



九江银行股份有限公司 Bank of Jiujiang Co., Ltd.

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

Stock Code: 6190



2025

INTERIM REPORT



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Company Profile

1. BASICS

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

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

Company Profile

2. ABOUT US

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

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

As of the end of the reporting period, Bank of Jiujiang (including controlled county banks) has 5,746 full-time employees, with an average age of 30.62. Among them, 4,995 had undergraduate degrees or graduated from junior colleges, accounting for 86.93%, while 747 had master's degrees (and above), accounting for 13.00%. The Bank operates through its head office, 13 branches and 265 sub-branches, and has successively initiated the establishment of 20 county banks such as Xiushui Jiuyin and Zhongshan Xiaolan. As a city commercial bank, Bank of Jiujiang was the first to realize the full coverage of cities with districts in Jiangxi Province.

3. MAJOR AWARDS IN THE FIRST HALF OF 2025

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

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

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

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

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

Company Profile

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

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

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

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

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

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

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

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

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

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

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

Accounting Data and Financial Indicator Highlights

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

	For the six months ended June 30,	
	2025	2024
	<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>	
Results of operations		
Net interest income	4,098.2	4,510.4
Net fee and commission income	295.1	454.0
Operating income	5,342.5	5,500.5
Operating expenses	(1,451.6)	(1,520.4)
Impairment losses on assets	(3,571.2)	(3,462.2)
Profit before taxation	316.9	521.3
Net profit for the period	378.5	592.2
Net profit for the period attributable to shareholders of the Bank	364.0	553.9
Calculated on a per share basis (RMB)		
Net assets per share attributable to shareholders of the Bank ⁽¹⁾	11.92	11.93
Basic earnings per share ⁽²⁾	0.01	0.08
Diluted earnings per share ⁽²⁾	0.01	0.08
Profitability indicators (%)		
Return on average total assets ⁽³⁾	0.15	0.24
Return on average equity ⁽⁴⁾	0.16	1.30
Net interest spread ⁽⁵⁾	1.64	1.82
Net interest margin ⁽⁶⁾	1.67	1.87
Net fee and commission income to operating income	5.52	8.25
Cost-to-income ratio ⁽⁷⁾	25.79	26.60

Accounting Data and Financial Indicator Highlights

	June 30, 2025	December 31, 2024
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Capital adequacy indicators (%)		
Core tier-one capital adequacy ratio ⁽⁸⁾	8.62	9.44
Tier-one capital adequacy ratio ⁽⁸⁾	11.15	11.97
Capital adequacy ratio ⁽⁸⁾	11.18	13.17
Total equity to total assets	8.03	8.24
Asset quality indicators (%)		
Non-performing loan ratio ⁽⁹⁾	1.88	2.19
Allowance coverage ratio ⁽¹⁰⁾	154.60	154.25
Allowance-to-loan ratio ⁽¹¹⁾	2.91	3.37
Volume indicators		
Total assets	519,654.5	516,458.6
Including: Net loans and advances to customers	318,664.2	311,947.8
Total liabilities	477,926.8	473,925.7
Including: Customer deposits	385,211.3	386,963.5
Share capital	2,847.4	2,847.4
Equity attributable to shareholders of the Bank	40,931.5	41,747.1
Non-controlling interests	796.2	785.8
Total equity	41,727.7	42,532.9
Net capital base ⁽⁸⁾	40,114.5	47,075.0
Other financial indicators (%)		
Leverage ratio ⁽¹²⁾	6.58	7.06
Liquidity ratio ⁽¹³⁾	74.75	67.57
Liquidity coverage ⁽¹⁴⁾	171.69	394.39
Loan to deposit ratio	84.62	82.91
Ratio of loans and advances to single top customer ⁽¹⁵⁾	0.83	0.89
Ratio of loans and advances to top 10 single customers ⁽¹⁵⁾	3.98	4.14

Accounting Data and Financial Indicator Highlights

Notes:

- (1) Represents shareholders' equity attributable to the Bank after deducting other equity instruments at the end of the reporting period, divided by total number of ordinary share capital at the end of the reporting period.
- (2) Represents the ratio of net profit attributable to the Bank's shareholders, after deduction of the dividend on perpetual bonds paid during the reporting period, to the weighted average ordinary share capital.
- (3) Represents the ratio of net profit for the reporting period to the average balance of total assets at the beginning and end of the period.
- (4) Calculated in accordance with the requirements of the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Equity and Earnings per Share (2010 Revision) (《公開發行證券公司信息披露編製規則第9號 – 淨資產收益率和每股收益的計算和披露》(2010年修訂)) issued by the CSRC; Represents the ratio of net profit attributable to the Bank's shareholders, after deduction of the dividend on perpetual bonds paid during the reporting period, to the weighted average balance attributable to the Bank's shareholders' equity after deducting other equity instruments during the reporting period.
- (5) Calculated as the difference between the average annualized yield on total interest-earning assets and the average annualized interest rate of total interest-bearing liabilities, and based on daily average interest-earning assets and interest-bearing liabilities.
- (6) Calculated by dividing net interest income by average interest-earning assets, and based on daily average interest-earning assets.
- (7) Calculated by dividing operating expenses, excluding tax and surcharges, by operating income.
- (8) Calculated in accordance with the relevant regulations of the national financial regulatory institution.
- (9) Calculated by dividing total non-performing loans by gross loans to customers.
- (10) Calculated by dividing allowance for impairment losses on loans (excluding accrued interest) by total non-performing loans.
- (11) Calculated by dividing allowance for impairment losses on loans (excluding accrued interest) by gross loans to customers.
- (12) Calculated by dividing tier-one net capital by in-sheet balance and off-sheet balance of capital (after adjustment) according to the regulatory standards and based on the reviewed data.
- (13) Calculated by dividing current assets by current liabilities according to the regulatory standards.
- (14) Calculated by dividing qualified high-quality current assets by net cash outflows in the next 30 days according to the regulatory standards.
- (15) Ratio of loans and advances to single top customer and ratio of loans and advances to top 10 single customers were recalculated according to the regulatory standards and based on the reviewed data.

Management Discussion and Analysis

1. PAST ECONOMIC AND POLITICAL SCENARIOS

In the first half of 2025, facing complex and challenging developments marked by mounting external pressures and growing domestic difficulties, we, the Chinese people of all ethnic groups, have overcome difficulties and continued to forge ahead under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core. We ensured overall stable performance and steady growth of the economy and accomplished the main goals and tasks for economic and social development in the period. Solid headway was made in pursuing high-quality development and fostering new quality productive forces. Solid new strides were made in advancing Chinese modernization. The gross domestic product (GDP) for the first half reached RMB66.05 trillion, representing a year-on-year increase of 5.3%.

In the first half of 2025, following the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, our people across the Jiangxi Province thoroughly implemented the guiding principles of the 20th National Congress of the CPC and the second and third plenary sessions of the 20th CPC Central Committee, as well as the important instructions General Secretary Xi Jinping gave during his inspection tour of Jiangxi Province. We conscientiously executed the decisions and plans of the CPC Central Committee and the State Council and fully carried out the work requirements set by the Provincial Party Committee and the Provincial Government. Adhering to the general principle of pursuing progress while ensuring stability, Jiangxi Province fully and faithfully applied the new development philosophy on all fronts, seized opportunities arising from macro-level policies, actively expanded effective investment, vigorously boosted consumption, and deepened the implementation of the “1269” action plan, ensuring that the province’s economy continued to operate in a stable fashion.

In the first half of 2025, the National Financial Regulatory Administration made coordinated efforts to prevent financial risks, strengthen supervision, and promote development, focusing on six priority tasks. Firstly, accelerating the reform and risk mitigation of small and medium-sized financial institutions; secondly, effectively preventing and defusing financial risks in key sectors; thirdly, substantially enhancing the high-quality development capacity of the banking and insurance industries; fourthly, persisting in a problem-oriented approach to continuously improve the quality and effectiveness of supervision; fifthly, making all-out efforts to propel the economy toward sustained recovery and growth; and sixthly, advancing high-standard financial opening-up into higher standards and greater intensity.

Management Discussion and Analysis

2. GENERAL SITUATION OF OPERATION

In the first half of 2025, the Group adhered to the development theme of “expanding the customer base, enhancing comprehensive client value, strengthening capability building, and cultivating Jiu Yin’s core competitive edge”. The Group has firmly positioned itself as a bank dedicated to “serving the local economy, small and medium enterprises, and urban and rural residents”, we ensured overall stable performance and steady progress in the overall operation and management, and realized operating income of RMB5,343 million and net profit of RMB379 million.

3. INCOME STATEMENT ANALYSIS

During the reporting period, the Group achieved a net profit of RMB379 million. During the reporting period, the Group continued to implement the national decisions and arrangements on reducing fees and making interest concessions, actively introduced measures to benefit enterprises and the people, further reduced the operating costs of the real economy and the burden on financial consumers.

	For the six months ended June 30, 2025 2024 <i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>	
Interest income	8,517.9	9,746.5
Interest expense	(4,419.7)	(5,236.1)
Net interest income	4,098.2	4,510.4
Fee and commission income	364.0	513.8
Fee and commission expense	(68.9)	(59.8)
Net fee and commission income	295.1	454.0
Net gains arising from financial investments	959.9	538.4
Other operating income	(10.7)	(2.3)
Operating income	5,342.5	5,500.5
Operating expenses	(1,451.6)	(1,520.4)
Impairment losses on assets	(3,571.2)	(3,462.2)
Share of profits of associates	(2.8)	3.4
Profit before taxation	316.9	521.3
Income tax	61.6	70.9
Net profit for the period	378.5	592.2
Net profit for the period attributable to:		
Shareholders of the Bank	364.0	553.9
Non-controlling interests	14.5	38.3

Management Discussion and Analysis

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

During the reporting period, the Group achieved a net interest income of RMB4,098 million, representing a year-on-year decrease of RMB412 million or 9.1%. This was mainly due to a decrease in the average annualized yield of interest-earning assets.

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

	For the six months ended June 30,					
	2025			2024		
	Average balance	Interest income/expense	Average annualized yield/interest rate (%) ⁽¹⁾	Average balance	Interest income/expense	Average annualized yield/interest rate (%) ⁽¹⁾
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>						
Interest-earning assets						
Loans and advances to customers	314,933.5	6,423.8	4.08	302,135.2	7,184.5	4.76
Financial investments ⁽²⁾	123,015.7	1,703.9	2.77	125,906.9	2,122.2	3.37
Financial assets held under resale agreements	17,049.3	144.3	1.69	24,158.2	230.4	1.91
Balances with the central bank ⁽³⁾	24,762.1	181.7	1.47	27,075.1	202.4	1.50
Deposits with banks and other financial institutions ⁽⁴⁾	11,803.0	64.2	1.09	2,000.4	7.0	0.70
Total interest-earning assets	491,563.6	8,517.9	3.47	481,275.8	9,746.5	4.05
Interest-bearing liabilities						
Customer deposits	376,907.0	3,467.3	1.84	368,478.8	4,058.0	2.20
Deposits from banks and other financial institutions ⁽⁵⁾	16,733.3	114.5	1.37	14,530.1	203.6	2.80
Financial assets sold under repurchase agreements	18,701.4	152.8	1.63	21,812.2	193.5	1.77
Debt securities issued ⁽⁶⁾	51,070.6	493.0	1.93	37,044.4	472.4	2.55
Borrowings from the central bank	20,179.3	186.2	1.85	26,842.8	303.2	2.26
Lease liabilities	288.9	5.9	4.08	309.4	5.4	3.49
Total interest-bearing liabilities	483,880.5	4,419.7	1.83	469,017.7	5,236.1	2.23
Net interest income		4,098.2			4,510.4	
Net interest spread (%)⁽⁷⁾		1.64			1.82	
Net interest margin (%)⁽⁸⁾		1.67			1.87	

Notes:

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

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

Management Discussion and Analysis

- (3) Consists primarily of statutory deposit reserves and surplus deposit reserves.
- (4) Consists of deposits with banks and other financial institutions and placements with banks and other financial institutions.
- (5) Consists of deposits from banks and other financial institutions and placements from banks and other financial institutions.
- (6) Consists of interbank negotiable certificates of deposit.
- (7) Calculated as the difference between the average annualized yield on total interest-earning assets and the average annualized interest rate of total interest-bearing liabilities.
- (8) Calculated by dividing net interest income by the daily average balance of total interest-earning assets.

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

	For the six months ended June 30, Changes in 2025 vs. 2024 Reasons for increase/(decrease)		
	Scale ⁽¹⁾	Rate ⁽²⁾	Net increase/ decrease ⁽³⁾
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>			
Interest-earning assets			
Loans and advances to customers	310.1	(1,070.8)	(760.7)
Financial investment	(49.3)	(369.0)	(418.3)
Financial assets held under resale agreements	(67.3)	(18.8)	(86.1)
Balances with the central bank ⁽⁴⁾	(17.0)	(3.7)	(20.7)
Deposits with banks and other Financial institutions ⁽⁵⁾	34.2	23.0	57.2
Change in interest income	210.7	(1,439.3)	(1,228.6)
Interest-bearing liabilities			
Customer deposits	87.7	(678.4)	(590.7)
Deposits from banks and other Financial institutions ⁽⁶⁾	30.5	(119.6)	(89.1)
Financial assets sold under Repurchase agreements	(27.6)	(13.1)	(40.7)
Debt securities issued ⁽⁷⁾	178.9	(158.3)	20.6
Borrowing from the central bank	(75.6)	(41.4)	(117.0)
Lease liabilities	(0.4)	0.9	0.5
Change in interest expenses	193.5	(1,009.9)	(816.4)
Change in net interest income	17.2	(429.4)	(412.2)

Management Discussion and Analysis

Notes:

- (1) Represents the average balance of the reporting period deducting the average balance of the previous period, multiplied by the average annualized yield/interest rate of the previous period.
- (2) Represents the average annualized yield/interest rate of the reporting period deducting the average annualized yield/interest rate of the previous period, multiplied by the average balance for the reporting period.
- (3) Represents interest income/expense during the reporting period deducting interest income/expense from the previous period.
- (4) Consists primarily of statutory deposit reserves and surplus deposit reserves.
- (5) Consists of deposits with banks and other financial institutions and placements with banks and other financial institutions.
- (6) Consists of deposits from banks and other financial institutions and placements from banks and other financial institutions.
- (7) Consists of interbank negotiable certificates of deposit.

3.2 Interest income

In the first half of 2025, the Group continued to carry out and implement the national decisions and arrangements on reducing fees and making interest concessions, actively introduced measures to benefit enterprises and the people, further reduced the operating costs of the real economy and the burden on financial consumers and strived to improve the quality and efficiency of financial services. During the reporting period, the Group achieved interest income of RMB8,518 million, representing a year-on-year decrease of RMB1,229 million or 12.6%. The decrease in interest income was mainly due to the decrease in the average asset yield of interest-earning assets, partially offset by an increase in the average balances. During the reporting period, the increase in the average balance of interest-earning assets was mainly due to the increase in the loans of the Group in line with the business development; the decrease in the average asset yield was mainly due to the decreased profitability of loans and advances to customers and financial investment business as a result of the acceleration of interest rate marketization and the downward trend of the macro market interest rate.

3.2.1 Interest income from loans and advances to customers

During the reporting period, the Group's interest income from loans and advances to customers was RMB6,424 million, a year-on-year decrease of RMB761 million, primarily due to a decrease in the average annualized yield on loans and advances.

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

	For the six months ended June 30,					
	2025			2024		
	Average balance	Interest income	Average annualized yield (%)	Average balance	Interest income	Average annualized yield (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>						
Corporate loans and advances	202,371.4	4,393.3	4.34	189,464.4	4,745.1	5.01
Retail loans and advances	82,668.4	1,847.0	4.47	92,259.9	2,275.1	4.93
Discounted bills	29,893.7	183.5	1.23	20,410.9	164.3	1.61
Total	314,933.5	6,423.8	4.08	302,135.2	7,184.5	4.76

Management Discussion and Analysis

3.2.2 Interest income from financial investments

During the reporting period, interest income from financial investments of the Group amounted to RMB1,704 million, representing a year-on-year decrease of RMB418 million, mainly due to decreases in both the average balance and interest yield of the Group's financial investment, resulting in lower interest income.

3.2.3 Interest income from financial assets held under resale agreements

During the reporting period, interest income from financial assets held under resale agreements of the Group amounted to RMB144 million, representing a year-on-year decrease of RMB86 million, mainly due to the decrease in the average balance of the Group's financial assets held under resale agreements.

3.2.4 Interest income from balances with the central bank

During the reporting period, interest income from balances with the central bank of the Group was RMB182 million, representing a year-on-year decrease of RMB21 million, mainly due to the decrease in the average balance of the Group's reserves in the central bank.

3.2.5 Interest income from deposits with banks and other financial institutions

During the reporting period, the interest income from deposits with banks and other financial institutions of the Group was RMB64 million, representing a year-on-year increase of RMB57 million, mainly due to the increase in the average balance of the Group's deposits with banks and other financial institutions.

3.3 Interest expense

During the reporting period, interest expense of the Group amounted to RMB4,420 million, representing a year-on-year decrease of RMB816 million or 15.6%, mainly due to a decrease in the interest expense on customer deposits as a result of the decreased average interest rate of customer deposits, partially offset by the increase in the average balance.

Management Discussion and Analysis

3.3.1 Interest expense on customer deposits

During the reporting period, interest expense on customer deposits of the Group amounted to RMB3,467 million, representing a year-on-year decrease of RMB591 million, mainly due to the decrease in the average interest rate of customer deposits, partially offset by the increase in the average balance of customer deposits. The decrease in the average interest rate of customer deposits was mainly because the Group reduced the nominal interest rate for deposits and interest rate for deposits according to the market conditions of banks; the increase in the average balance of customer deposits was mainly due to the overall growth in the scale of the deposit business as a result of progressive customer expansion by the Group.

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

	For the six months ended June 30,					
	2025			2024		
	Average balance	Interest expense	Average annualized interest rate (%)	Average balance	Interest expense	Average annualized interest rate (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>						
Corporate deposits						
Demand	73,646.4	295.8	0.80	101,781.7	675.3	1.33
Time	60,434.1	624.8	2.07	57,433.7	747.2	2.60
Pledged deposits	30,495.5	178.6	1.17	31,525.0	225.7	1.43
Subtotal	164,576.0	1,099.2	1.34	190,740.4	1,648.2	1.73
Personal deposits						
Demand	25,964.5	11.2	0.09	25,772.0	26.7	0.21
Time	184,276.2	2,325.8	2.52	149,906.2	2,351.7	3.14
Subtotal	210,240.7	2,337.0	2.22	175,678.2	2,378.4	2.71
Convertible negotiated deposits	2,000.0	31.1	3.11	2,000.0	31.4	3.14
Others	90.3	–	–	60.2	–	–
Total customer deposits	376,907.0	3,467.3	1.84	368,478.8	4,058.0	2.20

Management Discussion and Analysis

3.3.2 Interest expense on deposits from banks and other financial institutions

During the reporting period, interest expense on deposits from banks and other financial institutions of the Group was RMB115 million, representing a year-on-year decrease of RMB89 million, mainly due to the decrease in the average annualized interest rate of the Group's deposits from banks and other financial institutions, partially offset by the increase in the average balance.

3.3.3 Interest expense on financial assets sold under repurchase agreements

During the reporting period, interest expense on financial assets sold under repurchase agreements of the Group amounted to RMB153 million, representing a year-on-year decrease of RMB41 million, mainly due to the decrease in the average balance of the Group's financial assets sold under repurchase agreements and a decrease in the average annualized interest rate.

3.3.4 Interest expense on debt securities issued

During the reporting period, interest expense on the issued debt securities of the Group amounted to RMB493 million, representing a year-on-year increase of RMB21 million, mainly due to the increase in the average balance of the Group's debt securities issued, partially offset by the decrease in the average annualized interest rate.

3.3.5 Interest expense on borrowings from the central bank

During the reporting period, interest expense on borrowings from the central bank of the Group amounted to RMB186 million, representing a year-on-year decrease of RMB117 million, mainly due to the decrease in the average balance of the Group's borrowings from the central bank and a decrease in the average annualized interest rate.

Management Discussion and Analysis

3.4 Non-interest income

3.4.1 Net fee and commission income

During the reporting period, the net fee and commission income of the Group amounted to RMB295 million, representing a year-on-year decrease of RMB159 million, mainly attributable to decreases in wealth management fees, credit commitments and financial guarantees fees, and agency service fees.

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

	For the six months ended June 30,			
	2025	2024	Amount of change	Percentage of change (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Fee and commission income				
Settlement and clearing fees	156.7	147.2	9.5	6.5
Credit commitments and financial guarantees fees	77.3	116.7	(39.4)	(33.8)
Agency service fees	66.8	98.2	(31.4)	(32.0)
Bank card fees	33.8	35.1	(1.3)	(3.7)
Wealth management fees	25.0	113.1	(88.1)	(77.9)
Transaction and consultancy fees	4.4	3.5	0.9	25.7
Subtotal	364.0	513.8	(149.8)	(29.2)
Fee and commission expense				
Transaction fees	(39.5)	(35.4)	(4.1)	11.6
Settlement fees	(27.1)	(21.4)	(5.7)	26.6
Others	(2.3)	(3.0)	0.7	(23.3)
Subtotal	(68.9)	(59.8)	(9.1)	15.2
Net fee and commission income	295.1	454.0	(158.9)	(35.0)

Management Discussion and Analysis

3.4.2 Net gains arising from financial investments

During the reporting period, net gains arising from financial investments of the Group reached RMB960 million, representing a year-on-year increase of RMB422 million, mainly due to the Group's proactive efforts to optimize the investment portfolio and pursuit of gains arising from investments.

3.5 Operating expenses

During the reporting period, operating expenses of the Group amounted to RMB1,452 million, representing a year-on-year decrease of RMB69 million or 4.5%.

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

	For the six months ended June 30,			
	2025	2024	Amount of change	Percentage of change (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Staff costs	777.4	848.9	(71.5)	(8.4)
General and administrative expenses	310.6	334.8	(24.2)	(7.2)
Depreciation and amortization (excluding investment properties)	238.9	226.4	12.5	5.5
Tax and surcharges	73.6	57.5	16.1	28.0
Depreciation on right-of-use assets	51.1	52.8	(1.7)	(3.2)
Total operating expenses	1,451.6	1,520.4	(68.8)	(4.5)

Management Discussion and Analysis

3.6 Impairment losses on assets

In the first half of 2025, the Group's impairment losses on assets were RMB3,571 million.

The following table sets forth the amounts and their changes for each component of impairment loss of the Group in the period indicated.

	For the six months ended June 30,		
	2025	2024	Amount of change
	<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Loans and advances to customers at amortised cost	3,490.6	3,569.7	(79.1)
Loans and advances to customers at FVOCI	(5.6)	(10.9)	5.3
Financial investments measured at amortised cost	(91.3)	83.2	(174.5)
Financial investments measured at FVOCI	0.2	(1.0)	1.2
Other ⁽¹⁾	177.3	(178.8)	356.1
Total impairment losses on assets	3,571.2	3,462.2	109.0

Note:

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

3.7 Income tax

The following table sets forth the amounts and their changes for each component of income tax of the Group in the period indicated.

	For the six months ended June 30,		
	2025	2024	Amount of change
	<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Current income tax	404.7	192.3	212.4
Tax filing differences	138.8	146.4	(7.6)
Deferred tax	(605.1)	(409.6)	(195.5)
Total income tax	(61.6)	(70.9)	9.3

Management Discussion and Analysis

4. ANALYSIS OF MAJOR FINANCIAL POSITION ITEMS

4.1 Assets

As of the end of the reporting period, total assets of the Group were RMB519,655 million, representing an increase of RMB3,196 million or 0.6% as compared to the end of last year, mainly due to the increases in: (i) loans and advances to customers; (ii) deposits with banks and other financial institutions; and (iii) placements with banks and other financial institutions.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Gross loans and advances to customers	325,949.4	62.7	320,834.7	62.2
Accrued interest on loans and advances to customers	2,195.9	0.4	1,921.2	0.4
Less: Allowances for impairment losses	(9,481.1)	(1.8)	(10,808.1)	(2.1)
Net loans and advances to customers	318,664.2	61.3	311,947.8	60.5
Financial investments, net	149,387.4	28.7	150,796.4	29.2
Cash and balances with the central bank	24,650.0	4.7	26,580.4	5.1
Deposits with banks and other financial institutions	4,841.6	0.9	1,191.8	0.2
Placements with banks and other financial institutions	5,183.8	1.0	1,044.5	0.2
Financial assets held under resale agreements	370.3	0.1	9,456.3	1.8
Interests in associates	139.5	0.0	142.4	0.0
Other assets ⁽¹⁾	16,417.7	3.3	15,299.0	3.0
Total assets	519,654.5	100.0	516,458.6	100.0

Note:

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

Management Discussion and Analysis

4.1.1 Loans and advances to customers

As of the end of the reporting period, the gross loans and advances to customers of the Group amounted to RMB325,949 million, representing an increase of RMB5,115 million as compared to the end of last year, primarily due to the stable growth in our corporate loans.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Corporate loans and advances	211,130.3	64.8	199,244.3	62.1
Retail loans and advances	82,470.4	25.3	89,391.0	27.9
Discounted bills	32,348.7	9.9	32,199.4	10.0
Gross loans and advances to customers	325,949.4	100.0	320,834.7	100.0

(1) Corporate loans and advances

As of the end of the reporting period, the gross corporate loans and advances of the Group amounted to RMB211,130 million, representing an increase of RMB11,886 million as compared to the end of last year, mainly due to the fact that the Group actively expanded the corporate credit grant to support the real economy.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Working capital loans	117,771.6	55.8	109,807.8	55.2
Fixed asset loans	64,758.0	30.7	62,059.6	31.1
Trade finance loans	24,772.0	11.7	21,359.8	10.7
Others	3,828.7	1.8	6,017.1	3.0
Total corporate loans and advances	211,130.3	100.0	199,244.3	100.0

Management Discussion and Analysis

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Large enterprise ⁽¹⁾	20,982.9	9.9	22,116.7	11.1
Medium enterprise ⁽¹⁾	55,044.1	26.1	49,420.0	24.8
Small enterprise ⁽¹⁾	104,227.7	49.4	98,490.1	49.4
Micro enterprise ⁽¹⁾	29,612.1	14.0	27,870.0	14.0
Others ⁽²⁾	1,263.5	0.6	1,347.5	0.7
Total corporate loans and advances	211,130.3	100.0	199,244.3	100.0

Notes:

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

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

(2) Retail loans and advances

As of the end of the reporting period, total retail loans and advances of the Group amounted to RMB82,470 million.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Residential mortgage loans	27,427.6	33.2	29,472.6	33.0
Personal loans for business purposes	32,545.9	39.5	35,139.5	39.3
Personal loans for consumption	17,046.0	20.7	18,858.3	21.1
Credit card	5,450.9	6.6	5,920.6	6.6
Total retail loans and advances	82,470.4	100.0	89,391.0	100.0

(3) Discounted bills

As of the end of the reporting period, discounted bills of the Group were RMB32,349 million, representing an increase of RMB149 million as compared to the end of last year.

Management Discussion and Analysis

4.1.2 Financial investments

As of the end of the reporting period, the total financial investments of the Group were RMB154,868 million, representing a decrease of RMB1,495 million as compared to the end of last year, primarily due to the decrease in the Group's fund investments.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Financial investments at fair value through profit or loss	30,175.1	19.4	36,725.4	23.5
Financial investments at fair value through other comprehensive income	49,343.1	31.9	45,414.1	29.0
Financial investments measured at amortised cost	75,349.8	48.7	74,223.7	47.5
Total financial investments	154,868.0	100.0	156,363.2	100.0

Management Discussion and Analysis

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Debt securities				
Debt securities issued by government	65,792.0	42.5	64,879.0	41.5
Debt securities issued by policy banks	36,631.5	23.7	31,101.4	19.9
Debt securities issued by general corporates	11,691.8	7.5	12,600.1	8.1
Debt securities issued by commercial banks	9,863.8	6.4	9,150.6	5.9
Subtotal	123,979.1	80.1	117,731.1	75.4
Non-standard investment				
Trust beneficiary rights and asset management plans	15,585.9	10.1	15,916.7	10.2
Other investments at fair value through profit or loss	2,614.0	1.7	2,771.6	1.8
Subtotal	18,199.9	11.8	18,688.3	12.0
Other financial investments				
Fund investments	9,349.5	6.0	16,110.8	10.3
Equity investments	2,169.5	1.4	1,917.4	1.2
Subtotal	11,519.0	7.4	18,028.2	11.5
Accrued interest	1,170.0	0.7	1,915.6	1.1
Total financial investments	154,868.0	100.0	156,363.2	100.0
Less: Allowances for impairment losses	(5,480.6)		(5,566.8)	
Financial investments, net	149,387.4		150,796.4	

Management Discussion and Analysis

4.1.3 Other Components of the Group's Assets

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

As of the end of the reporting period, the total amount of cash and balances with the central bank was RMB24,650 million, representing a decrease of RMB1,930 million as compared to the end of last year, mainly due to the reduction in the reserve requirement ratio and the Group's efforts to strengthen cash and liquidity management, enhance fund utilization efficiency, and adjust cash and balances with the central bank.

As of the end of the reporting period, the total amount of deposits with banks and other financial institutions was RMB4,842 million, representing an increase of RMB3,650 million as compared to the end of last year, mainly due to the Group's optimization of its asset structure in line with its asset-liability allocation strategy, leading to adjustments in deposits with banks and other financial institutions.

As of the end of the reporting period, the total amount of placements with banks and other financial institutions was RMB5,184 million, representing an increase of RMB4,139 million as compared to the end of last year, mainly due to the Group's enhanced interbank cooperation and the need to optimize its asset portfolio structure, resulting in an increase in placements with banks and other financial institutions.

As of the end of the reporting period, the total amount of financial assets held under resale agreements was RMB370 million, representing a decrease of RMB9,086 million as compared to the end of last year, mainly due to the Group's optimization of fund usage and the need to adjust its asset portfolio structure, leading to a decrease in financial assets held under resale agreements.

4.2 Liabilities

As of the end of the reporting period, the total liabilities of the Group were RMB477,927 million, representing an increase of RMB4,001 million or 0.8% as compared to the end of last year.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Borrowings from the central bank	21,254.3	4.4	22,443.6	4.7
Customer deposits	385,211.3	80.6	386,963.5	81.6
Deposits from banks and other financial institutions	6,076.4	1.3	8,973.2	1.9
Placements from banks and other financial institutions	2,201.1	0.5	2,301.4	0.5
Financial assets sold under repurchase agreements	8,979.2	1.9	1,734.4	0.4
Debt securities issued	49,819.1	10.4	47,336.6	10.0
Other liabilities ⁽¹⁾	4,385.4	0.9	4,173.0	0.9
Total liabilities	477,926.8	100.0	473,925.7	100.0

Note:

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

Management Discussion and Analysis

4.2.1 Customer deposits

As of the end of the reporting period, the Group recorded total customer deposits of RMB385,211 million, of which time deposits accounted for 66.6% and demand deposits accounted for 23.6%.

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Demand deposits				
Corporate customers	65,043.8	16.9	86,070.5	22.2
Individual customers	25,652.5	6.7	26,754.9	6.9
Subtotal	90,696.3	23.6	112,825.4	29.1
Time deposits				
Corporate customers	63,262.8	16.4	66,779.0	17.3
Individual customers	193,511.4	50.2	165,848.1	42.9
Subtotal	256,774.2	66.6	232,627.1	60.2
Pledged deposits	30,022.6	7.8	30,644.3	7.9
Convertible negotiated deposits	2,000.0	0.5	2,000.0	0.5
Other deposits ⁽¹⁾	40.6	0.0	50.6	0.0
Accrued interest	5,677.6	1.5	8,816.1	2.3
Total customer deposits	385,211.3	100.0	386,963.5	100.0

Note:

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

Management Discussion and Analysis

4.2.2 Deposits from banks and financial institutions

As of the end of the reporting period, the Group's total deposits from banks and other financial institutions were RMB6,076 million, representing a decrease of RMB2,897 million as compared to the end of last year, mainly due to the Group's strategic adjustment on the interbank liabilities structure portfolio, and a proper decrease in deposits from banks and other financial institutions.

4.2.3 Borrowings from the central bank

As of the end of the reporting period, the Group's total borrowings from the central bank were RMB21,254 million, representing a decrease of RMB1,189 million as compared to the end of last year, mainly due to the Group's efforts to strengthen liability management and optimize its liability structure, leading to an appropriate decrease in borrowings from the central bank.

4.2.4 Financial assets sold under repurchase agreements

As of the end of the reporting period, the Group's financial assets sold under repurchase agreements were RMB8,979 million, representing an increase of RMB7,245 million as compared to the end of last year, mainly due to the Group's efforts to strengthen liability management and optimize its liability structure, leading to changes in bonds and bills sold under repurchase agreements.

4.2.5 Debt securities issued

As of the end of the reporting period, the Group's debt securities issued were RMB49,819 million, representing an increase of RMB2,483 million as compared to the end of last year, mainly due to the Group's enhancement of the active management on interbank liabilities and an increase in the issuance size of interbank certificates of deposit.

4.3 Equity

As of the end of the reporting period, the total equity of the Group was RMB41,728 million, representing a decrease of RMB805 million or 1.9% as compared to the end of last year; the equity attributable to equity holders of the Bank was RMB40,932 million, representing a decrease of RMB816 million or 2.0% as compared to the end of last year, mainly due to decreases in investment revaluation reserves and retained earnings.

Management Discussion and Analysis

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Share capital	2,847.4	6.8	2,847.4	6.7
Other equity instruments	6,997.8	16.8	6,997.8	16.5
Share premium	11,646.7	27.9	11,646.7	27.4
Surplus reserve	4,615.0	11.1	4,615.0	10.9
General reserve	5,838.5	14.0	5,838.5	13.7
Investment revaluation reserve	1,181.1	2.8	1,862.4	4.4
Retained earnings	7,805.0	18.7	7,939.3	18.6
Equity attributable to equity holders of the Bank	40,931.5	98.1	41,747.1	98.2
Non-controlling interests	796.2	1.9	785.8	1.8
Total equity	41,727.7	100.0	42,532.9	100.0

5. OFF-BALANCE SHEET COMMITMENTS

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

	As of June 30, 2025	As of December 31, 2024
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Credit commitments		
Acceptances	52,447.1	55,850.0
Guarantees and letters of guarantees	29,620.4	34,604.0
Letters of credit	22,427.3	21,289.9
Unused credit card commitments	6,781.0	6,601.6
Total	111,275.8	118,345.5

As of the end of the reporting period, the Group's off-balance sheet commitments was RMB111,276 million, representing a decrease of RMB7,070 million or 6.0% as compared to the end of last year, which was mainly due to decreases in acceptances, guarantees and letters of guarantees. For details on off-balance sheet commitments, please refer to Note 41 to the financial statements of this interim report.

Management Discussion and Analysis

6. LOAN QUALITY ANALYSIS

As of the end of the reporting period, the gross loans and advances to customers of the Group was RMB325,949 million, representing an increase of RMB5,115 million or 1.6% as compared to the end of last year.

6.1 Distribution of loans by five-category loan classification

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total Amount (%)	Amount	% of total Amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Normal	300,929.0	92.33	294,466.0	91.78
Special mention	18,886.2	5.79	19,356.7	6.03
Substandard	2,188.8	0.67	2,188.1	0.68
Doubtful	1,494.4	0.46	1,730.5	0.54
Loss	2,451.0	0.75	3,093.4	0.97
Gross loans and advances to customers	325,949.4	100.00	320,834.7	100.00
Non-performing loan ratio (%)⁽¹⁾		1.88		2.19

Note:

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

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

As of the end of the reporting period, the Group's total normal and special mention loans amounted to RMB319,815 million, accounting for 98.12%; the total non-performing loans amounted to RMB6,134 million, the non-performing loan ratio was 1.88%.

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

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

	As of June 30, 2025			As of December 31, 2024		
	Amount	% of total amount (%)	Non-performing loan amount	Amount	% of total amount (%)	Non-performing loan amount
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>						
Corporate loans and advances	211,130.3	64.8	3,881.4	199,244.3	62.1	4,348.4
Retail loans and advances	82,470.4	25.3	2,252.8	89,391.0	27.9	2,663.6
Discounted bills	32,348.7	9.9	-	32,199.4	10.0	-
Gross loans and advances to customers	325,949.4	100.0	6,134.2	320,834.7	100.0	7,012.0

Management Discussion and Analysis

6.3 Distribution of loans classified by industry

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Manufacturing	54,789.6	16.8	51,792.5	16.1
Wholesale and retail	38,577.5	11.8	33,838.3	10.6
Leasing and commercial services	30,231.5	9.2	27,297.1	8.5
Construction	22,474.0	6.9	20,988.3	6.5
Real estate	21,043.3	6.5	22,206.1	6.9
Water conservancy, environment and public utility management	10,310.9	3.2	11,086.2	3.5
Agriculture, forestry, animal husbandry and fishery	7,996.3	2.5	6,935.4	2.2
Education	5,219.6	1.6	5,646.0	1.8
Production and supply of electricity, heating, gas and water	3,769.2	1.2	2,593.2	0.8
Health and social work	3,710.2	1.1	3,655.4	1.1
Others	13,008.2	4.0	13,205.8	4.1
Total corporate loans and advances	211,130.3	64.8	199,244.3	62.1
Total retail loans and advances	82,470.4	25.3	89,391.0	27.9
Discounted bills	32,348.7	9.9	32,199.4	10.0
Gross loans and advances to customers	325,949.4	100.0	320,834.7	100.0

As of the end of the reporting period, the top three industries with the biggest percentage of the Group's corporate loans and advances are manufacturing, wholesale and retail, leasing and commercial services. Among them, the amount of loans and advances to manufacturing increased by RMB2,997 million or 5.8% as compared to the end of last year; the amount of loans and advances to the wholesale and retail increased by RMB4,739 million or 14.0% as compared to the end of last year; the amount of loans and advances to the leasing and commercial services increased by RMB2,934 million or 10.7% as compared to the end of last year.

Management Discussion and Analysis

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

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

	As of June 30, 2025			As of December 31, 2024		
	Amount	% of total amount (%)	Non- performing loan amount	Amount	% of total amount (%)	Non- performing loan amount
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>						
Guaranteed loans	112,946.0	34.6	1,005.1	107,801.2	33.6	1,222.1
Collateralized loans	90,997.8	27.9	3,473.2	94,000.2	29.3	3,822.4
Pledged loans	73,235.4	22.5	686.1	69,742.0	21.7	645.7
Unsecured loans	48,770.2	15.0	969.8	49,291.3	15.4	1,321.8
Total	325,949.4	100.0	6,134.2	320,834.7	100.0	7,012.0

6.5 Distribution of loans classified by region

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

	As of June 30, 2025		As of December 31, 2024	
		% of total		% of total
	Amount	amount (%)	Amount	amount (%)
	(All amounts expressed in millions of RMB except percentages, unless otherwise stated)			
Jiangxi Province	275,365.0	84.5	270,745.3	84.4
Including: Jiujiang City	103,458.5	31.7	103,895.3	32.4
Guangdong Province	22,180.7	6.8	23,474.3	7.3
Anhui Province	19,300.6	5.9	16,682.0	5.2
Others ⁽¹⁾	9,103.1	2.8	9,933.1	3.1
Total	325,949.4	100.0	320,834.7	100.0

Note:

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

As of the end of the reporting period, the Group's loans released in Jiangxi Province amounted to RMB275,365 million, representing an increase of RMB4,620 million or 1.7% as compared to the end of last year, accounting for 84.5% of gross loans and advances to customers of the Group.

Management Discussion and Analysis

6.6 Borrower concentration

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

As of the end of the reporting period, the Group's loan balance to the largest single borrower amounted to RMB2,703 million, representing 0.83% of the Group's total loans and accounting for 6.74% of the Group's net capital; the loan balance to the ten largest single borrowers amounted to RMB12,925 million, representing 3.98% of the Group's total loans and accounting for 32.22% of the Group's net capital, all of which met the regulatory requirements.

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

Industry		As of June 30, 2025		
		Loan	% of total	% of net
		balance	loans (%)	capital (%)
		<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Borrower A	Manufacturing	2,703.0	0.83	6.74
Borrower B	Manufacturing	1,585.0	0.49	3.95
Borrower C	Health and social work	1,498.3	0.46	3.74
Borrower D	Real estate	1,436.5	0.44	3.58
Borrower E	Real estate	1,077.0	0.33	2.68
Borrower F	Real estate	961.8	0.30	2.40
Borrower G	Real estate	930.7	0.29	2.32
Borrower H	Manufacturing	928.1	0.28	2.31
Borrower I	Leasing and commercial services	905.0	0.28	2.26
Borrower J	Water conservancy, environment and public utility management	900.0	0.28	2.24
Total		12,925.4	3.98	32.22

Management Discussion and Analysis

6.7 Large risk exposure management

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

6.8 Overdue loans

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

	As of June 30, 2025		As of December 31, 2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Current loans	316,092.1	97.0	311,438.5	97.1
Overdue loans ⁽¹⁾				
Up to 3 months (inclusive)	4,338.9	1.3	3,495.4	1.1
3 months to 1 year (inclusive)	3,323.1	1.0	3,105.6	1.0
1 to 3 years (inclusive)	1,560.1	0.5	2,537.4	0.7
Over 3 years	635.2	0.2	257.8	0.1
Subtotal	9,857.3	3.0	9,396.2	2.9
Gross loans and advances to customers	325,949.4	100.0	320,834.7	100.0

Note:

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

As of the end of the reporting period, the Group's gross overdue loans amounted to RMB9,857 million, accounting for 3.0% of gross loans and advances to customers.

Management Discussion and Analysis

6.9 Changes in allowance for impairment losses on loans

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

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

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

	As of June 30, 2025	As of December 31, 2024
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Balance at the beginning of the year	10,808.1	9,680.2
Provision for the period/the year	3,490.6	4,992.6
Write-offs and transfer out for the period/the year	(5,216.2)	(4,179.0)
Recoveries of write-offs for the period/the year	398.6	314.3
Balance at the end of the period/the year	9,481.1	10,808.1

As of the end of the reporting period, the Group's allowance for impairment losses on loans amounted to RMB9,481 million.

Management Discussion and Analysis

7. SEGMENT REPORTING

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

	For the six months ended June 30,			
	2025		2024	
	Amount	% of total amount (%)	Amount	% of total amount (%)
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>				
Corporate banking	3,228.0	60.4	3,424.8	62.3
Retail banking	1,173.4	22.0	1,328.5	24.2
Financial market business	1,347.2	25.2	932.5	16.9
Unallocated ⁽¹⁾	(406.1)	(7.6)	(185.3)	(3.4)
Total operating income	5,342.5	100.0	5,500.5	100.0

Note:

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

Management Discussion and Analysis

8. ANALYSIS OF CAPITAL ADEQUACY RATIO AND LEVERAGE RATIO

8.1 Capital adequacy ratio

The Group continued to optimise its business structure and strengthen its capital management. As of the end of the reporting period, the Group's capital adequacy ratio, tier-one capital adequacy ratio and core tier-one capital adequacy ratio were 11.18%, 11.15% and 8.62%, respectively, which met the requirements of the Regulation Governing Capital of Commercial Banks.

The capital adequacy ratio calculated by the Group in accordance with the Regulation Governing Capital of Commercial Banks is as follows:

	As of June 30, 2025	As of December 31 2024
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Core tier-one capital	34,421.6	35,276.2
Deductions of core tier-one capital	(3,485.1)	(1,543.5)
Net core tier-one capital	30,936.5	33,732.7
Other tier-one capital	9,057.9	9,062.7
Net tier-one capital	39,994.4	42,795.4
Tier-two capital	120.1	4,279.6
Net capital base	40,114.5	47,075.0
Total risk-weighted assets	358,763.0	357,514.5
Core tier-one capital adequacy ratio (%)	8.62	9.44
Tier-one capital adequacy ratio (%)	11.15	11.97
Capital adequacy ratio (%)	11.18	13.17

Management Discussion and Analysis

8.2 Leverage ratio

The leverage ratio of commercial banks shall not be lower than 4% in accordance with the requirements under the Regulation Governing Capital of Commercial Banks. As of the end of the reporting period, the Group's leverage ratio, calculated in accordance with the Regulation Governing Capital of Commercial Banks, was 6.58%, which meets the regulatory requirements.

Items	As of June 30, 2025	As of December 31 2024
	<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>	
Net tier-one capital	39,994.4	42,795.4
Adjusted balance of on-balance and off-balance sheet assets	607,922.6	606,233.4
Leverage ratio	6.58%	7.06%

Management Discussion and Analysis

9. BUSINESS OPERATIONS

9.1 Corporate financing business

Adhering to the gist of macro policies, the Bank gave full play to the driving role of financial institutions and increased the lending for key areas to serve the high-quality development of the real economy. Following the operation philosophy of “customer first”, the Bank worked diligently to expand its customer base, enhance customer quality, and continuously consolidate the foundation for serving corporate customers.

Strengthening accountability and persisting in serving the real economy without slackness. The Bank adhered to the guidance of party building, and increased credit issuance to small and micro enterprises and manufacturing industry through strengthening assessment and guidance, implementing preferential policies for internal funds transfer pricing (FTP), and optimizing business processes. Firstly, the loans to the manufacturing sector grew significantly. As at the end of the reporting period, the Group’s manufacturing loans amounted to RMB54,790 million, representing an increase of RMB2,997 million or 5.8% as compared to the end of last year. Secondly, the “two increases” corporate loans shown steady growth. As of the end of the reporting period, the Bank’s balance of the “two increases” corporate loans amounted to RMB36,249 million, representing an increase of 5.86%. The number of accounts receiving the “two increases” corporate loans was 8,748, representing an increase of 462 accounts as compared to the end of last year.

Cultivating strong customer relationships and continuing to consolidate the foundation of corporate customers. As at the end of the reporting period, the number of corporate customers and corporate credit exposure customers of the Bank were 116,800 and 12,500, respectively, representing increases of 10,800 and 725, or 10.19% and 6.16%, respectively, as compared to the end of last year. Firstly, the Bank enhanced its foundational management structure for corporate business line by establishing four systems, namely customer marketing, customer operations, risk management and team building. Secondly, the Bank adopted a tiered operating strategy to enhance service performance for strategic customers. To deliver the intended results, we established a leadership group for marketing coordination of major projects and strategic customers, which strengthened resource coordination, deepened customer collaboration, optimized business processes, and dynamically tracked the progress of business implementation. Additionally, the Bank improved its operational capabilities for small and medium-sized corporate customers and developed strategies to list the target customers based on both internal and external data. As of the end of the reporting period, the Bank has supported 1,404 first-time corporate borrowers with cumulative disbursements of RMB25,264 million, and financed 3,054 tech enterprises with cumulative disbursements of RMB58,836 million. Thirdly, the Bank innovated its corporate business model and workflow by launching a new workflow for SME working capital loans of up to RMB10 million in October 2024. This workflow leverages external data (such as transaction records, invoices, and electricity bills) to assist in evaluating borrowers’ operating conditions, addressing SMEs’ absence of audited financials and non-standardized data, and reducing information asymmetry. In the first half of 2025, the standardised facilities disbursed to 936 SMEs, resulting in cumulative loans of RMB2,189 million.

Management Discussion and Analysis

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

Investment Banking Business

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

Based on the direct financing market, the Bank expanded the financing channels for enterprises and explored innovative products. Deeply involved in the local direct financing market in Jiangxi, the Bank actively expanded into the Hefei and Guangzhou markets to provide enterprises with a diverse range of financing options, contributing to the ongoing optimization of the regional financing structure. As the lead underwriter, the Bank successfully issued Jiangxi Province's first district/county-level industrial debt financing instrument, and established a bond market system and innovated investor service methods.

The Bank steadily promoted the special bond consultancy services and broke through the qualification barrier to become an approved service provider for Ganzhou City, continuously enhancing its market share and service depth. Since the launch of local government special bond consultancy services in 2022, the Bank has successfully introduced its special bond consultancy services across seven cities and 33 counties within Jiangxi Province and has gained widespread recognition from customers for its professional capabilities, contributing to a steady increase in its market share. In 2025, the Bank attained the qualification to provide special bond services for Ganzhou City and became the third service provider for the packaging business of Ganzhou Municipal Development and Reform Commission in Ganzhou, further elevating its brand influence.

Management Discussion and Analysis

The Bank strengthened collaboration between government, banks and enterprises and hosted high-quality provincial conferences, supporting the high-quality development of the direct financing market in Jiangxi. In February 2025, the Bank successfully hosted the “Promotion and Exchange Conference on Debt Financing Instruments Supporting the Development of New Quality Productive Forces” and the “Promotion and Exchange Conference on Interbank Bond Market Agriculture-related Investment”, thereby assisting Jiangxi’s industrial enterprises in their transformation and the development of new quality productive forces, and promoting the high-quality development of the direct financing market in Jiangxi.

9.2 Retail banking business

In the first half of 2025, the Bank embraced a development concept focused on “putting people at the center”, aligned its strategies with the market positioning of “serving the local economy, small and medium enterprises, and urban and rural residents” as a city commercial bank, focused on livelihood consumption, and optimized customer experience. By leveraging financial tools to boost consumption in the livelihood sector, the Bank flexibly utilized financial resources to provide convenient, preferential, and secure comprehensive financial services to its customers, implementing multiple measures to enhance the quality and efficiency of its financial services.

The Bank deeply cultivated the real economy and solidified the foundation of risk control. The Bank was unwavering in its commitment to serving the real economy, and rigorously promoted the high-quality development of financial services for the real economy. Rooted in the grassroots market, the Bank leveraged its “geographic and relational proximity” advantages to build a localized service network, accurately reaching customers through community scenarios. Adhering to the principle of “serving small and micro enterprises”, the Bank optimized its loan structure to expand the coverage of inclusive finance and enhance business sustainability. The Bank comprehensively deepened its risk management capabilities, strengthened the review of primary repayment sources, and optimized risk control strategies, achieving a dual improvement in efficiency and risk prevention and building a robust line of defense against financial risks.

Deepening digital operations and empowering services with technology. Adhering to a “customer-focused” service philosophy, the Bank continuously enhanced service efficiency and customer satisfaction. To meet the evolving customer needs, it utilized large AI models to achieve precise operations, gaining deep insights into diverse customer needs and optimizing its wealth management structure. Digital tools were employed to improve customer service efficiency and satisfaction. As of the end of the reporting period, retail AUM and the number of customers maintained steady growth.

Integrating scenario-based marketing and expanding government-bank cooperation. The Bank conducted integrated marketing centered around real-life scenarios to meet diverse needs and earnestly fulfill its social responsibilities. By adopting a mode involving “government funding, platform support, and enterprise participation”, the Bank effectively harnessed the collective strengths of various market players to stimulate consumption recovery and unlock potential, thereby fostering economic growth. Furthermore, it actively responded to the government’s call, fully supported the provincial efforts for social security card issuance and application, and undertook the responsibility to serve the public and safeguard people’s rights and interests. Significant progress has been made in the renewal and issuance of third-generation social security cards.

Management Discussion and Analysis

Consumer Finance Business

In the first half of 2025, focusing on the core theme of “high-quality credit allocation”, the Bank insisted on integration of policy guidance with market dynamics and continued to promote the optimization and adjustment of its asset structure, deepened scenario-based ecosystem development, and strengthened customer operation and management.

Through enhancing corporate-retail synergy, advancing county-level financial services, and offering scenario-based financial solutions, the Bank kept working to solidify its foundations in consumer finance business, elevate efficacy of inclusive financial services, support rural revitalization initiatives, and propel consumption upgrading.

In the next phase, the Bank will continue to improve its credit supply structure, deepen technological empowerment and risk management and control, and drive a dual-engine approach of scenario-based finance and customer operations, thereby providing higher-quality financial support for expansion of regional consumption and the real economy.

9.3 Financial market business

In the first half of 2025, the financial market business was guided by macro-policies, adhered to regulatory requirements, and centered around transformation and development. It gathered strength and took multiple measures to achieve high-quality and stable development.

Business structure undergoes continuous refinement. Aligned with its strategic direction and in line with its business principles, the Bank is continuously transforming towards light-capital businesses. As of the end of the reporting period, the non-standard business in the investment sector decreased orderly, while the standardized business grew steadily.

Accolades multiply, evidencing enhanced institutional credentials. The Bank has been approved as a primary participating institution for inter-bank deposits by CFETS; the Bank has been awarded the “Annual Market Influence Institution” and “Market Innovation Business Institution” by the China Foreign Exchange Trade System, and the “Top 100 Proprietary Dealer” by China Central Depository & Clearing Co., Ltd. It has been awarded the “Outstanding General Repo Business Participant (優秀通用回購業務參與機構)” by the China Foreign Exchange Trade System for the first time. The Bank was honored as “Excellent Underwriter” and “Excellent Market Maker” in the underwriting of financial bonds of The Export-Import Bank of China, along with its first “Award for Promoting Coordinated Regional Development”. Furthermore, it has been awarded as the “Excellent Underwriter” and the “Excellent Market Maker” of financial bond underwriting by the Agricultural Development Bank of China, and received its first honor as a “Practitioner in Assisting with Sannong Issues (agriculture, rural areas and farmers)”.

Wealth Management Business

The Bank is positioned as a city commercial bank and strictly complies with regulatory requirements when conducting wealth management business. We actively optimize the business structure, continuously strengthen internal control management, and steadily improve professional capabilities. As a result, we have won awards such as “Outstanding Wealth Management Bank for Green Finance Projects”, “Outstanding Wealth Management Bank for Hybrid Products”, and “Bank with Excellent Operational Management Capabilities”. Our wealth management business has achieved stable and compliant operations.

Management Discussion and Analysis

9.4 Industrial finance business

The Bank takes empowering the real economy as its core, focuses on industrial integration and in-depth exploration of customer groups, and makes every effort to promote business expansion and mechanism optimization. We have taken proactive actions in key industrial docking and expanding the customer base, achieving remarkable results. At the same time, we actively embrace the transformation of financial technology, promote the in-depth integration of digital transformation and industrial finance, and continuously strengthen the foundation for risk control and digitalization. As of the end of the reporting period, the credit balance of the Bank's industrial finance business was RMB59.211 billion, representing a net increase of RMB2.366 billion or 4.16% from the beginning of the year.

Precise positioning of customer group management. With the goal of fine-grained operation of industrial-finance customer groups, a professional customer group management team has been established, and a dual-core operation system of “hierarchical management + data empowerment” has been constructed. Through the three-level linkage mechanism of the head office, branches, and sub-branches, hierarchical operation is carried out according to customers' value contributions, and differentiated service strategies are provided accordingly. The overall scale of the customer group has increased significantly, each segmented customer group has achieved stable growth, and the structure has shown a diversified trend.

Breakthroughs were achieved in county-level pilot programs. The implementation path of “one county, one policy” was refined, driving substantial breakthroughs in benchmark pilot projects for financial solutions tailored to county-specific industries. Among these, De'an County pioneered the “supervised warehouse” model for textile raw materials; Ganzhou established a floating mortgage model for production and processing enterprises' factory inventories along the rare earth industry chain; and Yichun developed a funding support scheme for scrap metal recycling by renewable resource enterprises, creating replicable and scalable county-level service experiences.

Continuous optimization of business processes. In terms of basic systems, combined with the characteristics of the three major business scenarios, the key points of control operations are refined. In terms of system construction, the connection between the industrial comprehensive service platform and the channels of chain leader enterprises in the industry chain has been completed, and a full-process closed-loop system for bank acceptance and bill credit enhancement business has been built. In terms of process optimization, automatic loan disbursement for the tax business of intelligent logistics loans, one-click automatic ticket issuance, and automatic settlement of bill credit enhancement business upon maturity have been achieved. In terms of risk prevention and control, the transformation of cooperative warehouses from private ones to state-owned ones or self-operated warehouses of cooperative platforms has been promoted. Risk early-warning push for the three-party channels has been realized. We have launched a forfeiting fund-repatriation early-warning model, embedded invoice-control rules into bill operations, and accelerated the restructuring of low-risk bank-acceptance business processes.

Quantum-leap advancements in training empowerment. We invited external experts to deliver the online “Industry-Finance Excellence Navigator” program, offering an in-depth interpretation of scenario-based finance and the real-sector's financial needs; we organized more than 10 offline training sessions covering industry-finance product briefings, experience sharing, client-event rollouts, and hands-on bill-system training; and we completed the online course and question bank for the operating rules of cross-border RMB settlement, comprehensively upgrading practitioners' professional capabilities.

Management Discussion and Analysis

Brand image achieved multi-dimensional penetration. Aligned with our industry-finance positioning, we have advanced our brand outreach in a systematic way. Representative cases were included in the Supply Chain Finance Yearbook; industry-finance articles were repeatedly featured on leading outlets such as Xinhua News, effectively shaping the image of a “specialist bank in industry finance”. At the China International Financial Exhibition, we showcased our industry-finance capabilities and proven results in a 360-degree presentation, continuously burnishing the distinctive brand card of “having a good command of industry and finance”.

9.5 Specialty business

Inclusive Financial Business

The Bank’s inclusive-finance program is anchored in the overarching goals of “maintaining volume, improving quality, stabilizing pricing, and optimizing structure”, while focusing on excelling in the “Five Priorities” for sound financial stewardship. By leveraging our professional strengths and strengthening internal support mechanisms, we are actively involved in every stage of the small and micro-enterprise financing coordination process, ensuring that loans are “delivered directly to the grassroots level, processed quickly and conveniently, and priced appropriately”. As of the end of the reporting period, the Bank had established 354 inclusive financial service stations in township-seat villages. The balance of the Bank’s inclusive loans for small and micro enterprises stood at RMB59.858 billion, serving 53,328 customers at a weighted-average interest rate of 4.25%.

To bolster rural industry development and farmers’ entrepreneurship, the Bank has continuously refined its “Easy Farming Loan” credit product, focusing on planters, farmers, township mom-and-pop stores, and agro-product processors and traders. By integrating multi-dimensional data from industrial and commercial records, credit reporting systems, and agricultural insurance, the product streamlines customer access, post-loan early-warning and other policies and measures while supporting services such as principal-free loan renewals, steadily improving the quality and efficiency of inclusive finance.

Green Financial Business

Increasing the release of green credit to drive the development of the green economy. Focusing on key green industries and important green projects, thorough research was conducted, and the Bank has introduced the Green Credit Policy of Bank of Jiujiang 2025, which promotes the steady growth of the Bank’s green loans. As of the end of the reporting period, the balance of green loans of the Bank amounted to RMB42.918 billion, with a year-on-year growth of 21.84%. This effectively served the real economy and promoted green transformation.

Aiming towards the carbon peak and carbon neutrality goals and serving key areas of carbon emission reduction. Approved by the People’s Bank of China as one of the first institutions to expand the carbon emission reduction support tool, as of the end of the reporting period, the Bank has supported the implementation of 12 carbon emission reduction projects in six municipal district cities which are Nanchang, Jiujiang, Shangrao, Pingxiang, Ganzhou and Xinyu. These efforts have contributed to the Bank’s cumulative allocation of RMB419 million in carbon emission reduction loans, resulting in an annual cumulative reduction of 84,800 tons of carbon dioxide equivalents.

Creating transformational financial products and supporting the green transformation of enterprises. The Bank launched special financial products for transformation, namely “Carbon-Efficient Loan”, “Digital and Carbon Integration” and “Copper Loan”, in Jiujiang, Pingxiang and Yingtan, pilot cities of transformation finance in Jiangxi. This innovatively linked loan pricing with the carbon emission performance of enterprises, supporting small and medium-sized industrial enterprises in reducing carbon emissions in their production structures. Aiming at industrial and commercial distributed photovoltaic, the Bank launched a special green financial product “Photovoltaic Loan” to support the construction of distributed photovoltaic power stations and to promote carbon reduction in energy consumption structure.

Management Discussion and Analysis

Fostering multi-party collaboration to advance sustainable development. As the only financial institution in Jiangxi Province to support the “Jiangxi Seminar on Advancing Integrated Development of the ‘New Energy + Energy Storage’ Industry”, the Bank is actively powering the province’s new-energy sector. It also attended the “Jiujiang Energy Conservation Campaign & Energy Service Matchmaking Conference”, delivering targeted solutions for energy-saving and carbon-reduction needs. As Jiangxi’s only locally incorporated financial institution, the Bank exhibited at the “2025 China International Financial Expo” and joined the 2025 China SIF Summer Summit on “ESG-Powered Innovation and Transformation”, presenting the Bank’s “Jiujiang Green Finance” experiences to advance sustainable development.

Automobile Finance Business

Propelled headquarters-branch synergy to deepen business scenario penetration in local markets. By concentrating on the down-tier automobile segment, it fully leverages the combined strengths of headquarters-level business guidance and branch-level precision marketing. Centering on the four core links – suppliers, OEMs, distributors, and operators – the Bank has refined and expanded an integrated product matrix that spans the entire automotive industry chain, creating a closed loop from top-level design through business execution to risk management, thereby embedding auto-finance services deeply across all relevant scenarios.

Intensified risk management controls to maintain robust asset quality. Regular real-time analysis of risk management is conducted, including risk assessment for existing credit clients and ongoing tracking of potential risk exposures to facilitate risk mitigation. Strict control is maintained over the downgrade of watch-list assets, with proactive measures taken to address potential risks. The credit management mechanism for overdue loan differentials and the review mechanism for overdue credit have been further consolidated to enhance risk management capabilities. Comprehensive reviews of business standards have been carried out, the full-process management of early warnings has been deepened, and system development has been improved to promote the parallel coordination of risk management and the entire business process, ensuring strict control over asset quality.

Secured multifaceted digital breakthroughs to drive substantial operational efficiency gains. Leveraging the features of tripartite inventory-financing – authentic customer bases, genuine transactions, closed-loop account funding, and effective vehicle control – the Bank has crafted tailored risk-control and approval strategies that enable automated examination and approvals for clients meeting predefined rules. By verifying associated transaction flows, verifying margin deposits, and interfacing with OEM e-invoice confirmations, an intelligent loan-approval mechanism for tripartite inventory financing has been established, allowing the system to autonomously complete disbursement approvals. Enhanced management dashboards and marketing dashboards now deliver multidimensional business data visualization, enabling precise tracking of customer-acquisition progress. Direct connectivity with OEM systems streamlines workflows, while digital tools permeate every stage – from business data monitoring to fully online processing – elevating the client experience and injecting sustainable momentum into scalable growth.

Trading and Financial Business

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

“Practical” policy execution and key areas focus. In the first half of 2025, the cross-border RMB settlement scale of the Bank in Jiangxi Province reached RMB2,362 million. Current account and direct investment cross-border RMB settlement volume reached RMB2,360 million, accounting for 69.2% of the total RMB and foreign currency volume.

Management Discussion and Analysis

“Precise” credit allocation and diverse needs focus. The Bank deepened its layout in key areas, with the scale of trading and financial business in manufacturing remaining stable and RMB3,085 million in credit deployed to trading and financial business in inclusive small and micro enterprises. The Bank effectively aligned with the real economy’s demands; leveraging an integrated settlement and financing approach, the Bank developed a “1+N” financial solution, serving over 2,200 enterprises in the upstream and downstream of the industrial chain, with steadily improving coordination capabilities.

“Refined” transformation and development and accumulative strength for prudent operation. Aligning with the main line of prudent operation, the Bank optimized the structure of its assets and liabilities and strengthened the foundation for light-asset business development. The income from intermediary business in trade finance increased by 2.79% year-on-year, showing the “achievement” of transformation. With a focus on customer group management, in the first half of 2025, the Bank had 2,601 effective customers of trading and financial business, including 369 effective customers of international business and 2,232 effective customers of domestic business, reflecting the “quality improvement” of management.

Bill Business

Centered on “returning to the essence of payment and settlement while maximizing customer value”, the Bank rigorously implements national fee-reduction and concession policies. From the perspective of maximizing customer value, we provide good products and excellent services to customers in a more convenient way, so that customers are more willing to choose the products and services of Bank of Jiujiang Bills.

Driving high-quality service upgrades and high-quality product offerings. Remaining customer-centric, the Bank addresses customers’ friction points to continuously enhance their experience and service quality to provide ever more convenient bill services. In the first half of 2025, our bill business served 3,626 enterprises.

Deepening intelligent risk defense and solidifying our role as a model of compliant operations. We remain committed to building a robust, normalized intelligent-risk-prevention framework, approaching risk control with a “constant-vigilant” sense of responsibility and driving the shift from “human defense” to “technology defense” and “intelligent control”. Intelligent risk warnings and dynamic capture capabilities are continuously enhanced.

Improving theoretical research on bills and reinforcing our brand image of bill business. Through academic conferences – set against the backdrop of building a strong financial nation – we delve into pivotal topics such as the implementation of the six-department policy package, pathways for banks to engage in supply-chain bills, coordination of interbank credit lines among small and medium-sized banks, and the challenges of transforming bill operations.

Management Discussion and Analysis

9.6 Construction of Digital Bank of Jiujiang

During the reporting period, the Bank accelerated the construction of digital Bank of Jiujiang and promoted its digital capabilities in various fields. The Bank continued to improve the level of financial technology, accelerated the application of new technologies, and deepened technological empowerment. We continued to enhance our ability to support science and technology and further enhanced our soft power in science and technology.

Deepening technological empowerment

In terms of deepening the integration of industry and technology, we continue to increase investment in scientific and technological resources, comprehensively advance digital transformation, and refine an agile organizational system to drive seamless alignment between business and technology. In the first half of 2025, priority was given to building “three core systems”: Improve the customer marketing system: by identifying target customer groups, formulating marketing plans, and implementing supporting marketing management, a closed-loop marketing management system has been established. Combining the salary points of account managers with standardized marketing process management enhanced the efficiency of customer marketing conversion. Optimize the comprehensive customer operation system: we created intelligent customer profiles with tags, strengthened hierarchical and classified customer management, optimized marketing scripts, and utilized AI-powered outbound calls to improve our ability to reach customers. Strengthen the risk management system: we continuously promoted the standardization of risk-control logic, improved the model management mechanism, and constantly optimized the process-based risk-control system to comprehensively enhance the risk prevention and control capabilities. Simultaneously, the Bank is streamlining and improving the efficiency of both managerial and operational processes across the bank. By establishing robust process-management mechanisms and strengthening performance-based management, we ensured the full implementation of the “triple-reduction” process-optimization objectives.

In terms of the application of new technologies, the Bank has been planning the ecological construction of AI Large Language Model since 2023. Based on the domestic open-source large language model and combined with the framework of cutting-edge technologies, we have built a full-stack independent innovation technology platform “Brain of Bank of Jiujiang”. Leveraging this basic platform, we dynamically incorporated large models of different types, domains, and vendors, and – within strictly controlled risk parameters – advanced AI-large-model exploration and scenario deployment in phased, steady steps. During the first half of 2025, we launched multiple usage scenarios, including customer-marketing strategy recommendations, assisted credit-review report generation, and corporate-client risk screening, proactively pursuing breakthroughs and iterative enhancements in how fintech underpins business operations. The project has received the 2023 FinTech Development Award from the People’s Bank of China, the 2025 China-Eagle AI Pioneer Award, and second prize in the Jiangxi Finance Society’s essay competition on “Digitization and AI’s Reshaping of the Financial System”, offering fresh perspectives for digital transformation and innovative AI applications among small and medium-sized banks.

Enhancing technological support

In the first half of 2025, the Bank continued to enhance dual-active architectures for critical systems, accelerated the realization of dual-active access of key system applications to production for providing business services, cutting failover time and boosting emergency-response efficiency. The Bank is constantly exploring technological innovation based on business scenarios, and has been awarded one software copyright registration certificate. The Bank continuously strengthened the all-round security defense system, actively participated in attack and defense competitions and won the third prize and excellent organization award in “Jiangxi Silver Cup” financial industry network security attack and defense competition.

Management Discussion and Analysis

9.7 Subsidiaries business

The Bank, as the lead sponsor, established 20 Jiuyin County Banks, among which 18 county banks were consolidated and controlled. For details of Jiuyin County Banks, please refer to “Information on Directors, Supervisors, Senior Management, Staff and Institution – 9. Basic Information of Institutions under the Bank” and Note 46 to the financial statements of this interim report. Since 2025, Jiuyin County Banks have always adhered to the guideline of “promoting reform, ensuring stable development, shoring up weak links, and controlling risks”. Giving full play to the market positioning of rural banks in “supporting small businesses and agriculture”, they comprehensively implemented the rural revitalization development strategy, actively focused on the “inclusive finance” initiative, and promoted the high-quality and sustainable development of rural banks.

As at the end of the reporting period, the total assets of the controlled county banks of the Bank amounted to RMB17,726 million, the total loans amounted to RMB9,056 million, and the balance of deposits amounted to RMB14,812 million; the total assets of the county banks in which the Bank has shareholdings are RMB5,011 million, the total loans amounted to RMB3,435 million, and the balance of deposits amounted to RMB4,118 million.

The Bank, as the lead sponsoring bank of Jiuyin County Banks, will continue to guide all county banks to adhere to original aspirations, strengthen beliefs, clarify direction, and press ahead resolutely. While helping county banks do their work well, the Bank will focus on “three sound managements and two good practices (三個管好、兩個做好)”, actively perform its duties as the lead bank, and fully support Jiuyin County Banks in embarking on the high-quality development course towards “small but beautiful”, “small but professional” and “small but excellent” banking institutions with unique products.

10. DEVELOPMENT STRATEGY

2025 is a critical year for further deepening reform and promoting Chinese-style modernization, as well as the concluding year of the “14th Five-Year” Plan. In 2025, the working theme of the Bank is to expand the customer base, enhance the comprehensive contribution of customers, continuously strengthen capacity building, and foster the core competitiveness of the Bank of Jiujiang.

Party building will always guide the development of the Bank. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank will thoroughly implement the spirit of the 20th National Congress of the CPC, the Second and Third Plenary Sessions of the 20th CPC Central Committee, the Central Economic Work Conference, and the Central Financial Work Conference, and fully implement the spirit of the important speeches made by General Secretary Xi Jinping during his inspection trip to Jiangxi Province. The Bank will earnestly implement the work plans proposed at the Seventh Plenary Session of the 15th Provincial Party Committee of Jiangxi Province, the Economic Work Conference of the Provincial Party Committee of Jiangxi Province and the Eighth Plenary Session of the 12th Municipal Party Committee of Jiujiang. The Bank will continue to invest efforts in the “five priorities” of finance, providing in-depth services for the construction of a modernized industrial system in Jiangxi and the high-standard and high-quality construction of Jiujiang as an important node city of the Yangtze River Economic Belt.

Management Discussion and Analysis

The Bank, as an urban commercial bank, will always adhere to the market positioning of “three services”. It will further promote the strategy of “optimizing structure, saving capital, promoting compliance, controlling non-performing loans and stabilizing growth”, adhere to the concept of industrial finance based on economic cycles, and implement the strategy of inclusive finance with downward expansion in lower-tier markets and the strategy of industrial finance with differentiated characteristics. The Bank will proactively integrate its business development into regional development and take initiative to support the development of the regional economy, so as to align its development with local development. To amplify integrated operation, the Bank will enhance capacity building and strive to develop a mechanism featuring “customers driving frontline staff, frontline staff driving front office, and front office driving middle office and back office”, so as to comprehensively enhance the Bank of Jiujiang’s ability to serve customers.

11. RISK MANAGEMENT

11.1 Risk management structure

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

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

Management Discussion and Analysis

11.2 Credit risk management

Credit risk refers to the risk of losses due to the default of the debtors or counterparties or the reduction in their credit ratings and performance capabilities. The credit risks of the Bank mainly arise from loans, investments, guarantees, commitments and other on- and off-balance sheet credit risk exposures.

The credit risk management organization system of the Bank is composed of the Board of Directors, senior management, Risk Management Department, Audit Department and Credit Risk-taking Department, etc., thus forming a credit risk management structure characterized by centralized and unified management and hierarchical authorization and implementation.

1. **Improve the multidimensional credit risk monitoring system.** The Bank enhanced its credit risk monitoring and reporting management system to track and collect significant risk events in a timely manner; implemented the management of overdue loan scissors differences, enforced the responsibility of potential risk management, and strengthened risk classification management; set up a closed-loop management mechanism for retail risk monitoring to enhance the supervision and management of retail loans that are approaching maturity and continue to invest efforts in asset quality planning.
2. **Implement effective and refined post-loan management.** The Bank optimized the hierarchical and classified post-loan management, held post-loan review meetings for large-scale credits, and consolidated the risk inspection and management mechanism for credit businesses; conducted on-site post-loan inspections for large transactions and carried out targeted investigations in key areas, standardized the post-loan actions of credit business personnel, established a closed-loop management system for risk monitoring, and emphasized the effectiveness of post-loan management.
3. **Improve the linkage and intelligence level of the risk control system.** The Bank continuously deepened the full-process risk management for collaterals, enhanced the accuracy of credit risk early warning, and established a comprehensive risk management model featuring precise identification, efficient warning and timely disposal; improved the compliance management system for credit risks, set up an off-site monitoring management mechanism, and promoted digital and intelligent application.

Management Discussion and Analysis

11.3 Market risk management

Market risk refers to the risk of losses to the commercial bank's on- and off-balance sheet activities arising from unfavorable movements in market prices (interest rates, exchange rates, stock prices and commodity prices). Market risk exists in both the trading and non-trading activities of the Bank. According to the Bank's asset allocation, the market risks faced by the Bank are mainly interest rate risk of trading books and exchange rate risk.

According to its asset scale, business nature and business complexity, the Bank has established an appropriate market risk management system and classification rule of book, and has clarified the responsibilities of the Board, senior management and relevant departments under the market risk governance framework. By setting the hypothetical conditions of the stress test and applying the relevant models, we separately measure the potential losses that may be caused by asset of trading books and bank books under light, medium and severe scenarios, and use system tools to measure relevant market risk indicators such as VAR value, PVBP, duration and modified duration, in an effort to objectively reflect the level of the market risk undertaken by the Bank and effectively manage and control the market risks of the Bank.

1. Optimize the quota management indicator system. The Bank optimized the market risk system management module, strengthened the monitoring of market risk limit indicators, and had risk compliance managers track market conditions on a daily basis, optimized market risk scenario analysis, and used market risk scenario analysis to improve the stress testing system.
2. Improve market risk management policies and procedures. In accordance with the Measures for the Administration of Market Risks of Commercial Banks issued by the National Financial Regulatory Administration and the Bank's internal special audit reports on market risks, the Bank actively improved its management system for market risks, and further clarified the market risk management process, specific market risk management content and management methods, thereby improving its market risk management level.
3. Dynamically adjust market risk exposure levels. The Bank fully balanced the relationship between risk and return based on market conditions and the market risk conditions borne by the Bank's positions, dynamically adjusted total bond exposure and bond maturity structure, and periodically adjusted the duration of bond holdings.
4. Continue to monitor and report on market risks. The Bank analyzed the current risk characteristics and risk exposure of its businesses, prepared market risk analysis reports, provided relevant management suggestions based on market changes, and improved the effectiveness and timeliness of market risk monitoring.

11.4 Country risk management

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

Management Discussion and Analysis

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

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

1. Establish a list of high-risk countries and regions. The Bank standardized business operations involving high-risk countries and regions and prevented money laundering risks associated with cross-border transactions. According to the development of trade finance business, industry research findings, and changes in the international and domestic anti-money laundering landscape, the Bank regularly reviewed high-risk country and region classifications, and updated its list of high-risk countries and regions.
2. Strictly grant credits and understand customers. International and domestic credit activities are governed by the same principles. The Bank strictly adhered to the principle of “Know Your Customer”, and conducted thorough due diligence on customers to ensure that they have sufficient assets or income sources to fulfill their obligations; carefully verified customers’ identities and ultimate ownership to avoid excessive risk concentration; diligently checked the actual purpose of funds to prevent misuse of loans; prudently assessed the legality and enforceability of overseas collaterals and established a sound post-loan management system.
3. Due diligence. When conducting due diligence on customers or counterparties, the Bank strictly adhered to anti-money laundering and counter-terrorism financing laws and regulations; maintained a high degree of vigilance regarding business and transactions involving sensitive countries or regions; promptly updated information regarding high-risk and suspicious transaction customers to prevent particular organizations or individuals from using the Bank for activities supporting terrorism, money laundering, or other illegal activities.

As of the end of the reporting period, the Bank’s country risk exposure indicator was 0.11%, which is below the threshold for country risk exposure indicators.

11.5 Operational risk management

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

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

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

Management Discussion and Analysis

1. Constantly improve the system of risk governance and control. The Bank has incorporated operational risk management into the comprehensive risk management system, constantly promoted the building of the operational risk management system, endeavored to improve the operational risk management structure, improved the operational risk management policies, and further clarified the structure and responsibilities of the three defense lines for operational risk. The Bank actively improved the operational risk identification, assessment, monitoring, and mitigation processes, and issued a series of risk management documents, such as operational risk appetite statements, to improve the risk appetite and its transmission mechanism, so as to control operational risk within a tolerable range.
2. Continuously strengthen the application of management tools and methodologies. The Bank has enhanced the monitoring of key risk indicators (KRI). The Bank conducts annual re-inspections and regularly monitors key operational risk indicators, covering multiple key lines such as operation and management, credit card, risk, technology, financial planning, human resources, compliance, and auditing, and accurately identifies the changes in operational risk in various areas based on the area and frequency of indicator abnormality. The Bank has strengthened the Risk and Control Self-Assessment (RCSA). The Bank regularly conducts an operational risk assessment, which evaluates the effectiveness of the Bank's operational risk management and control based on inherent risks, control measures and remaining risks; and strengthens the pre-identification and assessment of operational risks in response to "Four News" and other significant changes. The Bank has enhanced the identification and management of loss data collection (LDC). The Bank optimizes the operational risk loss event management process, improves operational risk loss event collection channels, continuously updates the operational risk loss event database and carries out identification, collection, confirmation and dynamic management of operational risk loss data on a regular basis.
3. Continuously optimize management processes and mechanism construction. Optimize the related system functions. Through the measurement system of risk-weighted assets (RWA), the Bank realized the functions of operational risk capital measurement system, optimized the functions of internal control compliance and operational risk management system, and strengthened the application of the system. The Bank consolidated the key process control, continuously promoted the embedment in the process of compliance key points, and strengthened the rigid control of risks; reinforced compliance as a top priority and conducted comprehensive risk assessment and management, with a focus on pre-approval compliance review for key credit exposure businesses; carried out remediation in key areas, and strengthened on-site inspection and troubleshooting of operational risks; improved various management mechanisms; improved the training mechanism for operational risks and incorporated the operational risk training into the compliance training system; improved the operational risk assessment mechanism, combining the process-based assessment with outcome-based assessment of operational risks, and incorporating it into the comprehensive risk management assessment system; established a sound mechanism for information communication, regularly linked and shared information on internal control, compliance, legality, case prevention (employee behavior), outsourcing, auditing, disciplinary inspection, etc., to achieve joint prevention and control.

Management Discussion and Analysis

11.6 Liquidity risk management

Liquidity risk refers to the risk of failure of commercial banks to acquire sufficient funds in a timely manner at a reasonable cost to pay off debts due or meet liquidity demands in line with the expansion of business operations. The objective of the Bank's liquidity management is to ensure sufficient fund positions to meet requirements for solvency obligations and business liquidation funds in a timely manner.

The organizational structure for liquidity risk management of the Bank consists of a decision-making system, an executive system and a supervision system. The decision-making system includes the Board of Directors and the Risk Management Committee under the Board of Directors; the executive system includes senior management and its Asset and Liability Management Committee, Risk Classification Committee and other relevant business management departments; the supervision system includes the Board of Supervisors and the Audit Department. The Board of Directors is our Bank's highest decision-making body regarding liquidity risk management, which undertakes the ultimate responsibility for liquidity risk management. The Board of Supervisors supervises and evaluates the performance of the Board of Directors and senior management in liquidity risk management. The senior management is fully responsible for the organization and implementation of the Bank's liquidity risk management. As a comprehensive risk management functional department, the risk management department of the Head Office takes the lead in coordinating liquidity risk management, formulates risk appetite, limits management programme and risk management strategies annually, drafts risk management reports, and reports to senior management. The planning and finance department of the Head Office is the executive department of the Bank's liquidity risk management, and is primarily responsible for the management of the daily fund position, while the Capital Operation Centre and other departments (lines) in the Head Office are the executive departments of the Bank's liquidity risk management, and are responsible for coordinating the implementation of liquidity risk management. The Audit Department performs independent audits and supervisions on our Bank's liquidity risk management activities.

During the reporting period, the Bank managed liquidity risk mainly through the following measures. Firstly, the Bank improved its liquidity risk management system, to maintain its normal operating order and the sustainable development of various businesses. Secondly, the Bank strengthened the day-to-day capital position management, optimized the requirements for day-to-day capital position control, improved the experience of customer clearing and considered the control of liquidity risk so as to enhance the effectiveness of liquidity management. Thirdly, the Bank strengthened liquidity risk monitoring and control, enhanced the monitoring and early warning of deposits and withdrawals and liquidity risk limit indicators, effectively implemented liquidity emergency drills, conducted liquidity stress tests and assessments on a quarterly basis, and strengthened the application of stress test results in the balance sheet plans. Fourthly, the Bank optimized the allocation of assets and liabilities, strengthened the balanced management of the balance sheet plans and liquidity risk, paid attention to the management of the maturity and structure of assets and liabilities, and maintained a safe and reasonable level of maturity mismatch. Fifthly, the Bank continued to optimize systems and reports related to liquidity risk management and improved the refinement of liquidity management.

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As of the end of the reporting period, the Group's liquidity ratio, the net stable capital ratio and liquidity coverage ratio were 74.75%, 129.36% and 171.69%, respectively. Among them, the balance of high-quality liquid assets was RMB60,394 million and the net cash outflow in the next 30 days was RMB35,176 million.

Items	As of June 30, 2025	As of December 31, 2024
<i>(All amounts expressed in millions of RMB except percentages, unless otherwise stated)</i>		
Net stable capital ratio	129.36%	132.47%
Available stable capital	379,859.47	376,500.56
Required stable capital	293,634.61	284,212.57

11.7 Compliance risk management

Compliance risk refers to the potential that a financial institution or employees could face criminal, administrative, or civil liability, as well as property damage, reputational harm, and other negative consequences due to violations of compliance regulations. This may result from the institution's operational and management practices or the actions of employees in fulfilling their responsibilities.

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

Management Discussion and Analysis

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

1. Implementing regulatory opinions. Adhering to the business policy of “promoting compliance”, the Bank has continued to improve the long-term mechanism for the implementation of supervisory opinions, and effectively implemented the four process management processes, namely decomposition and transmission, process supervision, result verification, and evaluation and handling. The Bank has consolidated the responsibility of management through continuous follow-up, rolling account closure, appraisal and supervision, which effectively improved the internal control and compliance as well as the operation management capability and level of the whole Bank.
2. Enhancing the quality and effectiveness of compliance management. The Bank formulated plans and defined implementation strategies to systematically implement the Measures for the Compliance Management of Financial Institutions 《金融機構合規管理辦法》 across its organizational structure, management systems, and institutional mechanisms. Adopting a risk-based policy, the Bank established annual bank-wide compliance management plans, specifying key task objectives for compliance inspections, training programs, and case studies at all organizational levels. Overall compliance self-inspections were organized to thoroughly review the Bank’s compliance of operations and the effectiveness of internal controls in recent years. Focusing on key areas and core businesses, the Bank proactively managed compliance risks by fully utilizing off-site monitoring and compliance alert mechanisms, as this will buy valuable time for enabling the timely and effective remediation of compliance vulnerabilities and internal control weaknesses. The compliance risk monitoring indicator system was optimized, assessing the probability and impact of compliance risks using a risk matrix methodology. Regular compliance risk assessments were conducted to strengthen the Bank’s capabilities of identifying, monitoring, and addressing compliance risks.
3. Improving the institutional management mechanism. The Bank formulated the “Guidelines for the Internalization of External Regulations of Bank of Jiujiang (Trial)” to establish and promote the implementation of an internalization mechanism for external regulations, ensuring that external regulatory requirements were promptly converted into internal management systems, thereby achieving the organic integration of internal management regulations with national laws and regulations, industry regulatory standards, and the actual management situation of the Bank. The Bank conducted a comprehensive assessment and review of internalization regulations, examined the mapping relationship between regulatory requirements and internal systems, systematically reviewed compliance requirements, and enhanced the effectiveness and operability of systems.

Management Discussion and Analysis

4. Enhancing the compliance management level across the whole process. The Bank adhered to the whole process control, established a legal and compliance review mechanism in terms of pre-event, pre-reviewed the use of the seal, external information release, non-format contracts, large-scale investment business, related party transactions, and new products, and organized a series of compliance training. In terms of during-event, the Bank improved the internal control compliance and operational risk management system, optimized the employee behavior monitoring model, issued compliance risk reminders and compliance risk reminders bulletin, and implemented during-event monitoring and early warning; in terms of post-event, with the aim of root cause management and systematic control, we will conduct traceability analysis of major risk issues such as cases, administrative penalties, and consumer insurance complaints from the whole chain, process, and link of mechanism, system, process, operation, etc., and run through the working paths of internal control evaluation, operational risk assessment and product evaluation to put forward improvement suggestions and promote rectification, thus strengthening the compliance management of the whole process.

11.8 Money laundering risk management

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

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

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

1. Strengthening risk alert and actively fulfilling anti-money laundering reporting obligations. In the first half of 2025, the Bank continuously submitted 640,800 high-value transaction reports and 348 suspicious transaction reports in total through the "Data Receiving Platform for High-Value Transaction and Suspicious Transaction Reports from Banking Industry (銀行業大額交易和可疑交易報告數據接收平台)" of the China Anti-money Laundering Monitoring and Analyzing Center. In April 2025, the Bank was awarded the Group Second Prize in Jiangxi Province's Financial Intelligence Analysis Competition ("Safeguarding Jiangxi"), organized by the Jiangxi Branch of the People's Bank of China and co-organized by the Jiangxi Provincial Public Security Department, Jiangxi Provincial High People's Court and other supporting institutions.

Management Discussion and Analysis

2. Strengthened efforts to promote the filing of beneficial owner information for stock market entities. To effectively enhance the filing of beneficial owner information for stock market entities, we improve market transparency, maintain the market and financial order, prevent and curb money laundering and terrorist financing activities. Under the unified arrangement of the local People's Bank, the Bank continuously disseminates the new requirements of the Administrative Measures for Beneficial Owner Information 《受益所有人信息管理辦法》 to the general accounts and corporate units, and actively carries out the filing of beneficial owner information.
3. Upgrade system functions and strengthen the support capabilities of anti-money laundering, and anti-fraud system support capability. In the first half of 2025, the Bank continuously optimized the monitoring model of the suspicious anti-money laundering system, improved the early warning accuracy of the monitoring model, perfected the anti-fraud protective blocking rules, achieved improved technical defense capabilities, and further reduced the risk of money laundering and fraud.
4. Safeguard the interests of the public, and firmly improve the quality and effectiveness of anti-telecommunications network fraud efforts. Firmly focusing on the fundamental interests of the people, the Bank steadily conducted and promoted the administration efforts of the “funding chain” of telecommunications network fraud and cross-border gambling to cut off the transfer chain of fraudulent funds of criminals, and carried out police-bank cooperation to intercept fraudulent funds by blocking abnormal account openings, to comprehensively improve the effectiveness of anti-crime and administration efforts. In the first half of 2025, through optimizing the during-event interception models, the Bank intercepted 5,232 transactions from involved personal accounts, involving an amount of approximately RMB20.35 million; and intercepted 60 abnormal transactions from corporate accounts, intercepting transaction funds of approximately RMB1.97 million.
5. Strengthen publicity and training, enhance the capability of performance of its duties of the employees, and strengthen the public's awareness of anti-money laundering. Focusing on the key point of the anti-money laundering, the Bank has developed a detailed and accurate anti-money laundering training program to continually optimize and enrich teaching courseware, expand lecturer team, take anti-money laundering courses as the required courses of the employees in different positions such as senior management, new employees, tellers, account managers, and to reach all the businesses and all the employees with anti-money laundering requirements, so as to ensure the steady improvement on anti-money laundering awareness of the Bank. The Bank mobilized the outlets of the Bank to continuously innovate publicity forms through a combination of regular publicity and special centralized publicity. In June 2025, the promotional short video Regret for Illegal Fundraising 《追悔莫“集”》 produced by the Bank was forwarded and broadcast on the official WeChat public account of Jiujiang People's Government, and won the non-professional category second prize in the 2025 Short Video Competition on Preventing Illegal Financial Activities in Jiangxi Province.

Management Discussion and Analysis

11.9 Information technology risk management

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

The Bank has set up an information technology risk management organizational structure composed of the Board of Directors, the senior management and the Information Technology Management Committee under it, and the implementation level. The information technology risk management framework of our Bank, under the leadership of our Board of Directors and our senior management, is based on the three lines of defense. The effective pre-event, during-event and post-event risk prevention systems have been jointly established.

1. Strengthen the training of information technology risk awareness across the Bank. To strengthen all employees' awareness of the information technology risk protection, the Bank has conducted three rounds of information technology risk management training. Focusing on the information data security management, data center risk management, and business continuity management, the Bank has conducted regulatory policy trends and the industry analysis, continuously strengthened the information technology and data security prevention awareness among the personnel from business and technology lines.
2. Continuously conduct technology risk assessment and monitoring. We conduct comprehensive risk assessments in the information technology, effectively identify information technology risk points, form a special assessment report and submit to the Information Technology Management Committee and the Board of Directors for consideration. Meanwhile, we continuously strengthen the supervision on the relevant departments in assessing the problems and handling risks to further prevent and control risks.
3. Strengthen the security prevention and control for key information systems. We prioritize information security management and strengthen its refined management by focusing on Internet application systems. The penetration testing and retesting were conducted on selected critical information systems to identify potential risk points, and no data breaches occurred in key information systems.
4. Continuously strengthen the risk management of information technology outsourcing. We strengthen the management of science and technology outsourcing service providers, continuously optimize the work evaluation model of key service providers, conduct the rating work for the supplier concentration and service capability in 2024, and no excessive concentration and abnormal service capability occurred.
5. Improve business continuity management across the entire Bank. We have held 4 meetings of Business Continuity Management Committee, considering a total of 10 business continuity proposals. In the first half of 2025, we have revised and issued 91 contingency plans across the entire Bank, organized and conducted the business influence analysis for 2025, and successfully completed two business continuity drills.

Management Discussion and Analysis

11.10 Reputational risk management

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

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

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

11.11 Strategic risk management

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

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

Management Discussion and Analysis

Our Bank establishes a well-rounded strategic risk management organizational structure composed of the Board of Directors and the Strategy Committee under it, the senior management, strategy management functional departments of the Head Office and other related functional departments. During the reporting period, the Bank proactively strengthened strategic risk management: firstly, sorted rules, established systems, and implemented strategic risk systems. Our Bank executed the Management Measures for Strategy and Operation Planning of Bank of Jiujiang strictly, and proactively launched strategic risk management to identify strategic management risks. Secondly, improved systems and carried out strategic closed-loop management. The Bank balanced short-term financial goals and long-term sustainable development goals, strengthened the integration of strategy and daily operation and management, built a strategic management system of goal setting – measure implementation – implementation evaluation – feedback and improvement, and played a role in the strategic adjustment. At the same time, our Bank did well in strategic research, promoted strategy implementation, and improved the strategic leadership. Thirdly, strengthened the performance of duties and management over strategic risks. Our Bank clarified full-time strategic management personnel, continuously strengthened the performance of functions such as strategic planning, strategic monitoring and strategic execution, further improved the design of strategic systems and processes, and improved the efficiency of strategy implementation. Fourthly, broke down tasks and promoted strategy implementation. The Bank formulated and decomposed its strategic objectives in the form of three-year medium-term and long-term plans and annual business plans, strengthened the overall strategic deployment, formulated practical step-by-step implementation plans, and accelerated the establishment and improvement of effective strategy implementation management mechanisms to effectively guarantee the smooth achievement of development strategy objectives.

As of the end of the reporting period, our Bank's overall strategic risk level remained stable and under control, indicating our effective management over strategic risks.

Next, in terms of strategy formulation, the Bank plans to further increase the retrospective analysis to accurately estimate its own competitiveness, the strength of its competitors and the various opportunities and threats in the external environment, highlight differentiation and specialization, and enhance its core competitiveness. In terms of strategy implementation, the Bank will refine the decomposition of strategic objectives, transform strategy into controllable objectives, measurable indicators and implementable programs, and ensure that the plan is implemented on time and with quality compliance by adopting measures such as task decomposition, time decomposition, and department or position decomposition. In terms of strategy supervision, the Bank will strengthen the monitoring of the implementation process, closely track and monitor the strategy implementation process, and continuously improve the incentive mechanism closely linked to the completion of the strategic objectives to encourage the advanced and spur the backward. In terms of guarantee mechanism, the Bank will strengthen the strategy publication and implementation, improve resource guarantee, further strengthen strategy publication and implementation and the professional staffing of the Strategic Planning Department, condensate heart cohesion and promote the orderly development of strategic management work.

Changes in Share Capital and Information on Shareholders

1. CHANGES IN SHARE CAPITAL

As of June 30, 2025, the Bank's total number of issued shares was 2,847,367,200, including 2,365,000,000 Domestic Shares and 482,367,200 H Shares.

During the reporting period, there was no change in the share capital of the Bank.

Class of shares	As at June 30, 2025		Changes in number of shares during the reporting period (share)	As at December 31, 2024	
	Number of shares (share)	Proportions (%)		Number of shares (share)	Proportions (%)
Domestic state-owned shares	1,389,528,436	48.80	0	1,389,528,436	48.80
Domestic social legal person shares	949,835,583	33.36	0	949,835,583	33.36
Domestic natural person shares	25,635,981	0.90	0	25,635,981	0.90
Overseas listed shares (H Shares)	482,367,200	16.94	0	482,367,200	16.94
Total number of ordinary shares	2,847,367,200	100.00	0	2,847,367,200	100.00

2. PARTICULARS OF SHAREHOLDERS

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

As of June 30, 2025, the Bank had 699 domestic shareholders in total, including 44 state-owned shareholders, 54 social legal person shareholders and 601 natural person shareholders.

Changes in Share Capital and Information on Shareholders

2.2 Top 10 shareholders of non-overseas listed Domestic Shares

As at June 30, 2025, the shareholdings of the top 10 shareholders who directly held non-overseas listed Domestic Shares of the Bank are as follows:

Name of shareholders	Class of shares	Number of shares held as at the end of the reporting period (share)	Approximate percentage of total issued share capital
			of the Bank by the end of the reporting period (%)
Jiujiang Finance Bureau	Domestic Shares	366,020,000	12.85
Beijing Automotive Group Co., Ltd.	Domestic Shares	366,020,000	12.85
Industrial Bank Co., Ltd.	Domestic Shares	294,400,000	10.34
Fangda Carbon New Material Co., Ltd.	Domestic Shares	136,070,000	4.78
Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.	Domestic Shares	95,840,000	3.37
Ruichang State-Owned Investment Holding Group Co., Ltd.	Domestic Shares	89,760,000	3.15
Junhe (Xiamen) Holdings Co., Ltd.	Domestic Shares	86,653,080	3.04
Jiangxi Baoshen Industrial Co., Ltd.	Domestic Shares	84,792,010	2.98
Nanchang County Cultural Tourism Investment Co., Ltd.	Domestic Shares	57,040,000	2.00
Wuning Urban Investment Group Co., Ltd.	Domestic Shares	56,392,500	1.98
Total		1,632,987,590	57.35 ⁽¹⁾

Note:

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

Changes in Share Capital and Information on Shareholders

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

As of June 30, 2025, so far as is known to the Bank and the Directors, and taking into account the disclosed interests of shareholders on the HKEXnews website of Hong Kong Stock Exchange (<https://di.hkex.com.hk>), substantial shareholders of the Bank and other persons (other than Directors, Supervisors and chief executive officers of the Bank) who had interests and short positions in the Shares and underlying Shares of the Bank which were required to notify the Bank or the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Bank under Section 336 of the SFO were as follows:

Name of shareholders	Class of shares	Number of shares (share)	Nature of interest	Approximate percentage of shareholding in the relevant class of shares (%)	Approximate percentage of total share capital of the Bank (%)
Jiujiang Finance Bureau ⁽²⁾	Domestic Shares	366,020,000(L) ⁽¹⁾	Beneficial Owner	15.48	12.85
Beijing Automotive Group Co., Ltd. ⁽³⁾	Domestic Shares	366,020,000(L) ⁽¹⁾	Beneficial Owner	15.48	12.85
Industrial Bank Co., Ltd. ⁽⁴⁾	Domestic Shares	294,400,000(L) ⁽¹⁾	Beneficial Owner	12.45	10.34
Foresea Life Insurance Co., Ltd.	H Shares	104,666,400(L) ⁽¹⁾	Beneficial Owner	21.70	3.68
Taiping Assets Management (HK) Company Limited	H Shares	104,666,400(L) ⁽¹⁾	Investment Manager	21.70	3.68
Hopson Development International Limited ⁽⁵⁾	H Shares	20,000,000(L) ⁽¹⁾	Beneficial Owner	4.15	0.70
Hopeson Holdings Limited ⁽⁵⁾	H Shares	46,037,600(L) ⁽¹⁾	Beneficial Owner	9.54	1.62
Tai Fung Bank Limited ⁽⁶⁾	H Shares	46,037,600(L) ⁽¹⁾	Security interest in shares	9.54	1.62
R&F Properties (HK) Company Limited ⁽⁷⁾	H Shares	63,591,000(L) ⁽¹⁾	Beneficial Owner	13.18	2.23
Harbor Sure (HK) Investments Limited ⁽⁸⁾	H Shares	63,591,000(L) ⁽¹⁾	Security interest in shares	13.18	2.23
Success Cypress Limited ⁽⁹⁾	H Shares	43,998,600(L) ⁽¹⁾	Beneficial Owner	9.12	1.55
Rong De Investments Limited ⁽¹⁰⁾	H Shares	33,308,200(L) ⁽¹⁾	Beneficial Owner	6.91	1.17
CHINA INTERNATIONAL MINERALS PTE. LTD.	H Shares	29,620,000(L) ⁽¹⁾	Beneficial Owner	6.14	1.04
China International Mining United Co., Limited	H Shares	29,620,000(L) ⁽¹⁾	Beneficial Owner	6.14	1.04
East System Investments Limited	H Shares	28,603,000(L) ⁽¹⁾	Beneficial Owner	5.93	1.00

Changes in Share Capital and Information on Shareholders

Notes:

- (1) The letter “L” denotes the person’s long position in the shares.
- (2) Jiujiang Finance Bureau, an official organ as legal person, holds a total of 366.02 million Domestic Shares of the Bank, accounting for 12.85% of the Bank’s total issued share capital as at the end of the reporting period. The bureau’s legal representative is Wu Zexun. Besides, Jiujiang Finance Bureau indirectly holds 40.00 million Domestic Shares of the Bank through Jiujiang City Financial Enterprise Financial Services Co., Ltd. In accordance with the forms for filing disclosure of interests submitted on August 20, 2019, Jiujiang Finance Bureau and Jiujiang State-owned Assets Management Co., Ltd. have acted in concert or without contradiction since January 1, 2016, the Bank’s Domestic Shares held by Jiujiang State-owned Assets Management Co., Ltd. amounted to 43,454,831 shares. Therefore, Jiujiang Finance Bureau controls an aggregate of approximately 15.78% of the total issued share capital of the Bank.
- (3) Beijing Automotive Group Co., Ltd. (“**BAIC Group**”) holds 366.02 million Domestic Shares of the Bank, accounting for 12.85% of the Bank’s total issued share capital as at the end of the reporting period. BAIC Group was founded in 1958, the legal representative of which is Zhang Jianyong, the controlling shareholder is Beijing State-owned Capital Operation and Management Company Limited, the actual controller and ultimate beneficiary is the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality, and there are no parties acting in concert. BAIC Group is headquartered in Beijing and is one of leading automotive groups in China and a Fortune 500 Company.
- (4) Industrial Bank Co., Ltd. (“**Industrial Bank**”) holds 294.40 million Domestic Shares of the Bank, accounting for 10.34% of the Bank’s total issued share capital as at the end of the reporting period. Industrial Bank was founded in August 1988, with Lu Jiajin as its legal representative, no controlling shareholders, parties acting in concert or actual controllers, and the ultimate beneficiary is the Industrial Bank. Industrial Bank is headquartered in Fuzhou City, Fujian Province, which is one of the first joint-stock commercial banks approved by the State Council and the People’s Bank of China. Industrial Bank was officially listed on Shanghai Stock Exchange on February 5, 2007 (stock code: 601166) and ranks among the Top 20 banks in the world.
- (5) Hopson Holdings Limited is a company incorporated in Hong Kong and a wholly-owned subsidiary of Hopson Development International Limited (a company incorporated in the British Virgin Islands). Hopson Development International Limited is a wholly-owned subsidiary of Hopson Development Holdings Limited (a company incorporated in the Bermuda Islands), which is held by Sounda Properties Limited (a company incorporated in the British Virgin Islands) as to 53.75%. Sounda Properties Limited is wholly owned by Chu Mang Yee. Chu Mang Yee holds equity interests in 66.0376 million H Shares of the Bank through Hopson Holdings Limited and Hopson Development International Limited, of which 46.0376 million H Shares are held through Hopson Holdings Limited and the remaining 20.00 million H Shares are held through Hopson Development International Limited.
- (6) Tai Fung Bank Limited is a company incorporated in Macau and is owned by Bank of China Limited as to 50.31%. Bank of China Limited is owned by Central Huijin Investment Ltd. as to 64.02%.
- (7) R&F Properties (HK) Company Limited is a company incorporated in Hong Kong and a wholly-owned subsidiary of Guangzhou R&F Properties Co., Ltd. (stock code: 2777). It is principally engaged in investment business.
- (8) Harbor Sure (HK) Investments Limited is a company incorporated in Hong Kong and is wholly owned by ABCI Investment Management Limited (a company incorporated in the British Virgin Islands); ABCI Investment Management Limited is wholly owned by ABC International Holdings Limited (a company incorporated in Hong Kong); ABC International Holdings Limited is wholly owned by Agricultural Bank of China Limited (a company incorporated in the PRC), Agricultural Bank of China Limited is owned as to 35.29% and 40.03% by Ministry of Finance of the People’s Republic of China and Central Huijin Investment Ltd., respectively.
- (9) Success Cypress Limited is a company incorporated in the British Virgin Islands and is ultimately held by Tan Huichuan, Tan Mei, Tan Haocheng and Tan Yuehua as to 43%, 7%, 25% and 25%, respectively. It is principally engaged in investment business. Guangzhou Jinxiu Dadi Property Development Company Limited (“**Guangzhou Jinxiu Dadi**”) is held by Tan Huichuan as to 90%; Guangdong Nimble Real Estate (Group) Co., Ltd. (“**Guangzhou Nimble**”) is a wholly-owned subsidiary of Guangzhou Jinxiu Dadi; Guangzhou Nimble held 90% of Guangzhou Jinxiu Investment Company Limited (“**Guangzhou Jinxiu Investment**”) which is held by Tan Huichuan as to 10%; Guangzhou Jinxiu Investment held 50% of Zhaoqing Tiancheng Property Co., Ltd. (“**Zhaoqing Tiancheng**”); Faithful Edge Limited is a wholly-owned subsidiary of Zhaoqing Tiancheng; and Success Cypress Limited is a wholly-owned subsidiary of Faithful Edge Limited and the beneficial owner of the Bank.
- (10) Rong De Investments Limited is a company incorporated in the British Virgin Islands and is owned as to 36%, 34.06% and 29.94% by Liao Tengjia, Chu Hing Tsung and Zhu Muzhi, respectively. It is principally engaged in investment business.

Changes in Share Capital and Information on Shareholders

2.4 The controlling shareholders of the Bank

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

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

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

2.6 Other substantial domestic shareholders

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

Other than Jiujiang Finance Bureau, Beijing Automotive Group Co., Ltd. and Industrial Bank Co., Ltd., Fangda Carbon New Material Co., Ltd. ("**Fangda Carbon**") together with its related company, Jiangxi PXSteel Industrial Co. Ltd. hold more than 5% of total shares of the Bank and Fangda Carbon has dispatched director to the Bank, and is therefore a substantial domestic shareholder of the Bank; substantial domestic shareholder of the Bank who hold less than 5% of total shares of the Bank but dispatched supervisor to the Bank is Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd. ("**Foshan Gaoming Jindun**").

Fangda Carbon New Material Co., Ltd.

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

Changes in Share Capital and Information on Shareholders

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

Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.

Foshan Gaoming Jindun holds 95.84 million Domestic Shares of the Bank, which are social legal person shares, accounting for 3.37% of the Bank's total issued share capital as of the end of the reporting period. As of the end of the reporting period, Foshan Gaoming Jindun did not pledge the equity of the Bank.

Foshan Gaoming Jindun, with LUO Hanmin as its legal representative, was established in 2000 with a registration place in Foshan City, Guangdong Province. It has a total of RMB300 million registered capital. The controlling shareholder, the actual controller and the ultimate beneficiary is Wu Jialing. Foshan Gaoming Jindun has no concert parties. Foshan Gaoming Jindun is mainly engaged in deposit receipt and deposit books printing, R&D and sales, and is the earliest plant in China to apply hot stamping to magnetic stripes of deposit books. It is also a member of "China Trade Association for Anti-counterfeiting", one of the "Top 100 Printing Enterprises in Guangdong Province", and a "Gardenlike Organization in Foshan City".

Changes in Share Capital and Information on Shareholders

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

No.	Name of substantial shareholders	Related parties of substantial shareholders and their concert parties (if any)
1	Jiujiang Finance Bureau	Jiujiang State-owned Financing Guarantee Co., Ltd., Jiujiang Financing Guarantee Group Co., Ltd., Jiujiang Dingxin Industrial Co., Ltd., etc.
2	Beijing Automotive Group Co., Ltd.	Jiangxi Changhe Automobile Co., Ltd., Guangzhou Haoxiuyang Technology Co., Ltd. (廣州好修養科技有限公司), Cangzhou Economic Development Zone and Xingye Industrial Park Co., Ltd. (滄州經濟開發區興業產業園有限責任公司), Beijing Penglong Xingyuan Automobile Sales and Service Co., Ltd., etc.
3	Industrial Bank Co., Ltd.	CIB Wealth Management Co., Ltd., CIB Fund Management Co., Ltd., China Industrial International Trust Limited, Industrial Consumer Finance Co., Ltd., China Industrial International Trust Asset Management Company Limited, Industrial Wealth Asset Management Co., Ltd., Industrial Futures Co., Ltd., etc.
4	Fangda Carbon New Material Co., Ltd.	Liaoning Fangda Group Industrial Co., Ltd., Jiangxi Fangda Steel Group Co., Ltd., Pingxiang Fangda Renewable Resources Development Co., Ltd. (萍鄉方大再生資源開發有限責任公司), Pingxiang Pinggang Anyuan Steel Co., Ltd., Jiujiang Ping Gang Steel Co., Ltd., etc.
5	Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.	Foshan Gaoming Hengye Real Estate Co., Ltd., Guigang Hengfu Real Estate Co., Ltd., etc.

Changes in Share Capital and Information on Shareholders

2.8 Related party transactions between the Bank and the substantial domestic shareholders and their controlling shareholders, actual controllers, related parties, parties acting in concert and ultimate beneficiaries thereof in the reporting period

(I) Credit related party transactions

Unit: in millions of RMB

No.	Name of shareholders	Credit balance	The controlling shareholders of the corporation	Credit balance	Actual controllers	Credit balance	Parties acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party with related transaction(s)	Credit balance	Total
1	Jiuliang Finance Bureau	-	-	-	-	-	Jiuliang State-owned Assets Management Co., Ltd.	-	-	-	Jiuliang State-owned Financing Guarantee Co., Ltd.	33.04	43.04
2	Beijing Automotive Group Co., Ltd.	-	Beijing State-owned Capital Operation and Management Company Limited	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	-	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	-	Jiuliang Dingxin Industrial Co., Ltd. Jiangxi Changhe Automobile Co., Ltd.	10.00 300.00	363.33
3	Industrial Bank Co., Ltd.	199.86	-	-	-	-	-	-	Industrial Bank Co., Ltd.	-	Beijing Pengloung Xingyuan Automobile Sales and Service Co., Ltd.	0.12	199.86
4	Fangda Carbon New Material Co., Ltd.	-	Liaoning Fangda Group Industrial Co., Ltd.	580.00	FANG Wei	-	-	-	FANG Wei	-	Jiangxi Fangda Steel Group Co., Ltd.	2,257.50	4,717.79
											Pingxiang Fangda Renewable Resources Development Co., Ltd. (萍鄉方大再生資源開發有限公司)	270.31	

Changes in Share Capital and Information on Shareholders

No.	Name of shareholders	Credit balance	The controlling shareholders of the corporation	Credit balance	Actual controllers	Credit balance	Parties acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party with related transaction(s)	Credit balance	Total
5	Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd.	-	WU Jialing	-	WU Jialing	-	-	-	WU Jialing	-	Pingxiang Pinggang Anyuan Steel Co., Ltd. Jiujiang Ping Gang Steel Co., Ltd. Hukou County Jiugang International Trade Co., Ltd. Jiangxi Seagull Trading Co., Ltd. Jiangxi Jinfang Industry and Trade Co., Ltd.	1,000.00 499.98 90.00 10.00 10.00	-
	Total	199.86		560.00		-	-	-		-		4,544.16	5,324.02

Changes in Share Capital and Information on Shareholders

(II) Related party transactions regarding transfer of assets

None.

(III) Related party transactions regarding services

None.

(IV) Related party transactions regarding deposits and other categories

Unit: in millions of RMB

No.	Name of shareholders	The controlling shareholders		Parties acting in concert		Ultimate beneficiary	Related party with related transaction(s)		Total
		Amount	Amount	Amount	Amount		Amount	Amount	
1	Beijing Automotive Group Co., Ltd.	-	Beijing State-owned Capital Operation and Management Company Limited	-	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality	BAIC Motor Corporation Limited	200.00	200.00
2	Industrial Bank Co., Ltd.	20.00	-	-	-	Industrial Bank Co., Ltd.	CIB Wealth Management Co., Ltd.	100.00	120.00
3	Fangda Carbon New Material Co., Ltd.	-	Liaoning Fangda Group Industrial Co., Ltd.	-	FANG Wei	FANG Wei	Jiujiang Ping Gang Steel Co., Ltd.	324.31	3,865.83
							Jiangxi Fangda Steel Group Co., Ltd.	55.71	
							Jiangxi Fangda Iron and Steel Group	2,500.00	
							Enterprise Investment Co., Ltd. (江西方大鋼鐵集團企業投資有限公司)		
							Pingxiang Pinggang Anyuan Steel Co., Ltd.	505.81	
							Pingxiang Fangda Building Materials Distribution Co., Ltd. (萍鄉方大建材配送有限公司)	480.00	
Total		20.00	-	-	-	-	-	4,165.83	4,185.83

Note:

The data of credit related party transactions is the balance as at the end of June 2025 (after deducting the amount of pledged deposits provided by the related party at the time of credit granting and the amount of pledged bank certificates of deposit and treasury bonds); the data of related party transactions regarding deposit is the aggregate amount incurred from January to June of 2025, excluding the related party transactions exempted from consideration and disclosure as stipulated in Article 57 of the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions.

Changes in Share Capital and Information on Shareholders

2.9 Pledge of equity in the Bank by substantial domestic shareholders

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

2.10 Nomination of Directors and Supervisors by the shareholders

- (1) Jiujiang Finance Bureau nominated Mr. LUO Feng as a Director of the Bank;
- (2) Beijing Automotive Group Co., Ltd. nominated Mr. SHI Zhishan as a Director of the Bank;
- (3) Industrial Bank Co., Ltd. nominated Ms. ZHOU Miao¹ as a Director of the Bank;
- (4) Fangda Carbon New Material Co., Ltd. nominated Mr. LIU Yinan as a Director of the Bank; and
- (5) Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd. nominated Ms. CHEN Zhiying as a Supervisor of the Bank.

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

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

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

- (1) As of June 30, 2025, the Bank has 131,829,518 pledged shares that were frozen; no pledged shares were involved in judicial auctions.
- (2) According to the Articles of Association, when the number of shares pledged by a shareholder reaches or exceeds 50% of the total shares held by him/her in the Bank, the voting rights of such shareholder at the Shareholders' General Meeting and the voting rights of the Directors nominated by such shareholder at the meetings of the Board of Directors shall be restricted. As of the end of the reporting period, the aforementioned shares with restricted voting rights total 151,075,508 shares, accounting for 5.31% of the total shares of the Bank.

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

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

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

Information on Directors, Supervisors, Senior Management, Staff and Institution

1. CURRENT DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors

Name (former name, if any)	Gender	Age	Position	Terms of appointment of the seventh session of the Board	Number of shares held as at June 30, 2025 (share)	Class of shares
ZHOU Shixin	Male	53	Executive Director and Chairman of the Board of Directors	September 2023-June 2026	Nil	
XIAO Jing	Male	48	Executive Director, Vice Chairman of the Board of Directors and President	June 2023-June 2026	70,000	Domestic Shares
YUAN Delei	Male	47	Executive Director, Vice President and Risk Director	June 2023-June 2026	Nil	
LUO Feng	Male	54	Non-executive Director	September 2023-June 2026	Nil	
SHI Zhishan	Male	46	Non-executive Director	June 2023-June 2026	Nil	
ZHOU Miao ⁽¹⁾	Female	53	Non-executive Director	September 2023-June 2026	Nil	
LIU Yinan	Male	47	Non-executive Director	September 2023-June 2026	Nil	
WANG Wanqiu	Female	53	Independent Non-executive Director	September 2023-June 2026	Nil	
ZHANG Yonghong	Male	58	Independent Non-executive Director	September 2023-June 2026	Nil	
TIAN Li	Male	56	Independent Non-executive Director	September 2023-June 2026	Nil	
GUO Jiequn	Male	54	Independent Non-executive Director	September 2023-June 2026	Nil	

Note:

- (1) Ms. ZHOU Miao ceased to be a non-executive Director of the Bank and the chairman of the Compliance Management Committee under the Board due to her mandatory age for retirement. Upon the consideration and approval at the meeting of the Board and the General Meeting, it was resolved to elect Ms. WU Haiming as a non-executive Director of the Bank, whose qualification is subject to the approval by the national financial regulatory institution. Pending approval of Ms. WU Haiming's qualification as a director, Ms. ZHOU Miao will continue to perform her duties as a non-executive Director of the Bank and the chairman of the Compliance Management Committee under the Board.

Information on Directors, Supervisors, Senior Management, Staff and Institution

Supervisors

Name (former name, if any)	Gender	Age	Position	Terms of appointment of the seventh session of the Board of Supervisors	Number of shares held as at June 30, 2025 (share)	Class of shares
YU Menglin	Female	52	Employee Representative Supervisor	June 2023-June 2026	121,400	Domestic Shares
LIAO Jingwen	Female	40	Employee Representative Supervisor	June 2023-June 2026	14,000	Domestic Shares
CHEN Zhiying	Female	57	Shareholder Supervisor	June 2023-June 2026	Nil	
TANG Xiaofeng	Male	61	External Supervisor	June 2023-June 2026	Nil	
CHUA Alvin Cheng-Hock	Male	67	External Supervisor	June 2023-June 2026	Nil	

Senior Management

Name (former name, if any)	Gender	Age	Position	Number of shares held as at June 30, 2025 (share)	Class of shares
XIAO Jing	Male	48	Executive Director, Vice Chairman of the Board of Directors and President	70,000	Domestic Shares
XIE Haiyang	Male	41	Vice President	Nil	
YUAN Delei	Male	47	Executive Director, Vice President and Risk Director	Nil	
DU Zhongwen	Male	47	Vice President	88,410	Domestic Shares
HUANG Chaoyang	Male	55	Assistant to President	500,000	Domestic Shares
QI Yongwen	Male	54	Director of Retail Banking	249,900	Domestic Shares
LI Guoquan	Male	56	Chief Accountant	Nil	
CHENG Zhong	Male	49	Chief Information Officer	Nil	

Information on Directors, Supervisors, Senior Management, Staff and Institution

2. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

Upon the consideration and approval at the fifteenth meeting of the seventh session of the Board held on October 31, 2024, and approved by the Jiangxi Bureau of National Financial Regulatory Administration (Gan Jin Jian Fu [2025] No. 15) on January 27, 2025, Mr. Du Zhongwen was appointed as a Vice President of the Bank.

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

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

During the reporting period, except for the above-mentioned, there were no changes of other Directors, Supervisors and senior management of the Bank.

3. COMPANY SECRETARY

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

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

4. REMUNERATION POLICY OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Bank provided remuneration to executive Directors, senior management, and other eligible personnel in accordance with the Performance Remuneration Appraisal Plan for Senior Management of the Bank of Jiujiang Co., Ltd and other relevant governing documents. The Bank provided remuneration to independent non-executive Directors in accordance with the Allowance System for the Independent Directors of the Bank of Jiujiang Co., Ltd., and provided remuneration to external Supervisors in accordance with the Allowance System for the External Supervisors of the Bank of Jiujiang Co., Ltd. The non-executive Directors and Shareholder Supervisor of the Bank do not receive any compensation from the Bank. The remuneration standard of other Supervisors was implemented in accordance with relevant measures of the Bank.

Information on Directors, Supervisors, Senior Management, Staff and Institution

5. SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND RELEVANT EMPLOYEES

The Bank has adopted the Model Code as the code of conduct for securities transactions of the Bank by all Directors and Supervisors. The Bank has also put in place guidelines in respect of dealings in securities of the Bank for the relevant employees (as defined under the Listing Rules), of which the terms are no less exacting than those of the Model Code. Having made specific enquiries to all Directors and Supervisors regarding their compliance with the Model Code, each of the Directors and Supervisors confirmed that those standards as provided thereunder have been complied with during the six months ended June 30, 2025. Having made specific enquiries to the relevant employees regarding their compliance with the guidelines of dealing in securities of the Bank, the Bank is not aware of any incompliance with the guidelines.

6. INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at the end of the reporting period, the Directors, Supervisors or chief executive of the Bank who had interests and short positions in the Shares, underlying shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept by the Bank under Section 352 of the SFO, or which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code were as follows:

Interests in the Shares of the Bank (Long Positions)

Name	Position(s)	Class of shares	Nature of interest	Number of shares (share)	Approximate percentage of total issued share capital of the relevant class of the Bank (%)	Approximate percentage of total issued share capital of the Bank (%)
XIAO Jing	Executive Director, Vice Chairman and President	Domestic Shares	Beneficial Owner	70,000	0.00	0.00
YU Menglin	Employee Representative Supervisor	Domestic Shares	Beneficial Owner	121,410	0.00	0.00
LIAO Jingwen	Employee Representative Supervisor	Domestic Shares	Beneficial Owner	14,000	0.00	0.00

Information on Directors, Supervisors, Senior Management, Staff and Institution

Interests in Associated Corporations (Long Positions)

Name	Position(s)	Associated corporation	Nature of interest	Number of shares (share)	Approximate percentage of share capital (%)
XIAO Jing	Executive Director, Vice Chairman and President	Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司) ⁽¹⁾	Beneficial Owner	75,000	0.15
		Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司) ⁽²⁾	Beneficial Owner	75,000	0.15
		Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司) ⁽³⁾	Beneficial Owner	120,000	0.30
		Fenxi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司) ⁽⁴⁾	Beneficial Owner	150,000	0.30
YU Menglin	Employee Representative Supervisor	Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司) ⁽¹⁾	Beneficial Owner	50,000	0.10
		Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司) ⁽²⁾	Beneficial Owner	50,000	0.10
		Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司) ⁽³⁾	Beneficial Owner	40,000	0.10
		Fenxi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司) ⁽⁴⁾	Beneficial Owner	75,000	0.15
LIAO Jingwen	Employee Representative Supervisor	Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司) ⁽¹⁾	Beneficial Owner	75,000	0.15
		Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司) ⁽²⁾	Beneficial Owner	175,000	0.35
		Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司) ⁽³⁾	Beneficial Owner	80,000	0.20
		Fenxi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司) ⁽⁴⁾	Beneficial Owner	50,000	0.10

Notes:

- (1) The Bank holds 35.00% of equity and 53.65% of voting rights of Pengze Jiuyin County Bank Co., Ltd. (彭澤九銀村鎮銀行股份有限公司), a subsidiary of the Bank.
- (2) The Bank holds 35.00% of equity and 53.30% of voting rights of Ruichang Jiuyin County Bank Co., Ltd. (瑞昌九銀村鎮銀行股份有限公司), a subsidiary of the Bank.
- (3) The Bank holds 35.00% of equity and 54.00% of voting rights of Chongren Jiuyin County Bank Co., Ltd. (崇仁九銀村鎮銀行股份有限公司), a subsidiary of the Bank.
- (4) The Bank holds 35.00% of equity and 54.80% of voting rights of Fenxi Jiuyin County Bank Co., Ltd. (分宜九銀村鎮銀行股份有限公司), a subsidiary of the Bank.

Information on Directors, Supervisors, Senior Management, Staff and Institution

7. POSITIONS HELD BY DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN COUNTY BANK

Nil

8. INFORMATION ON EMPLOYEES

8.1 Composition of personnel

By department/function

	As at June 30, 2025	
	Number of staff	Percentage of total (%)
Corporate banking	1,091	18.99
Retail inclusive banking	1,817	31.62
Financial market business	43	0.75
Finance and accounting	447	7.78
Risk management, internal control and audit	330	5.74
Legal and compliance, human resources and information technology	448	7.80
Customer service manager	766	13.33
Jiuyin county bank	642	11.17
Management	77	1.34
Others	85	1.48
Total	5,746	100.00

By education level

	As at June 30, 2025	
	Number of staff	Percentage of total (%)
Master's degree and above	747	13.00
Undergraduate and junior college	4,995	86.93
Others	4	0.07
Total	5,746	100.00

Information on Directors, Supervisors, Senior Management, Staff and Institution

8.2 Staff training plan

The Bank deepened its understanding of General Secretary Xi Jinping's important instructions on financial works, adhered to the standards of "politically upright, professionally competent, and excellent conduct", the Bank embedded training seamlessly into every phase of employee career development, and systematically implemented the financial talent development program, striving to build a high-caliber cohort of financial professionals who combine strong moral character with outstanding abilities, thereby fueling high-quality development of the Bank.

During the reporting period, the Bank further enhanced the quality and effectiveness of its education and training initiatives. First, the Bank focused on establishing a standardized education and training framework through the issuance of the 2025 Bank-wide Education and Training Work Plan. Guided by the principles of political leadership, moral education, tailored instruction, practical application, and rigorous academic standards, the plan formalized training objectives, content, delivery methods, faculty and curriculum selection, budget allocation, performance evaluation, and disciplinary oversight. The Bank also defined the full-time training schedule for head office personnel, promoting a more scientific, institutionalized, and standardized approach to employee development. In line with the Bank's strategic goals, the training system was holistically designed with a forward-looking perspective to ensure alignment between training content and business development priorities. Second, the Bank placed strong emphasis on training outcomes and quality. The introduction of the Jiujiang Bank Internal Trainer Management Measures (Trial) facilitated the selection of outstanding key employees to serve as internal trainers, enabling them to refine and disseminate best practices. During the reporting period, 171 internal trainers were onboarded and 46 new courses were developed. A competitive mechanism was introduced via an annual Gold and Silver Lecturer awards program, which dynamically optimizes the trainer pool and course offerings based on training effectiveness and participant feedback. Third, the Bank strengthened capacity-building efforts for leadership cadres by delivering specialized training for key positions. A program for newly appointed presidents was conducted during the reporting period, attended by 52 new branch and sub-branch presidents. The training adopted a strongly practical approach, with a blended online-offline format and integration of theoretical and practical components in course design. Through case studies and situational simulations, the training program enhanced participants' executive competence and leadership skills. Cross-institutional exchanges were encouraged to promote knowledge sharing and collaborative teamwork, resulting in comprehensive and systematic improvements in both political awareness and job capability. Fourth, the Bank prioritized training for "three-new" personnel (new hires, transfers, and promotions), adopting a practical and precision-oriented teaching model. A demand-driven training framework was implemented, shifting from conventional "cramming-style" instruction to a customized "menu-based" approach. This ensured tailored training solutions ("one program, one design") and real-time responsiveness to learning needs. Multiple initiatives were deployed to strengthen the job readiness of three-new personnel. During the reporting period, three sessions for new employees, five for new account managers, and one for newly promoted cadres were held, covering 491 participants in total. Fifth, the Bank embraced digital transformation by continuously enhancing its online training platform. Using the Jiuyin Yixue (九銀易學) platform, it delivered up-to-date training content reflecting industry trends and business innovations, ensuring timely integration of cutting-edge knowledge. During the reporting period, six online courses and two learning pathways for relevant roles were updated, and total employee learning hours reached 166,200 across the Bank. Through a systematic, multi-tiered, and precision-targeted training system, the Bank has elevated the overall quality and professional capability of its workforce, establishing a solid talent foundation for high-quality development.

Information on Directors, Supervisors, Senior Management, Staff and Institution

8.3 Employee gender

As of the end of the reporting period, the percentage of male and female employees (including senior management) is 46.08% and 53.92%, respectively. The Bank fully respects the individual differences of talents, has created a professional, inclusive and diverse working atmosphere in working space, and is committed to providing equal opportunities for all employees. The Bank considered that it kept a balance of the gender ratio of existing employees (including senior management). The Bank is expected to continue to maintain the gender diversity at the employee (including senior management) level in a reasonable manner.

8.4 Remuneration policies

(I) Remuneration management structure and decision-making procedures

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

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

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

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

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

Information on Directors, Supervisors, Senior Management, Staff and Institution

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

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

(IV) **Contributions to the defined contribution schemes**

The contributions that the Bank contributes to the defined contribution schemes are recognized as expenses when incurred, and forfeited contributions (i.e. contributions processed by the Bank on behalf of employees who withdraw from the scheme before the relevant contributions are vested in them) are not used to reduce the existing level of contributions (as described in paragraph 26(2) of Appendix D2 to the Listing Rules). Therefore, there is no such issue that forfeited contributions may be used by the Group to reduce the existing level of contributions.

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

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

Information on Directors, Supervisors, Senior Management, Staff and Institution

9. BASIC INFORMATION OF INSTITUTIONS UNDER THE BANK

As of the end of the reporting period, the Bank operated the business through the head office, 13 branches and 265 sub-branches which consisted of 180 traditional sub-branches, 77 community sub-branches and 8 small and micro enterprises sub-branches. The branch network of the Bank is primarily located in Jiangxi Province, and also covers Guangzhou, Guangdong Province and Hefei, Anhui Province. The Bank realized the full coverage of branches in districts and cities within Jiangxi Province, and the coverage rate of outlets in counties within Jiangxi Province reached 100%. In addition, the Bank established 20 Jiuyin County banks, among which 18 county banks were consolidated and controlled as of the end of the reporting period.

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

District	Name of institution	Operating address	Remark	Number
Jiangxi Province	Head Office	Bank of Jiujiang Mansion, No. 619 Changhong Avenue, Jiujiang, Jiangxi Province	1 head office, 40 traditional sub-branches, 16 community sub-branches	57
	Nanchang Branch	No. 1398 Hongguzhong Avenue, Nanchang, Jiangxi Province	1 branch, 11 traditional sub-branches, 19 community sub-branches, 1 small and micro enterprises sub-branch	32
	Ganjiang New Area Branch	No. 528 Shuanggang West Street, Jingkai District, Nanchang, Jiangxi Province	1 branch, 1 traditional sub-branch, 1 community sub-branch	3
	Ji'an Branch	New 196 Jinggangshan Avenue, Ji'an, Jiangxi Province	1 branch, 15 traditional sub-branches, 4 community sub-branches, 3 small and micro enterprises sub-branches	23
	Ganzhou Branch	Building 5, Shenghui City Center, Ganxian Road, Zhanggong District, Ganzhou, Jiangxi Province	1 branch, 20 traditional sub-branches, 12 community sub-branches, 2 small and micro enterprises sub-branches	35
	Fuzhou Branch	No. 1250 Gandong Avenue, Fuzhou, Jiangxi Province	1 branch, 12 traditional sub-branches, 8 community sub-branches	21
	Yichun Branch	No. 587 Luzhou North Road, Yiyang New District, Yichun, Jiangxi Province	1 branch, 18 traditional sub-branches, 2 community sub-branches, 1 small and micro enterprises sub-branch	22

Information on Directors, Supervisors, Senior Management, Staff and Institution

District	Name of institution	Operating address	Remark	Number
Guangdong Province	Shangrao Branch	No. 5, Fenghuang West Avenue, Guangxin District, Shangrao, Jiangxi Province	1 branch, 13 traditional sub-branches, 6 community sub-branches	20
	Jingdezhen Branch	Bank of Jiujiang Mansion, Zijing Road, Jingdezhen, Jiangxi Province	1 branch, 7 traditional sub-branches, 4 community sub-branches	12
	Pingxiang Branch	Building 1, Financial Complex, No. 619 Xuanhe Road, Pingxiang Economic and Technological Development Zone, Pingxiang, Jiangxi Province	1 branch, 7 traditional sub-branches, 2 community sub-branches	10
	Xinyu Branch	No. 720 Xianlai East Avenue, Xinyu City, Jiangxi Province	1 branch, 4 traditional sub-branches, 2 community sub-branches	7
	Yingtian Branch	No. 619, Wangbu Road, Xinjiang New Area, Yingtian, Jiangxi Province	1 branch, 4 traditional sub-branches, 1 small and micro enterprises sub-branch	6
	Guangzhou Branch	Room 101, Room 201 and 29-38/F, No. 35 Chunxi 2nd Street, Tianhe District, Guangzhou, Guangdong Province	1 branch, 15 traditional sub-branches	16
Anhui Province	Hefei Branch	Office Building A, Jiaqiao International Plaza, Intersection of Maanshan Road and South Second Ring Road (Southwest), Baohe District, Hefei, Anhui Province	1 branch, 13 traditional sub-branches, 1 community sub-branch	15
				279

Information on Directors, Supervisors, Senior Management, Staff and Institution

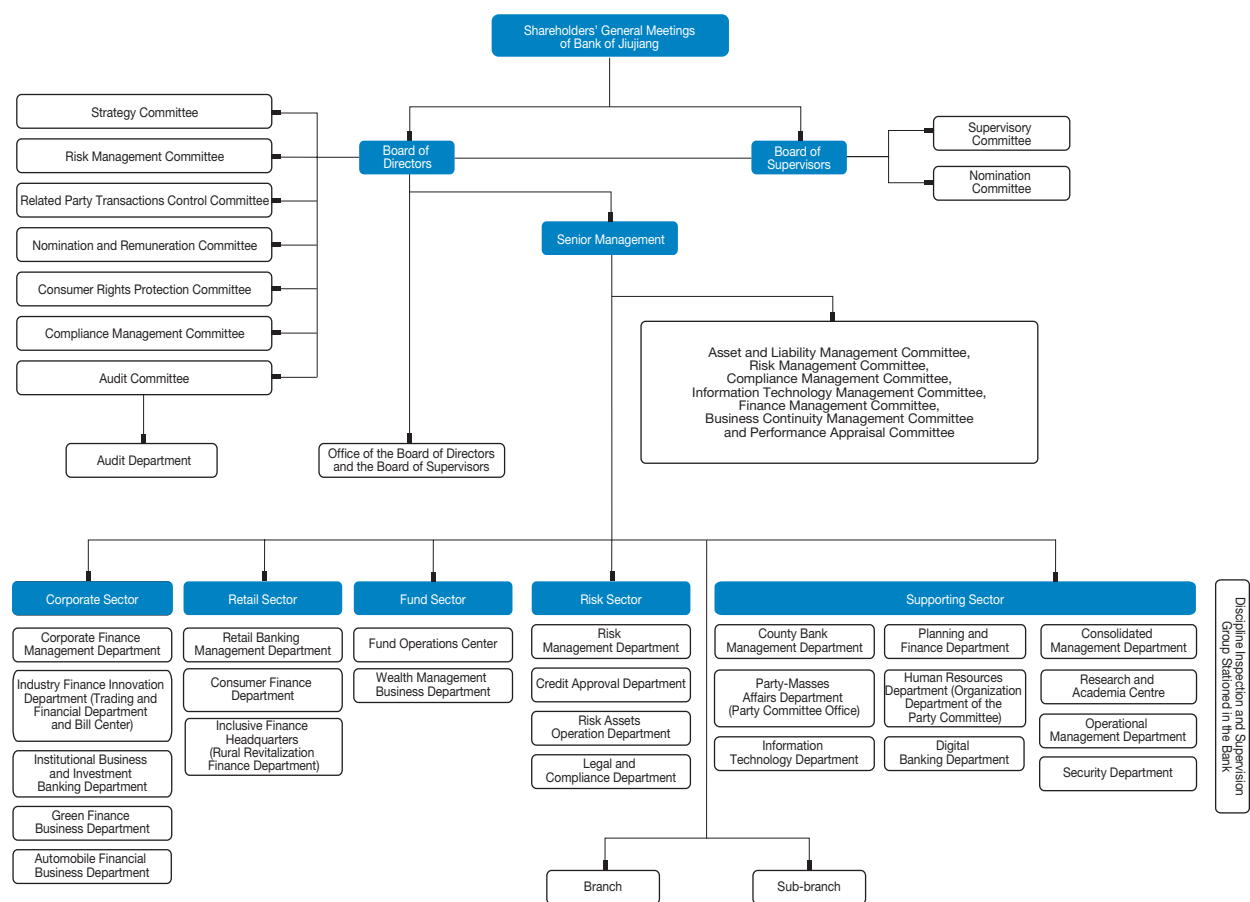
Status of the controlled county banks of the Bank as of the end of the reporting period is set out below:

Name	Operating address
Beijing Daxing Jiuyin County Bank Co., Ltd.	No. 3, No. 18 Yard, Xinrong North Street, Xihongmen Town, Daxing District, Beijing
Rizhao Jiuyin County Bank Co., Ltd.	No. 619 Lanshan West Road, Lanshan District, Rizhao, Shandong Province
Nanjing Liuhe Jiuyin County Bank Co., Ltd.	No. 103, 105, Taishan Road, Xiongzhou Street, Liuhe District, Nanjing
Xiushui Jiuyin County Bank LLC.	No. 123 Valley Avenue, Xiushui County, Jiangxi Province
Jinggangshan Jiuyin County Bank LLC.	Jinggangshan Jiuyin County Bank, No. 17 Yingshanhong Road, Xincheng District, Jinggangshan, Jiangxi Province
Nanchang Changdong Jiuyin County Bank Co., Ltd.	Rooms 130 and 201, Commercial Building 38#, Greenland Metropolis, No. 2977 Ziyang Avenue, High-tech Zone, Nanchang, Jiangxi Province
Pengze Jiuyin County Bank Co., Ltd.	No. 1172 Longcheng Avenue, Pengze County, Jiujiang, Jiangxi Province
Ruichang Jiuyin County Bank Co., Ltd.	No. 1-46 Jianshe Road, Ruichang, Jiangxi Province
Zixi Jiuyin County Bank Co., Ltd.	No. 1-18 Bund International, Binjiang Road, Zixi County, Fuzhou, Jiangxi Province
Chongren Jiuyin County Bank Co., Ltd.	No. 8 Xianfu West Road, Chongren County, Fuzhou, Jiangxi Province
Fenxi Jiuyin County Bank Co., Ltd.	No. 83 Qianshan East Road, Fenxi County, Xinyu, Jiangxi Province
Fengxin Jiuyin County Bank Co., Ltd.	No. 619 Yingxing North Avenue, Fengxin County, Yichun, Jiangxi Province
Jing'an Jiuyin County Bank Co., Ltd.	Tower A, Yikun Building, Dongfang West Road, Shuangxi Town, Jing'an County, Yichun, Jiangxi Province
Jingdezhen Changjiang Jiuyin County Bank Co., Ltd.	No. 1268 Porcelain Avenue, Changjiang District, Jingdezhen, Jiangxi Province
Tonggu Jiuyin County Bank Co., Ltd.	No. 2 Dingjiang West Road, Tonggu County, Yichun, Jiangxi Province
Lushan Jiuyin Yishu County Bank Co., Ltd.	No. 86 Xiufeng Avenue South, Lushan, Jiujiang, Jiangxi Province
Hukou Jiuyin County Bank Co., Ltd.	No. 29 Sanli Avenue, Shuangzhong Town, Hukou County, Jiujiang, Jiangxi Province
Duchang Jiuyin County Bank Co., Ltd.	No. 99 Dongfeng Avenue, Duchang County, Jiujiang, Jiangxi Province

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

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

Corporate Governance



Corporate Governance

1. OVERVIEW OF CORPORATE GOVERNANCE

The Bank has been improving its corporate governance in accordance with laws and regulations concerning corporate governance, such as the Company Law and the Corporate Governance Guidelines for Banking and Insurance Institutions, and under the supervision and leadership of competent supervision units. The Bank's general meeting of shareholders, Board of Directors, Board of Supervisors, as well as various special committees under the Board of Directors and the Board of Supervisors, enjoyed efficient operation during the reporting period, which has effectively ensured the Bank's compliance and robust operation as well as sustainable and healthy development. The Bank convened 34 meetings during the reporting period. Among them, there were 2 general meetings of shareholders, 4 meetings of the Board of Directors, 21 meetings of special committees under the Board of Directors, 3 meetings of the Board of Supervisors, and 4 meetings of special committees under the Board of Supervisors.

2. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the reporting period, the Bank strictly complied with the provisions in Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules and, where appropriate, adopted the recommended best practices.

3. HOLDING OF GENERAL MEETINGS OF SHAREHOLDERS

The Bank held 2 general meetings of shareholders during the reporting period.

On May 6, 2025, the Bank convened the 2025 first extraordinary general meeting, and considered a total of 3 proposals, including the Proposal in relation to the Deliberating on the Overall Plan for Reform of Jiuyin County Banks, the Proposal in relation to the Merger by Absorption of Nanchang Changdong Jiuyin County Bank Co., Ltd., Lushan Jiuyin Yishu County Bank Co., Ltd. and Jinggangshan Jiuyin County Bank LLC., and the Proposal in relation to the Issuance of Undated Capital Bonds.

On June 27, 2025, the Bank convened the 2024 Annual General Meeting and deliberated on a total of 15 proposals, including the Proposal in relation to the Deliberating on the Change of Non-executive Director, the Proposal in relation to the Deliberating on the 2024 Report of the Board of Directors of Bank of Jiujiang Co., Ltd. and the Proposal in relation to the Deliberating on the 2024 Report of the Board of Supervisors of Bank of Jiujiang Co., Ltd.

All summoning, notifying, convening and voting procedures concerning the above general meetings of shareholders have complied with relevant laws and regulations as well as the relevant provisions of the Articles of Association of the Bank.

4. HOLDING OF MEETINGS OF THE BOARD OF DIRECTORS AND ITS SPECIAL COMMITTEES

During the reporting period, the Board of Directors held 4 meetings, and considered and approved a total of 52 proposals. The special committees under the Board of Directors held 21 meetings, including 4 meetings of the Risk Management Committee, 5 meetings of the Audit Committee, 1 meeting of the Related Party Transactions Control Committee, 3 meetings of the Strategy Committee, 4 meetings of the Nomination and Remuneration Committee, 1 meeting of the Consumer Rights Protection Committee and 3 meetings of the Compliance Management Committee, at which a total of 73 proposals were considered and approved.

Corporate Governance

5. HOLDING OF MEETINGS OF THE BOARD OF SUPERVISORS AND ITS SPECIAL COMMITTEES

During the reporting period, the Board of Supervisors held 3 meetings, and considered or debriefed 55 proposals. The special committees under the Board of Supervisors convened 4 meetings, including 3 meetings of the Nomination Committee and 1 meeting of the Supervisory Committee, and considered or debriefed 5 proposals.

6. ADJUSTMENTS TO THE CORPORATE GOVERNANCE STRUCTURE AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the Company Law, the Notice of National Financial Regulatory Administration on Matters in relation to Alignment of Corporate Governance Supervision Regulations with the Company Law 《國家金融監督管理總局關於公司治理監管規定與公司法銜接有關事項的通知》 and relevant laws, regulations, regulatory requirements and related documents, the Bank proposed to dissolve the Board of Supervisors, and the duties of the Board of Supervisors stipulated by the Company Law and regulatory provisions will be undertaken by the Audit Committee of the Board of Directors.

In accordance with the foregoing laws and regulations, regulatory requirements and relevant documents, and in conjunction with the corporate governance practices of the Bank, the Bank proposed amendments to the Articles of Association. For details of the adjustments to the corporate governance structure and proposed amendments to the Articles of Association, please refer to the Bank's announcements dated August 29, 2025 and September 29, 2025, as well as the circular dated September 12, 2025.

Corporate Governance

7. INTERNAL CONTROL AND INTERNAL AUDIT

7.1 Internal control

During the reporting period, centering on five elements of internal control and with the Basic System of Internal Control of Bank of Jiujiang Co., Ltd. as the guiding system, the Bank remained committed to improving its internal control system based on the principles of comprehensive coverage, checks and balances, prudence, and compatibility, with the aim of ensuring the effective implementation of laws, regulations, and rules, the achievement of development strategies and business objectives, the effectiveness of risk management practices, as well as the truthfulness, accuracy, completeness, and timeliness of business records, accounting information, financial information, and other management information. In terms of internal environment, we established an enterprise culture of sound internal control, namely “with internal control and compliance as our top priorities (內控先行合規優先)”, focused on the operation strategy of “optimizing structure, saving capital, promoting compliance, controlling non-performing loans and stabilizing growth”, optimised our organizational structure and established an internal control governance and organizational structure with a reasonable division of labor, defined responsibilities and clear reporting relationships, consisting of the Party Committee, the Board of Directors, the Board of Supervisors, the Shareholder’s general meeting and the senior management (四會一層), functional department of internal control management, internal audit department and business department. In terms of risk assessment, we established a comprehensive risk management system, reconstructed the credit risk system and mechanism and continuously improved the whole process control mechanism of pre-event, during-event and post-event, thus effectively identifying, monitoring, measuring, evaluating and controlling various risks, and keeping the risks within tolerable limits. In terms of control measures, we systematically internalized external regulations, promptly optimized business system and management system for various business activities and management activities and continuously strengthened key works such as the grid-based case prevention and control, improvement of the regularized risk identification, and promotion of the internalization and rigidification of compliance points. We identified weaknesses or existing problems in internal controls discovered during the reporting period, proposed specific improvement plans, and continuously refined and implemented them. In terms of information and communication, a more effective information communication mechanism has been established, the development of various information systems and the internal and external data indicator systems are relatively complete, the three lines of defense and joint prevention and control mechanism are substantially improved, and information exchange and communication are smooth and effective. In terms of internal supervision, we focused on inspection and evaluation, inspected the major branches, important business and significant events of the Bank through the inspection of the party committee, the inspection compliance of internal control and routine investigation, and established a supervision and inspection system covering institutions at all levels, all products and all business processes; we carried out internal control evaluation and supervision and evaluation of the audit department to evaluate internal control defect level and internal control effectiveness, constantly strengthened the application of internal control evaluation results, and established internal control problem rectification mechanism and management responsibility system, forming a more effective internal control mechanism featuring beforehand risk prevention, in-progress control and post-event supervision and correction in place, etc.

The Bank formulated implementation rules, conducted internal control evaluation from design defects and implementation defects and evaluated the level of internal control defects and the effectiveness of internal control in a fair and objective manner through negative correction of the result indicators, and continuously enhanced the application of the evaluation results of internal control. Normally, the Bank conducted internal control special evaluation in a timely manner according to the major violations and important management matters, and urged to improve systems, optimize processes and upgrade systems based on the evaluation results to promote further improvement of internal control management.

Corporate Governance

7.2 Internal audit

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

The objectives of our internal audit are the review, evaluation and improvement of our business operations, risk management, internal control and compliance and corporate governance by combination of the on-site audit and off-site audit through independent and objective supervision, evaluation and advisory activities in a systematic and standardized manner, so as to promote our steady operation and value enhancement.

Significant Events

1. PROFITS AND DIVIDENDS

The income and financial position of the Bank for the six months ended June 30, 2025 are set out in the interim financial statements of this interim report. The Bank did not recommend the payment of any interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil).

2. SIGNIFICANT INVESTMENT AND PLANS

During the reporting period, the Bank neither made any significant investment, nor had any concrete plans on significant investment or on acquiring significant capital assets or other businesses.

3. MATERIAL LAWSUITS, ARBITRATIONS AND MATERIAL CASES

During the reporting period, there were no litigations or arbitrations which had a material impact on the operation activities of the Bank.

4. CREDIT RELATED PARTY TRANSACTIONS

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

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

As of the end of the reporting period, the balance of the transactions with credit related legal persons was RMB5,324 million; the balance of transactions with credit related natural persons was RMB250 million; the total balance of credit related party transactions was RMB5,574 million, accounting for 13.90% of the reviewed net capital as at the end of the reporting period, which met the regulatory requirements.

For details of the transactions with related legal persons, please refer to Section 2.8 in “Changes in Share Capital and Information on Shareholders” of this interim report.

5. SIGNIFICANT ASSETS PLEDGED

The Bank did not pledge any significant assets during the reporting period.

Significant Events

6. MATERIAL ACQUISITION AND DISPOSAL OF ASSETS AND BUSINESS COMBINATION

During the reporting period, the Bank was not involved in any material acquisition and disposal of assets or business combination.

7. PUNISHMENT AGAINST THE BANK AND DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the reporting period, the Bank, as well as Directors, Supervisors or senior management of the Bank were neither under any investigation, administrative penalty or open criticism by the CSRC, nor under any public censure by the Hong Kong Stock Exchange or under any punishment by other regulators which had a material effect on the Bank's operation.

8. REVIEW OF INTERIM REPORT

The interim financial report disclosed in this interim report is unaudited. KPMG has reviewed the interim financial statements for the six months ended June 30, 2025, which were prepared by the Bank in accordance with the International Financial Reporting Standards in accordance with relevant review standards, and issued the auditors' review report with a clean opinion.

On August 28, 2025, the Audit Committee of the Board of the Bank had reviewed and confirmed the interim results announcement of the Bank for the six months ended June 30, 2025, the 2025 interim report, as well as the unaudited interim financial statements for the six months ended June 30, 2025 which was prepared in accordance with the requirements of the IFRS.

9. INTERIM RESULTS

The interim results announcement of the Bank for the six months ended June 30, 2025 was published on the HKExnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Bank (www.jjccb.com) on August 29, 2025.

10. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this chapter, after the end of the reporting period, no significant events have taken place that may affect the Bank.

Review Report to the Board of Directors of Bank of Jiujiang Co., Ltd.

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

INTRODUCTION

We have reviewed the interim financial report set out on pages 91 to 157 which comprises the consolidated statement of financial position of Bank of Jiujiang Co., Ltd. (the “Bank”) and its subsidiaries (collectively the “Group”) as at June 30, 2025, the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and 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 report in accordance with IAS 34.

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

SCOPE OF REVIEW

We conducted our review in accordance with 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 the interim financial report 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 report as at June 30, 2025 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

August 29, 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	Six months ended June 30, 2025 (Unaudited)	2024 (Unaudited)
Interest income		8,517,940	9,746,506
Interest expense		(4,419,747)	(5,236,076)
Net interest income	5	4,098,193	4,510,430
Fee and commission income		363,953	513,773
Fee and commission expense		(68,852)	(59,772)
Net fee and commission income	6	295,101	454,001
Net gains arising from financial investments	7	959,851	538,412
Other income, gains or losses	8	(10,658)	(2,304)
Operating income		5,342,487	5,500,539
Operating expenses	9	(1,451,585)	(1,520,459)
Impairment losses on assets	10	(3,571,207)	(3,462,162)
Share of (losses)/profits of associates		(2,833)	3,411
Profit before taxation		316,862	521,329
Income tax	11	61,634	70,850
Net profit for the period		378,496	592,179
Net profit for the period attributable to:			
Equity holders of the Bank		363,996	553,857
Non-controlling interests		14,500	38,322

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	Six months ended June 30, 2025 (Unaudited)	2024 (Unaudited)
Net profit for the period		378,496	592,179
Items that may be reclassified subsequently to profit or loss:			
– Financial assets at fair value through other comprehensive income: net movement in fair value		(904,685)	1,028,701
– Financial assets at fair value through other comprehensive income: net movement in impairment losses		(5,451)	(11,844)
– Income tax relating to items that may be reclassified to profit or loss		227,534	(254,214)
Other comprehensive income for the period, net of tax	12	(682,602)	762,643
Total comprehensive income for the period		(304,106)	1,354,822
Total comprehensive income for the period attributable to:			
Equity holders of the Bank		(317,279)	1,307,562
Non-controlling interests		13,173	47,260
Total comprehensive income for the period		(304,106)	1,354,822
Basic and diluted earnings per share (in RMB)	13	0.01	0.08

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Financial Position

as at June 30, 2025 – unaudited

(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Cash and balances with the central bank	14	24,649,952	26,580,373
Deposits with banks and other financial institutions	15	4,841,639	1,191,828
Placements with banks and other financial institutions	16	5,183,792	1,044,549
Financial assets held under resale agreements	17	370,268	9,456,338
Loans and advances to customers	18	318,664,178	311,947,817
Financial investments	19	149,387,359	150,796,439
Interest in associates	20	139,536	142,369
Property and equipment	21	3,238,023	3,337,739
Right-of-use assets	22	270,335	279,367
Deferred tax assets	23	5,512,558	4,681,333
Other assets	24	7,396,856	7,000,469
Total assets		519,654,496	516,458,621
LIABILITIES			
Borrowings from the central bank	25	21,254,287	22,443,623
Deposits from banks and other financial institutions	26	6,076,439	8,973,177
Placements from banks and other financial institutions	27	2,201,096	2,301,430
Financial assets sold under repurchase agreements	28	8,979,182	1,734,370
Customer deposits	29	385,211,303	386,963,452
Income tax payable		302,087	93,016
Debt securities issued	30	49,819,145	47,336,623
Lease liabilities	31	285,805	291,424
Provisions		262,771	187,988
Deferred tax liabilities	23	–	1,382
Other liabilities	32	3,534,700	3,599,198
Total liabilities		477,926,815	473,925,683

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Financial Position

as at June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
EQUITY			
Share capital	33	2,847,367	2,847,367
Other equity instruments	34	6,997,840	6,997,840
Reserves	35	31,086,334	31,901,913
Equity attributable to equity holders of the Bank		40,931,541	41,747,120
Non-controlling interests		796,140	785,818
Total equity		41,727,681	42,532,938
Total liabilities and equity		519,654,496	516,458,621

The financial statements have been approved by the Board of Directors of the Bank on August 29, 2025.

Zhou Shixin
CHAIRMAN

Xiao Jing
EXECUTIVE DIRECTOR

Li Guoquan
CHIEF ACCOUNTANT

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	Attributable to equity shareholders of the Bank								Non-controlling interests	Total
		Share capital	Other equity instruments	Share premium	Investment revaluation reserve	Surplus reserve	General reserve	Retained earnings	Subtotal		
As at January 1, 2025		2,847,367	6,997,840	11,646,723	1,862,360	4,615,043	5,838,453	7,939,334	41,747,120	785,818	42,532,938
Net profit for the period		-	-	-	-	-	-	363,996	363,996	14,500	378,496
Other comprehensive income for the period		-	-	-	(681,275)	-	-	-	(681,275)	(1,327)	(682,602)
Total comprehensive income for the period		-	-	-	(681,275)	-	-	363,996	(317,279)	13,173	(304,106)
Dividends paid to ordinary shareholders	36(1)	-	-	-	-	-	-	(162,300)	(162,300)	-	(162,300)
Dividends paid to other equity instruments holders	36(2)	-	-	-	-	-	-	(336,000)	(336,000)	-	(336,000)
Others		-	-	-	-	-	-	-	-	(2,851)	(2,851)
As at June 30, 2025 (unaudited)		2,847,367	6,997,840	11,646,723	1,181,085	4,615,043	5,838,453	7,805,030	40,931,541	796,140	41,727,681
As at January 1, 2024		2,847,367	6,997,840	11,639,129	516,903	4,615,043	5,525,566	8,014,631	40,156,479	800,031	40,956,510
Net profit for the period		-	-	-	-	-	-	553,857	553,857	38,322	592,179
Other comprehensive income for the period		-	-	-	753,705	-	-	-	753,705	8,938	762,643
Total comprehensive income for the period		-	-	-	753,705	-	-	553,857	1,307,562	47,260	1,354,822
Dividends paid to ordinary shareholders	36(1)	-	-	-	-	-	-	(170,842)	(170,842)	-	(170,842)
Dividends paid to other equity instruments holders	36(2)	-	-	-	-	-	-	(336,000)	(336,000)	-	(336,000)
Others		-	-	-	-	-	-	-	-	(6,491)	(6,491)
As at June 30, 2024 (unaudited)		2,847,367	6,997,840	11,639,129	1,270,608	4,615,043	5,525,566	8,061,646	40,957,199	840,800	41,797,999

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Cash Flows

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	Six months ended June 30,	
		2025 (Unaudited)	2024 (Unaudited)
Cash flows from operating activities			
Profit before taxation		316,862	521,329
Adjustments for:			
Depreciation and amortisation		295,416	283,091
Impairment losses		3,571,207	3,462,162
Interest income arising from financial investments		(1,703,895)	(2,122,153)
Interest expense arising from debt securities issued		492,989	472,411
Interest expense arising from lease liabilities		5,917	5,393
Net gains arising from financial investments		(910,678)	(536,281)
Share of losses/(profits) of associates		2,833	(3,411)
Losses on disposal of property and equipment and other assets		16,439	34,908
Unrealised exchange losses/(gains)		13,016	(7,432)
Others		(56,138)	(40,445)
Operating cash flows before movements in working capital		2,043,968	2,069,572
(Increase)/Decrease in balances with the central bank and deposits with banks and other financial institutions		(1,107,346)	1,099,566
Increase in placements with banks and other financial institutions		(5,152,414)	–
Decrease in financial assets held under resale agreements		–	199,507
(Increase)/Decrease in bonds investment measured at fair value through profit or loss		(114,062)	1,320,781
Increase in loans and advances to customers		(9,976,753)	(12,718,516)
Decrease in borrowings from the central bank		(1,158,797)	(2,456,272)
Decrease in deposits from banks and other financial institutions		(2,916,606)	(7,253,308)
Decrease in placements from banks and other financial institutions		(100,000)	(1,202,743)
Increase in financial assets sold under repurchase agreements		7,244,575	9,004,834
Increase/(Decrease) in customer deposits		1,387,247	(3,803,700)
Decrease/(Increase) in other operating assets		157,093	(446,285)
Decrease in other operating liabilities		(3,439,239)	(2,228,418)
Net cash used in from operating activities before tax		(13,132,334)	(16,414,982)
Income tax paid		(334,368)	(301,173)
Net cash used in from operating activities		(13,466,702)	(16,716,155)

The notes on pages 98 to 157 form part of this interim financial report.

Consolidated Statement of Cash Flows

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

	NOTE	Six months ended June 30, 2025 (Unaudited)	2024 (Unaudited)
Cash flows from investing activities			
Cash received from disposal and redemption of financial investments		98,557,690	131,719,259
Cash received from disposal of property and equipment and other assets		16,161	25,082
Net cash received from investment gains and interest		1,459,264	2,305,715
Cash paid for purchase of financial investments		(98,782,823)	(130,385,425)
Cash paid for purchase of property and equipment and other assets		(467,895)	(202,498)
Net cash generated from investing activities		782,397	3,462,133
Cash flows from financing activities			
Cash received from debt securities issued		33,249,533	25,773,792
Repayment of debt securities issued		(31,260,000)	(25,140,000)
Repayment of leases liabilities		(64,913)	(58,135)
Dividends paid to ordinary shareholders		(4,398)	(1,875)
Dividends paid to other equity instruments holders		(336,000)	(336,000)
Net cash generated from financing activities		1,584,222	237,782
Net decrease in cash and cash equivalents		(11,100,083)	(13,016,240)
Cash and cash equivalents at the beginning of the period		22,708,162	30,823,209
Effect of foreign exchange rate changes		(981)	9,261
Cash and cash equivalents at the end of the period	37	11,607,098	17,816,230
Net cash generated used in operating activities include:			
Interest received		6,606,724	7,199,989
Interest paid		(7,073,451)	(6,729,968)

The notes on pages 98 to 157 form part of this interim financial report.

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

1 GENERAL INFORMATION

Bank of Jiujiang Co., Ltd. (hereinafter referred to as the “Bank”) is formerly known as Jiujiang Commercial Bank, a joint-stock commercial bank established on the basis of Jiujiang Urban Credit Cooperatives as approved by the People’s Bank of China Wuhan Branch (Wuyinfu [1999] No. 300). The Bank changed its name to Bank of Jiujiang Co., Ltd. in September 2008.

The Bank is licensed as a financial institution by the former China Banking Regulatory Commission (the “former CBRC”, currently the National Financial Regulatory Administration, the “NFRA”) Jiangxi Province Bureau (No. B0348H336040001) and is registered as a business enterprise with the approval of Jiujiang Administration of Industry and Commerce of the People’s Republic of China (the “PRC”) (No. 9136040070552834XQ). On July 10, 2018, the Bank was listed on The Stock Exchange of Hong Kong Limited with the stock code of 6190.

The principal activities of the Bank and its subsidiaries (collectively, the “Group”) comprise deposit taking; granting short-term, medium-term and long-term loans; domestic and overseas settlements; bill acceptance and discounting; issuing financial bonds; acting as agent to issue, settle and underwrite government bonds; trading of government bonds and financial bonds; inter-bank placement; providing letters of credit services and guarantee; acting as agent on inward and outward payments, acting as insurance agent; safe-box service and other business approved by the NFRA.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorized for issue on August 29, 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

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

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited but has been reviewed by KPMG 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 (“IAASB”).

The financial information relating to the financial year ended December 31, 2024, that is included in the interim financial report as comparative information does not constitute the Bank’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period.

The amendments have no material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

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

Notes to the Consolidated Financial Statements

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4 SEGMENT ANALYSIS

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors and relevant management committees (Chief Operating Decision Maker) for the purposes of allocating resources to segments and assessing their performance. The Group's chief operating decision maker reviews consolidated financial statements mainly based on operating segments for the purpose of allocating resources and performance assessment.

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

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

Segment revenues, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group provides a diversified range of banking and related financial services. The products and services offered to customers are organised into the following operating segments:

Corporate banking

The corporate banking segment provides financial products and services to corporations, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit takings and other types of corporate intermediary services except for those carried by subsidiaries of the Bank.

Retail banking

The retail banking segment provides financial products and services to individual customers. The products and services include personal loans, deposit products, card business, personal wealth management services and other types of personal intermediary services except for those carried by subsidiaries of the Bank.

Financial market business

The Group's financial market business conduct money market or repurchase transactions, and financial investments for its own accounts or on behalf of customers except for those carried by subsidiaries of the Bank.

Segment result represents the profit earned by each segment without allocation of certain other income, gains or losses, share of profits of associates, income tax and results from subsidiaries of the Group. Segment assets/liabilities are allocated to each segment, excluding investment properties, loans and advances to customers, interests in associates and assets/liabilities of the subsidiaries of the Group. This is the measure reported to the Chief Operating Decision Maker for the purposes of resource allocation and performance assessment.

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4 SEGMENT ANALYSIS (Continued)

	Six months ended June 30, 2025				
	Corporate banking	Retail banking	Financial market business	Unallocated	Total
External interest income	4,524,272	1,655,992	2,074,244	263,432	8,517,940
External interest expense	(1,095,302)	(2,239,719)	(1,004,503)	(80,223)	(4,419,747)
Net inter-segment interest (expense)/income	(436,996)	1,778,459	(758,426)	(583,037)	–
Net interest income	2,991,974	1,194,732	311,315	(399,828)	4,098,193
Fee and commission income	245,049	23,782	94,713	409	363,953
Fee and commission expense	(9,032)	(43,418)	(14,958)	(1,444)	(68,852)
Net fee and commission income/(expense)	236,017	(19,636)	79,755	(1,035)	295,101
Net gains arising from financial investments	–	–	959,828	23	959,851
Other income, gains or losses	–	(1,737)	(3,710)	(5,211)	(10,658)
Operating income	3,227,991	1,173,359	1,347,188	(406,051)	5,342,487
Operating expenses	(628,619)	(408,763)	(286,506)	(127,697)	(1,451,585)
Impairment losses on assets	(2,671,151)	(879,293)	26,640	(47,403)	(3,571,207)
Share of profits of associates	–	–	–	(2,833)	(2,833)
Profit before taxation	(71,779)	(114,697)	1,087,322	(583,984)	316,862
Income tax					61,634
Net profit for the period					378,496
Depreciation and amortisation	150,339	55,028	68,926	21,123	295,416
Purchase of non-current assets	117,917	43,160	54,061	6,865	222,003
Segment assets	247,255,279	74,635,532	180,022,970	12,228,157	514,141,938
Deferred tax assets					5,512,558
Total assets					519,654,496
Segment liabilities/Total liabilities	(158,457,463)	(214,942,432)	(88,609,634)	(15,917,286)	(477,926,815)
Credit commitments	104,482,403	6,781,012	–	12,401	111,275,816

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
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4 SEGMENT ANALYSIS (Continued)

	Six months ended June 30, 2024				Total
	Corporate banking	Retail banking	Financial market business	Unallocated	
External interest income	4,854,637	2,056,212	2,544,073	291,584	9,746,506
External interest expense	(1,637,599)	(2,278,577)	(1,235,636)	(84,264)	(5,236,076)
Net inter-segment interest (expense)/ income	(54,217)	1,560,207	(1,127,634)	(378,356)	–
Net interest income	3,162,821	1,337,842	180,803	(171,036)	4,510,430
Fee and commission income	271,611	29,268	211,516	1,378	513,773
Fee and commission expense	(5,502)	(37,099)	(15,437)	(1,734)	(59,772)
Net fee and commission income	266,109	(7,831)	196,079	(356)	454,001
Net gains arising from financial investments	–	–	537,937	475	538,412
Other income, gains or losses	–	(1,552)	17,803	(18,555)	(2,304)
Operating income	3,428,930	1,328,459	932,622	(189,472)	5,500,539
Operating expenses	(633,429)	(450,212)	(326,338)	(110,480)	(1,520,459)
Impairment losses on assets	(2,471,101)	(831,499)	(137,469)	(22,093)	(3,462,162)
Share of profits of associates	–	–	–	3,411	3,411
Profit before taxation	324,400	46,748	468,815	(318,634)	521,329
Income tax					70,850
Net profit for the period					592,179
Depreciation and amortisation	138,855	58,813	72,767	12,656	283,091
Purchase of non-current assets	67,776	28,706	35,517	4,070	136,069
Segment assets	216,429,654	83,768,492	180,020,043	12,939,052	493,157,241
Deferred tax assets					4,682,686
Total assets					497,839,927
Segment liabilities/Total liabilities	(173,425,503)	(180,197,965)	(87,407,229)	(15,011,231)	(456,041,928)
Credit commitments	102,359,862	6,235,854	–	34,845	108,630,561

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4 SEGMENT ANALYSIS (Continued)

Geographical information

The Group's revenue from external customers is derived solely from its operations and services rendered in the PRC, and non-current assets of the Group are located in the PRC.

Information about major customers

During the six-month ended June 30, 2025 and 2024, there were no revenue from transactions with a single external customer amounting to 10.00% or more of the Group's total revenue.

5 NET INTEREST INCOME

	Six months ended June 30,	
	2025	2024
Interest income		
Balances with the central bank	181,687	202,374
Deposits with banks and other financial institutions	18,205	6,321
Placements with banks and other financial institutions	46,030	691
Financial assets held under resale agreements	144,341	230,446
Loans and advances to customers		
– Corporate loans and advances	4,393,314	4,745,114
– Retail loans and advances	1,847,010	2,275,120
– Discounted bills	183,458	164,287
Financial investments	1,703,895	2,122,153
Subtotal	8,517,940	9,746,506
Interest expense		
Borrowings from the central bank	(186,154)	(303,169)
Deposits from banks and other financial institutions	(92,571)	(144,663)
Placements from banks and other financial institutions	(21,891)	(58,937)
Financial assets sold under repurchase agreements	(152,813)	(193,542)
Customer deposits	(3,467,412)	(4,057,961)
Debt securities issued	(492,989)	(472,411)
Lease liabilities	(5,917)	(5,393)
Subtotal	(4,419,747)	(5,236,076)
Net interest income	4,098,193	4,510,430

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
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6 NET FEE AND COMMISSION INCOME

	Six months ended June 30,	
	2025	2024
Fee and commission income		
Settlement and clearing fees	156,590	147,119
Credit commitments and financial guarantees fees	77,336	116,748
Agency service fees	66,811	98,189
Bank card fees	33,824	35,143
Wealth management fees	25,001	113,113
Transaction and consultancy fees	4,391	3,461
Subtotal	363,953	513,773
Fee and commission expense		
Transaction fees	(39,518)	(35,389)
Settlement fees	(27,083)	(21,407)
Others	(2,251)	(2,976)
Subtotal	(68,852)	(59,772)
Net fee and commission income	295,101	454,001

7 NET GAINS ARISING FROM FINANCIAL INVESTMENTS

	Six months ended June 30,	
	2025	2024
Net gains on financial investments at fair value through profit or loss ("FVTPL")	322,811	532,780
Net gains on financial investments at fair value through other comprehensive income ("FVOCI")	615,947	4,763
Others	21,093	869
Total	959,851	538,412

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
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8 OTHER INCOME, GAINS OR LOSSES

	NOTE	Six months ended June 30,	
		2025	2024
Rental income		15,288	11,655
Government subsidies	(1)	4,686	19,636
Donation		(159)	(1,539)
(Losses)/gains on disposal of property and equipment		(2,665)	519
Exchange (losses)/gains		(3,710)	17,803
Depreciation of investment properties		(5,476)	(3,974)
Losses on disposal of repossessed assets		(13,774)	(35,427)
Others		(4,848)	(10,977)
Total		(10,658)	(2,304)

Note:

- (1) Government subsidies mainly represent interest rate swap incentive, subsidies received from local government to encourage the expansion of agriculture-related loan portfolios, subsidies for stabilising and expanding positions, bonus for the Group's contribution to the local economic development and tax refund.

9 OPERATING EXPENSES

	Six months ended June 30,	
	2025	2024
Staff costs	777,431	848,942
General and administrative expenses	310,619	334,886
Depreciation and amortisation (excluding investment properties)	238,885	226,360
Tax and surcharges	73,595	57,514
Depreciation (right-of-use assets)	51,055	52,757
Total	1,451,585	1,520,459

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025 – unaudited
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10 IMPAIRMENT LOSSES ON ASSETS

	Six months ended June 30,	
	2025	2024
Loans and advances to customers at amortised cost	3,490,594	3,569,659
Loans and advances to customers at FVOCI	(5,618)	(10,867)
Financial investment measured at amortised cost	(91,251)	83,232
Financial investment measured at FVOCI	167	(977)
Others	177,315	(178,885)
Total	3,571,207	3,462,162

11 INCOME TAX

	NOTE	Six months ended June 30,	
		2025	2024
Current income tax		404,689	192,264
Tax filing differences		138,750	146,437
Deferred tax	23	(605,073)	(409,551)
Total		(61,634)	(70,850)

The Group carries out its operation in mainland China and all group entities are subject to the PRC Enterprise Income Tax. It is calculated at 25.00% of the estimated assessable profit for the period.

12 OTHER COMPREHENSIVE INCOME

	Period ended June 30, 2025		
	Before-tax amount	Tax expense	Net-of-tax amount
Items that may be reclassified subsequently to profit or loss:			
– FVOCI: net movement in fair value	(904,685)	226,171	(678,514)
– FVOCI: net movement in impairment losses	(5,451)	1,363	(4,088)
Total	(910,136)	227,534	(682,602)

	Period ended June 30, 2024		
	Before-tax amount	Tax expense	Net-of-tax amount
Items that may be reclassified subsequently to profit or loss:			
– FVOCI: net movement in fair value	1,028,701	(257,175)	771,526
– FVOCI: net movement in impairment losses	(11,844)	2,961	(8,883)
Total	1,016,857	(254,214)	762,643

Notes to the Consolidated Financial Statements

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13 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is as follows:

	Six months ended June 30,	
	2025	2024
Earnings for the purpose of basic and diluted earnings per share:		
Net profit attributable to equity holders of the Bank	363,996	553,857
Less: Net profit attributable to holders of perpetual bonds	(336,000)	(336,000)
Net profit attributable to ordinary shareholders of the Bank	27,996	217,857
Numbers of shares:		
Weighted average number of shares for the purpose of basic earnings per share (in '000)	2,847,367	2,847,367
Basic and diluted earnings per share (RMB yuan)	0.01	0.08

No diluted earnings per share for the six months ended June 30, 2025 and 2024 were presented as there were no dilutive potential ordinary shares outstanding during the respective periods.

14 CASH AND BALANCES WITH THE CENTRAL BANK

	NOTE	June 30, 2025	December 31, 2024
Cash		481,774	608,757
Statutory deposit reserves	(i)	21,364,442	21,816,037
Surplus deposit reserves	(ii)	2,613,072	3,849,988
Other deposits	(iii)	182,429	295,288
Subtotal		24,641,717	26,570,070
Accrued interest		8,235	10,303
Total		24,649,952	26,580,373

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14 CASH AND BALANCES WITH THE CENTRAL BANK (Continued)

Note:

- (i) The Group places statutory deposit reserves with the People's Bank of China (the "PBOC"). This includes RMB deposit reserves and foreign currency deposit reserves. These statutory deposit reserves are not available for the Group's daily operations.

As at June 30, 2025 and December 31, 2024, statutory deposit reserves with the PBOC were calculated at 5.5% and 6% of eligible RMB deposits for the Bank respectively, and at 5% and 5% for subsidiaries; and at 4% and 4% of foreign currency deposits for the Bank. The foreign currency deposit reserves placed with the PBOC are non-interest bearing.

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

- (iii) Other deposits mainly represent the required fiscal deposits placed with the PBOC.

15 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	June 30, 2025	December 31, 2024
Deposits with:		
Banks and other financial institutions in mainland China	4,676,699	1,045,272
Banks outside mainland China	162,749	146,500
Subtotal	4,839,448	1,191,772
Accrued interest	3,543	449
Allowances for impairment losses	(1,352)	(393)
Total	4,841,639	1,191,828

16 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	June 30, 2025	December 31, 2024
Placements with:		
Banks in mainland China	851,873	1,038,724
Other financial institutions in mainland China	4,300,000	–
Subtotal	5,151,873	1,038,724
Accrued interest	33,255	6,150
Allowances for impairment losses	(1,336)	(325)
Total	5,183,792	1,044,549

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17 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

(1) Analysed by type and location of counterparty

	June 30, 2025	December 31, 2024
Banks in mainland China	370,268	4,386,268
Other financial institutions in mainland China	–	5,072,275
Subtotal	370,268	9,458,543
Accrued interest	–	732
Allowances for impairment losses	–	(2,937)
Total	370,268	9,456,338

(2) Analysed by type of collateral

	June 30, 2025	December 31, 2024
Bonds	370,268	7,982,873
Bills	–	1,475,670
Subtotal	370,268	9,458,543
Accrued interest	–	732
Allowances for impairment losses	–	(2,937)
Total	370,268	9,456,338

Notes to the Consolidated Financial Statements

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18 LOANS AND ADVANCES TO CUSTOMERS

(1) Analysed by nature

Distributions of loans and advances to customers by corporate and retail customers are set out as follows:

	NOTE	June 30, 2025	December 31, 2024
Corporate loans and advances			
– Loans		188,693,835	179,871,631
Retail loans and advances			
– Personal loans for business purposes		32,545,828	35,139,424
– Residential mortgage loans		27,427,642	29,472,635
– Personal loans for consumption		17,045,984	18,858,301
– Credit card		5,450,945	5,920,598
Subtotal		82,470,399	89,390,958
Gross loans and advances to customers at amortised cost		271,164,234	269,262,589
Accrued interest		2,195,900	1,921,190
Allowances for impairment losses			
– 12-month ECL		(1,353,605)	(1,420,913)
– lifetime ECL not credit-impaired		(3,996,012)	(3,738,248)
– lifetime ECL credit-impaired		(4,131,482)	(5,648,922)
Subtotal		(9,481,099)	(10,808,083)
Loans and advances to customers at amortised cost, net		263,879,035	260,375,696
Loans and advances to customers at FVOCI			
– Discounted bills and forfeiting	(i)	54,785,143	51,572,121
Total loans and advances to customers		318,664,178	311,947,817

Note:

- (i) As at June 30, 2025 and December 31, 2024, the Group's allowances for impairment losses on loans and advances to customers measured at FVOCI was RMB13.42 million and RMB19.03 million respectively, as detailed in Note 18(7)(ii).

Notes to the Consolidated Financial Statements

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(2) Analysed by industry sector

	June 30, 2025		Loans and advances secured by collaterals
	Amount	Percentage	
Manufacturing	54,789,553	16.81%	12,709,179
Wholesale and retail	38,577,463	11.84%	6,638,468
Leasing and commercial services	30,231,536	9.28%	3,945,368
Construction	22,474,036	6.89%	4,746,204
Real estate	21,043,303	6.46%	12,141,620
Water conservancy, environment and public utility management	10,310,911	3.16%	1,232,751
Agriculture, forestry, animal husbandry and fishery	7,996,291	2.45%	1,232,530
Education	5,219,636	1.60%	604,128
Production and supply of electricity, heating, gas and water	3,769,241	1.16%	224,048
Health and social work	3,710,243	1.14%	260,700
Others	13,008,029	3.99%	2,879,914
Subtotal of corporate loans and advances	211,130,242	64.78%	46,614,910
Retail loans and advances	82,470,399	25.30%	44,382,854
Discounted bills	32,348,736	9.92%	–
Gross loans and advances to customers	325,949,377	100.00%	90,997,764

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(2) Analysed by industry sector (Continued)

	December 31, 2024		Loans and advances secured by collaterals
	Amount	Percentage	
Manufacturing	51,792,485	16.14%	10,700,683
Wholesale and retail	33,838,311	10.55%	6,138,526
Leasing and commercial services	27,297,130	8.51%	4,647,236
Construction	20,988,303	6.54%	4,149,145
Real estate	22,206,081	6.92%	13,511,054
Water conservancy, environment and public utility management	11,086,249	3.46%	1,312,820
Agriculture, forestry, animal husbandry and fishery	6,935,434	2.16%	832,052
Education	5,645,957	1.76%	630,943
Production and supply of electricity, heating, gas and water	2,593,156	0.81%	228,625
Health and social work	3,655,427	1.13%	259,410
Others	13,205,811	4.12%	2,685,184
Subtotal of corporate loans and advances	199,244,344	62.10%	45,095,678
Retail loans and advances	89,390,958	27.86%	48,904,556
Discounted bills	32,199,408	10.04%	–
Gross loans and advances to customers	320,834,710	100.00%	94,000,234

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(3) Analysed by type of collateral

	June 30, 2025	December 31, 2024
Guaranteed loans	112,945,941	107,801,199
Collateralised loans	90,997,764	94,000,234
Pledged loans	73,235,431	69,741,975
Unsecured loans	48,770,241	49,291,302
Gross loans and advances to customers	325,949,377	320,834,710
Accrued interest	2,195,900	1,921,190
Allowances for impairment losses on loans and advances to customers measured at amortised cost	(9,481,099)	(10,808,083)
Net loans and advances to customers	318,664,178	311,947,817

(4) Overdue loans analysed by overdue period

	June 30, 2025				Total
	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	Overdue more than one year to three years (inclusive)	Overdue more than three years	
Collateralised loans	2,450,766	1,844,828	941,738	221,058	5,458,390
Guaranteed loans	1,264,009	462,674	462,184	53,293	2,242,160
Unsecured loans	388,963	673,797	113,678	64,808	1,241,246
Pledged loans	235,209	341,789	42,534	295,957	915,489
Total	4,338,947	3,323,088	1,560,134	635,116	9,857,285
As a percentage of gross loans and advances to customers	1.33%	1.02%	0.48%	0.19%	3.02%

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(4) Overdue loans analysed by overdue period (Continued)

	Overdue within three months (inclusive)	December 31, 2024			Total
		Overdue more than three months to one year (inclusive)	Overdue more than one year to three years (inclusive)	Overdue more than three years	
Collateralised loans	1,968,760	1,368,334	1,628,563	147,068	5,112,725
Guaranteed loans	1,021,156	789,671	338,449	43,149	2,192,425
Unsecured loans	316,912	778,577	224,458	61,653	1,381,600
Pledged loans	188,533	168,981	345,889	5,957	709,360
Total	3,495,361	3,105,563	2,537,359	257,827	9,396,110
As a percentage of gross loans and advances to customers	1.09%	0.97%	0.79%	0.08%	2.93%

Overdue loans represent loans, of which the whole or part of the principal or interest are overdue for one day or more.

(5) Analysed by geographical area

	June 30, 2025	
	Amount	Percentage
Within Jiangxi Province (apart from Jiujiang City)	171,906,526	52.74%
Jiujiang City	103,458,506	31.74%
Guangdong Province	22,180,655	6.80%
Anhui Province	19,300,622	5.92%
Others	9,103,068	2.80%
Gross loans and advances to customers	325,949,377	100.00%
	December 31, 2024	
	Amount	Percentage
Within Jiangxi Province (apart from Jiujiang City)	166,849,955	52.00%
Jiujiang City	103,895,349	32.38%
Guangdong Province	23,474,326	7.32%
Anhui Province	16,681,991	5.20%
Others	9,933,089	3.10%
Gross loans and advances to customers	320,834,710	100.00%

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(6) Loans and advances and allowances for impairment losses

		As at June 30, 2025		
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Total loans and advances to customers measured at amortised cost	247,389,238	19,669,709	6,301,187	273,360,134
Allowances for impairment losses on loans and advances to customers measured at amortised cost	(1,353,605)	(3,996,012)	(4,131,482)	(9,481,099)
Carrying amount of loans and advances to customers measured at amortised cost	246,035,633	15,673,697	2,169,705	263,879,035
Carrying amount of loans and advances to customers measured at FVOCI	54,785,143	–	–	54,785,143
Total carrying amount of loans and advances to customers	300,820,776	15,673,697	2,169,705	318,664,178

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(6) Loans and advances and allowances for impairment losses (Continued)

	12-month ECL	As at December 31, 2024		Total
		Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	
Total loans and advances to customers measured at amortised cost	243,705,289	18,849,975	8,628,515	271,183,779
Allowances for impairment losses on loans and advances to customers measured at amortised cost	(1,420,913)	(3,738,248)	(5,648,922)	(10,808,083)
Carrying amount of loans and advances to customers measured at amortised cost	242,284,376	15,111,727	2,979,593	260,375,696
Carrying amount of loans and advances to customers measured at FVOCI	51,572,121	–	–	51,572,121
Total carrying amount of loans and advances to customers	293,856,497	15,111,727	2,979,593	311,947,817

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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(7) Analysis of movements of the allowances for impairment losses on loans and advances to customers for the six months ended June 30, 2025 and the year ended December 31, 2024 are as follows:

(i) **Loans and advances to customers at amortised cost**

	Six months ended June 30, 2025			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2025	1,420,913	3,738,248	5,648,922	10,808,083
Transferred:				
– to 12-month ECL	106,429	(100,403)	(6,026)	–
– to lifetime ECL not credit-impaired	(16,937)	27,045	(10,108)	–
– to lifetime ECL credit-impaired	(4,448)	(435,120)	439,568	–
(Released)/charged for the period	(152,352)	766,242	2,876,704	3,490,594
Write-offs	–	–	(4,842,150)	(4,842,150)
Transfer out	–	–	(374,051)	(374,051)
Recoveries	–	–	398,623	398,623
As at June 30, 2025	1,353,605	3,996,012	4,131,482	9,481,099

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
As at January 1, 2024	1,686,786	2,359,034	5,634,371	9,680,191
Transferred:				
– to 12-month ECL	142,697	(87,601)	(55,096)	–
– to lifetime ECL not credit-impaired	(32,702)	158,596	(125,894)	–
– to lifetime ECL credit-impaired	(19,280)	(544,891)	564,171	–
(Released)/charged for the year	(356,588)	1,853,110	3,496,094	4,992,616
Write-offs	–	–	(3,167,800)	(3,167,800)
Transfer out	–	–	(1,011,182)	(1,011,182)
Recoveries	–	–	314,258	314,258
As at December 31, 2024	1,420,913	3,738,248	5,648,922	10,808,083

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For the six months ended June 30, 2025 – unaudited
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18 LOANS AND ADVANCES TO CUSTOMERS (Continued)

- (7) Analysis of movements of the allowances for impairment losses on loans and advances to customers for the six months ended June 30, 2025 and the year ended December 31, 2024 are as follows: (Continued)

(ii) **Loans and advances to customers at FVOCI**

	Six months ended June 30, 2025			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at January 1, 2025	19,034	–	–	19,034
Released for the period	(5,618)	–	–	(5,618)
As at June 30, 2025	13,416	–	–	13,416

	Year ended December 31, 2024			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at January 1, 2024	26,796	–	–	26,796
Released for the year	(7,762)	–	–	(7,762)
As at December 31, 2024	19,034	–	–	19,034

Allowances for impairment losses on loans and advances to customers measured at FVOCI is recognised in other comprehensive income without decreasing the carrying amount of loans and advances presented in the consolidated statement of financial position, and any impairment loss or reversal is recognised in the profit or loss.

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19 FINANCIAL INVESTMENTS

	NOTE	June 30, 2025	December 31, 2024
Financial investments measured at FVTPL	(1)	30,175,075	36,725,425
Financial investments measured at FVOCI	(2)	49,343,096	45,414,081
Financial investments measured at amortised cost	(3)	69,869,188	68,656,933
Total		149,387,359	150,796,439

(1) Financial investments measured at FVTPL

	June 30, 2025	December 31, 2024
Debt securities issued by:		
Commercial banks	9,464,440	9,150,603
Corporations	3,134,674	3,911,174
Policy banks	1,800,317	1,155,508
Government	538,404	603,877
Subtotal	14,937,835	14,821,162
Equity investments	2,169,543	1,917,359
Funds and other investments:		
Fund Investments	9,349,511	16,110,769
Trust beneficiary rights and asset management plans	1,104,198	1,104,441
Others	2,613,988	2,771,694
Subtotal	13,067,697	19,986,904
Total	30,175,075	36,725,425
Listed	2,563,083	2,409,400
Unlisted	27,611,992	34,316,025
Total	30,175,075	36,725,425

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19 FINANCIAL INVESTMENTS (Continued)

(2) Financial investments measured at FVOCI

	June 30, 2025	December 31, 2024
Debt securities issued by:		
Government	24,043,833	26,360,342
Policy banks	22,740,586	16,874,126
Corporations	1,727,939	1,763,313
Commercial banks	399,388	–
Subtotal	48,911,746	44,997,781
Accrued interest	431,350	416,300
Total	49,343,096	45,414,081
Listed	31,704,708	29,231,473
Unlisted	17,638,388	16,182,608
Total	49,343,096	45,414,081

	12-month ECL	As at June 30, 2025 Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at June 30, 2025	49,343,096	–	–	49,343,096

	12-month ECL	As at December 31, 2024 Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at December 31, 2024	45,414,081	–	–	45,414,081

Notes to the Consolidated Financial Statements

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19 FINANCIAL INVESTMENTS (Continued)

(2) Financial investments measured at FVOCI (Continued)

Movements of the allowances for impairment losses on financial investments measured at FVOCI are as follows:

	Six months ended June 30, 2025			
	12-months ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at January 1, 2025	6,456	–	–	6,456
Charged for the period	167	–	–	167
As at June 30, 2025	6,623	–	–	6,623

	Year ended December 31, 2024			
	12-months ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
As at January 1, 2024	6,775	–	–	6,775
Released for the year	(319)	–	–	(319)
As at December 31, 2024	6,456	–	–	6,456

Allowances for impairment losses on financial investments measured at FVOCI is recognised in other comprehensive income without decreasing the carrying amount of financial investments presented in the consolidated statement of financial position, and any impairment loss or reversal is recognised in the profit or loss.

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19 FINANCIAL INVESTMENTS (Continued)

(3) Financial investments measured at amortised cost

	June 30, 2025	December 31, 2024
Debt securities issued by:		
Government	41,209,729	37,914,825
Policy banks	12,090,558	13,071,785
Corporations	6,564,558	6,587,322
Non-public project bonds	223,995	263,993
Asset backed medium-term notes	40,632	74,273
Subtotal	60,129,472	57,912,198
Trust beneficiary rights and asset management plans and others	14,481,660	14,812,297
Accrued interest	738,681	1,499,251
Allowances for impairment losses	(5,480,625)	(5,566,813)
Total	69,869,188	68,656,933
Listed	41,131,108	38,148,663
Unlisted	28,738,080	30,508,270
Total	69,869,188	68,656,933

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19 FINANCIAL INVESTMENTS (Continued)

(3) Financial investments measured at amortised cost (Continued)

	As at June 30, 2025			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Financial investments measured at amortised cost	61,169,173	2,663,720	11,516,920	75,349,813
Allowances for impairment losses	(77,322)	(375,353)	(5,027,950)	(5,480,625)
As at June 30, 2025	61,091,851	2,288,367	6,488,970	69,869,188

	As at December 31, 2024			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Financial investments measured at amortised cost	59,349,998	5,418,284	9,455,464	74,223,746
Allowances for impairment losses	(75,761)	(832,219)	(4,658,833)	(5,566,813)
As at December 31, 2024	59,274,237	4,586,065	4,796,631	68,656,933

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19 FINANCIAL INVESTMENTS (Continued)

(3) Financial investments measured at amortised cost (Continued)

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

	Six months ended June 30, 2025			Total
	12-months ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	
As at January 1, 2025	75,761	832,219	4,658,833	5,566,813
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	(404,924)	404,924	–
Charged/(released) for the period	1,561	(51,942)	(40,870)	(91,251)
Recoveries	–	–	5,063	5,063
As at June 30, 2025	77,322	375,353	5,027,950	5,480,625

	Year ended December 31, 2024			Total
	12-months ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	
As at January 1, 2024	47,771	884,901	3,745,087	4,677,759
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	(6,321)	28,056	(21,735)	–
– to lifetime ECL credit-impaired	–	(309,458)	309,458	–
Charged for the year	34,311	228,720	603,162	866,193
Recoveries	–	–	22,861	22,861
As at December 31, 2024	75,761	832,219	4,658,833	5,566,813

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20 INTEREST IN ASSOCIATES

	June 30, 2025	December 31, 2024
Cost of unlisted investments in associates	83,040	83,040
Share of profits and other comprehensive income, net of dividends received	56,496	59,329
Total	139,536	142,369

Details of the Bank's associates as at June 30, 2025 and December 31, 2024 are set out below:

Name of entity	Place of incorporation/ establishment	Date of incorporation/ establishment	Authorised/ paid-in capital as at June 30, 2025 (RMB'000)	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activity
				As at June 30, 2025	As at December 31, 2024	As at June 30, 2025	As at December 31, 2024	
				%	%	%	%	
Zhongshan Xiaolan County Bank Co., Ltd. (i)	Guangdong, PRC	December 2008	250,000	25.00	25.00	25.00	25.00	Commercial bank
Guixi Jiuyin County Bank Co., Ltd. (ii)	Jiangxi, PRC	December 2011	99,500	20.64	20.64	25.62	25.62	Commercial bank

- (i) The Group initiated and established Zhongshan Xiaolan County Bank Co., Ltd. in December 2008, with an investment of RMB62.50 million, holding 25.00% equity interest of the associate. The Group has significant influence over the associate which is accounted for using equity method.
- (ii) The Group initiated and established Guixi Jiuyin County Bank Co., Ltd. in December 2011, with an investment of RMB20.54 million, holding 41.08% equity interest of the entity, seized the control of the entity. Guixi Jiuyin issued 49.50 million shares on December 29, 2017, and the Group's shareholding percentage was diluted to 20.64%. The Group lost control over Guixi Jiuyin County Bank Co., Ltd. and recognised the interests in it at the fair value of the deemed disposal date as interests in associate, which is subsequently accounted for by using equity method as the Group continued to have significant influence over it after the deemed disposal.

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21 PROPERTY AND EQUIPMENT

	Premises	Electronic equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements and others	Construction in progress	Total
COST							
As at January 1, 2024	3,177,546	506,658	16,519	194,703	288,923	1,193,487	5,377,836
Additions	10,192	19,807	367	13,254	69,554	122,314	235,488
Transfers from/(out of) construction in progress	1,027,448	32,829	–	35,632	4,253	(1,114,606)	(14,444)
Disposals or transfers out	(230,044)	(14,907)	(728)	(9,815)	(96,485)	(2,473)	(354,452)
As at December 31, 2024	3,985,142	544,387	16,158	233,774	266,245	198,722	5,244,428
Additions	1,204	12,231	543	5,884	31,562	72,650	124,074
Transfers from/(out of) construction in progress	58,301	4,338	–	–	802	(108,719)	(45,278)
Disposals or transfers out	(28,620)	(10,276)	(1,070)	(11,025)	(27,855)	–	(78,846)
As at June 30, 2025	4,016,027	550,680	15,631	228,633	270,754	162,653	5,244,378
ACCUMULATED DEPRECIATION							
As at January 1, 2024	(982,486)	(422,564)	(12,071)	(151,433)	(163,811)	–	(1,732,365)
Charged for the year	(150,920)	(44,486)	(1,337)	(25,125)	(68,687)	–	(290,555)
Disposals or transfers out	9,194	12,049	706	7,755	86,527	–	116,231
As at December 31, 2024	(1,124,212)	(455,001)	(12,702)	(168,803)	(145,971)	–	(1,906,689)
Charged for the period	(84,610)	(23,544)	(679)	(9,179)	(33,203)	–	(151,215)
Disposals or transfers out	14,748	6,833	1,038	7,100	21,830	–	51,549
As at June 30, 2025	(1,194,074)	(471,712)	(12,343)	(170,882)	(157,344)	–	(2,006,355)
NET BOOK VALUE							
As at December 31, 2024	2,860,930	89,386	3,456	64,971	120,274	198,722	3,337,739
As at June 30, 2025	2,821,953	78,968	3,288	57,751	113,410	162,653	3,238,023

As at June 30, 2025, the process of obtaining the legal titles for the Group's properties and buildings with an aggregate carrying amount of RMB770.15 million (December 31, 2024: RMB781.00 million) was still in progress. Management is of the view that the aforesaid matter would neither affect the rights of the Group to these assets nor have any significant impact on the business operation of the Group.

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22 RIGHT-OF-USE ASSETS

The Group as a lessee

	Total
COST	
As at January 1, 2024	621,847
Additions	126,089
Disposals	(167,079)
As at December 31, 2024	580,857
Additions	53,377
Disposals	(52,057)
As at June 30, 2025	582,177
ACCUMULATED DEPRECIATION	
As at January 1, 2024	(332,835)
Charged for the year	(104,988)
Disposals	136,333
As at December 31, 2024	(301,490)
Charged for the period	(51,055)
Disposals	40,703
As at June 30, 2025	(311,842)
NET BOOK VALUE	
As at December 31, 2024	279,367
As at June 30, 2025	270,335

The Group leases land and buildings, machinery and equipment for its operations. Lease contracts are entered into for fixed term of 1 year to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

As at June 30, 2025, the Group had not entered into leases that have not yet commenced (December 31, 2024: RMB1.86 million).

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23 DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	June 30, 2025	December 31, 2024
Deferred tax assets	5,813,719	5,252,578
Deferred tax liabilities	(301,161)	(572,627)
Total	5,512,558	4,679,951

- (1) Deferred tax assets/(liabilities) and related temporary differences, before offsetting qualifying amounts, are attributable to the following items:

	As at June 30, 2025		As at December 31, 2024	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)
Deferred tax assets:				
Allowance for impairment losses	22,120,616	5,530,154	19,786,876	4,946,719
Accrued salaries, bonuses and allowances	525,492	131,373	649,532	162,383
Lease liabilities	271,160	67,790	275,652	68,913
Others	337,608	84,402	298,252	74,563
Sub-total	23,254,876	5,813,719	21,010,312	5,252,578
Deferred tax liabilities:				
Fair value changes of financial instruments	(830,128)	(207,532)	(1,894,504)	(473,626)
Right-of-use assets	(255,524)	(63,881)	(263,192)	(65,798)
Others	(118,992)	(29,748)	(132,812)	(33,203)
Sub-total	(1,204,644)	(301,161)	(2,290,508)	(572,627)
Total	22,050,232	5,512,558	18,719,804	4,679,951

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23 DEFERRED TAX ASSETS/LIABILITIES (Continued)

- (2) The following are the movements and major deferred tax assets and liabilities recognised:

	Allowances for impairment losses	Accrued salaries, bonuses and allowances	Fair value changes of financial instruments	Others	Total
As at January 1, 2025	4,946,719	162,383	(473,626)	44,475	4,679,951
Recognised in profit or loss	582,072	(31,010)	39,923	14,088	605,073
Recognised in other comprehensive income	1,363	–	226,171	–	227,534
As at June 30, 2025	5,530,154	131,373	(207,532)	58,563	5,512,558

	Allowances for impairment losses	Accrued salaries, bonuses and allowances	Fair value changes of financial instruments	Others	Total
As at January 1, 2024	4,528,297	123,589	(177,730)	45,947	4,520,103
Recognised in profit or loss	416,402	38,794	160,553	(1,472)	614,277
Recognised in other comprehensive income	2,020	–	(456,449)	–	(454,429)
As at December 31, 2024	4,946,719	162,383	(473,626)	44,475	4,679,951

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24 OTHER ASSETS

	NOTE	June 30, 2025	December 31, 2024
Interests receivable	(2)	2,561,749	2,049,682
Reposessed assets	(1)	2,521,254	2,539,316
Land use rights		1,765,680	1,781,746
Settlement and clearing accounts		653,512	899,251
Intangible assets		314,931	341,931
Investment properties		245,646	237,250
Prepayments for projects		200,061	189,666
Research and development expenditure		63,304	50,594
Others		620,004	394,653
Subtotal		8,946,141	8,484,089
Allowances for impairment losses		(1,549,285)	(1,483,620)
Total		7,396,856	7,000,469

(1) Reposessed assets

	June 30, 2025	December 31, 2024
Land use rights and buildings	2,521,254	2,539,316
Allowances for impairment losses	(360,509)	(390,557)
Net reposessed assets	2,160,745	2,148,759

(2) Interests receivable

	June 30, 2025	December 31, 2024
Interests receivable arising from:		
Financial investments	2,373,253	1,644,384
Loans and advances to customers	188,496	405,298
Subtotal	2,561,749	2,049,682
Allowances for impairment losses	(844,061)	(776,488)
Total	1,717,688	1,273,194

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25 BORROWINGS FROM THE CENTRAL BANK

	June 30, 2025	December 31, 2024
Borrowings from the central bank	21,175,317	22,334,114
Accrued interest	78,970	109,509
Total	21,254,287	22,443,623

Note: Borrowings from the central bank mainly include Re-lending to small business and Medium-term lending facility.

26 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	June 30, 2025	December 31, 2024
Banks in mainland China	1,648,640	1,457,398
Other financial institutions in mainland China	4,356,024	7,463,872
Subtotal	6,004,664	8,921,270
Accrued interest	71,775	51,907
Total	6,076,439	8,973,177

27 PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	June 30, 2025	December 31, 2024
Banks in mainland China	2,200,000	2,300,000
Accrued interest	1,096	1,430
Total	2,201,096	2,301,430

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28 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(1) Analysed by type and location of counterparty

	June 30, 2025	December 31, 2024
Banks in mainland China	8,927,873	1,491,500
Other financial institutions in mainland China	51,000	242,798
Subtotal	8,978,873	1,734,298
Accrued interest	309	72
Total	8,979,182	1,734,370

(2) Analysed by type of collateral

	June 30, 2025	December 31, 2024
Bonds	6,972,860	1,734,298
Bills	2,006,013	–
Subtotal	8,978,873	1,734,298
Accrued interest	309	72
Total	8,979,182	1,734,370

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29 CUSTOMER DEPOSITS

	NOTE	June 30, 2025	December 31, 2024
Demand deposits			
Corporate customers		65,043,821	86,070,528
Individual customers		25,652,497	26,754,927
Subtotal		90,696,318	112,825,455
Time deposits			
Corporate customers		63,262,761	66,778,961
Individual customers		193,511,437	165,848,070
Subtotal		256,774,198	232,627,031
Pledged deposits	(1)	30,022,570	30,644,281
Convertible negotiated deposits	(2)	2,000,000	2,000,000
Others		40,585	50,556
Accrued interest		5,677,632	8,816,129
Total		385,211,303	386,963,452

(1) Pledged deposits analysed by products for which deposit is required

	June 30, 2025	December 31, 2024
Acceptances	18,978,161	19,252,262
Letters of credit	6,068,971	4,543,430
Guarantees and letters of guarantees	1,242,801	1,811,075
Others	3,732,637	5,037,514
Total	30,022,570	30,644,281

(2) Convertible negotiated deposits

On April 30, 2021, after obtaining the proceeds from issuance of Local Government Special Debt by Jiangxi Provincial Department of Finance, Jiujiang Finance Bureau deposited the relevant funds in the form of negotiated deposit into the special RMB deposit account it opened in the Bank. With the consent of Jiujiang Finance Bureau, when the core tier-one capital adequacy ratio of the Bank is lower than 5.125%, and upon the satisfaction of specific requirements on the Minimum Public Float prescribed by The Stock Exchange of Hong Kong Limited, Jiujiang Finance Bureau shall convert the negotiated deposits into Ordinary Shares of the Bank in accordance with laws and regulations. If the conversion conditions are not satisfied, the Bank shall repay the principal and interest upon the 10-year maturity of the convertible negotiated deposits.

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29 CUSTOMER DEPOSITS (Continued)

(2) Convertible negotiated deposits (Continued)

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

30 DEBT SECURITIES ISSUED

	NOTE	June 30, 2025	December 31, 2024
Interbank negotiable certificates of deposit	(1)	49,819,145	47,336,623

Note:

- (1) As at June 30, 2025, the Bank had 148 outstanding interbank negotiable certificates of deposit with total notional amount of RMB50.11 billion. As at December 31, 2024, the Bank had 132 outstanding interbank negotiable certificates of deposit with total notional amount of RMB47.74 billion. All of these certificates were due within 1 year at the time of issuance. Such certificates were issued at a discount of which interests will be paid-in lump sum at the maturity date.

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31 LEASE LIABILITIES

	June 30, 2025	December 31, 2024
Lease liabilities payable:		
Within one year	99,248	93,695
Within a period of more than one year but not more than two years	64,645	68,286
Within a period of more than two years but not more than five years	96,686	100,364
Within a period of more than five years	25,226	29,079
Total	285,805	291,424

32 OTHER LIABILITIES

	NOTE	June 30, 2025	December 31, 2024
Salaries payable	(1)	1,276,502	1,766,575
Settlement and clearing accounts		504,199	111,794
Payables to external companies		261,332	285,507
Other tax payables		180,503	260,980
Dividends payable		169,095	8,342
Others		1,143,069	1,166,000
Total		3,534,700	3,599,198

(1) Salaries payable

	June 30, 2025	December 31, 2024
Salaries, bonuses and allowances	1,198,985	1,610,512
Social insurance and supplementary retirement benefits	75,967	153,192
Employee education expenses and labour union expenses	1,365	1,826
Housing fund	153	184
Staff welfares	32	861
Total	1,276,502	1,766,575

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33 SHARE CAPITAL

Share capital of the Group as at June 30, 2025 and December 31, 2024 represented share capital of the Bank, which was fully paid.

	June 30, 2025	December 31, 2024
Ordinary shares in Mainland China	2,365,000	2,365,000
Ordinary shares listed in Hong Kong (H-share)	482,367	482,367
Total	2,847,367	2,847,367

34 OTHER EQUITY INSTRUMENTS

(1) Perpetual Bonds

	Issued date	Accounting classification	Initial interest rate	Issued price (RMB)	Issued number of shares (million)	Issued nominal value (million)	Expiry date	Conversion conditions	Conversion
Perpetual Bonds (first tranche)	February 9, 2021	Equity instruments	4.80%	100	30.00	3,000.00	No maturity date	none	none
Perpetual Bonds (second tranche)	April 15, 2021	Equity instruments	4.80%	100	40.00	4,000.00	No maturity date	none	none
Less: Issuance fee (first tranche)						(1.14)			
Less: Issuance fee (second tranche)						(1.02)			
Book value						6,997.84			

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34 OTHER EQUITY INSTRUMENTS (Continued)

(2) Main terms of Perpetual Bonds

With the approval of Jiangxi Banking and Insurance Regulatory Bureau on Jiujiang Bank's Issuance of undated tier 1 capital bonds (Jiangxi Banking and Insurance Regulatory Bureau [2020] No. 363) and the Decision of the People's Bank of China on Granting Administrative License (Bank Approval Word [2021] No. 17), the Bank issued a total of RMB3 billion (first tranche) and RMB4 billion (second tranche) undated tier 1 capital bonds in the national interbank bond market on February 9, 2021 and April 15, 2021, respectively. The unit par value of the bond (including the first and second tranches, the bonds below are synonymous) is RMB100, the interest rate for the first 5 years is 4.80%, and the coupon rate adjusted period will be every 5 years from the issuance of the Bonds. In any coupon rate adjusted period, the coupon rate of the Bonds will be made at a prescribed fixed coupon rate.

The Bonds will continue to be outstanding so long as the Bank's business continues to operate. This bond issuance is subject to the Bank's conditional redemption clause. The Issuer shall have the right to redeem the current Bonds in whole or in part on the annual Coupon payment Date (including the coupon payment date of the fifth year after the issuance date) five years after the issuance date. The issuer has the right to redeem the Bonds in whole, but not in part, in the event of an unpredictable regulatory change that prevents the current issuance from being counted as other tier 1 capital. The issuer shall exercise the right of redemption upon the approval of the NFRA and upon meeting the following conditions: (1) replace the redeemed bond with a capital instrument of the same or higher class, and the replacement of the capital instrument shall be implemented only if the profitability of the Bank remains sustainable; (2) Or the capital adequacy ratio remains significantly higher than the regulatory after the exercise of the right.

The Bank has the right to cancel, in whole or in part, distributions on the Bonds and any such cancellation does not constitute an event of default. The Bank will fully consider the interests of bondholders when exercising this right. Cancellation of any distributions to the Bonds, no matter in whole or in part, will not impose any other restriction on the Bank, except in relation to dividend distributions to ordinary shares. The dividend is paid on a non-cumulative basis, that is, the dividend not paid in full to the shareholder previously will not accumulated to the next interest-bearing year. The Bonds do not contain interest rate step-up mechanism or any other redemption incentives.

After deducting the issuance expenses, the Bonds will be used to replenish the other tier 1 capital of the issuer in accordance with applicable laws and the approval of the competent authorities.

(3) Changes of Perpetual Bonds

	Balance as at January 1, 2025		Increase in this period		Decrease in this period		Balance as at June 30, 2025	
	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)	Issued number of shares (million)	Book value (million)
Perpetual Bonds	70.00	6,997.84	-	-	-	-	70.00	6,997.84

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35 RESERVES

	NOTE	June 30, 2025	December 31, 2024
Share premium	(1)	11,646,723	11,646,723
Investment revaluation reserve	(2)	1,181,085	1,862,360
Surplus reserve	(3)	4,615,043	4,615,043
General reserve	(4)	5,838,453	5,838,453
Retained earnings		7,805,030	7,939,334
Total		31,086,334	31,901,913

(1) Share premium

	NOTE	June 30, 2025	December 31, 2024
As at January 1		11,646,723	11,639,129
Others		–	7,594
At the end of the reporting period		11,646,723	11,646,723

The Bank acquired 13.2 million shares and 3.74 million shares from non-controlling shareholders of its subsidiaries, Beijing Daxing Jiuyin County Bank Co., Ltd. and Zixi Jiuyin County Bank Co., Ltd., respectively in 2024. At the end of 2024, the proportion of ownership held by the Bank increasing by 6.00% and 9.16% accordingly. The difference between the costs of long-term investments newly acquired by the Bank by acquiring minority interests and the fair value of the Bank's share of the net identifiable assets of its subsidiaries calculated based on the increased shareholding, were recognised as adjustments to the share premium of the consolidated statement of financial position.

(2) Investment revaluation reserve

	June 30, 2025	December 31, 2024
As at January 1	1,862,360	516,903
Changes in fair value recognised in other comprehensive income	(286,969)	2,043,088
Transfer to profit or loss upon disposal	(615,947)	(241,064)
Changes in impairment losses recognised in other comprehensive income	(5,451)	(8,081)
Deferred income tax	227,092	(448,486)
At the end of the reporting period	1,181,085	1,862,360

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35 RESERVES (Continued)

(3) Surplus reserve

Pursuant to the Company Law of PRC, corporation is required to transfer 10% of its net profit, determined under the relevant accounting rules in the PRC, to a non-distributable statutory surplus reserve. Appropriation to the statutory surplus reserve may cease when the balance of such reserve has reached 50% of the share capital.

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

	Statutory surplus reserve	Discretionary surplus reserve	Total
As at January 1, 2024	2,097,792	2,517,251	4,615,043
Appropriation during the year	–	–	–
As at December 31, 2024	2,097,792	2,517,251	4,615,043
Appropriation during the period	–	–	–
As at June 30, 2025	2,097,792	2,517,251	4,615,043

(4) General reserve

Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20) issued by the Ministry of Finance of the PRC, in addition to the individual and collective allowances for impairment losses, financial enterprise is required to establish and maintain a general reserve within equity to address potential unidentified impairment losses. The general reserve should not be less than 1.50% of the aggregate amount of risk assets as defined by the above measures. The balance of the general reserve amounted to RMB5,838.45 million as at June 30, 2025 (December 31, 2024: RMB5,838.45 million).

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36 PROFIT DISTRIBUTION

(1) Distribution of dividend on ordinary shares

A final dividend of RMB5.7 cents per share (tax inclusive) in respect of the year ended December 31, 2024 amounting in a total of RMB162.30 million was proposed by the Board of Directors of the Bank and approved by the 2024 Annual General Meeting of the Bank on June 27, 2025.

A final dividend of RMB6 cents per share (tax inclusive) in respect of the year ended December 31, 2023 amounting in a total of RMB170.84 million was proposed by the Board of Directors of the Bank and approved by the 2023 Annual General Meeting of the Bank on June 28, 2024.

(2) Distribution of interest on perpetual bonds

An interest at the interest rate of 4.80% per annum related to the first tranche of perpetual bonds of RMB3 billion amounting to RMB144.00 million in total was declared on February 6, 2025 and distributed on February 9, 2025.

An interest at the interest rate of 4.80% per annum related to the second tranche of perpetual bonds of RMB4 billion amounting to RMB192.00 million in total was declared on April 11, 2025 and distributed on April 15, 2025.

An interest at the interest rate of 4.80% per annum related to the first tranche of perpetual bonds of RMB3 billion amounting to RMB144.00 million in total was declared on February 7, 2024 and distributed on February 9, 2024.

An interest at the interest rate of 4.80% per annum related to the second tranche of perpetual bonds of RMB4 billion amounting to RMB192.00 million in total was declared on April 11, 2024 and distributed on April 15, 2024.

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37 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following balances with an original maturity equal to or less than three months:

	June 30, 2025	December 31, 2024
Cash	481,774	608,757
Balances with the central bank	2,613,072	3,849,988
Deposits with banks and other financial institutions	3,159,253	1,183,571
Placements with banks and other financial institutions	–	1,038,724
Financial assets held under resale agreements	370,268	9,458,543
Financial investments measured at FVTPL	4,982,731	6,568,579
Total	11,607,098	22,708,162

(1) Net decrease in cash and cash equivalents

	Six months ended June 30, 2025	2024
Cash and cash equivalents as at June 30	11,607,098	17,816,230
Less: Cash and cash equivalents as at January 1	(22,708,162)	(30,823,209)
Less: Effect of foreign exchange rate changes	981	(9,261)
Net decrease in cash and cash equivalents as at June 30	(11,100,083)	(13,016,240)

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38 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financial activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	As at January 1, 2025	Financing cash flows	Interest accrued/ dividend declared/ expense accrued	Net increase in lease liabilities	As at June 30, 2025
Interbank negotiable certificates of deposit	47,336,623	1,989,533	492,989	–	49,819,145
Dividends payable	8,342	(340,398)	501,151	–	169,095
Lease liabilities	291,424	(64,913)	5,917	53,377	285,805
Total	47,636,389	1,584,222	1,000,057	53,377	50,274,045

	As at January 1, 2024	Financing cash flows	Interest accrued/ dividend declared/ expense accrued	Net increase in lease liabilities	As at December 31, 2024
Interbank negotiable certificates of deposit	37,182,718	9,161,376	992,529	–	47,336,623
Dividends payable	7,421	(510,760)	511,681	–	8,342
Lease liabilities	305,479	(149,415)	9,271	126,089	291,424
Total	37,495,618	8,501,201	1,513,481	126,089	47,636,389

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39 STRUCTURED ENTITIES

(1) Consolidated structured entities managed by third party institutions in which the Group holds interests

Structured entities consolidated by the Group include fund investments. The Group controls these entities because the Group has power over, is exposed to, or has rights to, variable returns from its involvement with these entities and has the ability to use its power over these entities to affect the amount of the Group's returns.

As at June 30, 2025 and December 31, 2024, structured entities included in the consolidation scope by the Group were RMB3,959 million and RMB4,216 million, and were under "financial investments measured at FVTPL" on the balance sheet.

(2) Unconsolidated structured entities managed by third party institutions in which the Group holds interests

The Group holds an interest in structured entities managed by third party institutions through investments in the beneficial rights or plans issued relating to these structured entities. The Group does not consolidate these structured entities. Such structured entities include fund investments, trust beneficiary rights and asset management plans, asset backed medium-term notes.

The following tables set out an analysis of the gross carrying amounts of interests held by the Group as at June 30, 2025 and December 31, 2024 in the structured entities sponsored and managed by third party institutions.

	Financial investments at FVTPL	As at June 30, 2025		
		Financial investments at amortised cost	Total	Maximum risk exposure (Note)
Fund investments	9,349,511	–	9,349,511	9,349,511
Trust beneficiary rights and asset management plans	1,104,198	8,011,432	9,115,630	9,115,630
Asset backed medium-term notes	–	41,250	41,250	41,250
Total	10,453,709	8,052,682	18,506,391	18,506,391

	Financial investments at FVTPL	As at December 31, 2024		
		Financial investments at amortised cost	Total	Maximum risk exposure (Note)
Fund investments	16,110,769	–	16,110,769	16,110,769
Trust beneficiary rights and asset management plans	1,104,441	8,728,147	9,832,588	9,832,588
Asset backed medium-term notes	–	74,406	74,406	74,406
Total	17,215,210	8,802,553	26,017,763	26,017,763

The maximum exposures to loss in the above investment products are the carrying amounts of the assets held by the Group at the end of each reporting period.

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39 STRUCTURED ENTITIES (Continued)

(3) Unconsolidated structured entities managed by the Group

The types of unconsolidated structured entities managed by the Group mainly include wealth management products. The purpose of managing these structured entities is to generate fees from managing assets on behalf of investors. Interest held by the Group includes fees charged by providing management services to these structured entities.

As at June 30, 2025 and December 31, 2024, the amount of assets held by the unconsolidated wealth management products managed by the Group amounting to RMB24,257 million and RMB32,213 million respectively. The Group did not hold any investment in the wealth management products and management fee earned from these products for the six months ended June 30, 2025 and June 30, 2024 amounted to RMB25,001 thousand and RMB113,113 thousand, respectively.

The Group did not provide any financial or other support to these unconsolidated structured entities during both years.

40 RELATED PARTY TRANSACTIONS

(1) Major shareholders and entities under their control

Following major shareholders held more than 5% interest of the Bank or appointed the director or supervisor are considered as related parties of the Group:

Name of shareholders	Percentage of shares held	
	June 30, 2025	December 31, 2024
Jiujiang Finance Bureau	12.85%	12.85%
Beijing Automotive Group Co., Ltd.	12.85%	12.85%
Industrial Bank Co., Ltd.	10.34%	10.34%
Fangda Carbon New Material Co., Ltd. (i)	4.78%	4.78%
Foshan Gaoming Jindun Hengye Computer Special Printing Co., Ltd. (i)	3.37%	3.37%

(i) The shareholder held less than 5% interest of the Bank but appointed the director or supervisor is considered as the related party of the Group.

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40 RELATED PARTY TRANSACTIONS (Continued)

(1) Major shareholders and entities under their control (Continued)

Balances and transactions between the Group and the major shareholders and entities under their control are as follows:

During the six months ended June 30, 2025 and the year ended December 31, 2024, the Group had the following material balances and entered into the following material transactions with major shareholders and entities under their control. These transactions were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

	June 30, 2025	December 31, 2024
Balances at the end of the period/year:		
Assets		
Deposits with banks and other financial institutions	116,781	120,409
Loans and advances to customers at amortised cost	2,899,210	3,160,520
Financial investments at amortised cost (i)	585,750	603,290
Financial investments at FVOCI	99,982	–
Financial investments at FVTPL	125,632	25,950
Total	3,827,355	3,910,169
Liabilities		
Customer deposits	10,348,242	11,477,200
Deposits from banks and other financial institutions	300,012	500,058
Total	10,648,254	11,977,258
Off-balance sheet items:		
Guarantees and letters of guarantees	1,449,076	951,380
Letters of credit	1,339,000	1,105,500
Bank acceptances	1,540,207	639,067
Total	4,328,283	2,695,947
Wealth management products (ii)	–	307,169

(i) It represented the corporation bond purchased by the Group, which are issued by related parties of the Group.

(ii) It represented the wealth management product issued by the Group where the underlying asset is a bond, and the issuer is a related party of the Group.

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40 RELATED PARTY TRANSACTIONS (Continued)

(1) Major shareholders and entities under their control (Continued)

	Six months ended June 30,	
	2025	2024
Transactions during the period:		
Interest income	60,954	63,597
Interest expense	82,188	120,979
Net gains arising from financial investments	751	987
Fee and commission income	9,246	17,237

(2) Subsidiaries of the Bank

	June 30, 2025	December 31, 2024
Balances at the end of the period/year:		
Liability		
Deposits from banks and other financial institutions	5,588,365	4,134,276
Off-balance sheet items:		
Guarantees and letters of guarantees	224,696	412,000
	Six months ended June 30,	
	2025	2024
Transactions during the period:		
Interest expense	63,905	70,596
Dividend from subsidiaries	1,533	2,561

(3) Associates of the Bank

Details of the associates of the Bank are set out in Note 20.

	June 30, 2025	December 31, 2024
Balances at the end of the period/year:		
Liability		
Deposits from banks and other financial institutions	1,287,830	1,179,863
Off-balance sheet items:		
Guarantees and letters of guarantees	171,850	112,550
	Six months ended June 30,	
	2025	2024
Transactions during the period:		
Interest expense	10,866	10,402

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40 RELATED PARTY TRANSACTIONS (Continued)

(4) Other related parties

Other related parties can be individuals or enterprises, which include: members of the Board of Directors, the Board of Supervisors, senior management and personnel with the power to approve or make decisions in connection with core businesses, such as large credit limits and asset transfers, and close family members of such individuals; entities (and their subsidiaries) controlled or jointly controlled by members of the Board of Directors, the Board of Supervisors, senior management and personnel with the power to approve or make decisions in connection with core businesses, such as large credit limits and asset transfers, and close family members of such individuals. Transactions with other related parties were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

Balances and transactions between the Group and other related parties are as follows:

	June 30, 2025	December 31, 2024
Balances at the end of the period/year:		
Asset		
Loans and advances to customers at amortised cost	115,310	61,140
Liability		
Customer deposits	343,392	249,007
	Six months ended June 30, 2025	2024
Transactions during the period:		
Interest income	1,959	1,937
Interest expense	1,640	826
Other income, gains or losses	1,253	626
Operating expenses	2,166	2,568

(5) Key management personnel

Key management personnel, including directors, supervisors and senior management team members, are those persons in the Group who have the authority and responsibility to plan, direct and control the activities of the Group.

The remuneration of key management personnel during the reporting period were as follows:

	Six months ended June 30, 2025	2024
Salaries and other emoluments	2,205	2,240
Discretionary bonuses	1,940	3,365
Contributions by the employer to social insurance and staff welfares, housing fund, etc	509	553
Other welfare	17	19
Total	4,671	6,177

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41 CONTINGENT LIABILITIES AND COMMITMENTS

(1) Legal proceedings

The Bank and its subsidiaries are involved as defendants in certain lawsuits arising from their normal business operations. As at June 30, 2025 and December 31, 2024, in light of court decisions or advice from legal counsels, the Group considered that sufficient provision had been provided for any potential losses from these claims.

(2) Capital commitments

	June 30, 2025	December 31, 2024
Contracted but not provided for	36,363	85,838

(3) Credit commitments

	June 30, 2025	December 31, 2024
Acceptances	52,447,115	55,850,014
Guarantees and letters of guarantees	29,620,431	34,604,014
Letters of credit	22,427,258	21,289,944
Unused credit card commitments	6,781,012	6,601,570
Total	111,275,816	118,345,542

Credit commitments represent general facility limits granted to customers. These credit facilities may be drawn in the form of loans and advances or through the issuance of letters of credit, acceptances or letters of guarantees.

(4) Credit risk weighted amounts of credit commitments

	June 30, 2025	December 31, 2024
Credit commitments	33,033,313	37,479,277

Credit risk weighted amounts refer to amounts which depend on the status of counterparties and the maturity characteristics, and are calculated in accordance with the NFRA guidance. Risk weightings used for contingent liabilities and credit commitments range from 0% to 100%.

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41 CONTINGENT LIABILITIES AND COMMITMENTS (Continued)

(5) Collateral

Assets pledged

The carrying amount of assets pledged as collateral under borrowings from the central bank by the Group are as follows:

	June 30, 2025	December 31, 2024
Bonds	23,576,237	26,166,109
Bills	227,189	125,288
Loans	35,590	–
Total	23,839,016	26,291,397

As at June 30, 2025 and December 31, 2024, the carrying amount of borrowings from the central bank for the Group amounted to RMB21,254 million and RMB22,444 million respectively.

The carrying amount of assets pledged as collateral under repurchase agreements by the Group are as follows:

	June 30, 2025	December 31, 2024
Bonds	7,348,000	1,813,000
Bills	2,006,199	–
Total	9,354,199	1,813,000

As at June 30, 2025 and December 31, 2024, the carrying amount of financial assets sold under repurchase agreements for the Group amounted to RMB8,979 million and RMB1,734 million, respectively.

All repurchase agreements were due within twelve months from inception.

42 FIDUCIARY ACTIVITIES

The Group commonly acts as asset manager or in other fiduciary capacities that results in its holding or managing assets on behalf of individuals or corporations. These assets and any gains or losses arising thereon are not included in the consolidated financial statements of the Group as they are not the Group's assets.

As at June 30, 2025 and December 31, 2024, the entrusted loans balance of the Group amounted to RMB8,336 million and RMB8,493 million respectively.

As at June 30, 2025 and December 31, 2024, the balance of the wealth management products issued and managed by the Group amounted to RMB24,257 million and RMB32,213 million respectively.

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43 CAPITAL MANAGEMENT

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

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

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

Since January 1, 2024, the Group calculates its capital adequacy ratios in accordance with "Regulation Governing Capital of Commercial Banks" and other relevant regulations promulgated by the NFRA on October 26, 2023.

The NFRA requires commercial banks to meet the requirements of capital adequacy ratios by in accordance with "Regulation Governing Capital of Commercial Banks". For commercial banks, the minimum ratios for core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio are 5.00%, 6.00% and 8.00%, respectively and capital conservation buffer requires additional 2.5% of Common Equity Tier-one Capital Adequacy Ratio.

Both the on-balance and off-balance sheet risk-weighted assets are measured using different risk weights, which are determined according to the credit, market and other risks associated with each asset and counterparty as well as any eligible collateral or guarantees.

The Group has complied with the capital requirement set by the regulators. As at June 30, 2025, the ratios of core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio are 8.62%, 11.15% and 11.18% (December 31, 2024: 9.44%, 11.97% and 13.17%).

44 FINANCIAL RISK MANAGEMENT

The primary objectives of risk management of the Group are to maintain risk within acceptable parameters and satisfy the regulatory requirements.

The Group's risk management policies are designed and controls are set up to identify, analyse, monitor and report risks arising from normal operation. The Group regularly reviews its risk management policies and systems to address changes in markets, products and emerging best practice.

Details of the financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments include credit risk, liquidity risk and market risk (i.e. interest rate risk, currency risk and other price risk). The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The policies on how to mitigate these risks for the six-month period ended June 30, 2025 are the same as those presented in the Group's consolidated financial statements for the year ended December 31, 2024.

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45 FAIR VALUE OF FINANCIAL INSTRUMENTS

Certain financial assets and financial liabilities of the Group are measured at fair value at the end of each reporting period. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described below:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables give the information about how the fair values of these financial assets and financial liabilities are categorised and determined, in particular, the valuation technique(s) and input(s) used.

(1) Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial investments measured at FVTPL				
– Debt securities	–	14,937,835	–	14,937,835
– Fund investments	–	9,349,511	–	9,349,511
– Equity investments	970,205	–	1,199,338	2,169,543
– Trust beneficiary rights and asset management plans	–	–	1,104,198	1,104,198
– Others	–	–	2,613,988	2,613,988
Financial investments measured at FVOCI				
– Debt securities	–	49,343,096	–	49,343,096
Loans and advances to customers measured at FVOCI	–	54,785,143	–	54,785,143
Total	970,205	128,415,585	4,917,524	134,303,314

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45 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

- (1) Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial investments measured at FVTPL				
– Debt securities	–	14,821,162	–	14,821,162
– Fund investments	–	16,110,769	–	16,110,769
– Equity investments	849,089	–	1,068,270	1,917,359
– Trust beneficiary rights and asset management plans	–	–	1,104,441	1,104,441
– Others	–	–	2,771,694	2,771,694
Financial investments measured at FVOCI				
– Debt securities	–	45,414,081	–	45,414,081
Loans and advances to customers measured at FVOCI	–	51,572,121	–	51,572,121
Total	849,089	127,918,133	4,944,405	133,711,627

There were no transfers between Level 1 and Level 2 during the six months ended June 30, 2025 and the year ended December 31, 2024.

Financial assets at FVTPL and financial assets at FVOCI are stated at fair value by reference to the quoted market prices when available.

If quoted market prices are not available, fair values are estimated on the basis of discounted cash flows or other pricing models. For debt securities, the fair values of bonds are determined based on the valuation results provided by China Central Depository Trust & Clearing Co., Ltd., which are determined based on a valuation technique for which all significant inputs are observable market data.

For the investment funds, the fair value is measured based on the observable quoted price of the underlying investment portfolio in active market.

The fair value of loans and advances to customers at FVOCI are categorised as Level 2. Based on the different credit risk, the Group uses the Shanghai Interbank Offered Rate (“SHIBOR”) as the basis for calculating the fair value of discounted bills.

For Level 3 financial assets, the Group adopts the discounted cash flow method or other valuation methods to determine the fair value. The fair value of trust beneficiary rights and asset management plans and others type of financial assets is measured by the expected discounted cash flows with unobservable input of discount rate reflecting the credit risk of debtors, and the fair value of equity investments type of financial assets are measured by market comparison approach with unobservable input of discount for lack of marketability.

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45 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

- (1) Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

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

	Financial investments measured at FVTPL
As at January 1, 2025	4,944,405
Total gains	
– In profit or loss	170,993
Transfers in	–
Disposals and settlement on maturity	(197,874)
As at June 30, 2025	4,917,524
Total unrealised gains or losses included in the consolidated statement of profit or loss for assets held at the end of the reporting period	106,601

	Financial investments measured at FVTPL
As at January 1, 2024	6,893,418
Total gains	
– In profit or loss	(431,256)
Transfers in	–
Disposals and settlement on maturity	(1,517,757)
As at December 31, 2024	4,944,405
Total unrealised gains or losses included in the consolidated statement of profit or loss for assets held at the end of the reporting period	(591,317)

During the six months ended June 30, 2025 and the year ended December 31, 2024, there were no significant transfers between Level 3 and Level 1 or Level 2.

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45 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

(1) Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

The valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3. Quantitative information of Level 3 fair value measurement is as below:

Financial assets	Fair value as at		Valuation technique(s) and key input(s)	Significant unobservable input(s)
	June 30, 2025	December 31, 2024		
Financial investments at FVTPL				
– Unlisted equity investments	1,199,338	1,068,270	Market approach. Fair value determined by reference to price to earnings ratio, etc of comparable companies after considering the discount for lack of marketability.	Price to earnings ratio, etc, Discount for lack of marketability
– Trust beneficiary rights and asset management plans	1,104,198	1,104,441	Discounted cash flows. Future cash flows are discounted using the discount rates with reference to the PBOC benchmark interest rates and credit spread for specific borrowers.	Discount rate, Future Cash Flow
– Other investments	2,613,988	2,771,694	Discounted cash flows. Future cash flows are discounted using the discount rates with reference to the PBOC benchmark interest rates and credit spread for specific borrowers.	Discount rate, Future Cash Flow

(2) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

As at the end of the reporting period, the carrying amounts and the fair value of the financial assets and the financial liabilities of the Group have no significant difference except following items.

	June 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Debt securities measured at amortised cost	60,367,374	64,449,571	58,383,055	62,562,104
Financial liabilities				
Debt securities issued	49,819,145	49,836,909	47,336,623	47,379,967

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46 PARTICULARS OF SUBSIDIARIES

Details of the Bank's subsidiaries as at June 30, 2025 and December 31, 2024 are set out below:

Name of entity	Place of incorporation/ establishment	Date of incorporation/ establishment	Authorised/ paid-in capital as at June 30, 2025	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activities	Type of entity
				As at June 30, 2025 %	As at December 31, 2024 %	As at June 30, 2025 %	As at December 31, 2024 %		
Xiushui Jiuyin County Bank LLC.	Jiangxi, PRC	December 2007	40,000	51.00	51.00	56.85	56.85	Commercial Bank	Limited Liability Company
Beijing Daxing Jiuyin County Bank Co., Ltd. (iii)	Beijing, PRC	May 2010	220,000	51.00	51.00	59.00	59.00	Commercial Bank	Joint Stock Company
Jinggangshan Jiuyin County Bank LLC. (i)	Jiangxi, PRC	March 2010	64,274	41.00	41.00	51.00	51.00	Commercial Bank	Limited Liability Company
Rizhao Jiuyin County Bank Co., Ltd.	Shandong, PRC	November 2011	50,000	51.00	51.00	51.00	51.00	Commercial Bank	Joint Stock Company
Nanjing Liuhe Jiuyin County Bank Co., Ltd.	Jiangsu, PRC	December 2011	100,000	51.00	51.00	56.00	56.00	Commercial Bank	Joint Stock Company
Nanchang Changdong Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	October 2012	50,000	51.00	51.00	51.00	51.00	Commercial Bank	Joint Stock Company
Pengze Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	December 2015	50,000	35.00	35.00	53.65	53.65	Commercial Bank	Joint Stock Company
Ruichang Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	December 2015	50,000	35.00	35.00	53.30	53.30	Commercial Bank	Joint Stock Company
Zixi Jiuyin County Bank Co., Ltd. (iii)	Jiangxi, PRC	April 2016	40,827	77.32	77.32	77.91	77.91	Commercial Bank	Joint Stock Company

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46 PARTICULARS OF SUBSIDIARIES (Continued)

Name of entity	Place of incorporation/ establishment	Date of incorporation/ establishment	Authorised/ paid-in capital as at June 30, 2025	Proportion of ownership held by the Group		Proportion of voting rights held by the Group		Principal activities	Type of entity
				As at June 30, 2025	As at December 31, 2024	As at June 30, 2025	As at December 31, 2024		
				%	%	%	%		
Chongren Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	June 2016	40,000	35.00	35.00	54.00	54.00	Commercial Bank	Joint Stock Company
Fenyi Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	June 2016	50,000	35.00	35.00	54.80	54.80	Commercial Bank	Joint Stock Company
Fengxin Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	October 2016	50,000	42.21	42.21	55.00	55.00	Commercial Bank	Joint Stock Company
Jing'an Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	November 2016	50,898	71.22	71.22	76.25	76.25	Commercial Bank	Joint Stock Company
Tonggu Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	November 2016	53,090	72.00	72.00	76.33	76.33	Commercial Bank	Joint Stock Company
Jingdezhen Changjiang Jiuyin County Bank Co., Ltd.	Jiangxi, PRC	December 2016	61,000	53.50	53.50	61.55	61.55	Commercial Bank	Joint Stock Company
Lushan Jiuyin Art County Bank Co., Ltd. (i)	Jiangxi, PRC	January 2017	30,000	42.21	42.21	55.00	55.00	Commercial Bank	Joint Stock Company
Duchang Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	February 2018	50,000	50.00	50.00	52.00	52.00	Commercial Bank	Joint Stock Company
Hukou Jiuyin County Bank Co., Ltd. (i)	Jiangxi, PRC	February 2018	50,000	50.00	50.00	52.70	52.70	Commercial Bank	Joint Stock Company

None of the subsidiaries had issued any debt securities as at the end of the period/year.

- (i) The Bank holds no more than 50.00% equity interests in these subsidiaries. In accordance with the agreements to act in concert entered into by the Bank and the non-controlling shareholders, the Bank has right to obtain variable returns from its involvement in the relevant operations of these subsidiaries and the ability to affect the returns through the power over these subsidiaries. In the opinion of the directors of the Bank, the Bank has controls over these subsidiaries.
- (ii) As at June 30, 2025, the Group consists of the Bank and 18 subsidiaries, and the non-controlling interests have no material interest in the Group's activities and cash flows.
- (iii) The Bank acquired 13.2 million shares and 3.74 million shares from non-controlling shareholders of its subsidiaries, Beijing Daxing Jiuyin County Bank Co., Ltd. and Zixi Jiuyin County Bank Co., Ltd., respectively in 2024. At the end of 2024, the proportion of ownership held by the Bank increasing by 6.00% and 9.16% accordingly.

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47 SUBSEQUENT EVENTS

The Group has no material events for disclosure subsequent to the end of the reporting period.

48 COMPARATIVE FIGURES

For financial statements disclosure purpose, the Group made reclassification adjustments to some comparative figures.

49 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED JUNE 30, 2025

Up to the date of issue of these financial statements, a number of amendments, new standards and interpretations are issued which are not yet effective for the six months ended June 30, 2025, and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after
Amendments to IFRS 9 and IFRS 7, Amendments to the classification and measurement of financial instruments	January 1, 2026
IFRS 18, Presentation and disclosure in financial statements	January 1, 2027
IFRS 19, Subsidiaries without public accountability: disclosures	January 1, 2027
Amendments to IFRS 10 and IAS 28, Sale or contribution of assets between an Investor and its associate or joint venture	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

Definition

In this interim report, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

“Articles of Association”	the articles of association of the Bank, the version of which was considered and approved at the general meeting of the Bank and was approved by the Jiangxi Bureau of the National Financial Regulatory Administration on July 15, 2024, as the same may be amended, supplemented or otherwise modified from time to time
“Bank”, “Bank of Jiujiang” or “Group”	Bank of Jiujiang Co., Ltd. (九江銀行股份有限公司), a joint stock company incorporated on November 17, 2000 in Jiangxi Province, China with limited liability in accordance with the PRC laws and regulations and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches
“Board of Supervisors”	the board of Supervisors of the Bank
“Board” or “Board of Directors”	the board of Directors of the Bank
“CBIRC”	former China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), currently the National Financial Regulatory Administration, and if the context requires, includes its predecessor China Banking Regulatory Commission (中國銀行業監督管理委員會)
“China” or “PRC”	the People’s Republic of China
“city commercial bank(s)”	banks with branches at municipal or higher levels created with the approval of the national financial regulatory institution pursuant to the Company Law of the PRC and the PRC Commercial Banking Law
“commercial banks”	all the banking financial institutions in the PRC other than policy banks, including the large commercial banks, the nationwide joint-stock commercial banks, city commercial banks, foreign banks and other banking financial institutions
“Company Law of the PRC” or “Company Law”	the Company Law of the PRC (中華人民共和國公司法), which was promulgated by the 5th session of the 8th Standing Committee of the National People’s Congress on December 29, 1993 and became effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time
“Corporate Governance Code”	Corporate Governance Code set out in Appendix C1 to the Listing Rules
“county bank(s)”	banking institution(s) incorporated with the approval of the national financial regulatory institution, pursuant to the Company Law of the PRC and the PRC Commercial Banking Law, to provide services to local growers or enterprises in rural areas
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Bank

Definition

“Domestic Shares”	ordinary shares issued by the Bank in the PRC, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
“H Shares”	overseas-listed shares in the share capital of the Bank, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for listing and permission to trade on the Hong Kong Stock Exchange
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Hong Kong” or “HK”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRS”	International Financial Reporting Standards and International Accounting Standards (“IAS”), which include the related standards, amendments and interpretations issued by the International Accounting Standards Board (“IASB”)
“Jiuyin County Banks”	18 Jiuyin County Banks controlled and consolidated by the Bank as of June 30, 2025
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“major shareholder(s)”	shareholder(s) who meet the conditions stipulated in Article 3 of the Measures for Supervision and Management of Behaviors of Major Shareholders of Banking and Insurance Institutions (Trial)
“Ministry of Finance”	Ministry of Finance of the People’s Republic of China (中華人民共和國財政部)
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“National Financial Regulatory Administration”	a subordinated institution under the State Council and established based on China Banking and Insurance Regulatory Commission
“national financial regulatory institution”	the National Financial Regulatory Administration and (or) its local offices, and if the context requires, includes its predecessor China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) and (or) its local offices
“related party transaction(s)”	has the meaning ascribed to it under the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions promulgated by the former CBIRC, Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and/or IFRS
“related party(ies)”	has the meaning ascribed to it under the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions promulgated by the former CBIRC, Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and/or IFRS

Definition

“reporting period”	the six months from January 1, 2025 to June 30, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“State Council”	the State Council of the People’s Republic of China (中華人民共和國國務院)
“Supervisor(s)”	the supervisor(s) of the Bank
“treasury shares”	has the meaning ascribed to it under the Listing Rules