Mr. Li obtained a bachelor of economics degree in statistics from Shanxi Institute of Finance and Economics (now known as Shanxi University of Finance and Economics (山西財經大學)) located in Taiyuan, Shanxi Province, China in July 1994.

Mr. GUO Zhihua (郭志華), aged 48, was appointed as the Chief Risk Officer of the Bank by the Board on June 25, 2026.

Mr. Guo has nearly 30 years of experience in the banking industry. Since June 2021, he has served as the party committee secretary of Jinyang sub-branch of the Bank. From June 2021 to July 2026, he served as the general manager of Jinyang sub-branch of the Bank. From November 2019 to June 2021, he served as the deputy general manager and then general manager of Changzhi branch of the Bank. From November 2016 to November 2019, he served as assistant to the general manager and then deputy general manager of Jinyang Sub-branch of the Bank. From September 2014 to May 2017, he served as the general manager of Yingze West Street sub-branch and Xihuayuan Community sub-branch of the Bank. From January 2014 to September 2014, he served as the general manager of Yingze West Street sub-branch of the Bank. From April 2011 to January 2014, he served as the general manager of Qianfeng North Road sub-branch of the Bank. From October 2010 to April 2011, he served as the interim person-in-charge of Jinsong Road sub-branch of the Bank. From March 2009 to October 2010, he worked at the office of Jinyang sub-branch of the Bank. From March 1997 to October 1998, he worked at Taiyuan Rongtong Urban Credit Cooperatives. From November 1996 to March 1997, he worked at the 33rd Research Institute of the Ministry of Electronic Industry.

Mr. GUO completed his undergraduate studies through correspondence education and graduated from the University of International Business and Economics in Beijing, China, in July 2012, majoring in Finance.

IV. JOINT COMPANY SECRETARIES

On March 27, 2026, Mr. Wong Wai Chiu (黃偉超) has resigned as the company secretary of the Bank, and Mr. Au Kai Yin (歐啟賢) and Mr. Wang Qi (王琦) have been appointed as the joint company secretaries of the Bank. Mr. Wang Qi (executive Director and vice president) serves as the primary contact person for Mr. Au Kai Yin at the Bank. For further details, please refer to the announcement dated March 27, 2026 entitled "ANNOUNCEMENT CHANGE OF SECRETARY OF THE BOARD, JOINT COMPANY SECRETARIES, AUTHORIZED REPRESENTATIVE AND PROCESS AGENT".

Each Director may discuss with the company secretary for obtaining advice and information.

V. SECURITIES TRANSACTION BY DIRECTORS, SUPERVISORS AND RELEVANT EMPLOYEES

During the Reporting Period and up to the date of this interim report, the Bank has adopted the Model Code for Securities Transactions by Directors of Listed Issuers the ("**Model Code**") as set out in Appendix C3 to the Hong Kong Listing Rules as its code of conduct for regulating securities transactions by Directors, Supervisors and relevant employees of the Bank. Having made enquiry with all Directors and Supervisors, all of the Directors and Supervisors confirmed that they have been in compliance with the above Model Code throughout the Reporting Period. The Bank is also not aware of any violations of the Model Code by the employees concerned.

VI. INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE BANK

As at June 30, 2026, none of the Directors, Supervisors and chief executive of the Bank has any interests or short positions in the shares, underlying shares and debentures of the Bank or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code in Appendix C3 to the Hong Kong Listing Rules.

VII. NUMBER OF EMPLOYEES, REMUNERATION POLICIES AND TRAINING PROGRAMS

As of June 30, 2026, the total number of employees of the Group reached 4,478, including 2,406 female employees and 2,072 male employees, of which 19.3% were employees aged 30 and below, and 91.7% were employees with a bachelor's degree or above. Excellent age distribution and professional talent team can help cultivate a positive and innovative corporate culture and strengthen the ability to respond sensitively to market changes and seize market opportunities. As of June 30, 2026, 338 employees in the retail line were Associate Financial Planner (AFP) holders; 44 employees were Certified Financial Planner (CFP) holders.

The Bank earnestly implemented the national vocational skills improvement action plan, closely focused on financial hotspots and trends of domestic and international markets and the Bank's management and development strategy. According to the training concept of "party building leading, close to business, pragmatic and efficient, and service operation", and based on the working idea of "systematic design, project promotion, practical assessment, and market-oriented operation", we formulated and decomposed the annual training plan, and organized and carried out various types of training. The annual training work was aimed at providing strong talent support and intellectual guarantee for the long-term development of the Bank. It has been carried out practically from the three dimensions of focusing on capacity building, improving the training system and strengthening the training management mechanism building. During the Reporting Period, the Bank consolidated the three level training resources at its headquarters, branches and sub-branches, adhered to the principle of combining internal training with external training online and offline, and carried out all-round and multi-dimensional training work for the Bank's employees focusing on front-line business operations, new products business promotion, customer marketing management, and case study of internal control compliance.

In compliance with the PRC laws and regulations, the Bank contributes to its employees' social security and other benefits program including pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, housing allowances, corporate annuity and supplementary medical insurance. The Bank has established a labor union in accordance with PRC laws and regulations, which represents the interests of the employees and works closely with the management of the Bank on labor-related issues.

For details of the total employee remuneration and its composition of the Bank for the first half of 2026, please refer to Note 9 to the condensed consolidated interim financial statements in this interim report.

VIII. SHARE INCENTIVE SCHEME

During the Reporting Period, the Bank did not implement any share incentive scheme.

I. CORPORATE GOVERNANCE CODE

During the Reporting Period, the Bank continued to improve the transparency and accountability of its corporate governance and ensured high standards of corporate governance practices to protect the interests of Shareholders and enhance corporate value and commitment.

Our Bank has established a relatively comprehensive corporate governance structure in accordance with the requirements of the Hong Kong Listing Rules. The compositions of the Board and the special committees under the Board are in compliance with the requirements of the Hong Kong Listing Rules. The Bank clearly divides the duties of the Shareholders' meeting, the Board and the senior management. The Shareholders' meeting is the supreme authority of the Bank. The Board is accountable to the Shareholders' meeting. The Board has established six special committees, which operate under the leadership of the Board and advise on the decisions of the Board. The Audit Committee under the Board supervises the performance of duties by the Board, senior management and their members as well as financial activities, internal control, and risk management, etc. Under the leadership of the Board, the senior management is responsible for executing the resolutions of the Board and for the day-to-day business and management of the Bank, and reports to the Board on a regular basis. The president of the Bank is appointed by the Board and is responsible for the overall operation and management of the Bank.

The Bank has adopted the Corporate Governance Code (the "**Code**") in Appendix C1 to the Hong Kong Listing Rules, met the requirements of the administrative measures and corporate governance for domestic commercial banks and established a good corporate governance system. During the Reporting Period, the Bank has observed all applicable code provisions set forth in Appendix C1 to the Hong Kong Listing Rules.

The Bank is committed to maintaining a high standard of corporate governance. The Bank will continue to review and enhance its corporate governance to ensure compliance with the Code and meet the expectations of Shareholders and potential investors of the Bank.

Shareholders' meeting

Shareholders' meeting is the organ of authority of our Bank. Its principal responsibilities include but not limited to: determining the business guidelines and extremely important investment plans of the Bank; electing and changing Directors, determining the remuneration of relevant Directors; reviewing and approving the reports of the Board; reviewing and approving the annual financial budget plans, final accounting plans, profit distribution plans and loss recovery plans of the Bank; reviewing and approving extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee and related party transactions of the Bank; resolving on the increase or decrease in the registered capital of the Bank, the issuance of bonds or the listing of the Bank, the merger, division, dissolution, liquidation or change in the corporate form of the Bank, the acquisition of the shares of the Bank; amending the Articles of Association; reviewing and approving the Rules of Procedures for the Shareholders' Meeting and the Board of Directors, etc.

During the Reporting Period, the Bank held one Shareholders' meeting in total, namely, the 2025 annual shareholders' meeting held on June 26, 2026 to consider and approve the Work Report of the Board of Directors for 2025; the Work Report of the Board of Supervisors for 2025; the Profit Distribution Plan for 2025; the Report of Final Financial Accounts for 2025; the Financial Budget for 2026; the Supervision and Assessment Report on the Performance of Duties by Directors during 2025; the Assessment Report on the Performance of Duties by Supervisors during 2025; the Supervision and Assessment Report on the Performance of Duties by Members of the Senior Management during 2025; the appointment of auditors to audit financial statements for 2026.

The notification, convening and voting procedures of the above Shareholders' meeting are all in compliance with the relevant provisions of the PRC Company Law and the Articles of Association.

Meetings of the Board of Directors and its Special Committees

The Board of Directors shall be accountable to the Shareholders' meeting, undertake final responsibility of operation and management of the Bank, and its principal duties include, but are not limited to: convening Shareholders' meetings, and reporting its performance at the Shareholders' meetings, and implementing resolutions of the Shareholders' meetings; formulating development strategies of the Bank and monitoring the implementation of such strategies, and deciding on operational plans and investment plans of the Bank; formulating annual financial budget plans, final accounting plans, risk capital allocation plan, profit distribution plans and loss recovery plans, proposals for increases in or reductions of registered capital, issuance of bonds or other securities and listing plan of the Bank, proposals for repurchase of the Bank's shares, plans for merger, division, dissolution, or change of corporate form, proposals for any amendment to the Articles of Association, the Rules of Procedures for the Shareholders' Meeting and the Rules of Procedures for the Board of Directors, and considering and approving the work rules of the special committees under the Board of Directors; formulating the basic management system of the Bank; assessing and completing corporate governance of the Bank regularly; deciding asset and liability management (including but not limited to capital requirement), risk tolerability, risk management and internal control policy of the Bank; formulating capital planning, and undertaking the final responsibility of capital management; formulating a related party transaction management system, examining and approving or accredit Related Parties Transactions Control Committee to approve related party transactions; examining and approving the annual work report of the Bank; deciding the internal plan of the Bank; deciding the Bank's important external investment, material asset disposals, important external guarantee; appointing or dismissing senior management staff and deciding remunerations, awards and punishments of the aforesaid persons; debriefing work reports of the president; deciding on the establishment of the internal management structure of the Bank and the establishment of branches of the Bank; proposing to the Shareholders' meeting the engagement, dismissal or discontinuation of the appointment of the accounting firm that provides regular statutory audit on financial reports of the Bank; and disclosing information of the Bank, etc.

During the Reporting Period, the Board of Directors held 3 meetings, at which 35 resolutions were considered and approved. The special committees under the Board of Directors held 18 meetings, including 3 meetings of the Development and Strategy Committee, 4 meetings of the Audit Committee, 3 meetings of the Related Parties Transactions Control Committee, 3 meetings of the Risk Management Committee, 2 meetings of the Nomination, Remuneration and HR Committee, as well as 3 meetings of the Consumer Rights Protection Committee.

Work of Independent Directors

During the Reporting Period, the independent non-executive Directors expressed their independent opinions on the relevant proposals considered by the Board of Directors and provided several views and recommendations during the meetings, all of which were adopted by the Bank or responded to by the Bank.

Date of independent opinions	Issues	Type of Opinion
March 27, 2026	the proposal on profit distribution plan of Jinshang Bank Co., Ltd. for 2025, the proposal on the credit business for related parties transactions of Jinshang Bank Co., Ltd. in 2026, the proposal on the material related parties transactions for corporate deposit of Jinshang Bank Co., Ltd. in 2026, the proposal on proposed appointment of Mr. ZHANG Yunfei (張雲飛) as chief compliance officer of Jinshang Bank Co., Ltd., the proposal on the appointment of accounting firm for 2026 by Jinshang Bank Co., Ltd., the proposal on the related party transactions on services between Jinshang Bank and Shanxi Coking Coal Real Estate Co., Ltd. (山西焦煤置業有限公司) and Shanxi Shengyuan Property Management Co., Ltd. (山西晟源物業管理有限公司), the proposal on the related party transactions on services between Jinshang Bank and WU Huihui (武慧慧) and the proposal on related party transactions between Jinshang Bank and Shanxi Lu'an Meipo Technology Co., Ltd. (山西潞安煤婆科技有限公司)	For
June 18, 2026	the proposal of Jinshang Bank Co., Ltd. on making capital contribution to and increasing shareholding in Jinshang Consumer Finance Co., Ltd.	For
June 25, 2026	the proposal on proposed appointment of Mr. GUO Zhihua (郭志華) as chief risk officer of Jinshang Bank Co., Ltd., the supplementary proposal on the credit business for related parties transactions of Jinshang Bank Co., Ltd. in 2026	For

Internal Control and Internal Audit

The Bank has established and continuously improved the effective corporate governance structure, with the Shareholders' meeting as the highest authority, the Board as the decision-making body, the Audit Committee of the Board as the supervisory body and the senior management as the executive body, clearly defined the rules of procedure and decision-making procedures of each governance subject, and established a scientific and reasonable corporate governance mechanism with clear responsibility, separation of powers and balances and standardized operation.

The Board of Directors has established special committees, including the Development and Strategy Committee, Nomination, Remuneration and HR Committee, Audit Committee, Risk Management Committee, Consumer Rights Protection Committee and Related Parties Transactions Control Committee. Risk Management Committee, Investment Management Committee, Assets and Liabilities Management Committee, Credit Review Committee, Financial Review Committee, Information Technology Management Committee, Accountability Management Committee, Business Continuity Management Committee, Performance Appraisal Management Committee, Corporate Business Management Committee, Retail Business Management Committee and other special committees are under the senior management. The Board of Directors and their respective special committees have all formulated corresponding rules of procedure, and the offices of the Board of Directors are responsible for the daily affairs of the the Board of Directors and its special committees to ensure the normal and orderly running of the operations management and various businesses of the Bank.

The Bank has also established an independent and vertical internal audit system that mainly comprises the Board of Directors, the Audit Committee and the Audit Department. The Board of Directors undertakes ultimate responsibility to ensure the independence and effectiveness of our internal audit. The Audit Committee guides our internal audit work, while our Audit Department of the head office carries out internal auditing at both the head office and the branch levels. Our Audit Department formulates annual audit plans based on regulatory requirements as well as our operation, management and business profile, and carries out audit work strictly in accordance with the annual audit plans after such plans are approved by the Board of Directors. Audit Department conducts both on-site inspections and off-site monitoring during routine audits on various departments and the operational and management activities of branches. The Bank also conducts audits on our exposures to various risks such as credit risk, market risk, operational risk and information technology risk. For the issues or deficiencies identified in audits, the Audit Department gives timely notification to the relevant departments and proposes suggestions on implementation of effective rectification measures.

II. CONSUMER RIGHTS PROTECTION

In the first half of 2026, the consumer complaints reported by the supervisory system of the Shanxi Supervision Bureau and its branch offices totalled 8 complaints, representing a decrease of 7 complaints or 46.7% as compared to the same period in 2025; the average number of complaints was 0.052 per outlet, representing a decrease of 0.046 complaint or 46.9% as compared to the same period in 2025; the number of complaints per million individual customers was 1.861, representing a decrease of 1.629 complaints or 46.7% as compared to the same period in 2025. Complaint settlement rate achieved 100.0%, maintaining a high level.

(I) Categorized by the type of complaint business

In the first half of 2026, the consumer complaints reported by the supervisory system of the Shanxi Supervision Bureau and its branch offices totalled 8 complaints, among which 4 for personal loans business, accounting for 50.0%; 2 for credit card business, accounting for 25.0%; 2 for bank agency business, accounting for 25.0%.

(II) Categorized by the complaint regions

In the first half of 2026, the consumer complaints reported by the supervisory system of the Shanxi Supervision Bureau and its branch offices totalled 8 complaints, among which 7 in Taiyuan, accounting for 87.5%; 1 in Datong, accounting for 12.5%.

III. USE OF PROCEEDS

The proceeds from issuance of H Shares of the Bank have been used according to the intended use as disclosed in the prospectus of the Bank. All of the net proceeds from the Global Offering of the Bank (after deduction of the underwriting fees and commissions and estimated expenses payable by the Bank in connection with the Global Offering) amounted to approximately RMB3,171 million (including net proceeds from over-allotment), which have been used to expand the capital of the Bank to support the ongoing business growth.

As approved by the PBoC and the former CBIRC Shanxi Office, the Bank issued tier-two capital bonds in the national inter-bank bond market on January 20, 2021, and the payment was completed on January 22, 2021. This tranche of bonds totalled RMB2.00 billion with a maturity of 5+5 years at a fixed interest rate and a coupon interest rate of 4.78%, and the right of redemption with pre-conditions at the end of the fifth year. With prior approval by the regulatory authorities, the Bank is entitled to redeem part or all of such bonds at par value. All funds raised from this tranche of bonds have been used to replenish the tier-two capital of the Bank in accordance with applicable laws and approvals from regulatory authorities. With the approval of the Shanxi Supervision Bureau of National Financial Regulatory Administration, the Bank exercised its redemption right on January 22, 2026 and redeemed all of this tranche of bonds in full at par value in a single lump sum.

As approved by the PBoC and the Shanxi Supervision Bureau, the Bank successfully issued the undated capital bonds for 2024 in the national inter-bank bond market on September 19, 2024 and the payment was completed on September 23, 2024. This tranche of bonds totaled RMB2.00 billion with a term of 5+N years with non-fixed term and interest rate, with a coupon interest rate adjusted by phases (adjusted for every five years) and the right of redemption with pre-conditions after five years from the date of issuance. With prior approval by the regulatory authorities, the Bank is entitled to redeem part or all of such bonds at par value. All funds raised from this tranche of bonds have been used to replenish other tier-one capital and increase the capital adequacy ratios of the Bank in accordance with applicable laws and approvals from regulatory authorities, so as to strengthen the Bank's operating strength, enhance its risk resistance and support the sustainable and steady development of its business.

As approved by the PBoC and the Shanxi Supervision Bureau, the Bank successfully issued the second-tier capital bonds for 2025 in the national inter-bank bond market on July 28, 2025 and the payment was completed on July 30, 2025. This tranche of bonds totaled RMB2.00 billion with a term of 5+5 years with fixed term and interest rate and the right of redemption by the issuer with pre-conditions at the end of the fifth year from the date of issuance. With prior approval by the regulatory authorities, the Bank is entitled to redeem part or all of such bonds at par value. All funds raised from this tranche of bonds have been used to replenish tier-two capital and increase the capital adequacy ratios of the Bank in accordance with applicable laws and approvals from regulatory authorities, so as to strengthen the Bank's operating strength, enhance its risk resistance and support the sustainable and steady development of its business.

IV. PROFITS AND DIVIDENDS

The Group's revenue for the six months ended June 30, 2026 and the Bank's financial position as of the same date are set out in the section headed "Report on Review of Interim Financial Information" in this interim report.

The Shareholders have considered and approved the 2025 profit distribution plan at the 2025 annual general meeting held by the Bank on June 26, 2026. The final dividend for 2025 was RMB5 (tax inclusive) per 100 shares, totaling RMB291.9 million, and has been distributed to the holders of H Shares and Domestic Shares on August 20, 2026.

The Bank neither recommends paying interim dividends for the six months ended June 30, 2026 nor transfers any capital reserve to increase its share capital.

V. MATERIAL LITIGATIONS AND ARBITRATIONS

As of June 30, 2026, the Bank expected that any current and pending proceedings or arbitration procedures will not have a material adverse effect on the Bank's business, financial condition and operating results (whether individually or collectively) after accrual of impairment provisions.

VI. PENALTIES IMPOSED ON THE BANK AND ITS DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the Bank, its Directors, Supervisors or senior management were not investigated, administratively penalised or publicly criticized by the China Securities Regulatory Commission, publicly condemned by any stock exchange or punished by any other regulatory authorities, which would have a material adverse impact on the Bank's business of operations.

VII. PERFORMANCE OF COMMITMENTS BY THE BANK AND SHAREHOLDERS HOLDING 5% OR MORE OF SHARES

For details of the Shareholders holding 5% or more of the issued share capital of the Bank, please see the section headed "Changes in Share Capital and Information on Shareholders – II. Information on Shareholders" in this interim report.

The commitments made by the Shareholders holding 5% or more of the issued share capital of the Bank as set out in this interim report are all in performance, and no commitment has been completely performed during the Reporting Period or has not been completely performed on schedule as of the end of the Reporting Period.

VIII. PLEDGE OF SIGNIFICANT ASSETS

During the Reporting Period, the Bank did not pledge any significant assets.

IX. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES, JOINT VENTURES, ASSETS AND BUSINESS MERGER

During the Reporting Period, the Bank was not engaged in any material acquisition or disposal of subsidiaries, associates, joint ventures and assets or business merger.

X. SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR SIGNIFICANT INVESTMENTS

During the Reporting Period, the Bank had no significant investments, or specific plans for significant investments or acquisitions of material assets or other businesses.

XI. SUFFICIENT PUBLIC FLOAT

Pursuant to the waiver granted by the Hong Kong Stock Exchange upon the listing of the Bank, the minimum public float percentage of the Bank is 16.62%. Based on information obtained by the Bank and to the knowledge of the Directors, the Bank's public float represents 16.62% of its total issued share capital (excluding treasury shares) upon the Bank's listing during the Reporting Period and up to the date of this interim report. Accordingly, the Bank has maintained sufficient public float in compliance with the minimum requirement of the Hong Kong Listing Rules and the waiver granted by the Hong Kong Stock Exchange.

XII. SUBSEQUENT EVENTS

On August 7, 2026, the Shanxi Supervision Bureau of National Financial Regulatory Administration (國家金融監督管理總局山西監管局) approved the Bank's capital contribution in Jinshang Consumer Finance Co., Ltd. (晉商消費金融股份有限公司). The registered capital of Jinshang Consumer Finance Co., Ltd. will be increased from RMB500 million to RMB1,000 million, and the Bank's shareholding percentage in Jinshang Consumer Finance Co., Ltd. will increase from 40% to 70%. Save as disclosed above, no other significant events affecting the Bank have occurred subsequent to the Reporting Period.

XIII. APPOINTMENT AND REMOVAL OF AUDITORS

The Shareholders had considered and approved the appointment of KPMG Huazhen LLP and KPMG as the domestic auditor of the Bank in 2026 and the international auditor of the Bank in 2026, respectively, at the 2025 annual general meeting of the Bank held on June 26, 2026, until the end of the next annual general meeting of the Bank.

XIV. AUDIT COMMITTEE

Our Board of Directors has established the Audit Committee with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Hong Kong Listing Rules and Code Provision D.3 of the Code. The Audit Committee is primarily responsible for (i) inspecting the compliance, as well as financial soundness and compliance with the relevant accounting standards and financial reporting procedures; (ii) monitoring internal control system, particularly with respect to core business segments, to ensure that risk management measures are rigorously followed; (iii) evaluating the effectiveness of key operational activities and their respective compliance; (iv) reviewing our annual financial reports, verifying their authenticity and accuracy, and providing relevant comments to the Board of Directors; (v) reviewing financial information and its disclosure, and overseeing the formulation and implementation of major financial policies; (vi) conducting annual audits and evaluating the effectiveness of our internal audit system; and (vii) advising on the hiring or changing of external auditors and supervising their performance, while coordinating the communication between our external and internal auditors.

The Audit Committee consists of four members, being Mr. LIANG Yongming, Mr. DUAN Qingshan, Mr. Rong Changqing and Mr. CHAN Ngai Sang Kenny. The chairperson of the Audit Committee is Mr. LIANG Yongming with appropriate professional qualifications.

XV. REVIEW OF THE INTERIM REPORT

The interim financial information disclosed in this interim report has not been audited. KPMG has, in accordance with the International Standards on Review Engagements, reviewed the interim financial information for the six months ended June 30, 2026 prepared by the Bank in accordance with International Accounting Standard 34, Interim Financial Reporting, issued by the International Accounting Standards Board. Nothing has come to KPMG's attention that causes it to believe that the interim financial information as at June 30, 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34, Interim Financial Reporting. The interim report of the Bank has been reviewed and approved by the Board and its Audit Committee.

XVI. PUBLICATION OF THE INTERIM REPORT

This interim report was prepared in both English and Chinese versions. In the event of any discrepancies between the English version and Chinese version, the Chinese version shall prevail.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Jinshang 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 122 to 230, which comprises the interim condensed consolidated statement of financial position of Jinshang Bank Co., Ltd. (the "**Bank**") and its subsidiaries (collectively the "**Group**") as at 30 June 2026 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim 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 IAS 34 *Interim Financial Reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 *Interim Financial Reporting*.

Our responsibility is to express a conclusion, based on our review, on the interim financial information and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the International Auditing and Assurance Standards Board. A review of 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 interim financial information as at 30 June 2026 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	For the six months ended 30 June 2026	2025
Interest income		**5,263,422**	5,602,605
Interest expense		**(2,984,912)**	(3,571,085)
Net interest income	4	**2,278,510**	2,031,520
Fee and commission income		**273,073**	294,308
Fee and commission expense		**(42,674)**	(35,362)
Net fee and commission income	5	**230,399**	258,946
Net trading gains/(losses)	6	**97,249**	(73,980)
Net gains arising from investment securities	7	**282,591**	509,482
Other operating income	8	**2,605**	9,770
Operating income		**2,891,354**	2,735,738
Operating expenses	9	**(889,720)**	(899,927)
Impairment losses on credit	10	**(952,987)**	(775,006)
Impairment losses on other assets		**(595)**	82
Share of profits of an associate		**3,030**	13,094
Profit before income tax		**1,051,082**	1,073,981
Income tax expense	11	**(7,953)**	(23,512)
Net profit		**1,043,129**	1,050,469
Net profit attributable to:			
Equity holders of the Bank		**1,043,129**	1,052,365
Non-controlling interests		**–**	(1,896)

The accompanying notes form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	For the six months ended 30 June 2026	2025
Net Profit		**1,043,129**	1,050,469
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Financial assets measured at fair value through other comprehensive income:			
– net movement in the fair value reserve, net of tax	31(d)	**68,396**	(43,220)
– net movement in the impairment reserve, net of tax	31(e)	**10,715**	17,306
Items that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit liability, net of tax	31(f)	**–**	(8)
Other comprehensive income for the period, net of tax		**79,111**	(25,922)
Total comprehensive income		**1,122,240**	1,024,547
Total comprehensive income attributable to:			
Equity holders of the Bank		**1,122,240**	1,026,443
Non-controlling interests		**–**	(1,896)
Total comprehensive income		**1,122,240**	1,024,547
Basic and diluted earnings per share (in RMB)	12	**0.18**	0.18

The accompanying notes form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	As at 30 June 2026	As at 31 December 2025
Assets			
Cash and deposits with the central bank	13	**18,903,942**	19,397,711
Deposits with banks and other financial institutions	14	**157,290**	1,159,286
Placements with banks and other financial institutions	15	**19,556,799**	19,442,676
Financial assets held under resale agreements	16	**9,327,885**	22,290,453
Loans and advances to customers	17	**232,116,421**	210,457,417
Financial investments:	18	**115,017,398**	114,181,886
Financial investments measured at fair value through profit or loss		**15,942,965**	17,009,094
Financial investments measured at fair value through other comprehensive income		**19,197,692**	19,658,346
Financial investments measured at amortised cost		**79,876,741**	77,514,446
Interest in an associate	19	**388,971**	385,941
Property and equipment	20	**1,127,093**	1,162,190
Deferred tax assets	21	**2,677,367**	2,694,095
Other assets	22	**2,450,522**	1,828,746
Total assets		**401,723,688**	393,000,401
Liabilities			
Due to the central bank	23	**7,284,121**	3,148,649
Deposits from banks and other financial institutions	24	**1,039,155**	158,473
Financial assets sold under repurchase agreements	25	**12,654,510**	9,866,429
Deposits from customers	26	**318,189,621**	320,797,012
Income tax payable		**219,218**	311,973
Bonds issued	27	**29,849,377**	27,648,752
Other liabilities	28	**2,570,468**	1,982,202
Total liabilities		**371,806,470**	363,913,490

The accompanying notes form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	As at 30 June 2026	As at 31 December 2025
Equity			
Share capital	29	**5,838,650**	5,838,650
Other equity instruments	30	**2,000,000**	2,000,000
– Perpetual bonds		**2,000,000**	2,000,000
Capital reserve	31(a)	**6,582,898**	6,582,898
Surplus reserve	31(b)	**7,128,947**	6,375,301
General reserve	31(c)	**4,536,377**	4,536,377
Fair value reserve	31(d)	**(47,963)**	(116,359)
Impairment reserve	31(e)	**44,295**	33,580
Deficit on remeasurement of net defined benefit liability	31(f)	**(5,273)**	(5,273)
Retained earnings	32	**3,839,287**	3,841,737
Total equity attributable to equity holders of the Bank		**29,917,218**	29,086,911
Non-controlling interests		**–**	–
Total equity		**29,917,218**	29,086,911
Total liabilities and equity		**401,723,688**	393,000,401

Approved and authorised for issue by the Board of Directors on 28 August 2026.

Hao Qiang
Chairwoman of the Board

Zhang Yunfei
Executive Director

Wang Qi
Officer in charge of Finance

(company chop)

The accompanying notes form an integral part of this interim financial information.

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

		Attributable to equity holders of the Bank											
			Other equity instruments										
	Notes	Share capital	Perpetual bonds	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Impairment reserve	Deficit on remeasurement of a net defined benefit liability	Retained earnings	Total	Non-controlling interests	Total
As at 1 January 2026		5,838,650	2,000,000	6,582,898	6,375,301	4,536,377	(116,359)	33,580	(5,273)	3,841,737	29,086,911	-	29,086,911
Changes in equity for the period:													
Net profit		-	-	-	-	-	-	-	-	1,043,129	1,043,129	-	1,043,129
Other comprehensive income		-	-	-	-	-	68,396	10,715	-	-	79,111	-	79,111
Total comprehensive income		-	-	-	-	-	68,396	10,715	-	1,043,129	1,122,240	-	1,122,240
Appropriation of profit													
– Appropriation to surplus reserve	31(b)	-	-	-	753,646	-	-	-	-	(753,646)	-	-	-
– Appropriation to general reserve	31(c)	-	-	-	-	-	-	-	-	-	-	-	-
– Dividends paid to shareholders	32	-	-	-	-	-	-	-	-	(291,933)	(291,933)	-	(291,933)
As at 30 June 2026		5,838,650	2,000,000	6,582,898	7,128,947	4,536,377	(47,963)	44,295	(5,273)	3,839,287	29,917,218	-	29,917,218

The accompanying notes form an integral part of this interim financial information.

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

		Attributable to equity holders of the Bank											
			Other equity instruments										
	Notes	Share capital	Perpetual bonds	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Impairment reserve	Deficit on remeasurement of a net defined benefit liability	Retained earnings	Total	Non-controlling interests	Total
As at 1 January 2025		5,838,650	2,000,000	6,626,679	5,239,339	4,231,775	(19,260)	3,462	(6,870)	4,103,978	28,017,753	10,581	28,028,334
Changes in equity for the period:													
Net profit		–	–	–	–	–	–	–	–	1,052,365	1,052,365	(1,896)	1,050,469
Other comprehensive income		–	–	–	–	–	(43,220)	17,306	(8)	–	(25,922)	–	(25,922)
Total comprehensive income		–	–	–	–	–	(43,220)	17,306	(8)	1,052,365	1,026,443	(1,896)	1,024,547
Share acquisition													
– Acquisition of minority interests		–	–	(5,250)	–	–	–	–	–	–	(5,250)	(6,910)	(12,160)
Appropriation of profit													
– Appropriation to surplus reserve	31(b)	–	–	–	968,486	–	–	–	–	(968,486)	–	–	–
– Appropriation to general reserve	31(c)	–	–	–	–	–	–	–	–	–	–	–	–
– Dividends paid to shareholders	32	–	–	–	–	–	–	–	–	(467,092)	(467,092)	–	(467,092)
As at 30 June 2025		5,838,650	2,000,000	6,621,429	6,207,825	4,231,775	(62,480)	20,768	(6,878)	3,720,765	28,571,854	1,775	28,573,629

The accompanying notes form an integral part of this interim financial information.

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

		Attributable to equity holders of the Bank											
			Other equity instruments										
	Notes	Share capital	Perpetual bonds	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Impairment reserve	Deficit on remeasurement of a net defined benefit liability	Retained earnings	Total	Non-controlling interests	Total
As at 30 June 2025		5,838,650	2,000,000	6,621,429	6,207,825	4,231,775	(62,480)	20,768	(6,878)	3,720,765	28,571,854	1,775	28,573,629
Changes in equity for the year:													
Net profit		–	–	–	–	–	–	–	–	612,945	612,945	(40)	612,905
Other comprehensive income		–	–	–	–	–	(53,580)	12,812	1,605	–	(39,163)	–	(39,163)
Total comprehensive income		–	–	–	–	–	(53,580)	12,812	1,605	612,945	573,782	(40)	573,742
Absorption merger Village and Township Bank		–	–	(38,531)	–	–	–	–	–	33,806	(4,725)	(1,735)	(6,460)
Appropriation of profit													
– Appropriation to surplus reserve	31(b)	–	–	–	167,476	–	–	–	–	(167,476)	–	–	–
– Appropriation to general reserve	31(c)	–	–	–	–	304,602	–	–	–	(304,602)	–	–	–
– Dividends paid to shareholders	32	–	–	–	–	–	–	–	–	–	–	–	–
– Dividends paid to other equity instruments holders		–	–	–	–	–	–	–	–	(54,000)	(54,000)	–	(54,000)
Internal transfer within owner's equity													
– Other comprehensive income transferred to retained earnings	31(d)	–	–	–	–	–	(299)	–	–	299	–	–	–
As at 31 December 2025		5,838,650	2,000,000	6,582,898	6,375,301	4,536,377	(116,359)	33,580	(5,273)	3,841,737	29,086,911	–	29,086,911

The accompanying notes form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	For the six months ended 30 June	
		2026	2025
Cash flows from operating activities			
Profit before income tax		**1,051,082**	1,073,981
Adjustments for:			
Impairment losses on credit		**952,987**	775,006
Impairment losses on other assets		**595**	(82)
Depreciation and amortisation		**156,733**	150,623
Accreted interest on credit-impaired loans		**(48,424)**	(38,696)
Unrealised foreign exchange losses/(gains)		**132**	(3)
Net gains on disposal of property and equipment and other assets		**(54)**	(117)
Net trading (gains)/losses		**(97,381)**	73,983
Net gains on disposal of investment securities		**(282,591)**	(509,482)
Share of profits of an associate		**(3,030)**	(13,094)
Interest expense on debts securities issued		**246,453**	243,144
Interest expense on lease liabilities		**4,285**	4,647
		1,980,787	1,759,910
Changes in operating assets			
Net increase in deposits with the central bank		**(205,582)**	(342,238)
Net decrease/(increase) in deposits with banks and other financial institutions		**200,002**	(1,500,000)
Net increase in loans and advances to customers		**(22,620,603)**	(7,236,714)
Net increase in placements with banks and other financial institutions		**(170,000)**	–
Net decrease in financial assets held under resale agreements		**6,376,338**	5,640,609
Net increase in other operating assets		**(95,359)**	(316,410)
		(16,515,204)	(3,754,753)

The accompanying notes form an integral part of this interim financial information.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	For the six months ended 30 June 2026	2025
Changes in operating liabilities			
Net increase/(decrease) in borrowings from the central bank		**4,125,309**	(876,309)
Net increase in deposits from banks and other financial institutions		**880,616**	13,011
Net increase in financial assets sold under repurchase agreements		**2,786,513**	4,671,236
Net (decrease)/increase in deposits from customers		**(1,296,436)**	3,213,526
Income tax paid		**(110,350)**	(292,217)
Net (decrease)/increase in other operating liabilities		**(779,054)**	564,106
		5,606,598	7,293,353
Net cash flows (used in)/from operating activities		**(8,927,819)**	5,298,510
Cash flows from investing activities			
Proceeds from disposal and redemption of investments		**23,194,932**	28,479,531
Gains received from investment activities		**499,198**	538,226
Proceeds from disposal of property and equipment and other assets		**1,013**	2,535
Payments on acquisition of investments		**(23,948,284)**	(40,828,979)
Cash prepaid for payments on acquisition of investments		**(730,000)**	–
Payments on acquisition of property and equipment, intangible assets and other assets		**(65,727)**	(46,102)
Net cash flows used in investing activities		**(1,048,868)**	(11,854,789)

The accompanying notes form an integral part of this interim financial information.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

	Notes	For the six months ended 30 June 2026	2025
Cash flows from financing activities			
Proceeds from debt securities issued		**29,076,327**	32,031,704
Repayment of debt securities issued		**(26,810,000)**	(28,310,000)
Interest paid on debt securities issued		**(312,155)**	(291,337)
Dividends paid		**–**	(6)
Repayment of lease liabilities		**(55,188)**	(81,953)
Interest paid on lease liabilities		**(4,285)**	(4,647)
Net cash flows from financing activities		**1,894,699**	3,343,761
Effect of exchange rate changes on cash and cash equivalents		**(1,429)**	(344)
Net decrease in cash and cash equivalents	33(a)	**(8,083,417)**	(3,212,862)
Cash and cash equivalents at the beginning of the period		**14,967,011**	8,635,766
Cash and cash equivalents at the end of the period	33(b)	**6,883,594**	5,422,904
Interest received		**5,591,891**	5,702,567
Interest paid (excluding interest expense on debt securities issued)		**(4,037,616)**	(2,838,138)

The accompanying notes form an integral part of this interim financial information.

1 BACKGROUND INFORMATION

Jinshang Bank Co., Ltd. (the "**Bank**") (formerly Taiyuan City Commercial Bank Co., Ltd.) commenced business as a city commercial bank on 16 October 1998, according to the *Approval on Commencement of Taiyuan City Commercial Bank Co., Ltd.* 《關於太原市商業銀行開業的批覆》 (YinFu [1998] No. 323) issued by the People's Bank of China (the "**PBOC**"). According to the *Approval on Change of Name for Taiyuan City Commercial Bank Co., Ltd.* 《關於太原市商業銀行更名的批覆》 (YinJianFu [2008] No. 569) issued by the former China Banking Regulatory Commission (the former "**CBRC**"), Taiyuan City Commercial Bank Co., Ltd. was renamed as Jinshang Bank Co., Ltd. on 30 December 2008.

The Bank has been approved by the former CBRC (Shanxi Branch) to hold the financial business permit (No. B0116H214010001) and approved by the Shanxi Provincial Administration for Industry and Commerce to hold the business licence (credibility code: 911400007011347302). As at 30 June 2026, the registered capital of the Bank was RMB5,838,650,000, with its registered office located at No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province. The Bank is regulated by the National Financial Regulatory Administration (the "**NFRA**") which was authorised by the State Council.

In July 2019, the Bank's H shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (Stock code: 2558).

The principal activities of the Bank and its subsidiary (collectively the "**Group**") are the provision of corporate and personal deposits, loans and advances, settlement, financial market business and other banking services as approved by the NFRA.

2 BASIS OF PREPARATION

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, including compliance with International Accounting Standard 34 *Interim Financial Reporting* ("**IAS 34**"), issued by the International Accounting Standards Board ("**IASB**") and should be read in conjunction with the annual financial statements for the year2025.

2 BASIS OF PREPARATION (continued)

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

The preparation of interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense on a year-to-date basis. Actual results in the future may differ from those reported as a result of the use of estimates and assumptions about the future conditions.

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the year ended 31 December 2025 of annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

The interim financial information is unaudited but has been reviewed by KPMG in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

3 CHANGES IN ACCOUNTING POLICIES

The condensed consolidated financial statements are prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as appropriate.

Other than additional accounting polices resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

3 CHANGES IN ACCOUNTING POLICIES (continued)

Standards, amendments and interpretations effective on 1 January 2026

On 1 January 2026, the Group adopted the following new standards, amendments and interpretations. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 9 and IFRS 7 Amendments	Classification and Measurement of Financial Instruments
Annual Improvements to IFRS Accounting Standards	Volume 11

For the six months ended 30 June 2026, the adoption of the above amendments does not have a significant impact on the operation results, comprehensive income and financial position of the Group.

The Group has not applied the following new and amendments that have been issued but are not yet effective

		Effective for annual periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
IFRS 10 and IAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been deferred indefinitely

The Group is assessing the impact of adopting the above new standards and amendments. Currently the adoption of the above is expected not to have a material impact on the Group's consolidated financial statements.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

4 NET INTEREST INCOME

	For the six months ended 30 June	
	2026	2025
Interest income		
Deposits with the central bank	**128,249**	125,618
Deposits with banks and other financial institutions	**2,656**	21,748
Placements with banks and other financial institutions	**211,508**	233,991
Loans and advances to customers		
– Corporate loans and advances	**2,900,260**	2,991,496
– Personal loans	**561,681**	568,656
– Discounted bills	**210,641**	238,082
Financial assets held under resale agreements	**115,004**	272,497
Financial investments	**1,133,423**	1,150,517
Subtotal	**5,263,422**	5,602,605
Interest expense		
Borrowings from the central bank	**(30,385)**	(20,205)
Deposits from banks and other financial institutions	**(1,190)**	(807)
Placements from banks and other financial institutions	**(40)**	(15)
Deposits from customers	**(2,621,179)**	(3,177,282)
Financial assets sold under repurchase agreements	**(85,665)**	(129,632)
Debt securities issued	**(246,453)**	(243,144)
Subtotal	**(2,984,912)**	(3,571,085)
Net interest income	**2,278,510**	2,031,520

Interest income arising from loans and advances to customers included RMB48 million for the six months ended 30 June 2026 with respect to the accreted interest on credit-impaired loans (six months ended 30 June 2025: RMB39 million).

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

5 NET FEE AND COMMISSION INCOME

	For the six months ended 30 June	
	2026	2025
Fee and commission income		
Wealth management business fees	**115,026**	130,315
Acceptance and guarantee service fees	**60,332**	68,534
Bank card service fees	**37,848**	44,689
Settlement and clearing fees	**27,745**	28,610
Agency service fees and others	**32,122**	22,160
Subtotal	**273,073**	294,308
Fee and commission expense		
Settlement and clearing fees	**(16,885)**	(11,216)
Bank card service fees	**(12,872)**	(10,604)
Agency service fees and others	**(12,917)**	(13,542)
Subtotal	**(42,674)**	(35,362)
Net fee and commission income	**230,399**	258,946

6 NET TRADING GAINS/(LOSSES)

	For the six months ended 30 June	
	2026	2025
Net gains from debt securities	**12,851**	991
Exchange (losses)/gains	**(132)**	3
Net losses from equity investments	**(66)**	(66)
Net gains/(losses) from funds	**119,969**	(74,908)
Net losses from investment management products	**(35,373)**	–
Total	**97,249**	(73,980)

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

7 NET GAINS ARISING FROM INVESTMENT SECURITIES

	For the six months ended 30 June	
	2026	2025
Net gains on financial investments measured at fair value through profit or loss	**122,213**	257,113
Net gains on financial investments measured at fair value through other comprehensive income	**127,967**	122,484
Net gains on derecognition of financial investments measured at amortised cost	**32,411**	129,885
Total	**282,591**	509,482

8 OTHER OPERATING INCOME

	For the six months ended 30 June	
	2026	2025
Government grants	**984**	9,076
Rental income	**102**	19
Income from long-term unwithdrawn items	**849**	180
Penalty income	**641**	329
Net gains on disposal of property and equipment and other assets	**8**	114
Others	**21**	52
Total	**2,605**	9,770

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

9 OPERATING EXPENSES

	For the six months ended 30 June	
	2026	2025
Staff costs		
– Salaries, bonuses and allowances	**267,529**	328,342
– Social insurance and annuity	**132,612**	130,806
– Housing allowances	**48,782**	47,345
– Staff welfare	**16,651**	15,324
– Employee education expenses and labour union expenses	**9,800**	10,972
– Supplementary retirement benefits	**440**	539
– Others	**7**	982
Subtotal	**475,821**	534,310
Depreciation and amortisation	**156,733**	150,623
Taxes and surcharges	**44,030**	39,083
Rental and property management expenses	**19,747**	21,866
Other general and administrative expenses	**193,389**	154,045
Total	**889,720**	899,927

10 IMPAIRMENT LOSSES ON CREDIT

	For the six months ended 30 June	
	2026	2025
Loans and advances to customers	**958,670**	643,756
Placements with banks and other financial institutions	**(15,470)**	(3,027)
Deposits with banks and other financial institutions	**(1,185)**	(3,580)
Financial assets held under resale agreements	**(425)**	18
Credit commitments	**17,720**	(82,403)
Financial investments	**(10,488)**	218,546
Other assets	**4,165**	1,696
Total	**952,987**	775,006

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

11 INCOME TAX EXPENSE

(a) Income tax:

	For the six months ended 30 June	
	2026	2025
Income tax	**7,953**	23,512

(b) Reconciliations between income tax and accounting profit are as follows:

		For the six months ended 30 June	
		2026	2025
Profit before tax		**1,051,082**	1,073,981
Statutory tax rate		**25%**	25%
Income tax calculated at the statutory tax rate		**262,771**	268,495
Non-deductible expenses and others		**99,590**	24,645
Non-taxable income	(i)	**(354,408)**	(269,628)
Income tax		**7,953**	23,512

(i) The non-taxable income mainly represents the interest income arising from the People's Republic of China (the "**PRC**") government bonds, and dividends from domestic funds.

12 BASIC AND DILUTED EARNINGS PER SHARE

		For the six months ended 30 June	
		2026	2025
Net profit attributable to equity holders of the Bank		**1,043,129**	1,052,365
Weighted average number of ordinary shares (in thousands)	(a)	**5,838,650**	5,838,650
Basic and diluted earnings per share attributable to equity holders of the Bank (in RMB)		**0.18**	0.18

There is no difference between basic and diluted earnings per share as there were no potentially dilutive shares outstanding during the reporting period.

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

	For the six months ended 30 June	
	2026	2025
Number of ordinary shares at the beginning of the period	**5,838,650**	5,838,650
Weighted average number of ordinary shares issued during the period	**–**	–
Weighted average number of ordinary shares	**5,838,650**	5,838,650

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

13 CASH AND DEPOSITS WITH THE CENTRAL BANK

		30 June 2026	31 December 2025
Cash on hand		**288,924**	258,496
Deposits with the central bank			
– Statutory deposit reserves	(a)	**15,171,160**	15,199,421
– Surplus deposit reserves	(b)	**3,173,238**	3,902,306
– Fiscal deposits		**263,794**	29,951
Subtotal		**18,608,192**	19,131,678
Interest accrued		**6,826**	7,537
Total		**18,903,942**	19,397,711

(a) The Group places statutory deposit reserves with the PBOC in accordance with relevant regulations. As at the end of each of the reporting periods, the statutory deposit reserve ratios applicable to the Bank were as follows:

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

The statutory deposit reserves are not available for the Group's daily business.

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

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

14 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
Deposits in Chinese mainland		
– Banks	**156,698**	955,657
– Other financial institutions	**–**	200,136
Subtotal	**156,698**	1,155,793
Deposits outside Chinese mainland		
– Banks	**660**	9
Interest accrued	**59**	4,796
Less: Provision for impairment losses	**(127)**	(1,312)
Total	**157,290**	1,159,286

15 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
Placements in Chinese mainland		
– Other financial institutions	**19,500,000**	19,330,000
Subtotal	**19,500,000**	19,330,000
Interest accrued	**157,696**	229,043
Less: Provision for impairment losses	**(100,897)**	(116,367)
Total	**19,556,799**	19,442,676

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

16 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

(a) Analysed by type and location of counterparty

	30 June 2026	31 December 2025
In Chinese mainland		
– Banks	**8,066,419**	20,255,479
– Other financial institutions	**1,261,473**	2,035,086
Subtotal	**9,327,892**	22,290,565
Interest accrued	**54**	374
Less: Provision for impairment losses	**(61)**	(486)
Total	**9,327,885**	22,290,453

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

16 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS (continued)

(b) Analysed by type of collateral held

	30 June 2026	31 December 2025
Debt securities		
– Government	**987,420**	190,000
– Policy banks	**374,053**	845,086
Interbank deposits	**–**	1,000,000
Subtotal	**1,361,473**	2,035,086
Bank acceptances	**7,966,419**	20,255,479
Interest accrued	**54**	374
Less: Provision for impairment losses	**(61)**	(486)
Total	**9,327,885**	22,290,453

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS

(a) Analysed by nature

	30 June 2026	31 December 2025
Loans and advances to customers measured at amortised cost:		
Corporate loans and advances	**153,959,577**	143,962,304
Personal loans		
– Residential mortgage loans	**24,019,309**	24,607,518
– Personal consumption loans	**6,304,448**	5,805,367
– Personal business loans	**2,006,771**	1,820,952
– Credit cards	**3,134,278**	3,471,831
Subtotal	**35,464,806**	35,705,668
Interest accrued	**877,192**	923,233
Less: Provision for impairment losses on loans and advances to customers measured at amortised cost	**(8,087,649)**	(8,092,223)
Subtotal	**182,213,926**	172,498,982
Loans and advances to customers measured at fair value through other comprehensive income:		
Discounted bills	**49,486,680**	37,958,435
Corporate loans and advances	**415,815**	–
Subtotal	**49,902,495**	37,958,435
Net loans and advances to customers	**232,116,421**	210,457,417

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Loans and advances to customers (excluding interest accrued) analysed by industry sector

	30 June 2026		
	Amount	Percentage	Loans and advances secured by collateral
Manufacturing	44,812,609	18.71%	4,623,696
Mining	41,088,362	17.17%	7,734,614
Wholesale and retail trade	14,194,939	5.93%	2,988,147
Leasing and commercial services	12,361,339	5.17%	294,580
Real estate	10,047,982	4.20%	2,520,248
Production and supply of electric power, heating, gas and water	9,972,304	4.17%	381,400
Construction	9,132,787	3.82%	668,548
Transportation, storage and postal services	4,171,807	1.74%	342,198
Water, environment and public utility management	2,959,019	1.24%	41,242
Financial services	1,399,649	0.58%	–
Lodging and catering	567,900	0.24%	190,746
Agriculture, forestry, animal husbandry and fishery	122,277	0.05%	7,763
Education	150,338	0.06%	29,897
Others	3,394,080	1.42%	1,971,553
Subtotal of corporate loans and advances	154,375,392	64.50%	21,794,632
Personal loans	35,464,806	14.82%	24,213,430
Discounted bills	49,486,680	20.68%	49,486,680
Gross loans and advances to customers	239,326,878	100.00%	95,494,742

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Loans and advances to customers (excluding interest accrued) analysed by industry sector (continued)

	31 December 2025		
	Amount	Percentage	Loans and advances secured by collateral
Manufacturing	43,924,212	20.18%	5,157,008
Mining	33,838,328	15.55%	8,610,692
Wholesale and retail trade	13,799,341	6.34%	3,156,795
Leasing and commercial services	12,039,344	5.53%	655,911
Real estate	10,259,808	4.71%	2,615,161
Production and supply of electric power, heating, gas and water	9,396,040	4.32%	402,125
Construction	8,523,350	3.92%	943,648
Transportation, storage and postal services	4,027,224	1.85%	364,627
Water, environment and public utility management	2,789,525	1.28%	487,052
Financial services	1,429,105	0.66%	274,550
Lodging and catering	543,999	0.25%	219,484
Agriculture, forestry, animal husbandry and fishery	298,696	0.14%	9,434
Education	126,044	0.06%	35,988
Others	2,967,288	1.36%	1,964,780
Subtotal of corporate loans and advances	143,962,304	66.15%	24,897,255
Personal loans	35,705,668	16.41%	20,321,310
Discounted bills	37,958,435	17.44%	37,958,435
Gross loans and advances to customers	217,626,407	100.00%	83,177,000

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(c) Analysed by type of collateral

	30 June 2026	31 December 2025
Unsecured loans	**48,539,278**	42,854,618
Guaranteed loans	**95,292,858**	91,594,789
Collateralised loans	**37,062,350**	35,496,136
Pledged loans	**58,432,392**	47,680,864
Subtotal	**239,326,878**	217,626,407
Interest accrued	**877,192**	923,233
Gross loans and advances to customers	**240,204,070**	218,549,640
Less: Provision for impairment losses on loans and advances to customers measured at amortised cost	**(8,087,649)**	(8,092,223)
Net loans and advances to customers	**232,116,421**	210,457,417

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(d) Overdue loans (excluding interest accrued) analysed by overdue period

	30 June 2026				
	Overdue within three months (inclusive)	Overdue for more than three months to one year (inclusive)	Overdue for more than one year to three years (inclusive)	Overdue for more than three years	Total
Unsecured loans	114,362	199,608	103,230	10,598	427,798
Guaranteed loans	2,160,521	1,720,267	687,401	108,402	4,676,591
Collateralised loans	434,547	681,386	200,212	129,487	1,445,632
Pledged loans	–	18,200	–	–	18,200
Total	2,709,430	2,619,461	990,843	248,487	6,568,221
As a percentage of gross loans and advances to customers	1.13%	1.10%	0.41%	0.10%	2.74%

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(d) Overdue loans (excluding interest accrued) analysed by overdue period (continued)

	31 December 2025				
	Overdue within three months (inclusive)	Overdue for more than three months to one year (inclusive)	Overdue for more than one year to three years (inclusive)	Overdue for more than three years	Total
Unsecured loans	76,997	182,462	127,642	32,146	419,247
Guaranteed loans	352,341	1,358,087	955,088	178,666	2,844,182
Collateralised loans	141,389	139,758	192,254	164,408	637,809
Pledged loans	285	–	–	–	285
Total	571,012	1,680,307	1,274,984	375,220	3,901,523
As a percentage of gross of loans and advances to customers	0.26%	0.77%	0.59%	0.17%	1.79%

Overdue loans represent loans of which the whole or part of the principals or interest were overdue for one day or more.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Loans and advances and provision for impairment losses

	30 June 2026			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses: credit-impaired loans(i)	Total
Total loans and advances to customers measured at amortised cost	176,373,998	8,914,536	5,013,041	190,301,575
Less: Provision for impairment losses	(3,602,525)	(1,740,718)	(2,744,406)	(8,087,649)
Net of loans and advances to customers measured at amortised cost	172,771,473	7,173,818	2,268,635	182,213,926
Net of loans and advances to customers measured at fair value through other comprehensive income	49,902,495	–	–	49,902,495
Net loans and advances to customers	222,673,968	7,173,818	2,268,635	232,116,421

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Loans and advances and provision for impairment losses (continued)

	31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses : credit-impaired loans(i)	Total
Total loans and advances to customers measured at amortised cost	166,589,676	9,667,666	4,333,863	180,591,205
Less: Provision for impairment losses	(3,507,493)	(1,759,784)	(2,824,946)	(8,092,223)
Net of loans and advances to customers measured at amortised cost	163,082,183	7,907,882	1,508,917	172,498,982
Net of loans and advances to customers measured at fair value through other comprehensive income	37,958,435	–	–	37,958,435
Net loans and advances to customers	201,040,618	7,907,882	1,508,917	210,457,417

(i) The loans and advances are "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the loans and advances have occurred. Evidence that loans and advances are credit-impaired includes the following: significant financial difficulty of the borrower or issuer; a breach of contract such as overdue of principal or interest for more than 90 days; the possibility that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(f) Movements in provision for impairment losses

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

	For the six months ended 30 June 2026			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses: credit-impaired loans	Total
As at 1 January	3,507,493	1,759,784	2,824,946	8,092,223
Transferred:				
– to expected credit losses over the next 12 months	288	(241)	(47)	–
– to lifetime expected credit losses: not credit-impaired loans	(235,545)	270,073	(34,528)	–
– to lifetime expected credit losses: credit-impaired loans	(174,178)	(623,722)	797,900	–
Charge for the period	504,467	334,824	104,782	944,073
Transfer out	–	–	(554,878)	(554,878)
Recoveries	–	–	9,719	9,719
Write-offs	–	–	(355,064)	(355,064)
Other changes	–	–	(48,424)	(48,424)
As at 30 June	3,602,525	1,740,718	2,744,406	8,087,649

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(f) Movements in provision for impairment losses (continued)

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

	Year ended 31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses: credit-impaired loans	Total
As at 1 January	3,570,728	1,680,321	2,071,788	7,322,837
Transferred:				
– to expected credit losses over the next 12 months	37,796	(19,606)	(18,190)	–
– to lifetime expected credit losses: not credit-impaired loans	(75,440)	115,650	(40,210)	–
– to lifetime expected credit losses: credit-impaired loans	(54,240)	(518,649)	572,889	–
Charge for the year	28,649	502,068	1,261,539	1,792,256
Transfer out for the year	–	–	(680,607)	(680,607)
Recoveries	–	–	20,040	20,040
Write-offs	–	–	(287,917)	(287,917)
Other changes	–	–	(74,386)	(74,386)
As at 31 December	3,507,493	1,759,784	2,824,946	8,092,223

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(f) Movements in provision for impairment losses (continued)

(ii) Movements in provision for impairment losses on loans and advances to customers measured at fair value through other comprehensive income:

	For the six months ended 30 June 2026			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses: credit-impaired loans	Total
As at 1 January	**23,495**	**–**	**–**	**23,495**
Charge for the period	**14,597**	**–**	**–**	**14,597**
As at 30 June	**38,092**	**–**	**–**	**38,092**

	Year ended 31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired loans	Lifetime expected credit losses: credit-impaired loans	Total
As at 1 January	3,272	–	–	3,272
Charge for the year	20,223	–	–	20,223
As at 31 December	23,495	–	–	23,495

Provision for impairment losses on loans and advances to customers measured at fair value through other comprehensive income is recognised in other comprehensive income without decreasing the carrying amount of loans and advances to customers presented in the statement of financial position, and impairment loss or gain is recognised in profit or loss.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

17 LOANS AND ADVANCES TO CUSTOMERS (continued)

(g) Disposal of loans and advances to customers

During the six months ended 30 June 2026, the Group has transferred out loans and advances to independent third parties totaling RMB748 million, with a transfer price of RMB197 million. During the year ended 31 December 2025, the Group has transferred out loans and advances to independent third parties totaling RMB1,055 million, with a transfer price of RMB329 million.

18 FINANCIAL INVESTMENTS

		30 June 2026	31 December 2025
Financial investments measured at fair value through profit or loss	(a)	**15,942,965**	17,009,094
Financial investments measured at fair value through other comprehensive income	(b)	**19,197,692**	19,658,346
Financial investments measured at amortised cost	(c)	**79,876,741**	77,514,446
Total		**115,017,398**	114,181,886

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(a) Financial investments measured at fair value through profit or loss

	30 June 2026	31 December 2025
Debt securities issued by the following institutions in Chinese mainland		
– Banks and other financial institutions	**592,643**	781,847
Subtotal	**592,643**	781,847
Investment funds	**13,767,381**	14,555,816
Investment management products	**1,582,706**	1,671,130
Other investments	**235**	301
Total	**15,942,965**	17,009,094

As at 30 June 2026 and 31 December 2025, there were no investments subject to material restrictions in the realisation.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(b) Financial investments measured at fair value through other comprehensive income

	30 June 2026	31 December 2025
Debt securities issued by the following institutions in Chinese mainland		
– Government	**2,279,431**	1,966,979
– Policy banks	**5,541,032**	5,340,317
– Banks and other financial institutions	**9,465,083**	6,875,640
– Corporates	**100,000**	1,088,144
Subtotal	**17,385,546**	15,271,080
Interest accrued	**136,193**	179,671
Debt securities subtotal	**17,521,739**	15,450,751
Interbank deposits	**1,485,333**	4,016,975
Other investments	**190,620**	190,620
Total	**19,197,692**	19,658,346

(i) As at 30 June 2026 and 31 December 2025, there were no investments subject to material restrictions in the realisation.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(b) Financial investments measured at fair value through other comprehensive income (continued)

(ii) Movements in allowances for impairment losses on financial investments measured at fair value through other comprehensive income:

	For the six months ended 30 June 2026			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired	Lifetime expected credit losses: credit-impaired	Total
Balance at 1 January	21,280	–	–	21,280
Reversal of the period	(310)	–	–	(310)
Balance at 30 June	20,970	–	–	20,970

	Year ended 31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired	Lifetime expected credit losses: credit-impaired	Total
Balance at 1 January	1,346	–	–	1,346
Charge for the year	19,934	–	–	19,934
Balance at 31 December	21,280	–	–	21,280

Allowances for impairment losses on financial investments measured at fair value through other comprehensive income is recognised in other comprehensive income without decreasing the carrying amount of financial investments presented in the statement of financial position, and impairment loss or gain is recognised in profit or loss.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(c) Financial investments measured at amortised cost

		30 June 2026	31 December 2025
Debt securities issued by the following institutions in Chinese mainland	(i)		
– Government		**55,052,546**	55,968,695
– Policy banks		**16,211,769**	12,441,553
– Banks and other financial institutions		**5,896,994**	5,795,794
– Corporates		**210,078**	300,133
Interest accrued		**875,975**	949,187
Debt securities subtotal		**78,247,362**	75,455,362
Investment management products		**2,895,087**	3,333,878
Interest accrued		**1,534**	2,626
Investment management products subtotal		**2,896,621**	3,336,504
Less: Allowances for impairment losses	(ii)	**(1,267,242)**	(1,277,420)
Total		**79,876,741**	77,514,446

(i) As at the end of each reporting periods, certain debt securities were pledged for repurchase agreements (Note 40(f)).

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

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

(ii) Movements in allowances for impairment losses on financial investments measured at amortised cost.

	For the six months ended 30 June 2026			
	Expected credit losses over the next 12 months	**Lifetime expected credit losses: not credit-impaired**	**Lifetime expected credit losses: credit-impaired**	**Total**
Balance at 1 January	**21,640**	**66,214**	**1,189,566**	**1,277,420**
Charge/(Reversal of) for the period	**3,327**	**(12,221)**	**(1,284)**	**(10,178)**
Balance at 30 June	**24,967**	**53,993**	**1,188,282**	**1,267,242**

	Year ended 31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired	Lifetime expected credit losses: credit-impaired	Total
Balance at 1 January	65,092	38,761	1,541,627	1,645,480
– to lifetime expected credit losses:				
not credit-impaired	(48,600)	48,600	–	–
Charge/(Reversal of) for the year	5,148	(21,147)	(57,380)	(73,379)
Transfer out for the year	–	–	(294,681)	(294,681)
Balance at 31 December	21,640	66,214	1,189,566	1,277,420

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(d) Financial investments are analysed as follows

	30 June 2026	31 December 2025
Financial investments measured at fair value through profit or loss		
Debt securities		
– Listed	**592,643**	781,847
Fund investments and others		
– Listed	**235**	301
– Unlisted	**15,350,087**	16,226,946
Subtotal	**15,942,965**	17,009,094
Financial investments measured at fair value through other comprehensive income		
Debt securities		
– Listed	**17,521,739**	15,450,751
Interbank deposits		
– Listed	**1,485,333**	4,016,975
Investment management products and others		
– Unlisted	**190,620**	190,620
Subtotal	**19,197,692**	19,658,346

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

18 FINANCIAL INVESTMENTS (continued)

(d) Financial investments are analysed as follows (continued)

	30 June 2026	31 December 2025
Financial investments measured at amortised cost		
Debt securities		
– Listed	**78,113,828**	75,322,580
– Unlisted	**115,676**	125,602
Investment management products		
– Unlisted	**1,647,237**	2,066,264
Subtotal	**79,876,741**	77,514,446
Total	**115,017,398**	114,181,886
Listed	**97,713,778**	95,572,454
Unlisted	**17,303,620**	18,609,432
Total	**115,017,398**	114,181,886

Debt securities traded in the interbank market of Chinese mainland are included in "Listed". Interbank deposits traded in the interbank market of Chinese mainland are classified as "Listed".

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

19 INTEREST IN AN ASSOCIATE

	30 June 2026	31 December 2025
Interest in an associate	**388,971**	385,941

The following table contains information about the Group's associate which is immaterial to the Bank and is an unlisted corporate entity whose quoted market price is not available:

	Percentages of equity/voting rights			
Name	**30 June 2026**	31 December 2025	**Place of incorporation/ registration**	**Business sector**
Jinshang Consumer Finance Co., Ltd.	**40%**	40%	Shanxi, China	Consumer finance

In February 2016, the Bank and other third-party shareholders jointly established Jinshang Consumer Finance Co., Ltd. ("**Jinshang Consumer Finance**"), which was registered in Taiyuan, Shanxi, China with its main business operating in China. The registered capital of Jinshang Consumer Finance amounted to RMB500 million and the Bank holds 40% of the equity of Jinshang Consumer Finance. As at 30 June 2026, Jinshang Consumer Finance had share capital of RMB500 million.

On June 18, 2026, the Bank signed a share subscription agreement with Jinshang Consumer Finance Co., Ltd. Under this agreement, the Bank subscribe for 500 million newly issued shares of Jinshang Consumer Finance Co., Ltd. at a cost of 730 million yuan.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

20 PROPERTY AND EQUIPMENT

	Premises	Office equipment	Motor vehicles	Electronic equipment	Leasehold improvements	Total
Cost						
As at 1 January 2025	1,786,678	63,544	13,461	550,795	420,965	2,835,443
Additions	3,757	1,602	2,432	44,591	18,466	70,848
Disposals	–	(1,037)	(7,453)	(13,975)	–	(22,465)
As at 31 December 2025	1,790,435	64,109	8,440	581,411	439,431	2,883,826
Additions	–	1,452	–	32,350	4,062	37,864
Disposals	–	(922)	–	(13,737)	(227)	(14,886)
As at 30 June 2026	**1,790,435**	**64,639**	**8,440**	**600,024**	**443,266**	**2,906,804**
Accumulated depreciation						
As at 1 January 2025	(684,092)	(50,865)	(13,057)	(472,026)	(384,695)	(1,604,735)
Charge for the period	(82,933)	(4,767)	(246)	(40,544)	(10,068)	(138,558)
Disposals	–	990	7,229	13,438	–	21,657
As at 31 December 2025	(767,025)	(54,642)	(6,074)	(499,132)	(394,763)	(1,721,636)
Charge for the period	(42,596)	(1,095)	(295)	(20,426)	(7,539)	(71,951)
Disposals	–	572	–	13,304	–	13,876
As at 30 June 2026	**(809,621)**	**(55,165)**	**(6,369)**	**(506,254)**	**(402,302)**	**(1,779,711)**
Net book value						
As at 31 December 2025	1,023,410	9,467	2,366	82,279	44,668	1,162,190
As at 30 June 2026	**980,814**	**9,474**	**2,071**	**93,770**	**40,964**	**1,127,093**

As at 30 June 2026, the net book values of premises of which title deeds were not yet finalised totalled RMB61 million (31 December 2025: RMB120 million). The Group is still in the progress of applying for the outstanding title deeds for the above premises. The directors of the Bank are of the opinion that there would be no significant costs in obtaining the title deeds.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

20 PROPERTY AND EQUIPMENT (continued)

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

	30 June 2026	31 December 2025
Held in Chinese mainland		
– Medium-term leases (10 to 20 years)	**980,814**	1,023,410

21 DEFERRED TAX ASSETS

(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	**9,096,856**	**2,274,214**	8,783,708	2,195,927
– Accrued staff costs	**850,872**	**212,718**	1,053,840	263,460
– Fair value changes of financial assets	**390,260**	**97,565**	541,952	135,488
– Others	**1,236,732**	**309,183**	1,212,636	303,159
Subtotal	**11,574,720**	**2,893,680**	11,592,136	2,898,034
Deferred income tax liabilities				
– Others	**(865,252)**	**(216,313)**	(815,756)	(203,939)
Subtotal	**(865,252)**	**(216,313)**	(815,756)	(203,939)
Net balances	**10,709,468**	**2,677,367**	10,776,380	2,694,095

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

21 DEFERRED TAX ASSETS (continued)

(b) Movements in deferred tax

	Allowance for impairment losses[i]	Accrued staff costs	Net (gains)/ losses on fair value changes[ii]	Others	Net balance of deferred tax assets
As at 1 January 2025	2,150,014	238,233	13,455	112,347	2,514,049
Recognised in profit or loss	45,913	25,760	89,667	(13,127)	148,213
Recognised in other comprehensive income	–	(533)	32,366	–	31,833
As at 31 December 2025	2,195,927	263,460	135,488	99,220	2,694,095
Recognised in profit or loss	78,287	(50,742)	(15,124)	(6,350)	6,071
Recognised in other comprehensive income	–	–	(22,799)	–	(22,799)
As at 30 June 2026	**2,274,214**	**212,718**	**97,565**	**92,870**	**2,677,367**

(i) The Group made provision for impairment losses on loans and advances to customers and other financial assets measured at amortised cost. The provision for impairment losses was determined based on the expected recoverable amount of the relevant assets at the end of the reporting period. However, the amounts deductible for income tax purposes are calculated at 1% of the gross carrying amount of qualifying assets at the end of the reporting period, together with write-offs which fulfil specific criteria as set out in the PRC tax rules and are approved by the tax authorities.

(ii) Net gains or losses on fair value changes of financial instruments are subject to tax when realised.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

22 OTHER ASSETS

		30 June 2026	31 December 2025
Prepaid investment funds		**730,000**	–
Accounts receivable for transfer of non-performing assets		**414,231**	334,401
Accounts receivable and prepayments		**216,661**	381,685
Intangible assets	(a)	**331,215**	338,118
Construction in progress		**259,007**	259,007
Right-of-use assets	(b)	**272,227**	282,325
Repossessed assets	(c)	**180,609**	180,609
Interest receivables	(d)	**54,170**	53,954
Land use rights	(e)	**53,856**	54,739
Long-term deferred expenses		**11,229**	12,801
Subtotal		**2,523,205**	1,897,639
Less: Allowances for impairment losses		**(72,683)**	(68,893)
Total		**2,450,522**	1,828,746

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

22 OTHER ASSETS (continued)

(a) Intangible assets

	Computer software and system development
Cost	
As at 1 January 2025	725,165
Additions	59,127
Disposals	(1,383)
As at 31 December 2025	782,909
Additions	27,821
Disposals	–
As at 30 June 2026	**810,730**
Accumulated amortisation	
As at 1 January 2025	(379,199)
Charge for the period	(66,552)
Disposals	960
As at 31 December 2025	(444,791)
Charge for the period	(34,724)
Disposals	–
As at 30 June 2026	**(479,515)**
Net book value	
As at 31 December 2025	338,118
As at 30 June 2026	**331,215**

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

22 OTHER ASSETS (continued)

(b) Right-of-use assets

	Premises
Cost	
As at 1 January 2025	880,984
Additions	83,998
Deductions	(10,035)
As at 31 December 2025	954,947
Additions	42,107
Deductions	(1,072)
As at 30 June 2026	**995,982**
Accumulated depreciation	
As at 1 January 2025	(577,929)
Charge for the period	(102,800)
Deductions	8,107
As at 31 December 2025	(672,622)
Charge for the period	(51,133)
Deductions	–
As at 30 June 2026	**(723,755)**
Net book value	
As at 31 December 2025	282,325
As at 30 June 2026	**272,227**

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

22 OTHER ASSETS (continued)

(c) Repossessed assets

	30 June 2026	31 December 2025
Land use rights and buildings	**180,609**	180,609
Less: Impairment allowances	**(29,039)**	(28,444)
Net balances	**151,570**	152,165

(d) Interest receivables

	30 June 2026	31 December 2025
Interest receivables arising from:		
Loans and advances to customers	**54,170**	53,954
Total	**54,170**	53,954

As at 30 June 2026 and 31 December 2025, interest receivables only included interest that has been due for the relevant financial instruments but not yet received at the end of the reporting period. Interest on financial instruments based on the effective interest method has been reflected in the balance of the corresponding financial instruments.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

22 OTHER ASSETS (continued)

(e) Land use rights

The carrying value of land use rights is analysed based on the remaining terms of the leases as follows:

	30 June 2026	31 December 2025
For land located in Chinese mainland:		
10 to 35 years	**53,856**	54,739

The Group's right-of-use assets include the above-mentioned fully prepaid land use rights and other right-of-use assets disclosed in Note 22(b).

The amortisation period for the Group's land-use rights is between 10 and 35 years.

23 DUE TO THE CENTRAL BANK

	30 June 2026	31 December 2025
Due to the central bank	**7,272,695**	3,147,386
Interest accrued	**11,426**	1,263
Total	**7,284,121**	3,148,649

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

24 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	30 June 2026	31 December 2025
Deposits in Chinese mainland		
– Banks	**24,700**	1,514
– Other financial institutions	**1,014,364**	156,934
Subtotal	**1,039,064**	158,448
Interest accrued	**91**	25
Total	**1,039,155**	158,473

25 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(a) Analysed by type and location of counterparty

	30 June 2026	31 December 2025
In Chinese mainland		
– Banks	**12,128,450**	9,450,240
– Other financial institutions	**520,618**	412,315
Subtotal	**12,649,068**	9,862,555
Interest accrued	**5,442**	3,874
Total	**12,654,510**	9,866,429

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

25 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS (continued)

(b) Analysed by type of collateral held

	30 June 2026	31 December 2025
Debt securities	**12,228,450**	9,450,240
Bank acceptances	**420,618**	412,315
Subtotal	**12,649,068**	9,862,555
Interest accrued	**5,442**	3,874
Total	**12,654,510**	9,866,429

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

26 DEPOSITS FROM CUSTOMERS

	30 June 2026	31 December 2025
Demand deposits		
– Corporate customers	**45,889,307**	53,782,456
– Individual customers	**14,988,882**	14,629,250
Subtotal	**60,878,189**	68,411,706
Time deposits		
– Corporate customers	**77,380,033**	75,776,387
– Individual customers	**154,548,212**	150,839,524
Subtotal	**231,928,245**	226,615,911
Pledged deposits		
– Acceptances	**13,896,187**	13,147,913
– Letters of credit and guarantee	**2,469,497**	2,143,764
– Letters of guarantee	**12,809**	167,387
– Others	**542,870**	535,815
Subtotal	**16,921,363**	15,994,879
Fiscal deposits	**2**	–
Inward and outward remittances	**29,526**	31,265
Accrued interest	**8,432,296**	9,743,251
Total	**318,189,621**	320,797,012

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

27 DEBT SECURITIES ISSUED

		30 June 2026	31 December 2025
Interbank deposits issued	(a)	**27,804,570**	23,538,687
Tier-two capital bonds issued	(b)	**1,999,516**	3,999,072
Subtotal		**29,804,086**	27,537,759
Interest accrued		**45,291**	110,993
Total		**29,849,377**	27,648,752

(a) Interbank deposits issued

(i) During the six months ended 30 June 2026, the Bank issued a number of certificates of interbank deposits with a total nominal amount of RMB29,070 million and duration between 1 to 12 months. The coupon interest rates ranged from 1.37% to 1.70% per annum.

(ii) During the year of 2025, the Bank issued a number of certificates of interbank deposits with a total nominal amount of RMB56,920 million and maturity between 1 and 12 months. The coupon interest rates ranged from1.50% to 2.11% per annum.

(iii) As at 30 June 2026, the fair value of interbank deposits issued was RMB27,665 million (31 December 2025: RMB23,408 million).

(b) Tier-two capital bonds issued

(i) In January 2021, the Bank issued 10-year tier-two capital bonds at fixed interest rate with a face value of RMB2,000 million. The coupon interest rate per annum is 4.78%. The Bank redeemed the tier-two capital bonds on 22 January 2026.

(ii) As at 30 June 2026, the fair value of the tier-two capital bonds issued was RMB2,032 million (31 December 2025: RMB3,989 million).

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

28 OTHER LIABILITIES

		30 June 2026	31 December 2025
Accrued staff cost	(a)	**802,707**	1,019,154
Accounts payable in the process of clearance and settlement		**863,935**	332,959
Lease liabilities	(b)	**259,495**	264,258
Provisions	(c)	**119,846**	102,126
Dividend payable		**375,571**	83,639
Deferred income		**13,528**	18,638
Other		**135,386**	161,428
Total		**2,570,468**	1,982,202

(a) Accrued staff cost

	30 June 2026	31 December 2025
Salary, bonuses and allowances payable	**704,441**	926,115
Supplementary retirement benefits payable	**32,563**	32,757
Pension and annuity payable	**10,029**	7,759
Other social insurance payable	**5,808**	3,578
Housing fund payable	**10,533**	8,350
Others	**39,333**	40,595
Total	**802,707**	1,019,154

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

28 OTHER LIABILITIES (continued)

(a) Accrued staff cost (continued)

Defined contribution retirement plans

The defined contribution retirement plans of the Group mainly include social pension schemes and an annuity plan. The contributions to the defined contribution plans of the pension schemes are calculated at the applicable rates based on the amount stipulated by the PRC government or in proportion to the employees' total salaries and bonuses, which were charged to profit or loss of the Group when the contributions are made. Such schemes are arranged or regulated by the PRC local government and pursuant to the applicable laws and regulations, the Group could not use any forfeited contributions to reduce the existing level of contributions.

Supplementary retirement benefits

The Group pays supplementary retirement benefits to eligible employees. The amount confirmed in the statement of financial position represents the discounted value of the estimated benefit liability promised to be paid at the end of the reporting period. The supplementary retirement benefits payable of the Group at the end of the relevant reporting period are actuarial assessed by independent actuary Taorui Huiyue Management Consulting (Shenzhen) Co., Ltd. using the projected unit credit method.

(b) Lease liabilities

The maturity analysis of lease liabilities – undiscounted analysis:

	30 June 2026	31 December 2025
Within one year (inclusive)	**89,893**	81,660
Between one year and two years (inclusive)	**70,894**	62,928
Between two years and three years (inclusive)	**40,132**	45,853
Between three years and five years (inclusive)	**49,243**	51,655
More than five years	**34,251**	49,096
Total undiscounted lease liabilities	**284,413**	291,192
Total carrying amount	**259,495**	264,258

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

28 OTHER LIABILITIES (continued)

(c) Provisions

		30 June 2026	31 December 2025
Expected credit losses	(i)	**119,846**	102,126

(i) Movements in provisions for expected credit losses are as follows:

	For the six months ended 30 June 2026			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired	Lifetime expected credit losses: credit-impaired	Total
Balance at 1 January	101,808	62	256	102,126
Transferred				
– to expected credit losses over the next 12 months	1	(1)	–	–
– to lifetime expected credit losses: not credit-impaired	(92)	92	–	–
– to lifetime expected credit losses: credit-impaired	(20)	(64)	84	–
Charge for the period	17,646	10	64	17,720
Balance at 30 June	119,343	99	404	119,846

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

28 OTHER LIABILITIES (continued)

(c) Provisions (continued)

(i) Movements in provisions for expected credit losses are as follows: (continued)

	Year ended 31 December 2025			
	Expected credit losses over the next 12 months	Lifetime expected credit losses: not credit-impaired	Lifetime expected credit losses: credit-impaired	Total
Balance at 1 January	271,830	60	43,210	315,100
Transferred				
– to expected credit losses over the next 12 months	–	–	–	–
– to lifetime expected credit losses: not credit-impaired	(1)	1	–	–
– to lifetime expected credit losses: credit-impaired	–	–	–	–
(Reversal of)/Charge for the year	(170,021)	1	(42,954)	(212,974)
Balance at 31 December	101,808	62	256	102,126

29 SHARE CAPITAL

	30 June 2026	31 December 2025
Domestic RMB ordinary shares	**4,868,000**	4,868,000
Offshore listed ordinary shares (H Shares)	**970,650**	970,650
Total	**5,838,650**	5,838,650

All of the above H shares are listed on The Stock Exchange of Hong Kong Limited. The par value of the domestic RMB ordinary shares and the offshore listed ordinary shares is RMB1, and these shares will enjoy the same status in terms of declaration, payment or making of all dividends or distributions.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

30 OTHER EQUITY INSTRUMENTS

(a) Perpetual bonds

Outstanding financial instrument	Issue date	Accounting Classification	Initial interest rate	Issue price (RMB)	Number of shares issued (million)	Amount	Maturity date	Conversion condition	Conversion status
2024 Undated Capital Bonds	19 September 2024	Equity instruments	2.70%	100	20	2,000,000	Perpetual continuation	NiL	NiL

(b) Main clauses of perpetual bonds

With the approvals by the relevant regulatory authorities in China, the Bank issued RMB2 billions of undated capital bonds (the "**Bonds**") with write-down clauses in the domestic interbank bond market on 19 September 2024 and completed the issuance on 23 September 2024. The denomination of the Bonds is RMB100 each, and the annual coupon rate of the Bonds for the first five years is 2.70%, which is reset every 5 years.

The duration of the Bonds is the same as the period of continuing operation period of the Bank. Subject to the satisfaction of the redemption conditions and having obtained the prior approval of relevant regulatory authorities, the Bank can redeem the Bonds in whole or in part on each distribution payment date after 5 years from the issuance date of the Bonds (inclusive the fifth distribution payment date). Upon the occurrence of a trigger event for the write-downs, with the consent of relevant regulatory authorities and without the consent of the bondholders, the Bank has the right to write down all or part of the bonds issued and existing at that time in accordance with the total par value. The claims of the holders of the Bonds will be subordinated to the claims of depositors, general creditors and subordinated creditors; and shall rank in priority to the claims of shareholders and will rank pari passu with the claims under any other additional tier 1 capital instruments of the Bank that rank pari passu with the Bonds.

The Bonds are paid with non-cumulative interest. The Bank shall have the right to cancel distributions on the Bonds in whole or in part and such cancellation shall not constitute a default. The Bank can utilise the proceeds from the cancelled distributions to meet other obligations of maturing debts at its discretion. But the Bank shall not distribute dividends to ordinary shareholders until the resumption of full interest payment.

Capital raised from the issuance of the Bonds, after deduction of transaction costs, was wholly used to replenish the Bank's additional tier one capital and to increase its capital adequacy ratio.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

31 RESERVES

(a) Capital reserve

	30 June 2026	31 December 2025
Share premium	**6,568,558**	6,568,558
Other capital reserve	**14,340**	14,340
Total	**6,582,898**	6,582,898

(b) Surplus reserve

The surplus reserve at the end of each reporting periods represented statutory surplus reserve fund and discretionary surplus reserve.

Pursuant to the Company Law of the PRC and the Articles of Association of the Bank, the Bank is required to appropriate 10% of its net profit on an annual basis under the People's Republic of China Generally Accepted Accounting Principles (PRC GAAP) after making good of the prior year's accumulated losses to statutory surplus reserve fund until the balance reaches 50% of its registered capital.

The Bank appropriated an amount of RMB167 million to the statutory surplus reserve for the year ended 31 December 2025. The Bank appropriated an amount of RMB754 million to the discretionary surplus reserve, that is 45% of its net profit on an annual basis of 2025 according to the resolution of the 2025 Annual General Meeting of Shareholders.

(c) General reserve

Pursuant to the "Measures on Impairment Allowances for Financial Enterprises (Cai Jin [2012] No. 20)" issued by the Ministry of Finance, the Bank is required to set aside a general reserve through profit appropriation which should not be lower than 1.5% of the ending balance of its gross risk-bearing assets on an annual basis. The balance of the general reserve of the Bank amounted to RMB4,536 million as at 30 June 2026.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

31 RESERVES (continued)

(d) Fair value reserve

	For the six months ended 30 June 2026	Year ended 31 December 2025
As at 1 January	**(116,359)**	(19,260)
Changes in fair value recognised in other comprehensive income	**219,728**	90,476
Transfer to profit or loss upon disposal	**(128,533)**	(219,642)
Transfer to retained earnings upon disposal	**–**	(299)
Less: Deferred tax	**(22,799)**	32,366
As at 30 June/31 December	**(47,963)**	(116,359)

(e) Impairment reserve

	For the six months ended 30 June 2026	Year ended 31 December 2025
As at 1 January	**33,580**	3,462
Impairment losses recognised in other comprehensive income	**14,287**	40,157
Less: Deferred tax	**(3,572)**	(10,039)
As at 30 June/31 December	**44,295**	33,580

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

31 RESERVES (continued)

(f) Remeasurement a net defined benefit liability

Remeasurement a net defined benefit liability represents actuarial gains or losses, net of tax, from remeasuring the net defined benefit liability.

	For the six months ended 30 June 2026	Year ended 31 December 2025
As at 1 January	**(5,273)**	(6,870)
Changes in fair value recognised in other comprehensive income	**–**	2,130
Less: Deferred tax	**–**	(533)
As at 30 June/31 December	**(5,273)**	(5,273)

32 RETAINED EARNINGS

(a) Appropriation of profits

In accordance with the resolution at the Bank's Annual General Meeting on 26 June 2026, the shareholders approved the following profit appropriations for the year ended 31 December 2025 as follows:

- Appropriation of statutory surplus reserve based on 10% of the net profit;
- Appropriation of discretionary surplus reserve based on 45% of the net profit;
- Appropriation of general reserve amounting to approximately RMB304 million;
- Declaration of cash dividends in an aggregate amount of approximately RMB292 million to all existing shareholders.
- The interest accrual period for RMB undated capital bonds issued in September 2024 is from 23 September 2025 to 23 September 2026 (at an interest rate of 2.70%), and the accrued interest is RMB54 million.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

32 RETAINED EARNINGS (continued)

(a) Appropriation of profits (continued)

In accordance with the resolution at the Bank's Annual General Meeting on 27 June 2025, the shareholders approved the following profit appropriations for the year ended 31 December 2024 as follows:

- Appropriation of statutory surplus reserve based on 10% of the net profit;
- Appropriation of discretionary surplus reserve based on 55% of the net profit;
- Appropriation of general reserve amounting to approximately RMB4 million;
- Declaration of cash dividends in an aggregate amount of approximately RMB467 million to all existing shareholders.
- The interest accrual period for RMB undated capital bonds issued in September 2024 is from 23 September 2024 to 23 September 2025 (at an interest rate of 2.70%), and the accrued interest is RMB54 million.

33 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Net decrease in cash and cash equivalents

	For the six months ended 30 June	
	2026	2025
Cash and cash equivalents at the end of the period	**6,883,594**	5,422,904
Less: Cash and cash equivalents at the beginning of the period	**(14,967,011)**	(8,635,766)
Net decrease in cash and cash equivalents	**(8,083,417)**	(3,212,862)

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

33 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Cash and cash equivalents

	30 June 2026	31 December 2025
Cash on hand	**288,924**	258,496
Deposits with the central bank other than restricted deposits	**3,173,238**	3,902,306
Deposits with banks and other financial institutions	**157,359**	955,801
Financial assets held under resale agreements	**3,264,073**	9,850,408
Total	**6,883,594**	14,967,011

34 CAPITAL MANAGEMENT

On the basis of meeting regulatory requirements and improving risk resilience, the Group's capital management strengthens capital budgeting, allocation and assessment management, adjusts and optimizes business structure, improves capital use efficiency and creates value.

The Group calculates the capital adequacy ratio in accordance with the requirements of the Measures for the Management of Capital of Commercial Banks and other relevant regulations. Among them, credit risk-weighted assets are measured by the weight method, and the risk weight of assets on the balance sheet is determined in accordance with the requirements of the Measures for the Capital Management of Commercial Banks, and the risk mitigation effect of qualified pledges or guarantees provided by qualified guarantee entities is considered. Off-balance sheet items multiply the notional amount by the credit conversion factor to obtain the equivalent value of on-balance sheet assets, and then measure risk-weighted assets according to the treatment of on-balance sheet assets. Market risk capital is measured using the standard method. Operational risk capital is measured using the standard method.

According to the requirements of the Measures for the Management of Capital of Commercial Banks and other relevant regulations, for the Group, its core Tier 1 capital adequacy ratio shall not be less than 7.5%, the Tier 1 capital adequacy ratio shall not be less than 8.5%, and the capital adequacy ratio shall not be less than 10.5%.

As of 30 June 2026, the Group's core Tier 1 capital adequacy ratio, Tier 1 capital adequacy ratio and capital adequacy ratio all met the requirements of the Measures for the Capital Management of Commercial Banks and other relevant regulations. For more information about capital, please refer to the "2026 Semi-Annual Capital Management Pillar 3 Information Disclosure Report" released by the Bank on its official website.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) Related parties of the Group

(i) Major shareholders

Major shareholders of the Bank refer to shareholders holding or controlling 5% or more of shares or voting right of the Bank, or holding less than 5% of total capital or total shares of the Bank but having significant impact on the operational management of the Bank. The significant impact mentioned above includes but not limited to dispatching directors, supervisors or senior management to a commercial bank, influencing the financial and operational management decisions of commercial banks through agreements or other means and other circumstances.

As at 30 June 2026, general information and shareholdings of major shareholders are as follows:

	Proportion of shareholding	
Name	**30 June 2026**	31 December 2025
Shanxi Finance Bureau (山西省財政廳)	**12.25%**	12.25%
Huaneng Capital Services Co., Ltd. (華能資本服務有限公司)	**10.28%**	10.28%
Taiyuan Municipal Finance Bureau (太原市財政局)	**8.01%**	8.01%
Changzhi Nanye Industry Group Co., Ltd. (長治市南燁實業集團有限公司)	**7.72%**	7.72%
Shanxi Lu'an Mining (Group) Co., Ltd. (山西潞安礦業(集團)有限責任公司)	**6.15%**	6.15%
Shanxi International Electricity Group Limited Company (山西國際電力集團有限公司)	**5.14%**	5.14%
Shanxi Coking Coal Group Co., Ltd. (山西焦煤集團有限責任公司)	**5.09%**	5.09%
Changzhi Huashengyuan Mining Industry Co., Ltd. (長治市華晟源礦業有限公司)	**4.02%**	4.02%
Jinneng Holding Equipment Manufacturing Group Co., Ltd. (晉能控股裝備制造集團有限公司)	**3.43%**	3.43%

* Shanxi Coking Coal Group Co., Ltd. directly holds 4.99% of Jinshang Bank's shares, and its wholly-owned subsidiary Shan xi Tongpei Coal Mine Coking Co., Ltd. holds 0.10% of Jinshang Bank's shares.

The official names of these related parties are in Chinese. The English translation is for reference only.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(a) Related parties of the Group (continued)

(ii) Associate of the Bank

The detailed information of the Bank's associate is set out in Note 19.

(iii) Other related parties

Other related parties can be individuals or enterprises, which include: members of the board of directors, the board of supervisors and senior management, and close family members of such individuals; entities (and their subsidiaries) controlled or jointly controlled by members of the board of directors, the board of supervisors and senior management, and close family members of such individuals; and entities controlled or jointly controlled by the major shareholders of the Bank as set out in Note 35(a) or their controlling shareholders.

(b) Transactions with related parties other than key management personnel

The Bank entered into related-party transactions in the normal course and terms of business, with pricing policies based on market prices.

(i) Transactions between the Bank and its major shareholders

	For the six months ended 30 June	
	2026	2025
Transactions during the period		
Interest income	**7,165**	8,258
Interest expense	**273,844**	248,187
Net fee and commission income	**7,052**	927
Operating expenses	**47**	5

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel (continued)

(i) *Transactions between the Bank and its major shareholders* (continued)

	30 June 2026	31 December 2025
Balances at the end of the period/year		
Loans and advances to customers	**1,354,963**	321,378
Financial investments	**–**	70,483
Deposits from customers	**26,712,383**	31,262,012
Bank acceptances	**100,000**	1,200,000

(ii) *Transactions between the Bank and its subsidiary*

The subsidiary of the Bank is its related party. The transactions between the Bank and its subsidiary are eliminated in combination.

	For the six months ended 30 June	
	2026	2025
Transactions during the period		
Interest expense	**–**	323
Net fee and commission income	**–**	4

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

	For the six months ended 30 June	
	2026	2025
Transactions during the period		
Interest income	**–**	12,859
Interest expense	**55**	53

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel (continued)

(iii) ***Transactions between the Bank and its associate*** *(continued)*

	30 June 2026	31 December 2025
Balances at the end of the period/year		
Deposits with banks and other financial institutions	–	200,219
Placements with banks and other financial institutions	**1,704,547**	780,410
Other assets	**730,000**	–
Deposits from banks and other financial institutions	**1,001,407**	2,798

(iv) ***Transactions between the Bank and other related parties***

	For the six months ended 30 June	
	2026	2025
Transactions during the period		
Interest income	**10,837**	494,121
Interest expense	**8,206**	36,304
Net fee and commission income	**4,791**	11,656
Operating expenses	**55**	366

	30 June 2026	31 December 2025
Balances at the end of the period/year		
Loans and advances to customers	**1,453,695**	32,781,762
Financial investments	–	1,049,719
Deposits from customers	**212,414**	7,828,896
Deposits from banks and other financial institutions	**1**	139,970
Bank acceptances	**88,030**	1,119,172
Letters of credit	–	320,000
Letters of guarantee	–	200

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(c) Key management personnel

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

(i) Transactions between the Bank and key management personnel

	For the six months ended 30 June	
	2026	2025
Transactions during the period		
Interest income	**–**	8
Interest expense	**34**	10

	30 June 2026	31 December 2025
Balances at the end of the period/year		
Deposits from customers	**6,604**	4,532

(ii) Key management personnel compensation

The aggregate compensation of key management personnel is as follows:

	For the six months ended 30 June	
	2026	2025
Key management personnel compensation	**4,415**	7,209

36 SEGMENT REPORTING

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

Corporate banking

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

Retail banking

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

36 SEGMENT REPORTING (continued)

Treasury business

This segment covers the Group's treasury business operations, including interbank money market transactions, repurchase transactions, interbank investments, and debt security trading. The financial market business segment also covers the management of the Group's overall liquidity position, including the issuance of debts.

Others

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

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

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

Segment income, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Intra-group balances and intra-group transactions are eliminated by segment income, expenses, assets and liabilities as part of the consolidation process. Segment capital expenditure is the total cost incurred during the reporting period on the acquisition of property and equipment, intangible assets and other long-term assets.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

36 SEGMENT REPORTING (continued)

Others (continued)

	For the six months ended 30 June 2026				
	Corporate banking	Retail banking	Treasury business	Others	Total
Operating income					
External net interest income/(expense)	2,327,279	(1,275,875)	1,227,106	–	2,278,510
Internal net interest (expense)/income	(673,801)	1,717,916	(1,044,115)	–	–
Net interest income	1,653,478	442,041	182,991	–	2,278,510
Net fee and commission income	95,843	134,308	248	–	230,399
Net trading gains/(losses)	–	–	97,381	(132)	97,249
Net gains arising from investment securities	–	–	282,591	–	282,591
Other operating income	–	–	–	2,605	2,605
Operating income	1,749,321	576,349	563,211	2,473	2,891,354
Operating expenses	(412,772)	(398,860)	(74,526)	(3,562)	(889,720)
Impairment losses on credit	(773,587)	(206,967)	27,567	–	(952,987)
Impairment losses on other assets	(76)	(519)	–	–	(595)
Share of profits of an associate	–	–	–	3,030	3,030
Profit/(losses) before tax	562,886	(29,997)	516,252	1,941	1,051,082
Other segment information					
Depreciation and amortisation	73,006	70,546	13,181	–	156,733
Capital expenditure	30,615	29,584	5,528	–	65,727

	30 June 2026				
	Corporate banking	Retail banking	Treasury business	Others	Total
Segment assets	199,980,058	36,062,697	163,003,566	–	399,046,321
Deferred tax assets	–	–	–	2,677,367	2,677,367
Total assets	199,980,058	36,062,697	163,003,566	2,677,367	401,723,688
Segment liabilities	145,775,983	175,346,903	50,683,584	–	371,806,470
Total liabilities	145,775,983	175,346,903	50,683,584	–	371,806,470

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

36 SEGMENT REPORTING (continued)

Others (continued)

	For the six months ended 30 June 2025				
	Corporate banking	Retail banking	Treasury business	Others	Total
Operating income					
External net interest income/(expense)	2,230,356	(1,609,403)	1,410,567	–	2,031,520
Internal net interest (expense)/income	(700,221)	2,142,582	(1,442,361)	–	–
Net interest income	1,530,135	533,179	(31,794)	–	2,031,520
Net fee and commission income	101,765	153,525	3,656	–	258,946
Net trading (losses)/gains	–	–	(73,983)	3	(73,980)
Net gains arising from investment securities	–	–	509,482	–	509,482
Other operating income	4,512	–	–	5,258	9,770
Operating income	1,636,412	686,704	407,361	5,261	2,735,738
Operating expenses	(415,934)	(407,317)	(75,677)	(999)	(899,927)
Impairment losses on credit	(483,253)	(79,795)	(211,958)	–	(775,006)
Impairment losses on other assets	82	–	–	–	82
Share of profits of an associate	–	–	–	13,094	13,094
Profit before tax	737,307	199,592	119,726	17,356	1,073,981
Other segment information					
Depreciation and amortisation	69,694	68,249	12,680	–	150,623
Capital expenditure	21,332	20,889	3,881	–	46,102

	31 December 2025				
	Corporate banking	Retail banking	Treasury business	Others	Total
Segment assets	178,042,586	35,825,689	176,438,031	–	390,306,306
Deferred tax assets	–	–	–	2,694,095	2,694,095
Total assets	178,042,586	35,825,689	176,438,031	2,694,095	393,000,401
Segment liabilities	146,936,970	167,146,420	49,830,100	–	363,913,490
Total liabilities	146,936,970	167,146,420	49,830,100	–	363,913,490

37 RISK MANAGEMENT

The Group has exposure to the following risks arising from its financial instruments: credit risk, market risk, liquidity risk and operational risk.

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

Risk management system

The Group's risk management policies were established to identify and analyse the risks to which the Group is exposed, to set appropriate risk limits, and to design relevant internal control policies and systems for monitoring risks and adhering to risk limits. Risk management policies and relevant internal control systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors is responsible for establishing and maintaining a robust and effective risk management system and determining general risk preference and risk tolerance of the Group. Based on the general strategy of the Group, the Committee of Risk Management under the Board reviews the Group's risk management system and basic principles, risk management strategies and internal control system framework; supervises and evaluates the establishment, organization, working procedures, and effectiveness of the risk management department; monitors and evaluates the risk control measures undertaken by the management in credit risk, market risk, operational risk, and other areas; identifies, monitors, controls, and periodically assesses the Group's risk management status and risk tolerance capacity. Senior management led by the president will be responsible for the control of credit risk, market risk, operational risk and approval of related policies and procedures. In addition, the Group set up the Department of Risk Management, Department of Credit Examination, Department of Asset and Liability Management, Department of Law and Compliance and the Audit Department based on the requirements of general risk management to perform respective functions in risk management, strengthen risk-covering portfolio management capabilities and conduct inspection on compliance with risk management policy of internal control system on a regular or irregular basis.

37 RISK MANAGEMENT (continued)

(a) Credit risk

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

Credit business

To identify, assess, monitor and manage credit risks, the Group has designed effective system frameworks, credit policies and processes for credit risk management and implemented systematic control procedures. The responsible departments for credit risk management include the Risk Management Department and the Credit Examination Department. The Risk Management Department is responsible for implementing the Group's overall risk management system, as well as risk monitoring and control. The Risk Management Department is also responsible for formulating risk management policies. The Credit Examination Department is independent from customer relationship and product management departments to ensure the independence of credit approval. Front office departments, including the Department of Corporate Finance and the Personal Credit Asset Department, carry out credit businesses according to the Group's risk management policies and procedures.

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

For corporate and inter-bank credit businesses, the Group has formulated credit investment policies and implemented differentiated portfolio management for different industries, regions, products and customers. With respect to pre-lending evaluations, the Group assesses customers' credit ratings and performs integrated analysis on the risk and return of the loan. In the credit approval phase, all credit applications are approved by designated credit officers. During the post-lending monitoring, the Group continually monitors outstanding loans and other credit-related businesses. Any adverse events that may significantly affect a borrower's repayment ability are reported immediately, and actions are taken to mitigate the risks.

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

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Stages of risks in financial instruments

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

Stage 1: Financial assets have not experienced a significant increase in credit risk since origination and impairment is recognised on the basis of 12-month expected credit losses.

Stage 2: Financial assets have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime expected credit losses.

Stage 3: Financial assets are in default and considered credit-impaired.

Significant increase in credit risk

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

If the borrower is one or more of the following criteria are met:

– the credit spread increasing significantly;

– significant changes with an adverse effect that have taken place in the borrower's business, financial and economic status;

– application of a grace period or debt-restructuring;

– significant changes with an adverse effect in the borrower's business conditions;

– decrease in value of the collateral (for the collateral loans and pledged loans only);

– early indicators of problems of cash flow/liquidity, such as late payment of accounts payable/repayment of loans; or

– the borrowing being more than 30 days past due.

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

***Significant increase in credit risk** (continued)*

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

As at 30 June 2026 and 31 December 2025, the Group has not considered that any of its financial assets has lower credit risk and no longer compared the credit risk at the end of the reporting period with that at the initial recognition to identify whether there was a significant increase in credit risk.

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

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

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

– significant financial difficulties of the debtor;

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

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

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

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

– overdue more than 90 days.

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

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECLs")

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

The ECL is the result of the discounted product of probability of default (PD), exposure at default (EAD) and loss given default (LGD). The Group takes into account the quantitative analysis of historical statistics (such as ratings of counterparties, overdue situations, repayments.) and forward-looking information in order to establish the models for estimating PD, LGD and EAD. The definitions of these terms are as follows:

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

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

– LGD refers to the expected degree of loss arising from the exposure at default which is predicted by the Group. LGD varies according to different types of counterparties or other credit support.

– The discount rate used in the calculation of the ECLs is the initial effective interest rate or its approximate value.

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECLs") *(continued)*

Forward-looking information included in the expected credit loss model is as follows:

Both the assessment of significant increase in credit risk and the measurement of expected credit losses involve forward-looking information. Based on the analysis on historical data, the Group identified critical economic indicators that affect the credit risk and expected credit losses of all asset portfolios. The Group identified the relations between these economic indicators and the probability of default historically by conducting regression analysis and regularly identified the expected probability of default by predicting the future economic indicators. In addition to a base economic scenario, the Group conducts statistical analysis with external data and experts' judgement to determine other possible scenarios and their weights. Generally, the highest weighting is assigned to Base scenario, while lower and comparable weightings are assigned to Upside and Downside scenarios. In the first half of 2026, the key assumptions the Group has taken include producer price index (PPI) and consumer price index (CPI), etc.. The Group measures relevant provision for loss by the weighted 12-month ECL (for Stage 1) or the weighted lifetime ECL (for Stage 2 and Stage 3). The above weighted credit losses are calculated by multiplying the ECLs under the different scenarios by the weight of the corresponding scenarios.

Similar to other economic forecasts, there is highly inherent uncertainty in the assessment of estimated economic indicators and the probability of occurrence, and therefore, the actual results may be materially different from the forecasts. The Group believes that these forecasts reflect the Group's best estimate of possible outcomes.

Other forward-looking factors not incorporated in the above scenarios, such as the impact of regulatory and legal changes, have also been taken into account. However, they were not considered to have significant impacts, and the expected credit losses were not adjusted accordingly. The Group reviews and monitors the appropriateness of the above assumptions on a regular basis.

The Group regularly monitors and reviews the assumptions related to the calculation of expected credit losses. As at 30 June 2026 and 31 December 2025, there have been no significant changes in the estimate techniques and key assumptions of the Group.

At the same time, when the management believes that the potential impact of economic fluctuations cannot be reflected by properly adjusting the model parameters above in time, the Group uses the management superposition to adjust the amount of expected credit loss.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(i) Maximum credit risk exposure

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

Financial assets (excluding interest accrued) analysed by credit quality

	30 June 2026							
	Balance				Provision for impairment losses			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost								
Cash and deposits with the central bank	18,897,116	–	–	18,897,116	–	–	–	–
Deposits with banks and other financial institutions	157,358	–	–	157,358	(127)	–	–	(127)
Placements with banks and other financial institutions	19,500,000	–	–	19,500,000	(100,897)	–	–	(100,897)
Financial assets held under resale agreements	9,327,892	–	–	9,327,892	(61)	–	–	(61)
Loans and advances to customers	175,561,005	8,873,445	4,989,933	189,424,383	(3,602,525)	(1,740,718)	(2,744,406)	(8,087,649)
Financial investments	77,934,801	499,834	1,831,839	80,266,474	(24,967)	(53,993)	(1,188,282)	(1,267,242)
Other assets	1,202,734	20,312	49,815	1,272,861	(897)	(2,210)	(40,537)	(43,644)
Total	302,580,906	9,393,591	6,871,587	318,846,084	(3,729,474)	(1,796,921)	(3,973,225)	(9,499,620)
Financial assets measured at fair value through other comprehensive income								
Loans and advances to customers	49,902,495	–	–	49,902,495	(38,092)	–	–	(38,092)
Financial investments	18,870,879	–	–	18,870,879	(20,970)	–	–	(20,970)
Total	68,773,374	–	–	68,773,374	(59,062)	–	–	(59,062)
Credit commitments	48,534,948	5,647	4,914	48,545,509	(119,343)	(99)	(404)	(119,846)

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(i) ***Maximum credit risk exposure*** *(continued)*

Financial assets (excluding interest accrued) analysed by credit quality (continued)

	31 December 2025							
	Balance				Allowances for impairment losses			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost								
Cash and deposits with the central bank	19,390,174	–	–	19,390,174	–	–	–	–
Deposits with banks and other financial institutions	1,155,802	–	–	1,155,802	(1,312)	–	–	(1,312)
Placements with banks and other financial institutions	19,330,000	–	–	19,330,000	(116,367)	–	–	(116,367)
Financial assets held under resale agreements	22,290,565	–	–	22,290,565	(486)	–	–	(486)
Loans and advances to customers	165,717,082	9,617,027	4,333,863	179,667,972	(3,507,493)	(1,759,784)	(2,824,946)	(8,092,223)
Financial investments	75,500,034	504,764	1,835,255	77,840,053	(21,640)	(66,214)	(1,189,566)	(1,277,420)
Other assets	691,698	23,361	47,246	762,305	(738)	(2,208)	(37,503)	(40,449)
Total	304,075,355	10,145,152	6,216,364	320,436,871	(3,648,036)	(1,828,206)	(4,052,015)	(9,528,257)
Financial assets measured at fair value through other comprehensive income								
Loans and advances to customers	37,958,435	–	–	37,958,435	(23,495)	–	–	(23,495)
Financial investments	19,288,055	–	–	19,288,055	(21,280)	–	–	(21,280)
Total	57,246,490	–	–	57,246,490	(44,775)	–	–	(44,775)
Credit commitments	51,027,000	3,941	3,115	51,034,056	(101,808)	(62)	(256)	(102,126)

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(i) ***Maximum credit risk exposure*** *(continued)*

Expected credit loss ratios for financial instruments analysed by credit quality:

	30 June 2026			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Financial assets measured at amortised cost	**1.23%**	**19.13%**	**57.82%**	**2.98%**
Financial assets at fair value through other comprehensive income	**0.09%**	**N/A**	**N/A**	**0.09%**
Credit commitments	**0.25%**	**1.75%**	**8.22%**	**0.25%**

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost	1.20%	18.02%	65.18%	2.97%
Financial assets at fair value through other comprehensive income	0.08%	N/A	N/A	0.08%
Credit commitments	0.20%	1.57%	8.22%	0.20%

As at 30 June 2026, the fair values of collaterals held against loans and advances that are not credit-impaired and assessed for lifetime expected credit losses amounted to RMB12,006 million (31 December 2025: RMB10,204 million).The fair values of collaterals held against loans and advances that are credit-impaired and assessed for lifetime expected credit losses amounted to RMB3,774 million (31 December 2025: RMB3,157 million).The collateral mainly includes land, buildings, machinery and equipment.The fair values of collaterals have estimated by the Bank based on the latest external valuations available, adjusted in light of disposal experience and current market conditions.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(ii) Credit rating

The Group adopts a credit rating approach for managing the credit risk arising from the debt securities portfolio. Debt securities are rated with reference to major rating agencies where the issuers of the securities are located. The carrying amounts of investments on debt securities (excluding interest accrued) analysed by credit ratings as at the end of the reporting period are as follows:

	30 June 2026	31 December 2025
Neither overdue nor impaired		
Ratings		
– AAA	**94,364,160**	88,264,815
– AA- to AA+	**2,468,620**	2,029,210
Total	**96,832,780**	90,294,025

(b) Market risk

Market risk is the risk of loss, in respect of the Group's activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices, stock prices and other prices.

The Group has especially set up a structure and a team for market risk management. The Bank's Department of Risk Management takes the major responsibility for the exposure of market risk and preparation of relevant market risk management policies to submit to the Board of Directors. According to the established standards and current management capabilities, the Group measures market risk with the major adoption of sensitivity analysis. Before the new products or new businesses are launched, their market risks will be identified according to regulations.

The major source of market risk of the Group is from the asset and liability businesses involved in the market operation and the risks in interest rate and exchange rate relating to products.

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk

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

Repricing risk

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

Trading interest rate risk

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

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk *(continued)*

(i) The following tables indicate the assets and liabilities as at the end of the reporting period by the next expected repricing date or by maturity dates, depending on which is earlier:

	30 June 2026					
	Total	Non-interest bearing	Less than three months	Between three months and one year	Between one year and five years	More than five years
Assets						
Cash and deposits with the central bank	18,903,942	559,544	18,344,398	–	–	–
Deposits with banks and other financial institutions	157,290	59	157,231	–	–	–
Placements with banks and other financial institutions	19,556,799	157,696	3,381,990	13,331,028	2,686,085	–
Financial assets held under resale agreements	9,327,885	54	7,819,926	1,507,905	–	–
Loans and advances to customers*	232,116,421	877,192	86,551,900	70,384,226	62,786,846	11,516,257
Financial investments	115,017,398	16,300,173	6,408,538	19,292,335	43,879,514	29,136,838
Others	6,643,953	6,643,953	–	–	–	–
Total assets	401,723,688	24,538,671	122,663,983	104,515,494	109,352,445	40,653,095
Liabilities						
Borrowings from the central bank	7,284,121	11,426	880,000	6,392,695	–	–
Deposits from banks and other financial institutions	1,039,155	91	1,039,064	–	–	–
Financial assets sold under repurchase agreements	12,654,510	5,442	12,649,068	–	–	–
Deposits from customers	318,189,621	8,432,296	102,275,917	111,967,560	95,513,848	–
Debt securities issued	29,849,377	45,291	13,031,314	14,773,256	–	1,999,516
Others	2,789,686	2,530,191	19,550	67,544	145,379	27,022
Total liabilities	371,806,470	11,024,737	129,894,913	133,201,055	95,659,227	2,026,538
Asset-liability gap	29,917,218	13,513,934	(7,230,930)	(28,685,561)	13,693,218	38,626,557

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

***Interest rate risk** (continued)*

(i) The following tables indicate the assets and liabilities as at the end of the reporting period by the next expected repricing date or by maturity dates, depending on which is earlier: (continued)

	31 December 2025					
	Total	Non-interest bearing	Less than three months	Between three months and one year	Between one year and five years	More than five years
Assets						
Cash and deposits with the central bank	19,397,711	295,984	19,101,727	–	–	–
Deposits with banks and other financial institutions	1,159,286	4,796	1,154,490	–	–	–
Placements with banks and other financial institutions	19,442,676	229,043	5,665,446	13,548,187	–	–
Financial assets held under resale agreements	22,290,453	374	21,136,127	1,153,952	–	–
Loans and advances to customers*	210,457,417	923,233	84,338,535	59,517,265	54,886,971	10,791,413
Financial investments	114,181,886	17,189,304	2,155,466	17,062,552	54,664,926	23,109,638
Others	6,070,972	6,070,972	–	–	–	–
Total assets	393,000,401	24,713,706	133,551,791	91,281,956	109,551,897	33,901,051
Liabilities						
Due to the central bank	3,148,649	1,263	8,648	3,138,738	–	–
Deposits from banks and other financial institutions	158,473	25	158,448	–	–	–
Financial assets sold under repurchase agreements	9,866,429	3,874	9,862,555	–	–	–
Deposits from customers	320,797,012	9,743,251	114,939,948	71,705,963	124,407,850	–
Bonds issued	27,648,752	110,993	8,893,413	14,645,274	–	3,999,072
Others	2,294,175	2,029,917	31,213	48,138	146,536	38,371
Total liabilities	363,913,490	11,889,323	133,894,225	89,538,113	124,554,386	4,037,443
Asset-liability gap	29,086,911	12,824,383	(342,434)	1,743,843	(15,002,489)	29,863,608

* As at 30 June 2026, for loans and advances to customers, the category "Less than three months" included overdue amounts (net of allowances for impairment losses) of RMB672 million (31 December 2025: RMB296 million).

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

Foreign currency risk

The currency of the majority of the business of the Group is Renminbi, where the currencies of the rest of the businesses are United States dollars and other foreign currencies.

The changes in exchange rates will affect the financial position and cash flows of the Group. Due to the small amount of foreign currency businesses of the Group, the effect of foreign currency risk on the Group would be immaterial. The major principle of the Group's control on foreign currency risk is to achieve matching of assets and liabilities of each currency and to conduct daily monitoring on currency exposure.

The Group adopts sensitivity analysis to measure the possible effects of changes in exchange rates on net gains and losses and interest of the Group. As the foreign currency assets and liabilities account for an immaterial part of the total assets and total liabilities of the Group, the effect of changes in exchange rates on net gains and losses and interest of the Group would be immaterial.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

***Foreign currency risk** (continued)*

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

	30 June 2026			
	RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total (RMB equivalent)
Assets				
Cash and deposits with the central bank	18,903,404	32	506	18,903,942
Deposits with banks and other financial institutions	113,216	41,742	2,332	157,290
Placements with banks and other financial institutions	19,556,799	–	–	19,556,799
Financial assets held under resale agreements	9,327,885	–	–	9,327,885
Loans and advances to customers	232,116,421	–	–	232,116,421
Financial investments	115,017,398	–	–	115,017,398
Others	6,643,953	–	–	6,643,953
Total assets	401,679,076	41,774	2,838	401,723,688
Liabilities				
Borrowings from the central bank	7,284,121	–	–	7,284,121
Deposits from banks and other financial institutions	1,039,155	–	–	1,039,155
Financial assets sold under repurchase agreements	12,654,510	–	–	12,654,510
Deposits from customers	318,189,327	163	131	318,189,621
Debt securities issued	29,849,377	–	–	29,849,377
Others	2,755,631	34,055	–	2,789,686
Total liabilities	371,772,121	34,218	131	371,806,470
Net position	29,906,955	7,556	2,707	29,917,218
Credit commitments	48,545,509	–	–	48,545,509

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(b) Market risk (continued)

***Foreign currency risk** (continued)*

The Group's currency exposures as at the end of each of the reporting periods are as follows: (continued)

		31 December 2025		
	RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total (RMB equivalent)
Assets				
Cash and deposits with the central bank	19,397,234	42	435	19,397,711
Deposits with banks and other financial institutions	1,120,660	36,838	1,788	1,159,286
Placements with banks and other financial institutions	19,442,676	–	–	19,442,676
Financial assets held under resale agreements	22,290,453	–	–	22,290,453
Loans and advances to customers	210,457,417	–	–	210,457,417
Financial investments	114,181,886	–	–	114,181,886
Others	6,070,972	–	–	6,070,972
Total assets	392,961,298	36,880	2,223	393,000,401
Liabilities				
Due to the central bank	3,148,649	–	–	3,148,649
Deposits from banks and other financial institutions	158,473	–	–	158,473
Financial assets sold under repurchase agreements	9,866,429	–	–	9,866,429
Deposits from customers	320,796,708	167	137	320,797,012
Bonds issued	27,648,752	–	–	27,648,752
Others	2,755,631	35,176	–	2,789,686
Total liabilities	371,772,121	35,343	137	371,806,470
Net position	29,906,955	1,537	2,086	29,917,218
Credit commitments	51,034,056	–	–	51,034,056

37 RISK MANAGEMENT (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group is unable to obtain funds on a timely basis or obtain funds at a reasonable cost to sustain its asset business or meet its repayment obligations.

The Group plays an active part in managing liquidity risks and improves the related management system in terms of organisation, institution, system, management and mechanism. The organisational structure of the Group's liquidity risk management consists of the Board of Directors, senior management, its Risk Management Committee and Asset and Liability Management Committee, Department of Risk Management, Department of Asset and Liability Management, Department of Corporate Finance, Department of Retail Banking, Department of Personal Credit Assets, Department of Trade Finance, Department of Financial Market, Department of Technology Information and Audit Department of the Bank, which are responsible for formulating liquidity risk management strategies and establishing internal control mechanism to support the implementation and supervision of liquidity risk management strategies.

The measurement of liquidity risk of the Group adopts liquidity indicators and cash flow gap calculation. By stress testing, the Group sets up mild, moderate and severe scenarios to examine the capacity to withstand liquidity or liquidity crises and improve liquidity contingency measures. In terms of responses to liquidity risks, the Group strengthens the management and monitoring of liquidity limits; establishes related liquidity emergency leading groups, early-warning indicators for internal and external liquidity risks and indicators that could trigger contingency plans and monitor these indicators; builds up quality liquidity asset reserves and financing capability management; erects liquidity risk reporting mechanism, in which the asset and liability management department reports to the Asset and Liability Management Committee, senior management and the Board of Directors on issues related to the status, stress testing and contingency plans of liquidity risks on a regular basis.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of assets and liabilities of the Group by maturity based on the remaining periods to repayment at the end of the reporting period:

	30 June 2026							
	Indefinite*	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
Assets								
Cash and deposits with the central bank	15,434,954	3,462,162	6,826	-	-	-	-	18,903,942
Deposits with banks and other financial institutions	-	157,290	-	-	-	-	-	157,290
Placements with banks and other financial institutions	-	-	2,086,262	1,367,792	13,399,376	2,703,369	-	19,556,799
Financial assets held under resale agreements	-	-	4,759,183	3,060,797	1,507,905	-	-	9,327,885
Loans and advances to customers	833,457	1,380,997	16,414,452	28,862,556	76,532,311	69,089,329	39,003,319	232,116,421
Financial investments	1,000,152	13,767,381	1,579,374	4,945,010	20,210,821	43,879,514	29,635,146	115,017,398
Others	6,491,977	151,976	-	-	-	-	-	6,643,953
Total assets	23,760,540	18,919,806	24,846,097	38,236,155	111,650,413	115,672,212	68,638,465	401,723,688
Liabilities								
Borrowings from the central bank	-	-	-	880,403	6,403,718	-	-	7,284,121
Deposits from banks and other financial institutions	-	1,039,155	-	-	-	-	-	1,039,155
Financial assets sold under repurchase agreements	-	-	12,233,892	420,618	-	-	-	12,654,510
Deposits from customers	-	69,340,013	14,434,724	26,933,476	111,967,560	95,513,848	-	318,189,621
Debt securities issued	-	-	7,570,271	5,506,334	14,773,256	-	1,999,516	29,849,377
Others	-	2,530,191	14,155	5,395	67,544	145,379	27,022	2,789,686
Total liabilities	-	72,909,359	34,253,042	33,746,226	133,212,078	95,659,227	2,026,538	371,806,470
Net position	23,760,540	(53,989,553)	(9,406,945)	4,489,929	(21,561,665)	20,012,985	66,611,927	29,917,218

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of assets and liabilities of the Group by maturity based on the remaining periods to repayment at the end of the reporting period: (continued)

	31 December 2025							
	Indefinite*	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
Assets								
Cash and deposits with the central bank	15,229,372	4,160,802	7,537	–	–	–	–	19,397,711
Deposits with banks and other financial institutions	–	959,308	199,978	–	–	–	–	1,159,286
Placements with banks and other financial institutions	–	–	2,229,032	3,544,232	13,669,412	–	–	19,442,676
Financial assets held under resale agreements	–	–	13,295,315	7,841,186	1,153,952	–	–	22,290,453
Loans and advances to customers	879,121	954,205	13,039,012	32,883,578	65,852,687	59,429,915	37,418,899	210,457,417
Financial investments	1,386,088	14,555,816	527,958	1,753,257	18,018,462	54,664,926	23,275,379	114,181,886
Others	5,918,430	152,542	–	–	–	–	–	6,070,972
Total assets	23,413,011	20,782,673	29,298,832	46,022,253	98,694,513	114,094,841	60,694,278	393,000,401
Liabilities								
Due to the central bank	–	–	–	8,653	3,139,996	–	–	3,148,649
Deposits from banks and other financial institutions	–	158,473	–	–	–	–	–	158,473
Financial assets sold under repurchase agreements	–	–	9,717,309	149,120	–	–	–	9,866,429
Deposits from customers	–	79,364,330	14,915,015	30,403,855	71,705,963	124,407,849	–	320,797,012
Bonds issued	–	–	5,106,977	3,897,429	14,645,274	–	3,999,072	27,648,752
Others	–	2,029,917	20,109	11,104	48,138	146,536	38,371	2,294,175
Total liabilities	–	81,552,720	29,759,410	34,470,161	89,539,371	124,554,385	4,037,443	363,913,490
Net position	23,413,011	(60,770,047)	(460,578)	11,552,092	9,155,142	(10,459,544)	56,656,835	29,086,911

* Indefinite amount of cash and deposits with the central bank represents the statutory deposit reserves and fiscal deposits with the central bank. Indefinite amount of loans and advances to customers includes all the impaired loans and advances, as well as those overdue for more than one month. Loans and advances to customers with no impairment but overdue within one month are classified into the category of "repayable on demand". Indefinite amount of financial investments represents the amount of impaired investments or those overdue for more than one month. Equity investments are listed under the category of "indefinite".

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of the contractual undiscounted cash flows of the non-derivative liabilities of the Group at the end of the reporting period:

	30 June 2026							
	Carrying amount	Contractual undiscounted cash flows	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Non-derivative liabilities								
Due to the central bank	7,284,121	7,354,164	-	-	883,447	6,470,717	-	-
Deposits from banks and other financial institutions	1,039,155	1,039,155	1,039,155	-	-	-	-	-
Financial assets sold under repurchase agreements	12,654,510	12,655,107	-	12,233,892	421,215	-	-	-
Deposits from customers	318,189,621	323,694,029	69,340,013	14,445,189	27,003,933	113,391,030	99,513,864	-
Bonds issued	29,849,377	29,975,291	-	7,575,291	5,520,000	14,880,000	-	2,000,000
Other liabilities	2,789,686	2,814,605	2,530,191	14,388	5,862	69,643	160,270	34,251
Total non-derivative liabilities	371,806,470	377,532,351	72,909,359	34,268,760	33,834,457	134,811,390	99,674,134	2,034,251

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

37 RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of the contractual undiscounted cash flows of the non-derivative liabilities of the Group at the end of the reporting period: (continued)

	31 December 2025							
	Carrying amount	Contractual undiscounted cash flows	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
Non-derivative liabilities								
Due to the central bank	3,148,649	3,184,483	–	–	8,672	3,175,811	–	–
Deposits from banks and other financial institutions	158,473	158,473	158,473	–	–	–	–	–
Financial assets sold under repurchase agreements	9,866,429	9,866,741	–	9,717,360	149,381	–	–	–
Deposits from customers	320,797,012	326,857,731	79,364,330	14,928,693	30,511,587	72,640,552	129,412,569	–
Bonds issued	27,648,752	27,780,993	–	5,110,993	3,910,000	14,760,000	–	4,000,000
Other liabilities	2,294,175	2,321,109	2,029,917	20,301	11,489	49,870	160,436	49,096
Total non-derivative liabilities	363,913,490	370,169,530	81,552,720	29,777,347	34,591,129	90,626,233	129,573,005	4,049,096

This analysis of contractual undiscounted cash flows of the non-derivative liabilities might be different from actual results.

37 RISK MANAGEMENT (continued)

(d) Operational risk

Operational risk refers to the risk of losses associated with internal procedures, employees, information technology systems, and external events, including legal risk, but excluding strategic risk and reputational risk.

The Group has specified issues of operational risks, including its manifestation, management mode, reporting procedure, reporting cycle and statistics of loss and improved comprehensive risk management system, with major initiatives as follows:

– Establishment of operational risk management system in a crisscrossing manner. On the one hand, the Group establishes an operational risk management framework that is compatible with its nature, scale, complexity and risk characteristics, including the operational risk management mechanism that involves its board of directors, senior management, head office and branches. On the other hand, a three-tier risk prevention system for the front office, middle office and back office has been established for every major risk faced by the Group.

– Formation of business philosophy of compliance and robustness. The Group fosters favourable control environment, including constant advances and promotion in operational risk culture by the board of directors and senior management.

– Preference to low operational risk under the framework of "robust" risk preference. By conducting controls on operational risk including identification, measurement, resolution, monitoring and reporting, the Group establishes mechanisms for risk avoidance, loss prediction, prevention, control, reduction, financing to control operational risk within the carrying capacity of the Group and maximise its profits.

– Prevention of operational risks based on the means of inspection and supervision. All departments and branches of the head office actively perform their duties of supervision and management, conduct routine and special inspections on operational risks in major businesses, and establish ledgers of all problems identified for rectification and check-off. Based on the inspection by departments, the internal audit department fully uses the off-site audit system to detect violations and pay constant attention to risk-prone problems to prevent operational risks. In the meantime, inspections and investigations are exercised on key businesses, key institutions and key personnel to prevent operational risks.

37 RISK MANAGEMENT (continued)

(d) Operational risk (continued)

– Combination of punishments and incentives to encourage compliance and standard operations, Integral management will be implemented to personnel who violate operational standards for strict ascertainment of responsibility; employees are encouraged to spontaneously disclose and actively report operational risks; internal management, compliance operation, inspection and supervision and swindle prevention and control of the head office and branches shall be quantitatively assessed for penalty points; innovative implementation of compliance and internal control management of institutions shall be assessed for bonus points.

– Substantive achievements in carrying out system training and improving staff operation skills have been effective in preventing operational risks for the Group.

38 FAIR VALUE

(a) Methods and assumptions for measurement of fair value

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

(i) Debt securities and equity investments

The fair values of debt securities and equity investments that are traded in an active market are based on their quoted market prices in an active market at the end of the reporting period. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or discounted cash flows.

(ii) Receivables and other non-derivative financial assets

Fair values are estimated at the present value of the future cash flows. The discount rates are based on the market interest rates at the end of the reporting period.

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

Fair values of issued debt securities are based on their quoted market prices at the end of the reporting period, or the present value of estimated future cash flows. The fair values of other non-derivative financial liabilities are valued at the present value of estimated future cash flows. The discount rates are based on the market interest rates at the end of the reporting period.

38 FAIR VALUE (continued)

(b) Fair value measurement

(i) Financial assets

The Group's financial assets mainly consist of cash and deposits with the central bank, deposits with banks and other financial institutions, placements with banks and other financial institutions, financial assets held under resale agreements, loans and advances to customers, and financial investments.

Deposits with the central bank, deposits with banks and other financial institutions, placements with banks and other financial institutions, and financial assets held under resale agreements are mostly priced at market interest rates and due within one year. Accordingly, the carrying amounts approximate to the fair values.

Loans and advances to customers are mostly priced at floating rates, which are close to the PBOC rates. Accordingly, the carrying amounts approximate to the fair values.

Financial investments measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss are stated at fair value. The carrying amounts of financial investments measured at amortised cost are the reasonable approximations of their fair values because, for example, they are short-term in nature or re-priced at current market rates frequently.

(ii) Financial liabilities

The Group's financial liabilities mainly include borrowings from the central bank, deposits from banks and other financial institutions, financial assets sold under repurchase agreements, deposits from customers, and debt securities issued.

The book value and fair value of debt securities issued are presented in Note 27. The carrying amounts of other financial liabilities approximate to their fair values.

38 FAIR VALUE (continued)

(c) Fair value hierarchy

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

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

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

– Level 3: Fair value measured using significant unobservable inputs.

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

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

38 FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

	30 June 2026			
	Level 1	Level 2	Level 3	Level 4
Recurring fair value measurement assets				
Financial investments at fair value through profit or loss				
– debt securities and interbank deposits	–	592,643	–	592,643
– fund investments	–	13,767,381	–	13,767,381
– investment management products	–	–	1,582,706	1,582,706
– other investments	235	–	–	235
Financial investments at fair value through other comprehensive income				
– debt securities and interbank deposits	–	19,007,072	–	19,007,072
– other investments	–	–	190,620	190,620
Loans and advances to customers measured at fair value through other comprehensive income				
– loans and advances to customers	–	415,815	–	415,815
– discounted bills	–	49,486,680	–	49,486,680
Total	235	83,269,591	1,773,326	85,043,152

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

38 FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

	31 December 2025			
	Level 1	Level 2	Level 3	Level 4
Recurring fair value measurement assets				
Financial investments at fair value through profit or loss				
– debt securities and interbank deposits	–	781,847	–	781,847
– fund investments	–	14,555,816	–	14,555,816
– investment management products	–	–	1,671,130	1,671,130
– other investments	301	–	–	301
Financial investments at fair value through other comprehensive income				
– debt securities and interbank deposits	–	19,467,726	–	19,467,726
– other investments	–	–	190,620	190,620
Loans and advances to customers measured at fair value through other comprehensive income				
– discounted bills	–	37,958,435	–	37,958,435
Total	301	72,763,824	1,861,750	74,625,875

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

38 FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

The reconciliation information in the balance of Recurring Level 3 fair value measurements are as follows:

		Total gains or losses		Purchases, issues, sales and settlements					
	1 January 2026	Recorded in profit or loss	Recorded in other comprehensive income	Purchases	Issues	Sales	Settlements	30 June 2026	Unrealised gains or losses for the period included in profit or loss for assets held at the end of the period
Assets									
Financial investments measured at fair value through profit or loss									
– investment management products	1,671,130	(87,424)	-	-	-	-	(1,000)	1,582,706	(87,424)
Subtotal	1,671,130	(87,424)	-	-	-	-	(1,000)	1,582,706	(87,424)
Financial investments measured at fair value through other comprehensive income									
– other investments	190,620	-	-	-	-	-	-	190,620	-
Total	1,861,750	(87,424)	-	-	-	-	(1,000)	1,773,326	(87,424)

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

38 FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

The reconciliation information in the balance of Recurring Level 3 fair value measurements are as follows: (continued)

			Total gains or losses		Purchases, issues, sales and settlements					
	1 January 2025	increase	Recorded in profit or loss	Recorded in other comprehensive income	Purchases	Issues	Sales	Settlements	31 December 2025	Unrealised gains or losses for the period included in profit or loss for assets held at the end of the year
Assets										
Financial investments measured at fair value through profit or loss										
– debt securities	108,902	–	9,021	–	–	–	–	(117,923)	–	–
– investment management products	1,643,564	–	31,890	–	–	–	–	(4,324)	1,671,130	31,890
Subtotal	1,752,466	–	40,911	–	–	–	–	(122,247)	1,671,130	31,890
Financial investments measured at fair value through other comprehensive income										
– other investments	73,494	117,126	–	–	–	–	–	–	190,620	–
Total	1,825,960	117,126	40,911	–	–	–	–	(122,247)	1,861,750	31,890

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no significant transfers among instruments in Level 1, Level 2 and Level 3.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

39 FIDUCIARY ACTIVITIES

(a) Entrusted lending business

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

	30 June 2026	31 December 2025
Entrusted loans	**625,260**	625,554
Entrusted funds	**625,533**	625,841

40 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Credit commitments

The Group's credit commitments include loan and credit card commitments, bills of exchange, letters of credit, and financial guarantees.

The Group's loan commitments include approved loans with signed contracts that haven't been drawn yet, as well as credit card overdraft limits. The Group provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Acceptances comprise of undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from the customers.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

40 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(a) Credit commitments (continued)

	30 June 2026	31 December 2025
Irrevocable loan commitments		
– Original contractual maturity within one year	**4,905,799**	4,131,356
– Original contractual maturity more than one year (inclusive)	**1,757,039**	1,792,524
Credit card commitments	**5,862,609**	5,761,358
Subtotal	**12,525,447**	11,685,238
Acceptances	**26,458,622**	30,540,160
Letters of credit	**9,370,763**	8,449,645
Letters of guarantees	**190,677**	359,013
Total	**48,545,509**	51,034,056

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

(b) Credit risk-weighted amount for credit commitments

	30 June 2026	31 December 2025
Credit risk-weighted amount for credit commitments	**6,948,555**	8,532,736

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

40 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(c) Capital commitments

As at the end of the reporting period, the Group's authorised capital commitments were as follows:

	30 June 2026	31 December 2025
Contracted but not paid for	**59,102**	64,057
Authorised but not contracted for	**24,032**	25,016
Total	**83,134**	89,073

(d) Outstanding litigations and disputes

As at 30 June 2026, the Group was the defendant in certain outstanding litigations and disputes with an estimated gross amount of RMB1.829 million (31 December 2025: RMB21.982 million). The Group has assessed the impact of the above outstanding litigations and disputes that may lead to an outflow of economic benefits. In the opinion of the Group's lawyers and external lawyers, it is unlikely for the Group to receive unfavourable ruling in these cases. Therefore, the Group did not make provision for the litigation. The directors of the Bank are of the view that these litigations will not have any material adverse effects on the Group's businesses, financial condition, results of operations or prospects.

(e) Bonds underwriting commitments and redemption obligations

The Group had no outstanding bond underwriting commitments at the end of the reporting period.

As an underwriting agent of the PRC government bonds, the Group has the responsibility to buy back its bonds if the holders decide to early redeem the bonds. The redemption price for the bonds at any time before their maturity date is based on the coupon value plus any interest accrued up to the redemption date. Accrued interest payable to the bond holders is calculated in accordance with relevant rules of the Ministry of Finance ("**MOF**") and the PBOC. The redemption price may be different from the fair value of similar instruments traded in the markets at the redemption date.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

40 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(e) Bonds underwriting commitments and redemption obligations (continued)

The redemption obligations below represent the nominal value of government bonds underwritten and sold by the Group, but not yet matured at 30 June 2026 or 31 December 2025:

	30 June 2026	31 December 2025
Redemption obligations	**4,513,680**	4,077,982

(f) Pledged assets

(i) Assets pledged as collateral

	30 June 2026	31 December 2025
For repurchase agreements:		
– Financial investments measured at amortised cost	**13,261,764**	10,787,128
– Discounted bills	**420,570**	407,940
Total	**13,682,334**	11,195,068

Financial assets pledged by the Group as collateral for liabilities are mainly debt securities for repurchase agreements.

(ii) Pledged assets received

The Group conducts resale agreements under standard terms of placements and holds collateral for these transactions. The Group's balance of the financial assets held under resale agreements is disclosed in Note 16. The fair value of such collateral accepted by the Group was RMB9,383 million as at 30 June 2026 (31 December 2025: RMB22,285 million). These transactions were conducted under standard terms in the normal course of business.

As at 30 June 2026 and 31 December 2025, the Group had no collateral available for sale or outward encumbrance with an obligation to return at maturity.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

41 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

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

The Group holds interests in certain structured entities sponsored by third party institutions through investments in the units issued by these structured entities. Such structured entities include funds, trust schemes and asset management plans issued by financial institutions. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of third party investors. These vehicles are financed through the issue of units to investors.

The following table sets out an analysis of the carrying amounts of interests held by the Group in unconsolidated structured entities, as well as an analysis of the line items in the statement of financial position in which relevant assets were recognised as at 30 June 2026 and 31 December 2025:

	30 June 2026		31 December 2025	
	Carrying amount	Maximum exposure	Carrying amount	Maximum exposure
Financial investments measured at fair value through profit or loss	**13,933,122**	**13,933,122**	14,721,557	14,721,557
Total	**13,933,122**	**13,933,122**	14,721,557	14,721,557

As at 30 June 2026 and 31 December 2025, the carrying amounts of the unconsolidated structured entities were equal to the maximum exposures.

41 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES (continued)

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

The types of unconsolidated structured entities sponsored by the Group include non-principal guaranteed wealth management products. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors. These structured entities are financed through the issue of units to investors. Interests held by the Group include investments in units issued by these structured entities and fees charged by providing management services. As at 30 June 2026 and 31 December 2025, the carrying amounts of the investments in the units issued by these structured entities and management fee receivables being recognised were not material in the statement of financial position.

For the six months ended 30 June 2026, the amount of fee and commission income received from the above-mentioned structured entities by the Group was RMB115 million (for the six months ended 30 June 2025: RMB130 million).

As at 30 June 2026, the amount of assets held by the unconsolidated non-principal guaranteed wealth management products, which are sponsored by the Group, was RMB20,548 million (31 December 2025: RMB31,035 million).

(c) Unconsolidated structured entities sponsored by the Group during the period in which the Group does not have interests as at 30 June 2026

For the six months ended 30 June 2026, The Group does not have non-principal guaranteed wealth management products initiated and issued by the Group after January 1 but due before June 30 (for the six months ended 30 June 2025, the Group does not have non-principal guaranteed wealth management products initiated and issued by the Group after January 1 but due before June 30).

42 SUBSEQUENT EVENTS

On August 7, 2026, the Shanxi Regulatory Bureau of the National Financial Supervision and Administration approved our bank's capital increase in Jinshang Consumer Finance Co., Ltd. The registered capital of Jinshang Consumer Finance Co., Ltd. will increase from 500 million RMB to 1 billion RMB, and our bank's shareholding in the company will rise from 40% to 70%.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

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

In accordance with the Hong Kong Listing Rules and Banking (Disclosure) Rules, the Group discloses the unaudited supplementary financial information as follows:

1 LIQUIDITY COVERAGE RATIO, LEVERAGE RATIO AND NET STABLE FUNDING RATIO

(a) Liquidity coverage ratio

	30 June 2026	Average for the six months ended 30 June 2026
Liquidity coverage ratio (RMB and foreign currencies)	**143.98%**	**161.38%**

	31 December 2025	Average for the year ended 31 December 2025
Liquidity coverage ratio (RMB and foreign currencies)	178.84%	221.95%

Pursuant to the Administrative Measures on the Liquidity Risk Management of Commercial Banks, the minimum regulatory requirement of liquidity coverage ratio is 100%.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

1 LIQUIDITY COVERAGE RATIO, LEVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

(b) Leverage ratio

	30 June 2026	31 December 2025
Leverage ratio	**6.83%**	6.68%

Pursuant to the "Regulation Governing Capital of Commercial Banks" issued by the NFRA effective since 1 January 2024, a minimum leverage ratio of 4% is required.

(c) Net Stable Funding Ratio

	30 June 2026	31 March 2026	31 December 2025
Net stable funding ratio	**122.69%**	126.73%	130.49%
Stable funds available	**268,596,095**	261,713,246	262,912,759
Stable funding required	**218,927,916**	206,505,076	201,479,751

Pursuant to the Administrative Measures on the Liquidity Risk Management of Commercial Banks, a minimum net stable funding ratio of 100% is required.

The above liquidity coverage ratio, leverage ratio and net stable funding ratio are calculated based on the formulas published by the National Financial Regulatory Administration and the financial information prepared in accordance with PRC GAAP.

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

2 CURRENCY CONCENTRATIONS

	30 June 2026			
	US Dollars (RMB equivalent)	**HK Dollars (RMB equivalent)**	**Others (RMB equivalent)**	**Total**
Spot assets	**41,774**	**2,297**	**582**	**44,653**
Spot liabilities	**(41,052)**	**(46)**	**(591)**	**(41,689)**
Net position	**722**	**2,251**	**(9)**	**2,964**

	31 December 2025			
	US Dollars (RMB equivalent)	HK Dollars (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	36,880	2,393	511	39,784
Spot liabilities	(36,140)	(47)	(520)	(36,707)
Net position	740	2,346	(9)	3,077

As at 30 June 2026, the Group had no structural foreign exchange position (31 December 2025: RMBNil).

3 INTERNATIONAL CLAIMS

The Group is principally engaged in business operations within Chinese mainland, and regards all claims on third parties outside Chinese mainland as international claims.

International claims only include deposits from banks and other financial institutions.

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

	30 June 2026		
	Banks and other financial institutions	**Non-bank private sector**	**Total**
Asia Pacific	**651**	**–**	**651**
Europe	**9**	**–**	**9**
Total	**660**	**–**	**660**

	31 December 2025		
	Banks and other financial institutions	Non-bank private sector	Total
Asia Pacific	–	–	–
Europe	9	–	9
Total	9	–	9

(AMOUNTS IN THOUSANDS OF RENMINBI, UNLESS OTHERWISE STATED)

4 GROSS AMOUNTS OF OVERDUE LOANS AND ADVANCES (EXCLUDING INTEREST ACCRUED)

	30 June 2026	31 December 2025
Gross loans and advances which have been overdue with respect to either principal or interest for periods of		
– between 3 and 6 months (inclusive)	**1,569,879**	927,818
– between 6 months and 1 year (inclusive)	**1,049,582**	752,489
– between 1 year and 3 years (inclusive)	**990,843**	1,274,984
– over 3 years	**248,487**	375,220
Total	**3,858,791**	3,330,511
Percentage of total gross loans and advances		
– between 3 and 6 months (inclusive)	**0.66%**	0.42%
– between 6 months and 1 year (inclusive)	**0.44%**	0.35%
– between 1 year and 3 years (inclusive)	**0.41%**	0.59%
– over 3 years	**0.10%**	0.17%
Total	**1.61%**	1.53%

LIST OF BRANCHES

As at June 30, 2026, the details of the branches of the Bank are as follows:

No.	Institution name	Institution address	Note
1.	Head office	No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province	4 sub-branches directly administered by the head office and 69 outlets under its jurisdiction
2.	Lvliang Branch	Intersection of Changzhi Road and Longfeng Street, Lishi District, Lvliang, Shanxi Province	7 outlets under its jurisdiction
3.	Yuncheng Branch	No. 989 Pu'an Street, Yanhu District, Yuncheng, Shanxi Province	8 outlets under its jurisdiction
4.	Linfen Branch	Block B, Guangqi Fortune Center, Hefen Road, Linfen, Shanxi Province	10 outlets under its jurisdiction
5.	Shuozhou Branch	North side of Zhenhua East Street, Shuozhou Economic Development Zone, Shanxi Province	10 outlets under its jurisdiction
6.	Datong Branch	Tower 4, Jinmao International Centre, West of Wenxing Road, Pingcheng District, Datong, Shanxi Province	8 outlets under its jurisdiction
7.	Changzhi Branch	No. 288 Chengdong Road, Changzhi, Shanxi Province	9 outlets under its jurisdiction
8.	Xinzhou Branch	Yiren Commercial Complex, Jianshe South Road, Xinfu District, Xinzhou, Shanxi Province	10 outlets under its jurisdiction
9.	Jincheng Branch	1/F, 2/F, 301 on 3/F, and 5/F, Lihua Tianyuan Building, No. 266 Fengtai East Street, Urban District, Jincheng, Shanxi Province	8 outlets under its jurisdiction
10.	Jinzhong Branch	No. 678, Anning Street, Yuci District, Jinzhong, Shanxi Province	9 outlets under its jurisdiction
11.	Yangquan Branch	1/F – 5/F, Commercial Building, Wanlong International Phase I, Nanda East Street, Yangquan, Shanxi Province	5 outlets under its jurisdiction

晋商银行
Jinshang Bank