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**宜宾市商业银行**

Yibin City Commercial Bank

**YIBIN CITY COMMERCIAL BANK CO., LTD\***

**宜賓市商業銀行股份有限公司\***

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

**(Stock Code: 2596)**

## **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024**

The board of directors (the “**Board of Directors**” or the “**Board**”) of Yibin City Commercial Bank Co., Ltd\* (the “**Bank**”) is pleased to announce the audited annual results (the “**Annual Results**”) of the Bank and its subsidiaries (collectively, the “**Group**”) for the year ended December 31, 2024 (the “**Reporting Period**”) prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board. The Board and its audit committee (the “**Audit Committee**”) have reviewed and confirmed the Annual Results.

### **1. Basic Information of the Bank**

<b>Registered Name in Chinese:</b>	宜賓市商業銀行股份有限公司(abbreviated as “ <b>宜賓銀行</b> ”)
<b>Registered Name in English:</b>	YIBIN CITY COMMERCIAL BANK CO., LTD* (abbreviated as “ <b>YiBin City Commercial Bank</b> ”)
<b>Legal Representative:</b>	XUE Feng
<b>Authorized Representatives:</b>	YANG Xingwang, NGAI Wai Fung
<b>Secretary to the Board of Directors:</b>	TANG Lin
<b>Joint Company Secretaries:</b>	TANG Lin, NGAI Wai Fung
<b>Registered Address of the Bank:</b>	No. 1 Nuxue Street, Cuiping District, Yibin, Sichuan Province, the PRC

<b>Principal Office Address of the Bank:</b>	No.9 Jinshajiang Avenue, Xuzhou District, Yibin, Sichuan Province, the PRC
<b>Customer Service Hotline:</b>	+86 (0831) 96578
<b>Telephone:</b>	+86 (0831) 5103546
<b>Website of the Bank:</b>	www.ybccb.com
<b>Principal Place of Business in Hong Kong:</b>	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
<b>Websites for H Share Disclosure:</b>	HKEXnews website of the Stock Exchange of Hong Kong Limited (www.hkexnews.hk)  Website of the Bank (www.ybccb.com)
<b>Listing Place:</b>	The Stock Exchange of Hong Kong Limited (the “ <b>Hong Kong Stock Exchange</b> ”)
<b>Stock Abbreviation:</b>	Yibin Bank
<b>Stock Code:</b>	2596
<b>H Share Registrar:</b>	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

Certain amounts and percentage figures included in this results announcement have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

## 2. Financial Summary

### 2.1 Financial Data from 2020 to 2024

(Expressed in RMB million, unless otherwise stated)	<b>2024</b>	2023	2022	2021	2020
Interest income	<b>3,691.3</b>	3,563.4	3,201.6	2,545.7	2,068.8
Interest expense	<b>(2,113.6)</b>	(1,777.8)	(1,449.3)	(1,163.5)	(861.0)
<b>Net interest income</b>	<b><u>1,577.7</u></b>	<u>1,785.6</u>	<u>1,752.3</u>	<u>1,382.2</u>	<u>1,207.8</u>
Fee and commission income	<b>101.1</b>	75.3	65.8	53.2	85.3
Fee and commission expense	<b>(36.0)</b>	(31.4)	(26.5)	(20.5)	(17.0)
<b>Net fee and commission income</b>	<b><u>65.1</u></b>	<u>43.9</u>	<u>39.4</u>	<u>32.7</u>	<u>68.3</u>
Net gains/(losses) on trading activities	<b>201.0</b>	291.8	(35.0)	171.2	77.9
Net gains on financial investments	<b>315.1</b>	10.6	86.5	11.0	7.2
Other operating income	<b>21.5</b>	37.9	23.8	23.7	12.6
<b>Operating income</b>	<b><u>2,180.4</u></b>	<u>2,169.8</u>	<u>1,867.0</u>	<u>1,620.8</u>	<u>1,373.7</u>
Operating expenses	<b>(725.2)</b>	(698.2)	(655.4)	(606.8)	(544.8)
Expected credit losses	<b>(888.7)</b>	(928.6)	(728.3)	(644.7)	(422.5)
Impairment losses	<b>—</b>	(0.4)	(5.8)	(0.5)	(0.3)
<b>Profit before tax</b>	<b>566.5</b>	542.6	477.5	369.0	406.1
Income tax expense	<b>(88.7)</b>	(65.2)	(45.0)	(40.7)	(90.8)
<b>Net profit</b>	<b><u><u>477.8</u></u></b>	<u><u>477.4</u></u>	<u><u>432.5</u></u>	<u><u>328.3</u></u>	<u><u>315.3</u></u>
<b>Net profit attribute to:</b>					
Equity attributable to shareholders of the Bank	<b>513.4</b>	468.5	437.7	352.5	328.6
Non-controlling interests	<b>(35.6)</b>	8.9	(5.2)	(24.2)	(13.3)
Basic and diluted earnings per share (expressed in RMB per share)	<b><u>0.13</u></b>	<u>0.12</u>	<u>0.11</u>	<u>0.12</u>	<u>0.20</u>

(Expressed in RMB million, unless otherwise stated)	2024	2023	2022	2021	2020
<b>Major indicators of assets/ liabilities</b>					
Total assets	<b>109,205.4</b>	93,444.0	80,413.3	68,490.4	56,887.8
Of which: loans and advances to customers, net	<b>58,443.8</b>	49,374.9	42,310.9	33,965.8	26,241.8
Total liabilities	<b>99,233.1</b>	84,157.5	71,745.3	60,306.6	51,156.8
Of which: customer deposits	<b>84,517.9</b>	71,439.1	59,393.8	48,342.7	42,355.3
Total equity	<b>9,972.3</b>	9,286.5	8,668.0	8,183.7	5,731.0
Of which: total equity attributable to shareholders of the Bank	<b>9,697.6</b>	8,976.2	8,366.6	7,877.2	5,460.3
<b>Profitability indicators (%)</b>					
Asset profit ratio (1)	<b>0.47</b>	0.55	0.58	0.52	0.62
Capital profit ratio (2)	<b>4.96</b>	5.32	5.13	4.72	7.51
Net interest spread (3)	<b>1.57</b>	2.08	2.45	2.46	2.77
Net interest margin (4)	<b>1.71</b>	2.18	2.59	2.56	2.85
Cost-to-income ratio (5)	<b>32.06</b>	31.17	33.99	36.27	38.55
<b>Capital adequacy indicators (%)</b>					
Core tier-one capital adequacy ratio (6)	<b>12.61</b>	12.22	12.86	15.26	13.00
Tier-one capital adequacy ratio (7)	<b>12.64</b>	12.26	12.89	15.30	13.06
Capital adequacy ratio (8)	<b>13.86</b>	13.41	14.08	16.47	14.15
<b>Assets quality indicators (%)</b>					
Non-performing loan ratio (9)	<b>1.68</b>	1.76	1.77	2.27	2.65
Provision coverage ratio (10)	<b>256.64</b>	262.02	213.40	198.35	171.21
Provision to total loan ratio (11)	<b>4.32</b>	4.61	3.78	4.50	4.53
<b>Other indicators (%)</b>					
Loan to deposit ratio (12)	<b>73.93</b>	73.64	75.02	74.71	65.81

Notes:

- (1) Calculated by dividing the net profit for a year by the average balance of total assets at the beginning and the end of that year.
- (2) Calculated by dividing the net profit for a year by the average balance of total equity at the beginning and the end of that year.
- (3) Represents the difference between the average yield on total interest-earning assets and the average cost on total interest-bearing liabilities.
- (4) Calculated by dividing net interest income by the average balance of interest-earning assets (based on the daily average of the interest-earning assets).

- (5) Calculated by dividing total operating expenses (net of tax and surcharges) by operating income.
- (6) Core tier-one capital adequacy ratio = (core tier-one capital – corresponding capital deductions)/risk-weighted assets\*100%.
- (7) Tier-one capital adequacy ratio = (tier-one capital – corresponding capital deductions)/risk-weighted assets\*100%.
- (8) Capital adequacy ratio = (total capital – corresponding capital deductions)/risk-weighted assets\*100%.
- (9) Non-performing loan ratio = total non-performing loans/total loans and advances to customers\*100%.
- (10) Provision coverage ratio = total provision for impairment losses on loans and advances to customers/total non-performing loans\*100%.
- (11) Provision to total loan ratio = total provision for impairment losses on loans and advances to customers/total loans and advances to customers\*100%.
- (12) Loan to deposit ratio = total loans and advances to customers/total deposits\*100%.

### **3. Management Discussion and Analysis**

#### **3.1 Environment and Prospect**

In 2024, the global economy continued to undergo cyclical adjustments, with rising waves of protectionism and persistent geopolitical risks, leading to a sustained decline in international market demand. With the successive introduction of a pack of domestic policies, social confidence has been effectively boosted, and the economy has shown significant recovery. Emerging industries in China are gradually accumulating new momentum for development, while traditional enterprises are continuously upgrading and transforming. The economic and social development has made new and solid progress, and new results have been achieved in high-quality development. Nevertheless, issues such as insufficient domestic effective demand, growing pains in the transition between old and new driving forces, and the production and operational difficulties faced by certain enterprises remain prominent.

Looking ahead to 2025, the industry development dividends coexist with emerging risks and challenges. With accelerated innovation of technologies such as a new round of technological revolution and industrial transformation and increasing integration of such technologies into the entire process of economic and social development in all fields, China's economic power, technological strength, and comprehensive national power will be further enhanced. Meanwhile, the fundamental trend of long-term good prospects in Chinese economy remains unchanged, bolstered by a series of policy on economic system reform and a series of policies promoting domestic consumption, new urbanization construction, and coordinated regional development. In particular, a series of important reform measures proposed at the third plenary session of the 20th Central Committee of the Communist Party of China have clarified the path and direction for developing and improving the system of socialism with Chinese characteristics, further deepening reforms comprehensively and advancing Chinese modernization. Centered on the development strategy of “synchronous modernization, urban-rural integration, and common prosperity of five zones” of the People's Government of Sichuan Province,

Yibin City closely adheres to the development positioning of a pilot area for ecological priority and green and low-carbon development, a regional economic sub-center in southern Sichuan, and a gateway hub for southern Sichuan's openness, and is fully committed to promoting economic growth and construction and unwaveringly advancing high-quality development. With strong support from local governments and relevant departments, the city commercial bank is steadfastly positioned to "serve urban and rural residents, serve small and medium enterprises, and serve the local economy", focuses on "five priorities", and actively explores differentiated and characteristic development paths, gradually increasing support for the real economy and contributing to the high-quality development of the local economy.

The Group will implement the spirit of the 20th National Congress of the Communist Party of China, as well as the second and the third plenary sessions of the 20th Central Committee of the Communist Party of China, comprehensively implement various economic and financial policies, drive high-quality development through reform and innovation, deeply push forward with its business and digital transformation, enhance its risk management and internal control capabilities, continuously improve its modern operational management level, strengthen the quality and effectiveness of services to the real economy, and promote continued excellence across all business segments. The Group will continue to enhance its brand value and become a leading benchmark bank with regional influence in Western China, achieving new brilliance from this new starting point.

### **3.2 Development Strategies**

The strategic vision of the Group is to enhance our brand value and become a leading benchmark bank with regional influence in western China. The Group intends to achieve this vision through the following strategic initiatives: (1) Consolidate regional advantages to continuously advance the reform and transformation of corporate banking, retail banking and business channels. (2) Drive the online and intelligent transformation of marketing, transactions, risk control and operations through the introduction of advanced technology and continuous innovation, innovating technology-driven financial services and effectively advancing digital transformation. (3) Optimize the governance structure, establish an effective risk management framework for the entire process, and leverage modern scientific technological advancements to improve risk identification and assessment capabilities, and enhance our risk management and internal control capabilities. (4) Strengthen talent leadership, continuously refine the top-level designs of our talent system, actively promote differentiated assessment and refined performance evaluation system, and improve the incentive mechanism.

### **3.3 Overall Business Review**

In 2024, the Group recorded a total operating income of RMB2,180.4 million, representing an increase of 0.5% compared to RMB2,169.8 million in 2023. The Group's net profit increased by 0.1% from RMB477.4 million in 2023 to RMB477.8 million in 2024. As of December 31, 2024, the Group's total assets amounted to RMB109,205.4 million, representing a year-on-year increase of 16.9%; the net loans and advances to customers amounted to RMB58,443.8 million, representing a year-on-year increase of 18.4%; the non-performing loan (NPL) ratio was 1.68%, representing a year-on-year decrease of 0.08 percentage point; the total amount of customer deposits was RMB84,517.9 million, representing a year-on-year increase of 18.3%.

**(a) Analysis of the consolidated statements of profit or loss**

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,			Percentage change (%)
	2024	2023	Increase or decrease	
Interest income	<b>3,691.3</b>	3,563.4	127.9	3.6
Interest expense	<b>(2,113.6)</b>	(1,777.8)	(335.8)	18.9
<b>Net interest income</b>	<b>1,577.7</b>	1,785.6	(207.9)	(11.6)
Fee and commission income	<b>101.1</b>	75.3	25.8	34.3
Fee and commission expenses	<b>(36.0)</b>	(31.4)	(4.6)	14.6
<b>Net fee and commission income</b>	<b>65.1</b>	43.9	21.2	48.3
Net gains arising from trading activities	<b>201.0</b>	291.8	(90.8)	(31.1)
Net gains arising from financial investment	<b>315.1</b>	10.6	304.5	2,872.6
Other operating income	<b>21.5</b>	37.9	(16.4)	(43.3)
<b>Operating income</b>	<b>2,180.4</b>	2,169.8	10.6	0.5
Operating expenses	<b>(725.2)</b>	(698.2)	(27.0)	3.9
Expected credit loss	<b>(888.7)</b>	(928.6)	39.9	(4.3)
Impairment losses	<b>—</b>	(0.4)	0.4	(100.0)
<b>Profit before tax</b>	<b>566.5</b>	542.6	23.9	4.4
Income tax expense	<b>(88.7)</b>	(65.2)	(23.5)	36.0
<b>Net profit</b>	<b>477.8</b>	477.4	0.4	0.1
<b>Net profit attribute to:</b>				
Equity attributable to shareholders of the Bank	<b>513.4</b>	468.5	44.9	9.6
Non-controlling interests	<b>(35.6)</b>	8.9	(44.5)	(500.0)
Basic and diluted earnings per share (expressed in RMB per share)	<b>0.13</b>	0.12	—	—

In 2024, the Group's profit before income tax amounted to RMB566.5 million, representing a year-on-year increase of 4.4%; net profit amounted to RMB477.8 million, representing a year-on-year increase of 0.1%, mainly due to the year-on-year decline in the loan prime rate (LPR) and the Group's increased marketing to high-quality customers, leading to a decline in the average yield on loans and advances to some customers, as well as an increase in deposit interest payment costs due to the impact of changes in the deposit term structure, resulting in the decrease in the net interest income. At the same time, as the interest rates in bond market declined, the Group seized the opportunity to gain bond yields, leading to a year-on-year increase in net financial investment income; and the growing tax impact of non-deductible expenses resulted in an increase of income tax expense, according to the tax system.

(i) *Net interest income*

Net interest income was the largest component of the Group's operating income, representing 72.4% and 82.3% of operating income in 2024 and 2023, respectively. The following table sets forth the interest income, interest expense and net interest income for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,			Change in percentage (%)
	2024	2023	Increase or decrease	
Interest income	<b>3,691.3</b>	3,563.4	127.9	3.6
Interest expense	<b>(2,113.6)</b>	(1,777.8)	(335.8)	18.9
<b>Net interest income</b>	<b><u>1,577.7</u></b>	<b><u>1,785.6</u></b>	<b><u>(207.9)</u></b>	<b><u>(11.6)</u></b>

The following table sets forth the average balances of the Group's interest-earning assets and interest-bearing liabilities, the related interest income or expense, and the average yield or average cost for the periods indicated. The average balance of interest-earning assets and interest-bearing liabilities is the average of the daily balances.



(Expressed in RMB million, unless otherwise stated)	Year ended December 31, 2024			Year ended December 31, 2023		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
<b>Interest-earning asset</b>						
Deposits with central bank (1)	5,440.6	68.9	1.27	4,758.3	58.2	1.22
Financial assets held under resale agreements, due from other banks and other financial institutions	5,145.3	98.2	1.91	7,864.6	123.9	1.58
Loans and advances to customers	53,935.6	2,777.2	5.15	46,593.9	2,701.4	5.80
Financial investments (2)	<u>27,779.1</u>	<u>747.0</u>	<u>2.69</u>	<u>22,867.7</u>	<u>679.9</u>	<u>2.97</u>
<b>Total interest- earning assets</b>	<u>92,300.6</u>	<u>3,691.3</u>	<u>4.00</u>	<u>82,084.5</u>	<u>3,563.4</u>	<u>4.34</u>
(Expressed in RMB million, unless otherwise stated)	Average balance	Interest expense	Average cost (%)	Average balance	Interest expense	Average cost (%)
<b>Interest-bearing liabilities</b>						
Borrowings from central bank	2,048.0	(34.8)	1.70	1,981.3	(40.1)	2.03
Financial assets sold under repurchase agreement, due to other banks and other financial institutions	6,613.4	(148.5)	2.25	9,136.1	(152.5)	1.67
Customer deposits	76,902.6	(1,888.8)	2.46	63,652.5	(1,471.2)	2.31
Bonds issued (3)	1,576.0	(41.5)	2.63	3,838.7	(112.7)	2.94
Lease liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>28.2</u>	<u>(1.3)</u>	<u>4.61</u>
<b>Total interest- bearing liabilities</b>	<u>87,140.0</u>	<u>(2,113.6)</u>	<u>2.43</u>	<u>78,636.8</u>	<u>(1,777.8)</u>	<u>2.26</u>
<b>Net interest income</b>		<u>1,577.7</u>			<u>1,785.6</u>	
<b>Net interest spread</b>			<u>1.57</u>			<u>2.08</u>
<b>Net interest margin</b>			<u>1.71</u>			<u>2.18</u>

Notes:

- (1) Deposits with central bank primarily include statutory deposit reserves, surplus deposit reserves and fiscal deposit reserves.
- (2) Financial investments include financial assets at fair value through other comprehensive income and financial assets measured at amortized cost.
- (3) Bonds issued are interbank certificates of deposit.

The table below sets forth the changes in the Group's interest income and interest expense attributable to changes in volume and interest rate for the periods indicated. Changes in volume are measured by changes in the average balance, and changes in interest rate are measured by changes in the average interest rates.

(Expressed in RMB million, unless otherwise stated)	2024 vs 2023		
	Volume <sup>(1)</sup>	Interest rate <sup>(2)</sup>	Net increase/ (decrease) <sup>(3)</sup>
<b>Interest-earning assets</b>			
Deposits with central bank	8.3	2.4	10.7
Financial assets held under resale agreements, due from other banks and other financial institutions	(51.7)	26.0	(25.7)
Loans and advances to customers	378.7	(302.9)	75.8
Financial investments	131.1	(64.0)	67.1
<b>Changes in interest income</b>	<u>466.4</u>	<u>(338.5)</u>	<u>127.9</u>
<b>Interest-bearing liabilities</b>			
Borrowings from central bank	1.2	(6.5)	(5.3)
Financial assets sold under repurchase agreement, due to other banks and other financial institutions	(57.0)	53.0	(4.0)
Customer deposits	322.1	95.5	417.6
Bonds issued	(59.3)	(11.9)	(71.2)
Lease liabilities	0.0	(1.3)	(1.3)
<b>Changes in interest expense</b>	<u>207.0</u>	<u>128.8</u>	<u>335.8</u>
<b>Changes in net interest income</b>	<u><u>259.4</u></u>	<u><u>(467.3)</u></u>	<u><u>(207.9)</u></u>

Notes:

- (1) Volume represents the average balance for the year minus the average balance for the previous year, multiplied by the average yield/cost for the year.
- (2) Interest rate represents the average yield/cost for the year minus the average yield/cost for the previous year, multiplied by the average balance for the previous year.
- (3) Net increase/(decrease) represents interest income/expense for the year minus interest income/expense for the previous year.

(ii) *Interest income*

The following table sets forth the principal components of interest income for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,			
	2024		2023	
	Amount	% of total (%)	Amount	% of total (%)
Loans and advances to customers	2,777.2	75.2	2,701.4	75.8
Financial investments	747.0	20.2	679.9	19.1
Financial assets held under resale agreements, due from other banks and other financial institutions	98.2	2.7	123.9	3.5
Deposits with central bank	68.9	1.9	58.2	1.6
<b>Total</b>	<b>3,691.3</b>	<b>100.0</b>	<b>3,563.4</b>	<b>100.0</b>

The Group's interest income increased by 3.6% from RMB3,563.4 million in 2023 to RMB3,691.3 million in 2024, primarily due to an increase in the average balance of interest-earning assets from RMB82,084.5 million in 2023 to RMB92,300.6 million in 2024, which was partially offset by a decrease in the average yield on interest-earning assets from 4.34% in 2023 to 4.00% in 2024. The increase in the average balance of interest-earning assets was mainly due to an increase in the average balance of loans and advances and financial investments, which was partially offset by a decrease in the average balance of financial assets held under resale agreements, due from other banks and other financial institutions. The decrease in the average yield on interest-earning assets was primarily attributed to a decrease in the average yield on loans and advances, as well as financial investments.

(A) Interest income from loans and advances to customers

Interest income from loans and advances to customers represented 75.2% and 75.8% of total interest income in 2024 and 2023, respectively.

The following table sets forth the average balance, interest income and average yield of loans and advances to customers by product for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,					
	2024			2023		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Corporate loans	41,473.3	2,452.4	5.91	36,257.5	2,369.3	6.53
Retail loans	4,817.5	230.8	4.79	4,809.8	248.8	5.17
Discounted and rediscounted bills	7,644.8	94.0	1.23	5,526.6	83.3	1.51
<b>Total</b>	<b>53,935.6</b>	<b>2,777.2</b>	<b>5.15</b>	<b>46,593.9</b>	<b>2,701.4</b>	<b>5.80</b>

The interest income from loans and advances to customers is the largest component of the Group's interest income, increasing by 2.8% from RMB2,701.4 million in 2023 to RMB2,777.2 million in 2024. The increase was primarily due to an increase of 15.8% in the average balance of loans and advances to customers from RMB46,593.9 million in 2023 to RMB53,935.6 million in 2024, which was partially offset by a decrease in the average yield on these assets from 5.80% in 2023 to 5.15% in 2024. The increase in the average balance of such assets was mainly attributable to the Group's firm adherence to its primary responsibility and core business and the orderly increase in financial supply through measures such as deepening cultivation of the regional market, supporting industrial cluster development, promoting retail transformation, serving rural revitalization. The decrease in the average yield on these assets was mainly due to the year-on-year decline in the Loan Prime Rate (LPR), as well as the Group's greater effort of marketing to high-quality customers, leading to the decrease in the average yield on loans and advances to customers.

(B) Interest income from financial investments

The interest income from financial investments increased by 9.9% from RMB679.9 million in 2023 to RMB747.0 million in 2024, primarily due to the increase of 21.5% in the average balance of financial investments from RMB22,867.7 million in 2023 to RMB27,779.1 million in 2024, while partially offset by a decrease in the average yield on these assets from 2.97% in 2023 to 2.69% in 2024. The increase in the average balance of these assets was mainly due to the Group's reasonable increase in government bond investment based on business operation needs. The decrease in the average yield on these assets was primarily attributed to changes in market interest rates.

(C) Interest income from financial assets held under resale agreements, due from other banks and other financial institutions

The interest income from financial assets held under resale agreements, and due from other banks and other financial institutions decreased by 20.7% from RMB123.9 million in 2023 to RMB98.2 million in 2024, primarily due to the decrease of 34.6% in the average balance of financial assets held under resale agreements, and due from other banks and other financial institutions from RMB7,864.6 million in 2023 to RMB5,145.3 million in 2024. The decrease in the average balance of these assets was mainly due to the Group's reduction in the scale of relevant asset allocation based on business operation needs.

(D) Interest income from deposits with central bank

The interest income from deposits with central bank increased by 18.4% from RMB58.2 million in 2023 to RMB68.9 million in 2024, primarily due to the increase of 14.3% in the average balance of deposits with central bank from RMB4,758.3 million in 2023 to RMB5,440.6 million in 2024. The increase in the average balance of these assets was mainly attributed to the growth in customer deposits scale.

(iii) *Interest expense*

The following table sets forth the principal components of interest expense of the Group for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,			
	2024		2023	
	Amount	% of total (%)	Amount	% of total (%)
Customer deposits	1,888.8	89.4	1,471.2	82.7
Bonds issued	41.5	2.0	112.7	6.3
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	148.5	7.0	152.5	8.6
Borrowings from central bank	34.8	1.6	40.1	2.3
Lease liabilities	—	—	1.3	0.1
<b>Total</b>	<b>2,113.6</b>	<b>100.0</b>	<b>1,777.8</b>	<b>100.0</b>

(A) Interest expenses on customer deposits

The following table sets forth the average balance, interest expense and average cost for the components of customer deposits for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,					
	2024			2023		
	Average balance	Interest expense	Average cost (%)	Average balance	Interest expense	Average cost (%)
<b>Corporate deposits</b>						
Demand	16,508.7	180.1	1.09	19,490.7	227.2	1.17
Time	22,031.2	590.4	2.68	15,261.2	380.6	2.49
Subtotal	38,539.9	770.5	2.00	34,751.9	607.8	1.75
<b>Personal deposits</b>						
Demand	5,080.1	23.4	0.46	4,912.5	27.0	0.55
Time	33,282.6	1,094.9	3.29	23,988.1	836.5	3.49
Subtotal	38,362.7	1,118.3	2.92	28,900.6	863.5	2.99
<b>Total</b>	<b>76,902.6</b>	<b>1,888.8</b>	<b>2.46</b>	<b>63,652.5</b>	<b>1,471.2</b>	<b>2.31</b>

The interest expenses on customer deposits increased by 28.4% from RMB1,471.2 million in 2023 to RMB1,888.8 million in 2024, primarily due to the increase of 20.8% in the average balance of customer deposits from RMB63,652.5 million in 2023 to RMB76,902.6 million in 2024, as well as an increase in the average cost on these liabilities from 2.31% in 2023 to 2.46% in 2024. The increase in the average balance of these liabilities was mainly due to the stable increase in the total deposits resulting from the Group's focus on serving key customer segments and industries, precise marketing strategies, efforts to leverage its resource integration and product portfolio advantages and accelerate the transformation and upgrading of business outlets and digital construction to enhance customer acquisition capabilities and realize a steady growth in total deposits. The increase in the average cost on these liabilities was primarily due to changes in the term structure.

(B) Interest expense on financial assets sold under repurchase agreements, due to other banks and other financial institutions

The interest expense on financial assets sold under repurchase agreements, due to other banks and other financial institutions decreased by 2.6% from RMB152.5 million in 2023 to RMB148.5 million in 2024, mainly due to the decrease of 27.6% in the average balance of financial assets sold under repurchase agreements from RMB9,136.1 million in 2023 to RMB6,613.4 million in 2024, and an increase in the average cost on these liabilities from 1.67% in 2023 to 2.25% in 2024. The decrease in the average balance of these liabilities was primarily due to the Group's timely adjustment of the liability structure and proactive efforts to reduce the scale of these liabilities based on changes in market interest rates. The increase in the average cost on these liabilities was primarily attributable to changes in the term structure.

(C) Interest expense on bonds issued

The interest expense on bonds issued decreased by 63.2% from RMB112.7 million in 2023 to RMB41.5 million in 2024, mainly due to the decrease of 58.9% in the average balance of bonds issued from RMB3,838.7 million in 2023 to RMB1,576.0 million in 2024, as well as a decrease in the average cost on these liabilities from 2.94% in 2023 to 2.63% in 2024. The decrease in the average balance of these liabilities was primarily due to a decrease in the scale of interbank certificates of deposit issued. The decrease in the average cost on these liabilities was mainly as a result of a decrease in market interest rates.

(iv) *Net interest spread and net interest margin*

The net interest spread decreased from 2.08% in 2023 to 1.57% in 2024, and the net interest margin decreased from 2.18% in 2023 to 1.71% in 2024, primarily due to a decrease of 0.34 percentage point in the average yield on interest-earning assets compared to the same period last year, as well as an increase of 0.17 percentage point in the average cost on interest-bearing liabilities compared to the same period last year. The decrease in the average yield on interest-bearing assets was primarily due to the year-on-year decline in the Loan Prime Rate (LPR) and the Group's increased efforts in marketing to high-quality clients, which led to a reduction in the average yield on loans and advances. The increase in the average cost on interest-bearing liabilities was mainly attributable to changes in the deposit term structure, resulting in higher interest costs on deposits.

(v) *Non-interest income*

(A) Net fee and commission income

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,			Change in percentage (%)
	2024	2023	Increase or decrease	
<b>Fee and commission income</b>				
Commission income from settlement and agency services	23.1	11.6	11.5	99.1
Commission income from bank card services	1.1	1.2	(0.1)	(8.3)
Commission income from wealth management agency service	47.7	35.1	12.6	35.9
Other commission income (1)	29.2	27.4	1.8	6.6
<b>Subtotal</b>	<b>101.1</b>	<b>75.3</b>	<b>25.8</b>	<b>34.3</b>
<b>Fee and commission expense</b>				
Commission expense from settlement and agency services	(32.2)	(28.5)	(3.7)	13.0
Other commission expense	(3.8)	(2.8)	(1.0)	35.7
<b>Subtotal</b>	<b>(36.0)</b>	<b>(31.4)</b>	<b>(4.6)</b>	<b>14.6</b>
<b>Net fee and commission income</b>	<b>65.1</b>	<b>43.9</b>	<b>21.2</b>	<b>48.3</b>



Note:

- (1) Other commission income primarily consists of commission income from guarantees, commitments and syndicated business.

The net fee and commission income increased by 48.3% from RMB43.9 million in 2023 to RMB65.1 million in 2024, mainly due to the increase in the entrusted loan service fees, commission income from wealth management agency services and syndicated loan service fees.

The commission income from settlement and agency services increased by 99.1% from RMB11.6 million in 2023 to RMB23.1 million in 2024, primarily due to an increase in the Group's issuance of bank acceptance bills and the scale of entrusted loan business.

The commission income from wealth management agency service increased by 35.9% from RMB35.1 million in 2023 to RMB47.7 million in 2024, mainly due to an increase in income resulting from the declining trend in bond interest rates in 2024.

The other commission income increased by 6.6% from RMB27.4 million in 2023 to RMB29.2 million in 2024, mainly due to an increase in income from syndicated loans.

The fee and commission expense increased by 14.6% from RMB31.4 million in 2023 to RMB36.0 million in 2024, mainly attributable to the Group's ongoing optimization of mobile payment platform Qianhuahua and the expansion of associated mobile payment scenarios.

(B) Net gains from financial investment

Net gains on financial investments include the net gains from the sale of financial assets, as well as gains from reclassification of other comprehensive income to profit or loss due to asset sales. Net gains on financial investments increased from RMB10.6 million in 2023 to RMB315.1 million in 2024, primarily due to the Group's strategic sale of bonds based on its portfolio investment strategy to generate income.

(C) Net gains on trading activities

Net gains on trading activities decreased by 31.1% from RMB291.8 million in 2023 to RMB201.0 million in 2024, primarily due to a decrease in interest income from financial assets held for trading caused by changes in scale and interest rates.

(D) Other operating income

Other operating income mainly includes incidental income such as government subsidies and deducts incidental expenses such as charitable donations. Other operating income decreased by 43.3% from RMB37.9 million in 2023 to RMB21.5 million in 2024, primarily due to a decrease in net gains from property sales by the Group.

(vi) *Operating expenses*

The operating expenses increased by 3.9% from RMB698.2 million in 2023 to RMB725.2 million in 2024, primarily due to an increase in general and administrative expenses and professional fees, which was partially offset by a decrease in depreciation and expenses, as well as technology service fees.

The following table sets forth the principal components of operating expenses for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,			Change in percentage (%)
	2024	2023	Increase or decrease	
Staff costs	404.1	396.3	7.8	2.0
General and administrative expenses	197.0	181.4	15.6	8.6
Depreciation and expenses	57.8	70.3	(12.5)	(17.8)
Professional fees	11.6	5.0	6.6	132.0
Listing expenses	0.9	1.2	(0.3)	(25.0)
Tax and surcharges	26.2	21.8	4.4	20.2
Auditors' remuneration				
– Audit service	0.9	0.7	0.2	28.6
– Non-audit service	0.1	0.1	(0.0)	(0.0)
Technical service fees	26.6	21.4	5.2	24.3
<b>Total</b>	<b>725.2</b>	<b>698.2</b>	<b>27.0</b>	<b>3.9</b>

(A) Staff costs

The following table sets forth the components of staff costs for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,			Change in percentage (%)
	2024	2023	Increase or decrease	
Wages and salaries, bonus, allowance and subsidies	270.6	278.1	(7.5)	(2.7)
Social security contributions	51.9	49.0	2.9	5.9
Defined contribution benefits	47.1	45.0	2.1	4.7
Staff welfare	14.3	14.4	(0.1)	(0.7)
Labour union funds and employee education funds	7.5	6.9	0.6	8.7
Supplementary retirement benefits	12.7	2.9	9.8	337.9
<b>Total staff costs</b>	<b>404.1</b>	<b>396.3</b>	<b>7.8</b>	<b>2.0</b>

The staff costs increased by 2.0% from RMB396.3 million in 2023 to RMB404.1 million in 2024, primarily due to the increase in social security contributions, defined contribution benefits, and other adjustments in accordance with relevant policy provisions.

(B) Depreciation and expenses

The depreciation and expenses decreased by 17.8% from RMB70.3 million in 2023 to RMB57.8 million in 2024, mainly due to the fact that some of the Group's fixed assets and intangible assets have fully realized their depreciation, resulting in reduced depreciation and amortization costs.

(C) General and administrative expenses

General and administrative expenses mainly include advertising and business promotion costs, cash transportation fees, and repair costs. The general and administrative expenses increased by 8.6% from RMB181.4 million in 2023 to RMB197.0 million in 2024, primarily due to the increase in business promotion expenses and advertising costs to attract customers and promote the Group's services.

(D) Professional fees

The professional fees increased by 132.0% from RMB5.0 million in 2023 to RMB11.6 million in 2024, primarily attributed to a rapid increase in consultancy fees and intermediary fees as a result of the promotion of the listing of our H Shares.

(vii) Expected credit impairment losses

The following table sets forth the major components of our expected credit impairment losses for the periods indicated:

(Expressed in RMB million, unless otherwise stated)	Years ended December 31,			Percentage of change (%)
	2024	2023	Increase or decrease	
Loans and advances to customers at amortized cost	<b>770.8</b>	900.5	(129.7)	(14.4)
Loans and advances to customers – fair value through other comprehensive income	<b>(2.8)</b>	2.5	(5.3)	(212.0)
Off-balance-sheet items	<b>61.4</b>	(32.6)	94.0	–
Financial assets held under resale agreements, due from other banks and other financial institutions	<b>(2.8)</b>	0.1	(2.9)	(2,900.0)
Financial investments – amortized cost	<b>9.2</b>	0.0	9.2	22,900.0
Financial investments – FVOCI	<b>20.2</b>	56.2	(36.0)	(64.1)
Other financial assets	<b>32.7</b>	1.9	30.8	1,621.1
<b>Total</b>	<b><u>888.7</u></b>	<b><u>928.6</u></b>	<b><u>(39.9)</u></b>	<b><u>(4.3)</u></b>

The expected credit impairment losses decreased by 4.3% from RMB928.6 million in 2023 to RMB888.7 million in 2024. The decrease in expected credit impairment losses was mainly due to the Group's efforts to enhance the refinement of risk management assessment according to changes in the external market environment, resulting in a decrease in the expected credit impairment losses on loans and advances, financial investments at fair value through other comprehensive income, financial assets held under resale agreements, due from other banks and other financial institutions.

(viii) *Income tax expense*

Income tax expense increased by 36.0% from RMB65.2 million in 2023 to RMB88.7 million in 2024. The increase in income tax expenses was mainly due to the fact that the amount of the taxation effect of non-deductible expenses increased as required by tax system.

(b) *Analysis of consolidated statements of financial position*

(i) *Assets*

As of December 31, 2024 and 2023, the Group's total assets amounted to RMB109,205.4 million and RMB93,444.0 million, respectively. The main components of total assets are (i) net loans and advances to customers; and (ii) net financial investments.

The following table sets forth the components of total assets as of the dates indicated:

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
<b>Assets</b>				
Gross loans and advances				
to customers	60,766.4	55.6	51,391.5	55.0
Accrued interest	303.6	0.3	351.7	0.4
Expected credit losses				
allowance	(2,626.2)	(2.4)	(2,368.3)	(2.5)
Net loans and advances				
to customers	58,443.8	53.5	49,374.9	52.9
Financial investments (1)	36,480.4	33.4	29,998.3	32.1
– Fair value through other				
comprehensive income	22,482.5	20.6	15,945.9	17.1
– Fair value through profit				
or loss	6,239.8	5.7	6,268.8	6.7
– Amortized cost	7,758.1	7.1	7,783.6	8.3
Financial assets held				
under resale agreements,				
due from other banks and				
other financial				
institutions	4,988.5	4.6	5,600.6	6.0
Cash and balances with				
central bank	7,318.5	6.7	6,577.0	7.0
Deferred tax assets	1,237.4	1.1	1,114.6	1.2
Property, plant and equipment	284.9	0.3	335.2	0.4
Right-of-use assets	31.4	0.0	32.2	0.0
Other assets (2)	420.5	0.4	411.2	0.4
<b>Total assets</b>	<b>109,205.4</b>	<b>100.0</b>	<b>93,444.0</b>	<b>100.0</b>

Notes:

- (1) Financial investments consist of financial assets measured at amortized cost, financial assets at fair value through profit or loss, and financial assets at fair value through other comprehensive income.
- (2) Other assets primarily consist of other receivables and prepayments, interest receivable, and foreclosed assets.

(A) Loans and advances to customers

As of December 31, 2024, the gross loans and advances to customers issued by the Group amounted to RMB60,766.4 million, representing an increase of 18.2% compared to December 31, 2023. The net loans and advances to customers accounted for 53.5% of the Group's total assets, representing an increase of 0.6 percentage point from December 31, 2023.

The table below sets forth loans and advances to customers by product as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Corporate loans	48,558.4	79.9	39,162.2	76.2
Retail loans	4,882.0	8.0	4,917.1	9.6
Discounted bills	948.8	1.6	482.2	0.9
Rediscounted bills	6,377.2	10.5	6,830.0	13.3
<b>Total loans and advances to customers</b>	<b>60,766.4</b>	<b>100.0</b>	<b>51,391.5</b>	<b>100.0</b>

The loans and advances to customers constitute the largest component of the Group's total assets. The Group offers a variety of loan products, all of which are denominated in RMB.

The Group's corporate loans increased by 24.0% from RMB39,162.2 million as of December 31, 2023, to RMB48,558.4 million as of December 31, 2024. This growth was primarily driven by the Group's alignment with national policy directives, its focus on regional development, and its ongoing efforts to expand service areas while effectively managing risks. These initiatives strengthened support for the real economy, met the effective credit demands of corporate loan customers, and resulted in an increase in credit disbursement.

The Group's retail loans primarily include personal business loans, personal consumption loans, and residential mortgage loans. Retail loans of the Group decreased by 0.7% from RMB4,917.1 million as of December 31, 2023 to RMB4,882.0 million as of December 31, 2024. This decline was mainly due to reduced effective credit demand from residential mortgage customers and the early repayment of some customers, leading to a contraction in the scale of residential mortgage loans.

### Loans and advances by collateral

The table below presents the breakdown of loans and advances to customers by collateral type as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Collateralized loans	19,989.5	37.4	18,338.5	41.6
Pledged loans	10,723.6	20.1	8,218.0	18.6
Guaranteed loans	21,166.2	39.6	16,300.4	37.0
Unsecured loans	1,561.1	2.9	1,222.4	2.8
<b>Gross corporate and retail loans</b>	<b>53,440.4</b>	<b>100.0</b>	<b>44,079.3</b>	<b>100.0</b>

Guaranteed loans constitute the largest component of the Group's loans and advances to customers, accounting for 39.6% and 37.0% of the gross corporate and retail loans as of December 31, 2024 and December 31, 2023, respectively. The Group applies strict credit assessment standards when issuing guaranteed loans. The Bank accept guarantees from guarantors based on comprehensive considerations such as scale, creditworthiness, and risk resilience.

The Group provides unsecured loans to customers with relatively higher credit ratings. As of December 31, 2024 and 2023, unsecured loans accounted for 2.9% and 2.8%, respectively, of the gross corporate and retail loans.

## Movements of expected credit losses allowance on loans and advances to customers

(Expressed in RMB million,  
unless otherwise stated)

	2024	2023
<b>At the beginning of the year</b>	<b>2,368.3</b>	1,648.6
Charge for the year	<b>770.8</b>	883.3
Amounts written off and transferred	<b>(688.1)</b>	(211.4)
Recovery of loans and advances written-off	<b>175.2</b>	47.8
Movements due to other reasons	<b>—</b>	—
<b>As of December 31</b>	<b><u>2,626.2</u></b>	<b><u>2,368.3</u></b>

The expected credit losses allowance on loans and advances increased by 10.9% from RMB2,368.3 million as of December 31, 2023 to RMB2,626.2 million as of December 31, 2024, primarily due to the Group's increase of the provision for loan impairment according to the changes in the scale of loans and advances to customers.

### (B) Financial investments

Our financial investments consist primarily of bonds investment and SPV investment. Our SPV investment mainly comprises our investment through asset management plans, funds, wealth management products and trust plans. The following table sets forth the components of the Group's financial investments as of the dates indicated.

	As of December 31, 2024		As of December 31, 2023	
(Expressed in RMB million, unless otherwise stated)	Amount	% of total (%)	Amount	% of total (%)
Bonds investment	<b>34,707.3</b>	<b>95.1</b>	28,961.1	96.6
SPV investment				
– Asset management plans	<b>133.1</b>	<b>0.4</b>	221.1	0.7
– Funds	<b>1,541.3</b>	<b>4.2</b>	480.6	1.6
– Wealth management products	<b>—</b>	<b>—</b>	300.1	1.0
– Trust plans	<b>63.3</b>	<b>0.2</b>	—	—
Other financial investments	<b>35.4</b>	<b>0.1</b>	35.4	0.1
<b>Net financial investments</b>	<b><u>36,480.4</u></b>	<b><u>100.0</u></b>	<b><u>29,998.3</u></b>	<b><u>100.0</u></b>



The net amount of financial investments increased by 21.6% from RMB29,998.3 million as of December 31, 2023 to RMB36,480.4 million as of December 31, 2024, primarily due to the Group's timely adjustment of its investment strategies and increase in investment in bonds, funds and trust plans according to liquidity adequacy and market changes as well as actual operational conditions. However, the increase was partially offset by a decrease in investments in asset management plans and wealth management products.

(ii) *Liabilities*

As of December 31, 2024 and 2023, the total liabilities amounted to RMB99,233.1 million and RMB84,157.5 million, respectively. The following table sets forth the components of our total liabilities as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
<b>Liabilities</b>				
Customer deposits	<b>84,517.9</b>	<b>85.2</b>	71,439.1	84.9
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	<b>9,340.7</b>	<b>9.4</b>	6,263.1	7.4
Borrowings from central bank	<b>2,266.2</b>	<b>2.3</b>	2,198.0	2.6
Bond issued	<b>2,028.1</b>	<b>2.0</b>	3,279.0	3.9
Taxes payable	<b>257.1</b>	<b>0.3</b>	237.6	0.3
Lease liabilities	<b>28.8</b>	<b>0.0</b>	26.5	0.0
Other liabilities (1)	<b>794.3</b>	<b>0.8</b>	714.2	0.9
<b>Total liabilities</b>	<b><u>99,233.1</u></b>	<b><u>100.0</u></b>	<b><u>84,157.5</u></b>	<b><u>100.0</u></b>

*Note:*

- (1) Other liabilities consist primarily of accrued staff costs, tax payable, accrued liabilities.

(A) Customer deposits

The Group provides demand and time deposit products to corporate and retail customers. The table below sets forth the total customer deposits (excluding accrued interest) by product and customer type as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Corporate deposits				
– Demand	17,777.4	21.6	17,803.2	25.5
– Time	<u>22,811.4</u>	<u>27.8</u>	<u>19,946.8</u>	<u>28.6</u>
<b>Subtotal</b>	<u>40,588.8</u>	<u>49.4</u>	<u>37,750.0</u>	<u>54.1</u>
Personal deposits				
– Demand	5,430.3	6.6	4,929.9	7.1
– Time	<u>36,171.8</u>	<u>44.0</u>	<u>27,111.8</u>	<u>38.8</u>
<b>Subtotal</b>	<u>41,602.1</u>	<u>50.6</u>	<u>32,041.7</u>	<u>45.9</u>
<b>Total customer deposits (excluding accrued interest)</b>	<u>82,190.9</u>	<u>100.0</u>	<u>69,791.7</u>	<u>100.0</u>

Total customer deposits (excluding accrued interest) increased by 17.8% from RMB69,791.7 million as of December 31, 2023, to RMB82,190.9 million as of December 31, 2024. This growth was primarily driven by the Group's focus on serving key customer segments and industries, precise marketing strategies, leveraging the advantages of resource integration and product portfolio, accelerating the transformation and upgrading of branch networks, and advancing digital infrastructure, all of which enhanced customer acquisition capabilities and realized a steady growth in total deposits.

(B) Bonds issued

From January 1, 2023 to December 31, 2023, the Bank issued 23 tranches of zero-coupon interbank certificates of deposit with a total face value of RMB3,550.0 million. The terms of the interbank certificates of deposit ranged from 3 months to 1 year, with actual interest rates ranging from 2.68% to 3.11%.

From January 1, 2024 to December 31, 2024, the Bank issued 9 tranches of zero-coupon interbank certificates of deposit with a total face value of RMB2,050.0 million. The terms of the interbank certificates of deposit ranged from 3 months to 1 year, with actual interest rates ranging from 1.85% to 2.15%.

(iii) *Shareholders' equity*

The table below sets forth the changes in shareholders' equity as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Share capital	3,900.0	39.1	3,900.0	42.0
Capital reserve	3,512.8	35.2	3,462.8	37.3
Other comprehensive income	397.4	4.0	161.5	1.7
Surplus reserve	180.1	1.8	125.9	1.4
General reserve	1,239.4	12.4	1,010.6	10.9
Retained earnings	467.9	4.7	315.4	3.4
Non-controlling interests	274.7	2.8	310.3	3.3
<b>Total equity</b>	<b>9,972.3</b>	<b>100.0</b>	<b>9,286.5</b>	<b>100.0</b>

**(c) Asset quality analysis**

**(i) Breakdown of loans under five-level classification system**

The Group's NPLs are classified as substandard, doubtful and loss. As of December 31, 2024, the Group's NPLs amounted to RMB1,023.3 million. The following table sets forth the issued loans and advances under the loan classification system as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Normal	59,240.4	97.49	50,086.2	97.46
Special mention	502.7	0.83	401.4	0.78
Substandard	587.4	0.97	806.5	1.57
Doubtful	371.1	0.60	97.4	0.19
Loss	64.8	0.11	—	—
<b>Total loans and advances to customers</b>	<b>60,766.4</b>	<b>100.0</b>	<b>51,391.5</b>	<b>100.0</b>
<b>NPL ratio</b>		<b>1.68</b>		<b>1.76</b>

The Group's NPL ratio decreased from 1.76% as of December 31, 2023 to 1.68% as of December 31, 2024, primarily due to the Group's enhanced credit risk management that improved the quality of our assets.

(ii) *Concentration of loans*

(A) Concentration by Industry and Distribution of Non-performing Loans

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	Non- performing loan amount	Non- performing loan ratio (%)	Loan amount	% of total (%)	Non- performing loan amount	Non- performing loan ratio (%)
<b>Corporate loans</b>								
Wholesale and retail trade	12,881.5	24.1	256.3	1.99	9,328.7	21.2	130.1	1.39
Renting and business activities	5,951.1	11.1	21.4	0.36	3,456.4	7.8	10.3	0.30
Construction	8,435.7	15.8	12.9	0.15	8,564.6	19.3	44.2	0.52
Manufacturing	5,050.0	9.5	191.4	3.79	4,203.1	9.5	35.1	0.84
Agriculture, forestry, animal husbandry and fishery	3,086.1	5.8	1.7	0.06	2,698.4	6.1	17.0	0.63
Real estate	2,375.4	4.4	1.0	0.04	2,008.2	4.6	15.4	0.77
Scientific research, technology services, and geological prospecting	223.3	0.4	–	–	205.7	0.5	5.0	2.43
Transportation, warehousing and express service	947.3	1.8	15.2	1.60	657.9	1.5	5.0	0.76
Information transmission, computer service and software	423.3	0.8	10.5	2.48	297.1	0.7	–	–
Water, environment and public facilities management	2,630.4	4.9	–	–	2,625.3	6.0	2.8	0.11
Accommodation and catering	450.2	0.8	17.6	3.91	563.1	1.3	124.1	22.04
Education	2,894.9	5.4	117.0	4.04	2,574.6	5.8	118.2	4.59
Electricity, gas and water production and supply	1,982.1	3.7	–	–	824.5	1.9	–	–
Health, social security and social welfare	285.8	0.5	–	–	355.2	0.8	0.4	0.11
Residential services, repairs and other services	90.7	0.2	7.4	8.16	65.7	0.1	5.6	8.53
Culture, sport and entertainment	349.2	0.7	–	–	231.7	0.5	–	–
Mining	279.8	0.5	1.0	0.36	290.4	0.7	5.7	1.96
Financing	221.6	0.4	182.6	82.40	211.6	0.5	182.6	86.29
<b>Retail loans</b>	<b>4,882.0</b>	<b>9.2</b>	<b>187.3</b>	<b>3.84</b>	<b>4,917.1</b>	<b>11.2</b>	<b>202.4</b>	<b>4.12</b>
<b>Total</b>	<b>53,440.4</b>	<b>100.0</b>	<b>1,023.3</b>	<b>1.91</b>	<b>44,079.3</b>	<b>100.0</b>	<b>903.9</b>	<b>2.05</b>

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

Loans to borrowers in the wholesale and retail trade, renting and business activities, construction, and manufacturing industries constitute the largest component of the Group's corporate loan portfolio. As of December 31, 2024 and 2023, loans to these industries accounted for 66.6% and 65.2% of the total corporate loans, respectively.

As of December 31, 2024, the Group's NPLs of corporate loans were primarily concentrated in the wholesale and retail trade and manufacturing industries, with NPL ratios of 1.99% and 3.79%, respectively.

(B) Borrower concentration

**Loans to the top ten individual borrowers**

The following table sets forth the balances of loans to the top ten individual borrowers (excluding group borrowers) as of December 31, 2024, prepared on a consolidated or combined basis, all of which are normal loans.

(Expressed in RMB million,  
unless otherwise stated)

Customers	Industries involved	As of December 31, 2024	
		Amount	Percentage of total loans (%)
Borrower A	Wholesale and retail trade	809.9	1.5
Borrower B	Renting and business activities	759.7	1.4
Borrower C	Construction	754.1	1.4
Borrower D	Renting and business activities	746.0	1.4
Borrower E	Manufacturing	725.0	1.4
Borrower F	Construction	655.0	1.2
Borrower G	Construction	653.0	1.2
Borrower H	Wholesale and retail trade	610.3	1.1
Borrower I	Wholesale and retail trade	586.0	1.1
Borrower J	Wholesale and retail trade	560.0	1.1
<b>Total</b>		<b>6,859.0</b>	<b>12.8</b>

(C) Non-performing loans by product type

The table below sets forth the loans and non-performing loans by product type as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024			As of December 31, 2023		
	Loan amount	Non-performing loan amount	Non-performing loan ratio (%)	Loan amount	Non-performing loan amount	Non-performing loan ratio (%)
<b>Corporate loans</b>						
Working capital loans	27,878.2	674.1	2.42	22,111.5	432.2	1.95
Fixed asset loans	18,131.1	157.0	0.87	16,976.6	269.3	1.59
Others	2,549.1	4.9	0.19	74.1	–	–
<b>Subtotal</b>	<b>48,558.4</b>	<b>836.0</b>	<b>1.72</b>	<b>39,162.2</b>	<b>701.5</b>	<b>1.79</b>
<b>Retail loans</b>						
Personal business loans	1,966.6	109.9	5.59	2,121.4	131.8	6.21
Residential mortgage loans	1,763.9	68.1	3.86	1,944.1	54.1	2.78
Personal consumption loans	1,151.5	9.3	0.81	851.6	16.5	1.94
<b>Subtotal</b>	<b>4,882.0</b>	<b>187.3</b>	<b>3.84</b>	<b>4,917.1</b>	<b>202.4</b>	<b>4.12</b>
<b>Total</b>	<b>53,440.4</b>	<b>1,023.3</b>	<b>1.91</b>	<b>44,079.3</b>	<b>903.9</b>	<b>2.05</b>

The NPL ratio of the corporate loans decreased from 1.79% as of December 31, 2023 to 1.72% as of December 31, 2024, mainly due to Group's strengthened efforts for credit risk management, which improved the Group's asset quality.

The NPL ratio of retail loans decreased from 4.12% as of December 31, 2023 to 3.84% as of December 31, 2024, primarily due to the Group's ongoing efforts in recovering personal NPLs.

(D) Loan aging schedule

The following table sets forth our loan aging schedule for loans and advances to customers as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Current loans	59,351.0	97.7	50,507.4	98.3
Loans past due for				
– Up to 90 days	416.1	0.7	222.4	0.4
– Over 90 days up to 1 year	629.7	1.0	263.5	0.5
– Over 1 year up to 3 years	314.8	0.5	191.4	0.4
– Over 3 years	54.8	0.1	206.8	0.4
<b>Gross loans and advances to customers</b>	<b>60,766.4</b>	<b>100.0</b>	<b>51,391.5</b>	<b>100.0</b>

(d) *Segment information*

(i) *Summary of geographical segment information*

When presenting data by geographical segments, operating income is allocated based on the place of registration of the institutions generating the income.

The operating income of the Group is in Sichuan Province, China.



(ii) *Summary of business segments*

The Group's principal operations: corporate banking business, retail banking and financial market business. The table below presents the operating income of each major business segment of the Group for the periods presented.

(Expressed in RMB million, unless otherwise stated)	For the year ended December 31, 2024		For the year ended December 31, 2023	
	%		%	
	Amount	of total (%)	Amount	of total (%)
Corporate banking	1,584.7	72.7	1,604.5	74.0
Retail banking	488.7	22.4	458.4	21.1
Financial market business	106.6	4.9	106.1	4.9
Others	0.4	—	0.8	—
<b>Total</b>	<b>2,180.4</b>	<b>100.0</b>	<b>2,169.8</b>	<b>100.0</b>

(e) *Off-balance sheet commitments*

Off-balance sheet commitments primarily consist of bank acceptances, letters of guarantee and capital expenditure commitments. The table below sets forth our contractual amounts of off-balance sheet commitments as of the dates indicated.

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024	As of December 31, 2023
<b>Financial guarantees and credit related commitments</b>		
Bank acceptances (1)	9,315.9	6,510.7
Letters of guarantees (2)	67.8	50.3
<b>Subtotal</b>	<b>9,383.7</b>	<b>6,561.0</b>
<b>Capital expenditure commitments (3)</b>	<b>403.4</b>	<b>63.3</b>
<b>Total</b>	<b>9,787.1</b>	<b>6,624.3</b>

Notes:

- (1) Bank acceptances refer to the Group's undertakings to pay bank bills drawn on our customers.
- (2) The Group guarantees to third parties to guarantee the performance of its customers' contractual obligations.
- (3) On June 6, 2024, the Bank entered into an acquisition agreement to purchase commercial properties as offices to accommodate business expansion at an aggregate consideration of RMB362.9 million, and not prepaid any consideration as at December 31, 2024.

Off-balance sheet commitments increased by 47.7% from RMB6,624.3 million as of December 31, 2023 to RMB9,787.1 million as of December 31, 2024. The increase in off-balance sheet commitments was mainly due to the Group's increase in off-balance sheet business based on operational needs, meeting customer financing and settlement needs.

### 3.4 Business Review

#### (a) Corporate banking

The Group offers corporate customers a broad range of financial products and services, including loans, discounted bills, deposits and fee and commission-based products and services. As of December 31, 2024, the Group had issued corporate loans of RMB48,558.4 million to 2,313 corporate customers. For 2024 and 2023, the operating income from the Group's corporate banking business amounted to RMB1,584.7 million and RMB1,604.5 million, respectively, accounting for 72.7% and 74.0% of total operating income, respectively.

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,		Change in percentage (%)
	2024	2023	
Net interest income/(expenses) from external customers	<b>1,692.9</b>	1,870.7	(9.5)
Inter-segment net interest (expenses)/income	<b>(146.9)</b>	(310.0)	(52.6)
Net interest income	<b>1,546.0</b>	1,560.7	(0.9)
Net fee and commission income	<b>25.4</b>	20.4	24.5
Net gains on trading activities	—	—	—
Net gains on financial investments	—	—	—
Other operating income	<b>13.3</b>	23.4	(43.2)

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,		Change in percentage (%)
	2024	2023	
<b>Operating income</b>	<b>1,584.7</b>	1,604.5	(1.2)
Operating expense	(448.2)	(431.8)	3.8
Expected credit losses	(734.5)	(793.3)	(7.4)
Impairment losses	0.0	(0.3)	—
<b>Profit before income tax</b>	<b>402.0</b>	379.1	6.0

(i) *Corporate loans*

The Group provides loans to corporate customers to meet the capital needs of borrowers for the business cycle and the construction, purchase, and renovation of fixed assets. As of December 31, 2024, the Group's total corporate loans amounted to RMB48,558.4 million, accounting for 79.9% of the Group's gross loans and advances to customers.

(ii) *Discounted bills*

The Group purchases bank and commercial acceptance bills at the agreed prices from corporate customers to fund their working capital needs. These discounted bills generally have a remaining maturity of less than six months. The Group may rediscount these bills to People's Bank of China (the "PBOC") or other financial institutions. As of December 31, 2024, the Group had a balance of RMB7,326.0 million of discounted bills.

(iii) *Corporate deposits*

The Group accepts time and current deposits from corporate customers in Renminbi. The terms of corporate time deposits generally range from three months to five years. As of December 31, 2024, the Group's total corporate deposits amounted to RMB40,588.8 million, accounting for 49.4% of total customer deposits (excluding accrued interest).

(iv) *Fee and commission-based products and services*

The Group offers corporate customers a wide range of fee and commission-based products and services, primarily including bank acceptance, entrusted loans, letters of guarantee, settlement and clearing services, mobile payment services, agency services and wealth management services.

(A) Bank acceptance

The Group provides bank acceptance services to corporate clients. The bank acceptance service refers to the issuance of a bill by a drawer with the approval of a bank, according to which, the bank guarantees to pay a pre-determined amount to the payee or the holder of the bill unconditionally on a specified date.

(B) Entrusted loans

The Group, on behalf of corporate clients, issues entrusted loans to designated borrowers in accordance with the loan purpose, principal amount and interest rate determined by the clients. It also monitors the use of the loans and assists in loan recovery. The default risk of the loans is borne by the Group's corporate clients.

(C) Letters of guarantee

The Group provides letters of guarantee to corporate clients for non-financing purposes, including bidding and performance.

(D) Settlement and clearing services

The Group provides settlement services to corporate clients, including fund remittance and transfer, drafts, cheques and other negotiable instruments.

(E) Mobile payment services

Utilizing the mobile payment platform, Qianhuahua, the Group convenient payment collection services to corporate clients, including universities and enterprises, under campus payment and smart parking scenarios.

(F) Agency services

The Group provides agency fee-collection services to corporate clients (including enterprises and public institutions), including collection agency business and sales agency business. The Group agency services are conducive to maintaining close relationships with clients and enhancing brand awareness.

Collection agency business: The Group assists in the collection of gas bills, water bills, social insurance premiums and bus IC card recharge fees on behalf of gas companies, water supply companies and local government institutions, respectively. The Group's collection agency services secure stable corporate deposit intake and strengthen linkage with the retail business.

Sales agency business: The Group sells insurance products to its customers as an agent through its collaboration with leading insurance companies to provide customers with diversified financial product needs.

(G) Wealth management services

In accordance with relevant PRC laws and regulations, the Group offers wealth management products with flexible terms according to client's needs and risk tolerance. As of December 31, 2024, we have served a cumulative total of 111 corporate wealth management clients.

**(b) Retail banking business**

The Group provides a variety of products and services to retail customers, including loans, deposits, bank cards, and fee and commission-based products and services. As of December 31, 2024, the Group extended retail loans totaling RMB4,882.0 million to 25,841 retail loan customers. The following table sets forth the financial performance of the Group's retail banking business for the periods indicated.

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,		Change in percentage (%)
	2024	2023	
Net interest income/(expenses) from external customers	(887.5)	(584.0)	52.0
Inter-segment net interest (expenses)/income	<u>1,323.1</u>	<u>1,030.1</u>	<u>28.4</u>
Net interest income	<u>435.6</u>	<u>446.1</u>	<u>(2.4)</u>
Net fee and commission	<u>46.3</u>	<u>0.4</u>	<u>11,475.0</u>
Net gains on trading activities	—	—	—
Net gains on financial investments	—	—	—
Other operating income	<u>6.8</u>	<u>11.9</u>	<u>(42.9)</u>
<b>Operating income</b>	<u>488.7</u>	<u>458.4</u>	<u>6.6</u>
Operating expense	(223.6)	(213.8)	4.6
Expected credit losses	(127.6)	(91.8)	39.0
Impairment losses	<u>0.0</u>	<u>(0.1)</u>	<u>(100.0)</u>
<b>Profit before income tax</b>	<u><u>137.5</u></u>	<u><u>152.7</u></u>	<u><u>(10.0)</u></u>

(i) *Retail loans*

Retail loans consist primarily of personal business loans, personal consumption loans and residential mortgage loans. As of December 31, 2024 and 2023, the Group's total retail loans amounted to RMB4,882.0 million and RMB4,917.1 million, respectively, accounting for 8.0% and 9.6% of total loans and advances to customers, respectively.

(ii) *Personal deposits*

The Group offers a variety of time deposits and current deposits denominated in RMB time deposits and to retail banking customers. The term of the Group's time deposits does not exceed six years. As of December 31, 2024 and 2023, the total amount of the Group's personal deposits was RMB41,602.1 million and RMB32,041.7 million, respectively, accounting for 50.6% and 45.9% of the total customer deposits (excluding accrued interest), respectively. To better attract and retain the Group's high-end non-institutional customers and capitalize on the market demand brought about by the liberalization of interest rates in China, the Group offers large-denomination certificates of deposit to, among others, individual customers with savings deposits exceeding RMB200,000.

(iii) *Bank card services*

The Group issues RMB debit cards to retail banking customers who have opened deposit accounts with our Bank. The services provided include deposit and withdrawal, consumption, transfer and remittance, and wealth management. As a member of China UnionPay, the Group's debit cards are accepted via the China UnionPay network both in China and around the world. To expand the service scope and enhance brand awareness, the Group issued debit cards with the function of a bus IC card, providing a convenient travel solution for residents in Yibin City; at the same time, in cooperation with local government agencies, Yibin City launched the "Ruyi Social Security IC Card", a two-in-one card in Yibin City. In addition to the general functions of a debit card, it also provides cardholders with social security services such as social security information inquiry, medical insurance settlement, and social security contribution. As of December 31, 2024, the Group had issued 1,080,658 debit cards in total.

(iv) *Fee and commission-based products and services*

The Group offers a variety of fee and commission-based products and services to retail customers, mainly including wealth management services, agency services, transfer and remittance services, etc. Regarding fee and commission-based products and services, the Group generally determines the prices of such products and services according to the government-guided prices. The Group also adjusts the Group's prices by referring to the current market conditions and service costs.

(A) Wealth management services

The Group has launched non-principal-guaranteed wealth management products, mainly providing wealth management products and services to retail banking customers. The Group estimates that, given the economic growth in Sichuan Province and the increase in residents' disposable income, in addition to traditional banking products and services, the demand of retail banking customers for comprehensive and personalized wealth management services will increase. As of December 31, 2024, the Group had served a cumulative total of 33,618 individual wealth management customers.

(B) Other fee and commission-based products and services

The Group also provides other fee and commission-based products and services to retail customers, such as transfer and remittance, collection services, and bank drafts.

**(c) Financial market business**

The Group's financial market business mainly includes monetary market transactions, investments in securities and other financial assets. The Group actively adapted to the complex and ever-changing economic and financial landscape, aiming to optimize the asset-liability structure and boost returns, it seized investment opportunities, timely adjusted investment strategies, and conducted various financial market businesses in a compliant and prudent way. In 2024 and 2023, the operating income from the Group's financial market business was RMB106.6 million and RMB106.1 million, respectively, accounting for 4.9% and 4.9% of the total operating income respectively. The following table shows the financial performance of the Group's financial market business during the periods presented.

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,		Change in percentage (%)
	2024	2023	
Net interest income/(expenses) from external customers	<b>772.3</b>	498.8	54.8
Inter-segment net interest (expenses)/income	<b>(1,176.2)</b>	(720.0)	63.4
Net interest income	<b>(403.9)</b>	(221.2)	82.6
Net fee and commission	<b>(6.6)</b>	23.1	(128.6)
Net gains on trading activities	<b>201.0</b>	291.8	(31.1)
Net gains on financial investments	<b>315.1</b>	10.6	2,872.6
Other operating income	<b>1.0</b>	1.8	(44.4)

(Expressed in RMB million, unless otherwise stated)	Year ended December 31,		Change in percentage (%)
	2024	2023	
<b>Operating income</b>	<b>106.6</b>	106.1	0.5
Operating expense	(40.2)	(37.9)	6.1
Expected credit losses	(26.7)	(43.5)	(38.6)
Impairment losses	0.0	0.0	—
<b>Profit before income tax</b>	<b>39.7</b>	24.7	60.7

(i) *Monetary market transactions*

Monetary market transactions are important means of managing liquidity. The Group also earns interest income through monetary market transactions. Monetary market transactions mainly include (i) interbank deposits with other domestic banks and non-bank financial institutions; (ii) interbank lending; and (iii) interbank repo and reverse repo transactions.

(A) Interbank deposits

The Group accepts deposits from banks and other financial institutions and deposits funds in other financial institutions to adjust its asset and liability structure. As of December 31, 2024 and 2023, the Group's deposits from banks and other financial institutions totalled RMB1,016.0 million and RMB883.1 million, respectively, and the Group's deposits with banks and other financial institutions totalled RMB1,853.7 million and RMB2,459.8 million, respectively.

(B) Interbank placements

As of December 31, 2024 and 2023, the Group's placements with banks and other financial institutions totalled RMB2,276.7 million and RMB1,526.7 million, respectively, and the Group's placements from banks and other financial institutions totalled RMB2,594.0 million and RMB2,840.0 million, respectively.



(C) Interbank repo and reverse repo transactions

The securities involved in the Group's repo and reverse repo transactions are mainly RMB-denominated bonds. As of December 31, 2024 and 2023, the total amount of the Group's financial assets held under resale agreements was RMB1,112.9 million and RMB1,869.5 million, respectively, and the total amount of the Group's financial assets sold under repurchase agreements was RMB5,719.0 million and RMB2,527.1 million, respectively.

(ii) *Investments in securities and other financial assets*

(A) Securities investment by business model and characteristics of cash flow of assets of the Group

(Expressed in RMB million, unless otherwise stated)	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total (%)	Amount	% of total (%)
Financial assets at fair value through profit or loss	6,239.8	17.1	6,268.8	20.9
Financial assets at fair value through other comprehensive income	22,482.5	61.6	15,945.9	53.2
Financial assets at amortised cost	7,758.1	21.3	7,783.6	25.9
<b>Total</b>	<b>36,480.4</b>	<b>100.0</b>	<b>29,998.3</b>	<b>100.0</b>

(B) Holding of government bonds

As of December 31, 2024, the balance of face value of government bonds held by the Group amounted to RMB12,948.8 million. The table below sets forth the top 10 government bonds with the highest face value held by the Group as of December 31, 2024.

Name of the bond	Carrying amount (RMB in millions)	Annual interest rate (%)	Maturity date
24 Xinjiang bond 29	620.0	2.35	July 26, 2034
24 Fujian bond 46	500.0	2.20	December 6, 2039
24 Hunan bond 56	400.0	2.23	November 27, 2034
22 Interest-bearing treasury bond 06	400.0	2.80	March 24, 2029
24 Jilin bond 52	390.0	2.23	December 11, 2044
22 Henan bond 26	340.0	3.29	April 28, 2037
24 Chongqing bond 50	300.0	2.28	December 9, 2044
24 Yunnan bond 40	300.0	2.22	December 10, 2039
21 Hebei bond 01	300.0	3.34	March 19, 2026
24 Shaanxi bond 20	290.0	2.31	July 30, 2034
<b>Total</b>	<b>3,840.0</b>		

(C) Holding of financial bonds

As of December 31, 2024, the balance of face value of the financial bonds (mainly the financial bonds issued by policy-oriented banks, banks and other financial institutions in China) held by the Group amounted to RMB10,193.1 million. The table below sets out the 10 financial bonds with the highest face value held by the Group as of December 31, 2024.

Name of the bond	Carrying amount (RMB in millions)	Annual interest rate (%)	Maturity date
24 ADBC bond 20	1,080.0	2.30	July 4, 2034
22 EIBC bond 11	930.0	2.90	August 19, 2032
22 ADBC bond 05	880.0	3.06	June 6, 2032
24 CDB 15	400.0	2.26	July 19, 2034
24 Huijin MTN004	360.0	2.08	June 25, 2027
21 CDB 10	270.1	3.41	June 7, 2031
20 CDB 10	270.0	3.09	June 18, 2030
24 EIBC bond 10	250.0	2.44	April 12, 2034
19 CDB 15	210.0	3.45	September 20, 2029
24 China Everbright Bank Small and Micro Bonds	<u>200.0</u>	<u>2.15</u>	April 25, 2027
<b>Total</b>	<b><u><u>4,850.1</u></u></b>		

**(d) Distribution network**

**(i) Physical outlets**

As of December 31, 2024, the Group had a total of 66 business outlets. Among them, 39 business outlets were operated by the Bank itself, and the remaining outlets were operated by the Group's subsidiaries in their own names.

The Group has steadily advanced the optimization of business outlets and the upgrading of channels, continuously enhancing the competitiveness of its outlets. On the one hand, focusing on cost reduction and efficiency improvement, the Group has continuously optimized the layout of its outlets to cut operating costs. Meanwhile, it has quickened the pace of transformation and upgrading, actively explored a characteristic development path for the outlets, and promoted differentiated operation. On the other hand, seizing opportunities for technological empowerment, the Group has widely equipped its outlets with intelligent counters. It has continuously enhanced the functionality of mobile banking, online banking, and WeChat banking, strengthened online service support, developed digital application scenarios, and promoted the in-depth integration of consumption and finance.

(ii) *E-banking services*

(A) Self-service banking

The Group offers customers convenient self-service banking services via self-service equipment at relatively low operating costs. The self-service equipment is placed in business outlets, self-service areas, and public places like hospitals and schools. The Group's self-service equipment includes ATMs (Automated Teller Machines) and CRSs (Cash Recycling Systems). They offer customers 7\*24 self-service financial services, such as account inquiries, cash deposit and withdrawal, transfer and remittance, and utility bill payments, effectively reducing the Group's operating costs. As of December 31, 2024, the Group had 14 ATMs and 133 CRSs. In addition, the Group has installed intelligent devices in its business outlets. These intelligent devices have greatly improved the efficiency of business processing at the outlets and provided customers with convenient and efficient financial services. As of December 31, 2024, the Group had 133 non-cash intelligent devices and 47 cash intelligent devices.

(B) Online banking

The Group provides customers with 24-hour online banking services through its official website. The Group's corporate online banking products and services mainly include transfer and remittance, account inquiry, electronic remittance, order payment, tax withholding and payment, wealth management services, bank reconciliation, and current deposits. The Group's retail online banking services mainly include account management, transfer and remittance, time and current account deposits, wealth management services, loan services, and convenience services. As of December 31, 2024, the Group has nearly 100,000 online banking customers.

(C) Mobile banking

The Group provides mobile banking services to customers, mainly including account inquiry and management, transfer and remittance, conversion between time and current deposits, wealth management services, water bills and gas bills payment services, loan services, and other professional services. As of December 31, 2024, the Group had 211,900 mobile banking customers.

(D) WeChat banking

The Group's customers can obtain information about the Group's products, services, and promotions through the WeChat official account. They can also manage their accounts, inquire about the locations of the Group's business outlets, and make appointments for counter services through the WeChat official account. As of December 31, 2024, the Group had 446,829 subscribers to the WeChat official account.

**(e) Information about subsidiaries**

**(i) Rural banks**

As of December 31, 2024, the Group had established two rural banks, namely Yibin Xingyi Rural Bank and Neijiang Xinglong Rural Bank.

As of December 31, 2024, these rural banks had total assets of RMB8,147.5 million, total deposits of RMB7,253.8 million and total loans of RMB5,100.0 million. In 2024 and 2023, the operating income of these rural banks was RMB219.0 million and RMB222.3 million, accounting for 10.0% and 10.2% of the Group's operating income, respectively.

The Group's rural banks provide a variety of financial products and services to local corporate and retail customers. These include commercial and consumer loans, bill discounting, customer deposits, as well as fee-based and commission-based products and services such as settlement services, remittance services, and bank card services.

**(f) Information technology system operation and security**

In 2024, the Bank continued to advance its vision of becoming a digital, intelligent, and distinctive financial institution, by enhancing the IT governance framework, strengthening the foundation for business continuity management, and accelerating the development of digital information systems, to provide effective technological support for the Bank's transformation and development. This, in turn, will stimulate the Bank's innovative, stable, and high-quality development.

**(i) Improving the information technology governance system**

In 2024, our Bank continued to strengthen information technology governance and improve the technology-related institutional system. We revised and issued the Administrative Measures for the Operation of Production Systems of Yibin City Commercial Bank, the Administrative Measures for Data Standards of Yibin City Commercial Bank, and the Administrative Measures for Network Security of Yibin City Commercial Bank, to promote the institutionalization, systematization, and standardization of information technology work. At the same time, centered around the operational management goal of "Two Modes and Three Transformations" (proactive mode, process-oriented mode, automation, agility, and intelligent operations), we continue to advance proactive, process-driven, automated, agile, and intelligent operations. This aims to strengthen full life-cycle management of technology production incidents. We organized publicity campaigns such as the Network Security Week, the SciTech Activity Week, and the promotion of financial standards for the benefit of the people and enterprises. Through various means like special lectures, off-line promotions, and media dissemination, we publicized network security knowledge to customers and the general public, fulfilling our social responsibilities. Moreover, by inviting professional security institutions to conduct security assessments, classified protection evaluations, penetration tests, and simulated red-team attacks, we continuously enhanced the network security protection capabilities of our Bank's systems, ensuring the safe and stable operation of the entire Bank's systems.

*(ii) Enhancing the development of digital information systems*

The Bank has always been committed to integrating technologies like artificial intelligence, big data, and cloud computing into information technology to strengthen decision-making support and risk management. We actively use fin-tech to innovate business scenarios and keep building systems such as the Super Online Banking System, the Online Union-Pay Platform, the WeChat Banking System, the Direct Banking System, and the Mobile Banking System. This has continuously improved our omni-channel access, offering customers financial services that are “available in due time” and even “always accessible”. In 2024, the Bank remains committed to seeing through its blueprint to the end, fully advancing the implementation of its digital transformation strategy and plan for information technology. We launched a variety of digital financial product platforms, including the domestic electronic letter of credit system and the digital RMB system, continuously strengthening the Bank’s digital operation capabilities. We also launched digital financial management platforms such as the related-party transaction management system, the integrated financial anti-fraud platform, the paperless teller counter system, and the electronic file management system. Additionally, we completed and launched the migration and transformation project for the data warehouse application on the big data platform, establishing a new data warehouse based on a big data architecture. We comprehensively promoted the digitalization of business, risk monitoring, and business management, continuously strengthened the construction of system service capabilities, and steadily enhanced the Bank’s digital management capabilities.

*(iii) Strengthening the foundation for business continuity management*

Our Bank actively adopts multi-active redundancy technology to build a highly reliable and multi-level disaster recovery system, which can meet the requirements of daily production, urban-area disaster backup, off-site disaster recovery, and capability maintenance under extreme conditions. This system enhances the in-depth defense ability of the financial data center. We are gradually constructing a highly available data center pattern. We have completed and put into operation an urban-area application-level disaster recovery system and an off-site data-level disaster recovery system. In 2024, our Bank’s data center ran smoothly. We increased continuous investment in key infrastructure. We successfully passed the acceptance of the disaster recovery computer room for payment system by the PBOC. We completed the migration of core and peripheral storage data and the localization of storage systems. These efforts ensured the security of our data storage and the continuity of our business operations. We improved the trinity monitoring system of the data center, realizing centralized monitoring of business transactions, physical environment, basic resources, and system software. We built an integrated IT operation and maintenance management platform, standardizing, digitizing, and automating IT operation and maintenance services. Meanwhile, we stepped up efforts in business continuity drills. We conducted key business continuity drills throughout the year. These included site-level disaster-recovery switchover drills for important information systems to fully take over business during the day, as well as special site-level disaster-recovery switchover drills for the e-Banking system. This consistently enhanced the Bank’s emergency response capabilities.

### 3.5 Risk Management

#### *(a) Risk management of the Bank*

The Bank is committed to building a comprehensive risk management system to eliminate the impacts of various uncertainties on the Bank's achievement of strategic and operational goals. The Bank's comprehensive risk management work is implemented through a hierarchical management approach. The Board of Directors, as the highest decision-making body for risk management, is responsible for establishing and maintaining a fully effective comprehensive risk management system. By establishing a sound risk management system, implementing the risk management process in each management link, and cultivating a good risk management culture, the Bank aims to achieve the overall goal of risk management. The main components of the Bank's comprehensive risk management include credit risk, market risk, liquidity risk, operational risk, information technology risk, reputation risk, and legal and compliance risk.

#### *(i) Credit risk management*

The Bank has established and continuously improved a comprehensive credit risk management system to identify, measure, monitor, mitigate, and control risks arising in the credit business process. The Bank improves its overall credit risk management capabilities via multiple measures, such as optimizing the credit investment structure, upgrading the credit management system, improving the credit system framework, strengthening the credit review and supervision, training credit staff, and recovering and resolving non-performing loans. During the Reporting Period, the Bank focused on strengthening credit risk management in the following aspects:

1. Adhering to policy guidance and optimizing the credit investment structure. Based on local, domestic and international economic conditions as well as government policies and regulatory requirements, the Bank formulated annual loan orientation and lending plans, credit policies, and guidelines for key industries.
2. Strictly implementing the pre-loan review and credit approval work system. In line with the business development needs, the Bank implemented a hierarchical authorization review and approval system for credit business. In accordance with the requirement of separating loan approval from loan granting, a risk review center was independently established to carry out and guide the credit business risk review work of the Bank. The credit business risk review focuses on credit risk. Based on relevant information such as customer basic information, project details, collateral information submitted by operating institutions, the Bank strengthens credit risk review in terms of the completeness and effectiveness of credit documentation, the customer's qualification as a subject, creditworthiness, financing purpose, repayment ability, etc.



3. Establishing a risk early-warning mechanism. Using the data and information gathered from daily monitoring and post-loan inspections, the Bank performed quantitative and qualitative analysis to spot early warning signals endangering the safety of credit assets. It identifies the category, degree, cause, and development trend of loan risks and takes targeted actions following the specified procedures and requirements to promptly prevent, control, and resolve loan risks.
4. Strengthening risk investigations and improving risk classification management. The Bank earnestly promoted the implementation of the Measures for the Risk Classification of Financial Assets of Commercial Banks during the transition period, managed asset quality risk classification and, carried out monitoring and early-warning work effectively, and actively identified and promptly resolved credit risks.
5. Actively promoting the disposal of non-performing loans. Based on the actual circumstances of various non-performing loans, the Bank adopted effective measures such as negotiation for recovery, judicial disposal, and loan for collateral to step up the disposal of non-performing loans and set up a liability determination mechanism for non-performing asset disposal.
6. Strengthening the development of the credit team and enhancing employees' compliance awareness and professional capabilities. The Bank annually formulates training plans for various business lines, with a strong focus on providing training and guidance to credit line personnel. This enhances the professional competence and risk compliance awareness of all credit line employees, fostering a robust corporate risk control culture.

*(ii) Market risk management*

Market risk refers to the risk of losses to the Bank's on-balance-sheet or off-balance-sheet business due to adverse changes in market prices, namely interest rates, exchange rates, stock prices, and commodity prices. The primary market risk faced by the Bank is interest rate risk. Among these, the trading book interest rate risk refers to the risk of losses due to adverse changes in the interest rates of financial instruments in the trading book. The interest rate risk in the banking book refers to the risk of economic value and overall income losses in the banking book due to adverse changes in interest rate levels, term structure, etc., mainly including gap risk and basis risk. The Bank's market risk management system covers the Board of Directors, Board of Supervisors, senior management, the comprehensive risk management committee under the senior management, and various business departments, including the risk management department, planning and finance department, internal audit department, and other departments responsible for related business risk management.



The Bank has established fundamental systems for market risk and banking book interest rate risk management that align with its operations in accordance with the Market Risk Management Guidelines for Commercial Banks (《商業銀行市場風險管理指引》), the Guidelines for Internal Control of Commercial Banks (《商業銀行內部控制指引》), and the Guidelines for the Management of Interest Rate Risk in the Banking Book of Commercial Banks (《商業銀行銀行賬簿利率風險管理指引》). In 2024, the Bank remained highly attentive to market developments, further enhanced its market risk management framework, implemented stringent market risk limit management, and continuously monitored trading limits, stop-loss limits, and risk limits. The Bank took proactive measures to ensure early warning and effective risk mitigation while categorizing and managing trading and banking book accounts to continuously enhance market risk management efficiency.

The tables below summarise the Group's exposures to interest rate risks. The tables show the Group's assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing date or maturity date.

(Expressed in RMB million, unless otherwise stated)	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- interest bearing	Total
As at December 31, 2024							
<b>Assets</b>							
Cash and balances with central bank	7,083.5	–	–	–	–	235.0	7,318.5
Financial assets held under resale agreements, due from other banks and other financial institutions	3,449.6	786.9	746.8	–	–	5.2	4,988.5
Loans and advances to customers	7,577.9	5,620.1	22,099.5	17,508.6	5,349.3	288.4	58,443.8
Financial investments – fair value through profit or loss	81.2	50.2	557.8	3,455.9	326.1	1,768.6	6,239.8
Financial investments – fair value through other comprehensive income	818.9	2,043.3	5,216.1	3,813.4	10,410.4	180.4	22,482.5
Financial investments – amortised cost	44.3	–	–	2,148.5	5,474.6	90.7	7,758.1
Other financial assets	–	–	–	–	–	61.4	61.4
<b>Total financial assets</b>	<b>19,055.4</b>	<b>8,500.5</b>	<b>28,620.2</b>	<b>26,926.4</b>	<b>21,560.4</b>	<b>2,629.7</b>	<b>107,292.6</b>

(Expressed in RMB million, unless otherwise stated)	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- interest bearing	Total
<b>Liabilities</b>							
Borrowings from central bank	253.5	182.7	1,828.8	–	–	1.2	2,266.2
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	6,975.0	–	2,354.0	–	–	11.7	9,340.7
Customer deposits	26,054.8	5,812.6	16,491.7	33,831.8	–	2,327.0	84,517.9
Bonds issued	–	598.0	1,430.1	–	–	–	2,028.1
Lease liabilities	–	–	0.1	14.9	13.8	–	28.8
Other financial liabilities	–	–	–	–	–	247.9	247.9
<b>Total financial liabilities</b>	<b>33,283.3</b>	<b>6,593.3</b>	<b>22,104.7</b>	<b>33,846.7</b>	<b>13.8</b>	<b>2,587.8</b>	<b>98,429.6</b>
<b>Total interest sensitivity gap</b>	<b>(14,227.9)</b>	<b>1,907.2</b>	<b>6,515.5</b>	<b>(6,920.3)</b>	<b>21,546.6</b>	<b>41.9</b>	<b>8,863.0</b>

(Expressed in RMB million, unless otherwise stated)	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- interest bearing	Total
As at December 31, 2023							
<b>Assets</b>							
Cash and balances with central bank	6,422.9	–	–	–	–	154.1	6,577.0
Financial assets held under resale agreements, due from other banks and other financial institutions	4,814.5	289.5	489.2	–	–	7.4	5,600.6
Loans and advances to customers	6,142.2	4,834.0	19,276.0	15,484.0	3,302.6	336.1	49,374.9
Financial investments – fair value through profit or loss	130.0	50.1	1,377.3	3,345.2	238.4	1,127.8	6,268.8
Financial investments – fair value through other comprehensive income	699.4	2,697.9	3,706.3	3,700.3	4,935.8	206.1	15,945.8
Financial investments – amortised cost	1,111.2	–	–	1,074.7	5,445.7	152.0	7,783.6
Other financial assets	–	–	–	–	–	93.6	93.6
<b>Total financial assets</b>	<b>19,320.2</b>	<b>7,871.5</b>	<b>24,848.8</b>	<b>23,604.2</b>	<b>13,922.5</b>	<b>2,077.1</b>	<b>91,644.3</b>

(Expressed in RMB million, unless otherwise stated)	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- interest bearing	Total
<b>Liabilities</b>							
Borrowings from central bank	187.8	240.0	1,769.0	–	–	1.2	2,198.0
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	2,600.3	984.0	2,366.0	300.0	–	12.8	6,263.1
Customer deposits	24,501.9	4,458.9	14,029.7	26,801.2	–	1,647.4	71,439.1
Bonds issued	–	885.3	2,393.7	–	–	–	3,279.0
Lease liabilities	1.6	0.2	0.8	16.5	7.3	–	26.4
Other financial liabilities	–	–	–	–	–	391.1	391.1
<b>Total financial liabilities</b>	<b>27,291.6</b>	<b>6,568.4</b>	<b>20,559.2</b>	<b>27,117.7</b>	<b>7.3</b>	<b>2,052.5</b>	<b>83,596.7</b>
<b>Total interest sensitivity gap</b>	<b>(7,971.4)</b>	<b>1,303.1</b>	<b>4,289.6</b>	<b>(3,513.5)</b>	<b>13,915.2</b>	<b>24.6</b>	<b>8,047.6</b>

*(iii) Operational risk management*

Operational risk refers to the risk of loss resulting from deficiencies in internal procedures, employees, information technology systems, or external events. Operational risk events are incidents arising from operational risks that lead to actual or expected losses, including risks related to internal and external fraud, employment practices, workplace safety, damage to physical assets, customer, products and operations, as well as errors or failures in information technology systems.

The Bank integrates operational risk into its comprehensive risk management framework. The Board of Directors assumes ultimate responsibility for operational risk management, is responsible for the approval of the Bank's operational risk management strategy and overall policies. The Board of Supervisors is responsible for supervising operational risk management, supervising and inspecting the fulfillment of duties and responsibilities of the Board of Directors and senior management. Senior management is responsible for implementing operational risk management, ensuring the effective functioning of the operational risk management framework. In 2024, the Bank adopted a multifaceted approach to continuously strengthen operational risk management and enhance risk control capabilities:

1. Adhering to the principle of “internal control first, system-driven approach”, the Bank conducted continuous post-evaluation and refinement on a series of standardized policies and operational procedures in areas such as credit, operations, and internal control, constantly reviewed and improved its regulation systems to ensure timely and comprehensive updates. The current effective policies cover all key areas and critical processes.

2. Deepening the compliance culture, the Bank continuously established a comprehensive compliance education and training system, including the head office's compliance lecture hall for line-specific training and internal compliance education for branches. Compliance newsletters and work updates were regularly published to reinforce the compliance culture.
3. Continuously enhancing supervision, inspections, and accountability mechanisms to ensure effective policy implementation, the Bank conducted quarterly inspections covering key areas and important management aspects such as credit extension, cross-industry collaborations, self-service equipment management, wealth management, counter operations and accounting settlements, and interbank business. Simultaneously, routine risk prevention inspections were carried out at branches, with an immediate rectification approach to promptly address identified vulnerabilities.
4. Strengthening personnel management through root-cause governance, the Bank conducted comprehensive screening of employees for abnormal behavior, utilizing multiple channels and perspectives to assess employees' daily performance during the work period. Additionally, rigid job constraints were enforced, including the separation of incompatible roles and control of critical positions, alongside strict adherence to job rotation policies.

*(iv) Liquidity risk*

Liquidity risk refers to the risk of being unable to obtain sufficient funds at a reasonable cost in a timely manner to meet debt obligations. It is primarily influenced by external factors such as macroeconomic policies, changes in financial markets, and the competitive landscape of the banking industry, as well as internal factors such as the maturity structure of assets and liabilities, the stability of deposits, and financing capabilities. In extreme cases, insufficient liquidity may lead to solvency risks for commercial banks. The Bank's liquidity risk management objective is to establish and continuously improve liquidity risk management strategies, policies, and procedures, clarify the organizational structure and departmental responsibilities, fully identify, effectively measure, and continuously monitor the Bank's liquidity risk, effectively prevent and control liquidity risk, and achieve a coordinated balance among operational safety, liquidity, and profitability.

The Bank has established an effective liquidity management framework, decision-making processes, and systems. The Board of the Bank is ultimately responsible for liquidity risk management, reviewing and approving policies, strategies, procedures, and liquidity risk limits related to the Bank's liquidity management based on risk appetite, and regularly receiving liquidity risk reports on significant changes and potential shifts in the Bank's liquidity risk. The Asset and Liability Management Committee under senior management is responsible for implementing liquidity risk management strategies, policies, and procedures. The Planning and Finance Department is responsible for the daily management of liquidity risk, with relevant business departments collaborating to form a well-coordinated and efficiently operating organizational structure for liquidity risk management.

In 2024, the Bank adhered to the liquidity risk management principles of “unified management, safety and stability, forward-looking management, and comprehensive coverage”, strengthening proactive and forward-looking liquidity management. By effectively integrating the Bank’s various business activities with liquidity management, the Bank maintained liquidity stability through the following measures:

1. Strictly implementing the liquidity risk management policies and preferences set by the Board of Directors, the Bank balanced the relationship among safety, liquidity, and profitability.
2. Strengthening the foundations of daily position management, the Bank’s high-frequency monitoring of reserve funds and large capital flows. For critical periods such as holidays, the Bank made accurate position forecasts and arrangements, strictly adhering to the bottom line of avoiding payment risks.
3. Conducting quarterly liquidity risk stress tests, the Bank promptly assessed its ability to withstand liquidity risk pressures and its risk mitigation capabilities.
4. Enhancing liquidity risk monitoring, management, and early warning analysis. While rigorously implementing regulatory requirements, the Bank closely monitored various indicators and limits based on its actual conditions. It conducted identification, assessment, and measurement tasks to promptly identify risks and proactively deploy prevention, control, and risk mitigation measures.

The table below analyses the Group’s assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

(Expressed in RMB million,  
unless otherwise stated)

	On demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Indefinite	Overdue	Total
<b>As at December 31, 2024</b>									
<b>Assets</b>									
Cash and balances with central bank	3,091.6	-	2.6	-	-	-	4,224.3	-	7,318.5
Financial assets held under resale agreements, due from other banks and other financial institutions	1,290.2	1,994.3	788.0	747.7	-	-	-	168.3	4,988.5
Loans and advances to customers	-	2,933.3	5,543.4	22,749.3	19,468.4	7,244.8	-	504.6	58,443.8
Financial investments – fair value through profit or loss	-	84.6	51.4	1,748.4	2,648.8	970.6	736.0	-	6,239.8
Financial investments – fair value through other comprehensive income	-	799.2	2,043.3	5,232.9	3,876.9	10,507.4	-	22.8	22,482.5
Financial investments – amortised cost	-	-	-	-	2,178.1	5,535.7	-	44.3	7,758.1
Other financial assets	57.2	-	-	-	-	-	-	4.2	61.4
<b>Financial assets held for managing liquidity risk (contractual maturity dates)</b>	<b>4,439.0</b>	<b>5,811.4</b>	<b>8,428.70</b>	<b>30,478.3</b>	<b>28,172.2</b>	<b>24,258.5</b>	<b>4,960.3</b>	<b>744.2</b>	<b>107,292.6</b>

(Expressed in RMB million,  
unless otherwise stated)

	On demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Indefinite	Overdue	Total
<b>Liabilities</b>									
Borrowings from central bank	–	253.7	182.7	1,829.8	–	–	–	–	2,266.2
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	56.0	6,922.0	–	2,362.7	–	–	–	–	9,340.7
Customer deposits	23,147.3	3,002.1	6,004.1	17,076.2	35,288.2	–	–	–	84,517.9
Bond issued	–	–	598.0	1,430.1	–	–	–	–	2,028.1
Lease liabilities	–	–	–	0.1	14.9	13.8	–	–	28.8
Other financial liabilities	247.9	–	–	–	–	–	–	–	247.9
<b>Total financial liabilities (contractual maturity dates)</b>	<b>23,451.2</b>	<b>10,177.8</b>	<b>6,784.8</b>	<b>22,698.9</b>	<b>35,303.1</b>	<b>13.8</b>	<b>–</b>	<b>–</b>	<b>98,429.6</b>
<b>Position</b>	<b>(19,012.2)</b>	<b>(4,366.4)</b>	<b>1,643.9</b>	<b>7,779.4</b>	<b>(7,130.9)</b>	<b>24,244.7</b>	<b>4,960.3</b>	<b>744.2</b>	<b>8,863.0</b>

(Expressed in RMB million,  
unless otherwise stated)

	On demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Indefinite	Overdue	Total
<b>As at December 31, 2023</b>									
<b>Assets</b>									
Cash and balances with central bank	3,053.0	–	2.4	–	–	–	3,521.6	–	6,577.0
Financial assets held under resale agreements, due from other banks and other financial institutions	1,329.0	3,318.6	291.4	661.6	–	–	–	–	5,600.6
Loans and advances to customers	–	2,241.9	5,017.3	19,570.6	16,869.9	4,941.0	–	734.2	49,374.9
Financial investments – fair value through profit or loss	–	145.1	76.7	1,632.6	3,560.0	238.4	616.0	–	6,268.8
Financial investments – fair value through other comprehensive income	–	708.2	2,748.4	3,812.0	3,700.3	4,935.8	–	41.1	15,945.8
Financial investments – amortised cost	–	1,182.6	41.9	38.7	1,074.7	5,445.7	–	–	7,783.6
Other financial assets	70.6	–	–	–	–	–	–	23.0	93.6
<b>Financial assets held for managing liquidity risk (contractual maturity dates)</b>	<b>4,452.6</b>	<b>7,596.4</b>	<b>8,178.1</b>	<b>25,715.5</b>	<b>25,204.9</b>	<b>15,560.9</b>	<b>4,137.6</b>	<b>798.3</b>	<b>91,644.3</b>

(Expressed in RMB million,  
unless otherwise stated)

	On demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Indefinite	Overdue	Total
<b>Liabilities</b>									
Borrowings from central bank	-	188.0	240.0	1,770.1	-	-	-	-	2,198.1
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	73.1	2,527.3	992.8	2,369.6	300.3	-	-	-	6,263.1
Customer deposits	19,641.0	4,966.2	4,629.5	14,440.3	27,762.1	-	-	-	71,439.1
Bond issued	-	-	885.3	2,393.7	-	-	-	-	3,279.0
Lease liabilities	-	1.6	0.2	0.8	16.5	7.3	-	-	26.4
Other financial liabilities	391.1	-	-	-	-	-	-	-	391.1
<b>Total financial liabilities</b> (contractual maturity dates)	<b>20,105.2</b>	<b>7,683.1</b>	<b>6,747.8</b>	<b>20,974.5</b>	<b>28,078.9</b>	<b>7.3</b>	<b>-</b>	<b>-</b>	<b>83,596.8</b>
<b>Position</b>	<b>(15,652.6)</b>	<b>(86.7)</b>	<b>1,430.3</b>	<b>4,741.0</b>	<b>(2,874.0)</b>	<b>15,553.6</b>	<b>4,137.6</b>	<b>798.3</b>	<b>8,047.5</b>

(v) *Reputational risk management*

Reputational risk refers to the risk of negative evaluations by stakeholders due to the Bank's operations, management, other actions, or external events. The primary objective of the Bank's reputational risk management is to establish a proactive, reasonable, and effective reputational risk management mechanism to identify, monitor, control, and mitigate reputational risks, thereby building and maintaining a positive image of the Bank and promoting its sustained, stable, and healthy development.

The Board of the Bank bears ultimate responsibility for reputational risk management. It is responsible for formulating reputational risk management strategies and overall objectives aligned with the Bank's strategic goals, overseeing senior management's fulfillment of reputational risk management responsibilities, regularly listening to reports on reputational risk management. Senior management, in accordance with the reputational risk management strategies set by the Board, establishes and improves reputational risk management systems tailored to the Bank, improving the reputational risk management mechanisms with clear responsibilities, collaborative division of labor, and participation from all relevant parties. In 2024, the Bank continued to refine its reputational risk management systems and mechanisms, consistently enhancing its reputational risk management capabilities.

1. Strengthening group management and mechanism development, the Bank guided its subsidiaries in formulating reputational risk management systems, thereby expanding the coverage of reputational risk management.
2. Implementing measures such as "24/7 monitoring, prevention before issues arise, strengthened guidance and control", the Bank comprehensively strengthened the proactive nature of its reputational risk management.



3. Enhancing public sentiment monitoring, the Bank conducted real-time, comprehensive monitoring of public sentiment across all platforms regarding issues of concern to customers and the media, such as business performance, product reputation, customer complaints, and key events. It ensured compliant information disclosure, continuously improving the comprehensiveness and transparency of such disclosures.
4. Diligently advancing various consumer rights protection initiatives, the Bank continuously improved its consumer protection systems and strengthened complaint management to promptly address reasonable consumer demands.
5. Strengthening employee training on reputational risk awareness, the Bank reinforced compliance as a bottom line and enhanced service quality.

*(vi) Legal and compliance risk management*

Legal and compliance risk refers to the risk of facing legal sanctions, regulatory penalties, significant financial losses, or reputational damage due to non-compliance with laws, regulations, regulatory requirements, rules, standards, as well as the Bank's internal policies and normative documents. The objective of the Bank's legal and compliance risk management is to establish and improve a compliance risk management system, enabling effective identification, prevention, and management of compliance risks, promoting the development of a comprehensive risk management framework, and ensuring lawful and compliant operations. The Bank has integrated legal and compliance risk management into its corporate culture development and comprehensive risk management framework, establishing a well-structured compliance risk management system that operates from the top down. In 2024, the Bank adopted a management philosophy of "prevention first, proactive measures, strengthening foundations, and strictly adhering to bottom lines" to drive continuous enhancement of compliance management:

1. Issuing the Opinions on Case Prevention and Compliance Work in 2024 (《2024 年案防合规工作的意见》), the Bank aligned with both internal and external challenges and prioritized annual tasks, deepening the implementation of compliance management measures throughout the year.
2. Launching compliance management special initiative, the Bank focused on key tasks such as improving the organizational, institutional, operational, and support systems for compliance management, and the implementation of modular and checklist-based approach to drive comprehensive compliance enhancement across the Bank.
3. Organizing activities such as "Management Leading Compliance Talks" and "Compliance Management Awareness Month", the Bank continued to advance legal education and assessment initiatives, host compliance lectures, conduct centralized case studies, and online and offline training and fostered a culture of learning and adhering to compliance rules.



4. Conducting ongoing post-evaluation of policies, the Bank promptly identified gaps and vulnerabilities in internal management systems, enhancing their standardization, practicality, and guidance.
5. Focusing on key risks, the Bank conducted quarterly inspections of case-related risks and compliance risks in critical areas, organizing specialized supervision and inspections for key businesses and institutions. Clear measures were implemented to achieve a virtuous cycle of “inspection-summary-rectification-improvement”, continuously elevating the quality and effectiveness of internal control and compliance management.

*(vii) Information technology risk management*

Information technology (IT) risk refers to potential threats arising from the application of information technology, such as business interruptions, data breaches, or system failures caused by natural factors, system defects, management loopholes, or human errors. These risks may lead to financial losses, reputational damage, or compliance issues. The Bank’s objective in IT risk management is to establish an effective management mechanism to identify, assess, measure, monitor, and control IT risks, thereby ensuring the Bank’s safe, continuous, and stable operations. By enhancing the level of information technology utilization, the Bank aims to strengthen its core competitiveness and support sustainable development. IT risk management is integrated into the Bank’s comprehensive risk management framework.

In 2024, the Bank continued to advance its digital transformation, striving to build a digital and intelligent bank. It strengthened awareness of IT risk management, improved emergency management mechanisms, and further refined its IT risk management framework:

1. Enhancing the IT risk management policy framework. The Bank further improved its IT management policy system in 2024, revising and refining over 20 IT management policies, including the Measures for the Management of Information Technology Risks of Yibin City Commercial Bank (《宜賓市商業銀行信息科技風險管理辦法》), the Measures for Business Continuity Management of Yibin City Commercial Bank (《宜賓市商業銀行業務連續性管理辦法》), the Measures for the Monitoring and Management of Key Risk Indicators (KRI) for Information Technology Risks of Yibin City Commercial Bank (《宜賓市商業銀行信息科技風險關鍵風險指標(KRI)監測管理辦法》), the Implementation Rules for the Management of Information Technology Outsourcing of Yibin City Commercial Bank (《宜賓市商業銀行信息科技外包管理實施細則》), and the Measures for the Management of Information Technology Service Levels of Yibin City Commercial Bank (《宜賓市商業銀行信息科技服務水平管理辦法》).

2. Strengthening IT risk defenses. The Bank further reinforced IT risk management to ensure the secure and stable operation of its information systems. Regular IT risk assessments were conducted, comprehensively analyzing and evaluating IT risks and their management from dimensions such as IT governance, critical IT infrastructure management, network and data security management, outsourcing risk management, and business continuity management. 12 IT audit projects were carried out, covering areas such as payment sensitive information, network and data security, information system changes, system operation and maintenance, and outsourcing risk management. Specialized training on information security awareness, secure development techniques, and business continuity management was provided to enhance employees' security awareness and IT staff's information security skills.
3. Strengthening financial technology security foundations. The Bank strengthened management of production incidents and issues, enhanced system inspections and problem rectifications, and continuously optimized and fortified internet applications. Efforts were made to improve IT system construction and infrastructure development, enhancing data center support and service capabilities. Development security requirements were established, forming secure coding standards and strengthening security management throughout the software development process. Regular foundational tasks were performed, including software authenticity checks, branch inspections, penetration testing, vulnerability scanning, security assessments, and graded protection evaluations.
4. Optimizing the business continuity management system. The Bank further increased its investment in the foundational resources for business continuity, engaged a third party to optimize its business continuity management system, and revised relevant management policies. The Bank conducted a live cross-site business continuity drill during daytime operations and completed over 20 emergency drills covering information systems, software and hardware, and outsourced services. These efforts strengthened emergency response capabilities, validated the effectiveness of contingency plans and the adequacy of emergency resources, enhanced the Bank's overall risk awareness and emergency response capacity, and ensured the secure and reliable operation of its data centers and business systems.

*(viii) Anti-money laundering and counter-terrorist financing management*

The Bank strictly complies with the PRC Anti-money Laundering Law (《中華人民共和國反洗錢法》), the Notice of the People's Bank of China on Strengthening Identification of Anti-Money Laundering Customers (《中國人民銀行關於加強反洗錢客戶身份識別有關工作的通知》), the Administrative Measures for the Financial Institutions' Report of Large-Sum and Doubtful Transactions (《金融機構大額和可疑交易報告管理辦法》), and other relevant laws and regulations. Based on these regulatory requirements, the Bank has formulated and revised various policies, including the Internal Control Regulations on Anti-Money Laundering of Yibin City Commercial Bank (《宜賓市商業銀行反洗錢內部控制管理規定》), the Measures for the Management of Money Laundering, Terrorist Financing, and Proliferation Financing Risks of Yibin City Commercial Bank (《宜賓市商業銀行洗錢和恐怖融資及擴散融資風險管理辦法》), the Operational Procedures for Customer Identification, Customer Information, and Transaction Record Retention of Yibin City Commercial Bank (《宜賓市商業銀行客戶身份識別和客戶身份資料及交易記錄保存操作規程》), the Measures for the Risk Classification Management of Customer Money Laundering and Terrorist Financing Risks of Yibin City Commercial Bank (《宜賓市商業銀行客戶洗錢和恐怖融資風險等級分類管理辦法》), and the Measures for the Self-Assessment Management of Money Laundering and Terrorist Financing Risks of Yibin City Commercial Bank (《宜賓市商業銀行洗錢和恐怖融資風險自評估管理辦法》), thereby strengthening the Bank's anti-money laundering management framework.

The Board of Directors, the Board of Supervisors, senior management, departments of the head office, and branches of the Bank strictly adhere to the responsibilities defined in the Measures for the Management of Money Laundering, Terrorist Financing, and Proliferation Financing Risks of Yibin City Commercial Bank, ensuring that anti-money laundering duties are implemented at every level with rigorous accountability. Within their scope of authority, the Board of the Bank assumes ultimate responsibility for money laundering risk management, the Board of Supervisors is responsible for overseeing money laundering risk management, and senior management is accountable for the implementation of money laundering risk management measures. The head office has established a Leading Group for Anti-Money Laundering, which serves as the leading and coordinating body for the Bank's anti-money laundering efforts. The Leading Group's office is located within the accounting management department, which handles its daily operations and takes the lead in managing the Bank's anti-money laundering activities. Under the accounting management department, an Anti-money Laundering Monitoring Center has been established, staffed with dedicated personnel responsible for specific anti-money laundering tasks. Branches and first-tier sub-branches have also set up their own leading groups for anti-money laundering, and designated anti-money laundering officers to handle specific anti-money laundering work within their respective institutions.

In 2024, the Bank diligently fulfilled its responsibilities in anti-money laundering and counter-terrorist financing, continually enhancing its risk management practices in anti-money laundering. Firstly, the Bank focused on improving its systems to enhance monitoring capabilities. In light of the evolving regulatory landscape for anti-money laundering and the changing characteristics of money laundering crimes, and through concentrating on key work modules such as data governance, suspicious transaction analysis, customer due diligence, and institutional money laundering risk assessment, it continued to optimize its money laundering risk self-assessment system and the suspicious transaction analysis system, and established a new dynamic management system for grading customer money laundering risks, providing robust support for its anti-money laundering initiatives. Secondly, the Bank actively organized and implemented anti-money laundering training programs. Utilizing a blend of online and offline learning methods, it regularly conducted targeted training sessions on anti-money laundering aimed at enhancing employees' awareness of anti-money laundering compliance, improving their professional skills, and strengthening their ability to perform effectively in their roles. Thirdly, the Bank enhanced policy enforcement through a combination of on-site and off-site inspections. Utilizing its anti-money laundering monitoring system, it conducted unscheduled checks on customer identity verification, risk grading, and re-due diligence, continually improving its internal control measures and its capacity to mitigate money laundering risks. This helped maintain stability in the economic and financial order. Moreover, it conducted thorough anti-money laundering investigations and data monitoring analysis to ensure effective governance of customer identity information and to effectively prevent and combat money laundering activities. Fourthly, the Bank carried out anti-money laundering awareness campaigns through various channels. It expanded the reach of these campaigns to further boost public awareness and engagement in anti-money laundering efforts, thereby creating a positive social environment that supports anti-money laundering efforts.

*(ix) Internal audit*

The Bank's internal audit is risk-oriented and includes independent and objective supervision, assessment and consultancy. It reviews, assesses and supervises the improvement of business operations, risk management, internal control and compliance and effectiveness of corporate governance of the Bank through systemized and standardized methods in order to promote the sound development of the Bank and the realization of the strategic targets of the Board.

The objective of the Bank's internal audit is to promote the implementation of government's economic and financial laws and regulations, guidelines and policies, rules of regulatory authorities and various rules and regulations of the Bank, and to raise opinions and make suggestions on risk management, internal control and compliance and effectiveness of corporate governance of the Bank within the Bank's risk management framework so that risks can be controlled at an acceptable level. The internal audit is also aimed at the continuous improvement of the Bank's business operation and management, and the enhancement of values.

The Group's internal audit mainly consists of an internal audit organizational system and an internal audit policy system at both the Group and subsidiary levels. A relatively independent and vertically managed internal audit organization has been established under the organizational system, with audit supervision covering all businesses and organizations of the Group. The independent and vertical internal audit management system at the group level consists of the Board of Directors of the Bank, the Audit Committee under the Board of Directors, the Internal Audit Department and the audit staff, which are responsible for the corresponding responsibilities at the group level. The Internal Audit Department centrally manages the Group's audit work. The independent and vertical internal audit management system of subsidiary rural banks consists of the board of directors of the rural banks, the committees under the board of directors, the Internal Audit Department and the audit staff. The Internal Audit Department of rural banks is subject to the dual management of the Internal Audit Department of the group companies and the rural banks.

The Bank's internal audit is independent from its business operation, risk management and internal control and compliance, and does not bear the responsibility of designing and operating the business system, fulfilling operational functions, preparing financial statements, or initiating or approving business affairs. It focuses on evaluating the effectiveness of functions such as business operation, risk management, internal control and compliance and overseeing the rectification process in order to ensure the independence and effectiveness of audit.

The Bank's internal audit functions through a variety of methods, including on-site audits, off-site audits, scheduled audits, unscheduled audits, pre-notice audits, ad-hoc audits, comprehensive audits, special audits, and audit investigations, and focuses on audit supervision inspection, risk management review, case risk investigation, audit supervision evaluation, and audit supervision rectification, and other audit tasks. As a result, it achieved its annual work targets of promoting the standardization of operation and management activities, effectively preventing operational risks, facilitating the effective implementation of case prevention and control measures, ensuring the authenticity and effectiveness of internal control evaluation, and correcting violations in a timely manner.

Through auditing projects including routine chronological audits, authenticity of final accounting and economic responsibility audit, the Bank's internal audit conducts audit and evaluation of the Bank's operation management, operation practices and performances, as well as the performance of key positions; the Bank strengthened the audits and supervision of the business practices and daily operations of its employees through various audit practices to prevent operational risks and ethical risks. The Bank also enhanced the implementation of rules and regulations and the audits fulfilled the functions to identify, remedy and prevent errors, deviations, faults and omissions.



**(b) *Risk management of the subsidiaries***

As a separate legal entity, each subsidiary has established risk management and internal control systems in accordance with the applicable regulatory requirements. The Bank participates in formulating the risk management policies and strategies of each subsidiary through the board of directors and the management team of the subsidiaries. The management personnel shall be recommended by the Bank.

**(i) *Credit risk management***

The subsidiaries of the Bank follow a prudent operation approach and continuously optimize asset quality through a variety of measures. These include enhancing whole-process credit management, standardizing operational procedures, conducting early identification and warning of potential risks, and improving mechanisms for the disposal of non-performing assets.

**(ii) *Market risk management***

The subsidiaries of the Bank effectively manage account interest rate risks by dynamically adjusting interest rates for various products and developing innovative products. At the same time, they continuously monitor and evaluate market risks to ensure that risks are controlled within acceptable limits, guaranteeing stable business operations.

**(iii) *Operational risk management***

The subsidiaries of the Bank have established an operational risk management system, implemented the requirements of regulatory authorities and the Bank, and conducted regular operational risk stress tests.

**(iv) *Liquidity risk management***

The subsidiaries of the Bank managed the liquidity risk through (i) establishing a reporting system for large fund movement and ensuring a reasonable allocation of funds to increase returns on assets; (ii) closely monitoring movements in key liquidity indicators; (iii) adjusting the maturity profile of assets and liabilities; and (iv) conducting periodic liquidity stress tests.

**(v) *Reputational risk management***

Each subsidiary establishes a clear framework with defined responsibilities in accordance with their own policies to ensure that accountability for reputational risk management is assigned to specific individuals. They implement a public opinion reporting mechanism to classify and manage reputation incidents, and apply graded controls based on the extent of public impact. Furthermore, they develop clear and well-defined emergency response plans concerning reputational risk incidents to ensure timely and effective handling of unforeseen events.

*(vi) Legal and compliance risk management*

Each subsidiary has established a sound whole-process management system for legal and compliance matters, enabling them to effectively identify various legal and compliance risks. They also enhance employees' capacity to fulfill their duties in compliance with laws through providing compliance training and reinforcing guarantee for legal and compliance resources.

*(vii) Information technology risk management*

Each subsidiary has established thorough procedures and policies for managing information technology risks and developed business continuity management and emergency response plans to address operational disruptions.

*(viii) Anti-money laundering and counter-terrorist financing management*

Each subsidiary has created a robust management system and procedures for anti-money laundering and counter-terrorist financing in compliance with the Anti-Money Laundering Law of the People's Republic of China and regulations issued by the People's Bank of China, encompassing customer identification, the retention of identity information and transaction records, anti-money laundering training and awareness initiatives, as well as the management of block trading and suspicious transaction reports. Each subsidiary reports suspicious transactions to the China Anti-Money Laundering Monitoring and Analysis Center as an independent legal entity according to relevant regulatory requirements.

*(ix) Internal audit*

The internal audit department of each subsidiary is staffed with dedicated auditors who exercise audit supervision independently. By employing systematic and standardized methods, they review and evaluate and supervise the improvement of the Bank's business operations, risk management, internal control and compliance, and effectiveness of corporate governance, promoting its stable operations and value enhancement.

### **3.6 Capital Adequacy Ratio Analysis**

All commercial banks in China are required to comply with the capital adequacy requirements issued by the former CBIRC. The Group calculated the capital adequacy ratio as at December 31, 2023 based on the Measures for the Administration of Capital of Commercial Banks (Trial) issued by the former CBIRC in June 2012. The Group calculated the capital adequacy ratio as at December 31, 2024 in accordance with the Measures for the Administration of Capital of Commercial Banks issued by the National Financial Regulatory Administration, which has been effected from January 1, 2024. Commercial banks in China (excluding systemically important banks) are required to maintain: (i) capital adequacy ratios equal to or above 10.5% and 10.5% as at December 31, 2023 and 2024, respectively; (ii) tier-one capital adequacy ratios equal to or above 8.5% and 8.5% as at December 31, 2023 and 2024, respectively; and (iii) core tier-one capital adequacy ratios equal to or above 7.5% and 7.5% as at December 31, 2023 and 2024, respectively.

The table below presents the relevant information about the Group's capital adequacy ratio as of the dates indicated.

(Unless otherwise stated, amounts are presented in RMB million)	December 31, 2024	December 31, 2023
<b>Core Tier-one Capital</b>	<b>9,878.7</b>	9,158.5
Core Tier-one Capital deductions	(286.1)	(232.8)
<b>Net Core Tier-one Capital</b>	<b>9,592.6</b>	8,925.8
Other Tier-one Capital	24.1	24.4
Net Tier-one Capital	9,616.7	8,950.2
Tier-two Capital	927.3	842.2
Net Capital	10,544.0	9,792.4
Total risk-weighted assets	76,058.5	73,023.4
<b>Core Tier-one Capital adequacy ratio</b>	<b>12.61%</b>	12.22%
<b>Tier-one Capital adequacy ratio</b>	<b>12.64%</b>	12.26%
<b>Capital adequacy ratio</b>	<b>13.86%</b>	13.41%

#### 4. Issuance of H Shares and Listing on the Hong Kong Stock Exchange

The H shares of the Bank were listed on the Main Board of the Hong Kong Stock Exchange (“**Listing**”) on January 13, 2025 (the “**Listing Date**”). The global offering of the Bank comprised 688,400,000 H shares, with offer price of HK\$2.59 per H share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%). The net proceeds from the global offering received by the Bank, after deduction of the underwriting commissions and estimated expenses in connection with the global offering, are approximately HK\$1,709.3 million.

The net proceeds from the global offering are intended to enhance the Bank's capital base to support the ongoing growth of business. As of the date of this announcement, the Bank has not yet utilized any of the proceeds from the global offering.

#### 5. Other Information

##### 5.1 Corporate Governance

The Bank is dedicated to upholding high standards of corporate governance and continuously improving the transparency of its corporate governance practices to safeguard shareholder interests and enhance corporate value.



The Bank has established a comprehensive corporate governance framework in compliance with the PRC laws and regulations, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the articles of association of the Bank (the “**Articles of Association**”). The general meeting is the highest authority of the Bank. The Board of Directors is accountable to the general meeting, and takes the ultimate responsibility for the operation and management of the Bank. Its responsibilities include, among others, formulating the business development strategy and overseeing its implementation, determining the business plan and investment program, preparing the profit distribution plan and deciding on the internal management setup. The Board of Directors has set up relevant committees to perform specific duties. These committees include the strategy and asset and liability management committee, the related party transactions control committee, the nomination and remuneration committee, the risk management committee, the internal control and compliance committee, the audit committee and the consumer rights and interests protection committee. The Board of Supervisors is accountable to the general meeting and reports on its work to the general meeting. It has the duty and power to supervise the performance and fulfillment of duties of the Board of Directors and the senior management and their members, and the establishment and optimization of the internal control governance structure and overall risk management governance structure, and inspect the financial affairs of the Bank. The senior management carries out operational and management activities in accordance with the Articles of Association and the authorization of the Board of Directors, and is responsible to the Board of Directors and is subject to the supervision of the Board of Supervisors. It actively implements the resolutions of the general meetings and the resolutions of the Board of Directors and makes timely, accurate and complete reports on the Bank’s operation and management.

The Bank has incorporated Part 2 of the Corporate Governance Code (the “**CG Code**”) of Appendix C1 to the Listing Rules and the Corporate Governance Guidelines for Banking and Insurance Institutions (the “**Guidelines**”) issued by the former CBIRC into its governance structure and policies. The CG Code and the Guidelines are well reflected in the Articles of Association and the rules of procedure for the general meetings and meetings of the Board of Directors and the committees under the Board of Directors. The Bank’s general meeting, Board of Directors, Board of Supervisors and senior management perform their respective duties, forming a good corporate governance structure. The Bank closely monitors its business operation to ensure its compliance with the relevant requirements under applicable laws, regulations, codes, guidelines and the Bank’s internal policies.

Since the Listing Date and up to the date of this announcement, the Bank has fully complied with all applicable code provisions contained in the CG Code. The Directors were not aware of any information that indicated the non-compliance with the code provisions as set out in the CG Code by the Bank. The Bank has also strictly complied with the provisions regarding management of inside information of the applicable laws, regulations and the Listing Rules.

The Bank will enhance its corporate governance constantly to ensure compliance with the CG Code and the Guidelines and meet the higher expectations from its shareholders and potential investors.

## 5.2 Securities Transactions of Directors, Supervisors, and Senior Management

The Bank has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code governing securities transactions conducted by the Bank’s Directors, supervisors, and senior management.

Having made specific enquiries to all Directors, supervisors and members of the senior management, the Bank confirmed that they had complied with the Model Code since the Listing Date and up to the date of this announcement.

## 5.3 Profit and Dividend

The Group’s revenue for the year ended December 31, 2024 and financial position as of that date are included in the financial report section of this announcement.

The Board of the Bank proposed to distribute a final cash dividend of RMB0.05 (tax inclusive) per share (the “**final dividend**”) for the year ended December 31, 2024 to all shareholders, with the total amount of RMB229.42 million (tax inclusive). The Board will submit such proposal to the 2024 annual general meeting (the “**AGM**”) for approval. The final dividend, if approved at the AGM, is expected to be paid on or before August 26, 2025 by the Bank.

Subject to the approval of the above proposal at the AGM, the final dividend will be paid to the domestic shareholders and H shareholders whose names appear on the register of members of the Bank on Tuesday, July 8, 2025. For the purpose of ascertaining the identity of shareholders entitled to the final dividend, the registers of members of domestic shares and H shares of the Bank will be closed from Thursday, July 3, 2025 to Tuesday, July 8, 2025 (both days inclusive). In order to be entitled to the final dividend distribution, the H shareholders of the Bank are required to lodge all share certificates together with the transfer documents with the Bank’s H share registrar, Computershare Hong Kong Investor Services Limited (Address: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong) no later than 4:30 p.m. on Wednesday, July 2, 2025.

The proposed dividends mentioned above are denominated in Renminbi (RMB) and will be distributed to domestic shareholders and H shareholders in RMB and Hong Kong dollars (HKD), respectively. For dividends distributed in HKD, the applicable exchange rate will be the average of the central parity rates of RMB against HKD published by the PBOC during the five business days prior to the date on which the dividend is announced at the AGM (including the date of the AGM).

The Bank will make a further announcement should there be any changes to the above arrangements for the distribution of final dividend.

## 5.4 Tax Relief

### ***(1) Withholding and payment of enterprise income tax for overseas non-resident enterprise shareholders***

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules and the relevant regulations, the Bank has the obligation to withhold and pay enterprise income tax at a tax rate of 10% on behalf of the non-resident enterprise shareholders whose names appear on the H Share register of members in the distribution of final dividend. As any shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees, trustees or other organizations and groups, will be treated as being held by non-resident enterprise shareholders, the dividends received shall be subject to the withholding of enterprise income tax.

Upon receipt of such dividends, a non-resident enterprise shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent, and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

### ***(2) Withholding and payment of individual income tax for individual overseas resident shareholders***

According to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation rules and the Announcement of the State Taxation Administration on Issuing the Administrative Measures for Tax Convention Treatment for Non-resident Taxpayers (STA Announcement 2019 No. 35) (《國家稅務總局關於發佈〈非居民納稅人享受稅收協定待遇管理辦法〉的公告》(國家稅務總局公告2019年第35號)) (the "Tax Convention Announcement"), the Bank has the obligation to withhold and pay individual income tax on behalf of the individual shareholders whose names appear on the H Share register of members ("Individual H Shareholder(s)") in the distribution of final dividend. However, Individual H Shareholders are entitled to the relevant favorable tax treatments pursuant to the provisions in the tax treaties between the countries (regions) in which they are domiciled and the PRC, and the tax arrangements between the mainland and Hong Kong (or Macau). As such, the Bank will withhold and pay individual income tax on behalf of the Individual H Shareholders in accordance with the following arrangements:

- For Individual H Shareholders receiving dividends who are Hong Kong or Macau residents or citizens from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Bank will withhold and pay individual income tax at the rate of 10% in the distribution of final dividend;

- For Individual H Shareholders receiving dividends who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Bank will withhold and pay individual income tax at the rate of 10% in the distribution of final dividend. If relevant Individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Bank will handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the Tax Convention Announcement. Qualified shareholders shall submit in time a letter of entrustment and all application materials as required under the Tax Convention Announcement to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited. The Bank will then submit the above documents to competent tax authorities and, after their examination and approval, the Bank will assist in refunding the excess amount of tax withheld and paid;
- For Individual H Shareholders receiving dividends who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Bank will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- For Individual H Shareholders receiving dividends who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of 20% or without tax treaties with the PRC or under other circumstances, the Bank will withhold and pay the individual income tax at the rate of 20% in the distribution of final dividend.

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends paid by the Bank. Shareholders of the Bank pay taxes and/or are entitled to tax relief in accordance with the aforementioned regulations.

## **5.5 Date of AGM and Closure of Register of Members**

The AGM will be held on Thursday, June 26, 2025. In order to determine the list of shareholders who are entitled to attend and vote at the AGM, the H share register of members of the Bank will be closed from Monday, June 23, 2025 to Thursday, June 26, 2025 (both days inclusive). Shareholders whose names appear on the H share register of members of the Bank on Thursday, June 26, 2025 are entitled to attend the AGM. Shareholders who intend to attend the AGM shall lodge all the transfer documents together with the relevant share certificates with the Bank's H share registrar, Computershare Hong Kong Investor Services Limited (Address: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) (for H shareholders) or the Office of the Board of Directors of the Bank (Address: No. 9 Jinshajiang Avenue, Xuzhou District, Yibin, Sichuan Province, the PRC; Postal code: 644000) (for domestic shareholders) no later than 4:30 p.m. on Friday, June 20, 2025.

A shareholder or his/her/its proxy should present proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorised by the board of directors or other governing body of such shareholder may attend the AGM by providing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

## **5.6 Purchase, Sale or Redemption of Listed Securities of the Bank**

The H shares of the Bank were listed on the Main Board of the Hong Kong Stock Exchange on January 13, 2025. Since the Listing Date and up to the date of this announcement, neither the Bank nor any of its subsidiaries has purchased, sold or redeemed any of listed securities of the Bank (including the sale of treasury shares).

As at the date of this announcement, no treasury shares were held by the Bank.

## **5.7 Subsequent Events**

In accordance with the relevant regulations on the selection and appointment of accounting firms, following the fulfillment of the open selection procedures and based on the results of the evaluation and with reference to the recommendations by the Audit Committee, on February 10, 2025, the Board resolved to propose the appointment of Confucius International CPA Limited as the international auditor of the Bank for the Year 2024 to provide the Bank with financial report audit, performance evaluation and internal control audit services for the Year 2024, and its term of service will end until the conclusion of the next annual general meeting of the Bank. PricewaterhouseCoopers retired upon the Listing of the Bank.

As approved at the 2025 first extraordinary general meeting of the Bank, the Bank has re-appointed Pan-China Certified Public Accountants as the Bank's domestic auditor for the Year 2024 and appointed Confucius International CPA Limited as the Bank's international auditor for the Year 2024.

Save as disclosed in this announcement, the Group had no other significant subsequent event to be disclosed from the Listing Date and up to the date of this announcement.

## 6. Summary of Financial Report

### Consolidated Statement of Comprehensive Income For 2024 (In RMB thousands, unless otherwise stated)

	<i>Notes</i>	<b>2024</b>	<b>2023</b>
Interest income		<b>3,691,314</b>	3,563,354
Interest expense		<b>(2,113,627)</b>	(1,777,843)
<b>Net interest income</b>	<i>3</i>	<b>1,577,687</b>	1,785,511
Fee and commission income		<b>101,075</b>	75,300
Fee and commission expense		<b>(35,973)</b>	(31,381)
<b>Net fee and commission income</b>	<i>4</i>	<b>65,102</b>	43,919
Net gains on trading activities	<i>5</i>	<b>200,965</b>	291,821
Net gains on financial investments	<i>6</i>	<b>315,138</b>	10,637
Other operating income	<i>7</i>	<b>21,503</b>	37,871
<b>Operating income</b>		<b>2,180,395</b>	2,169,759
Operating expenses	<i>8</i>	<b>(725,165)</b>	(698,203)
Expected credit losses	<i>9</i>	<b>(888,737)</b>	(928,578)
Impairment losses	<i>10</i>	<b>-</b>	(411)
<b>Profit before income tax</b>		<b>566,493</b>	542,567
Income tax expense	<i>11</i>	<b>(88,681)</b>	(65,151)
<b>Net profit</b>		<b>477,812</b>	477,416

	Notes	2024	2023
<b>Net profit attribute to:</b>			
Equity attributable to shareholders of the Bank		<b>513,430</b>	468,472
Non-controlling interests		<b>(35,618)</b>	8,944
<hr/>			
Basic and diluted earnings per share (expressed in RMB per share)	12	<b>0.13</b>	0.12
<hr/>			
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss			
Changes in fair value of financial assets at fair value through other comprehensive income		<b>298,724</b>	141,353
Credit impairment losses for financial assets at fair value through other comprehensive income		<b>17,422</b>	58,678
Impact on income tax on changes in fair value and credit impairment provision of financial assets at fair value through other comprehensive income		<b>(79,037)</b>	(50,009)
<hr/>			
Items that will not be reclassified to profit or loss:			
Changes in remeasurement of defined benefit plans		<b>(1,510)</b>	(520)
Impact on income tax on changes in remeasurement of defined benefit plans		<b>378</b>	130
<hr/>			
Other comprehensive income for the year, net of tax		<b>235,977</b>	149,632
<hr/>			
<b>Total comprehensive income</b>		<b>713,789</b>	627,048
<hr/>			
<b>Total comprehensive income attributable to:</b>			
Equity attributable to shareholders of the Bank		<b>749,368</b>	618,104
Non-controlling interests		<b>(35,579)</b>	8,944
<hr/>			

The accompanying notes form an integral part of these consolidated financial statements.



## Consolidated Statement of Financial Position

December 31, 2024 (In RMB thousands, unless otherwise stated)

	Notes	December 31, 2024	December 31, 2023
<b>ASSETS</b>			
Cash and balances with central bank		7,318,521	6,576,969
Financial assets held under resale agreements, due from other banks and other financial institutions	13	4,988,492	5,600,613
Loans and advances to customers	14	58,443,810	49,374,880
Financial investments			
– Fair value through profit or loss	15	6,239,805	6,268,789
– Fair value through other comprehensive income	16	22,482,542	15,945,890
– Amortised cost	17	7,758,074	7,783,629
Property, plant and equipment		284,911	335,232
Right-of-use assets		31,397	32,174
Deferred tax assets		1,237,353	1,114,600
Other assets		420,488	411,268
<b>Total assets</b>		<b>109,205,393</b>	<b>93,444,044</b>
<b>LIABILITIES</b>			
Borrowings from central bank		2,266,246	2,198,040
Financial assets sold under repurchase agreements, due to other banks and financial institutions	18	9,340,672	6,263,086
Customer deposits		84,517,911	71,439,054
Bonds issued	19	2,028,101	3,279,022
Taxes payable		257,144	237,648
Lease liabilities		28,766	26,496
Other liabilities		794,264	714,198
<b>Total liabilities</b>		<b>99,233,104</b>	<b>84,157,544</b>
<b>EQUITY</b>			
Share capital		3,900,000	3,900,000
Capital reserve		3,512,784	3,462,784
Other comprehensive income		397,415	161,477
Surplus reserve		180,105	125,912
General reserve		1,239,400	1,010,653
Retained earnings		467,893	315,403
Total equity attributable to shareholders of the Bank		9,697,597	8,976,229
Non-controlling interests		274,692	310,271
<b>Total equity</b>		<b>9,972,289</b>	<b>9,286,500</b>
<b>Total liabilities and equity</b>		<b>109,205,393</b>	<b>93,444,044</b>



**Consolidated Statement of Changes in Equity**  
December 31, 2024 (In RMB thousands, unless otherwise stated)

	Equity attributable to shareholders of the Bank							
			Other reserves					
	Share capital	Capital reserve	Surplus reserve	General reserve	Other comprehensive income	Retained earnings	Non-controlling interests	Total
Balance at January 1, 2024	3,900,000	3,462,784	125,912	1,010,653	161,477	315,403	310,271	9,286,500
Profit for the year	-	-	-	-	-	513,430	(35,618)	477,812
Other comprehensive income	-	-	-	-	235,938	-	39	235,977
Total comprehensive income for the year	-	-	-	-	235,938	513,430	(35,579)	713,789
Shareholders' deemed contribution	-	50,000	-	-	-	-	-	50,000
Transfer to surplus reserve	-	-	54,193	-	-	(54,193)	-	-
Transfer to general reserve	-	-	-	228,747	-	(228,747)	-	-
Cash dividends	-	-	-	-	-	(78,000)	-	(78,000)
Balance at December 31, 2024	3,900,000	3,512,784	180,105	1,239,400	397,415	467,893	274,692	9,972,289

	Equity attributable to shareholders of the Bank							
			Other reserves					
	Share capital	Capital reserve	Surplus reserve	General reserve	Other comprehensive income	Retained earnings	Non-controlling interests	Total
Balance at January 1, 2023	3,900,000	3,412,784	80,322	851,515	11,845	110,159	301,327	8,667,952
Profit for the year	–	–	–	–	–	468,472	8,944	477,416
Other comprehensive income	–	–	–	–	149,632	–	–	149,632
Total comprehensive income for the year	–	–	–	–	149,632	468,472	8,944	627,048
Shareholders’ deemed contribution	–	50,000	–	–	–	–	–	50,000
Transfer to surplus reserve	–	–	45,590	–	–	(45,590)	–	–
Transfer to general reserve	–	–	–	159,138	–	(159,138)	–	–
Cash dividends	–	–	–	–	–	(58,500)	–	(58,500)
Balance at December 31, 2023	3,900,000	3,462,784	125,912	1,010,653	161,477	315,403	310,271	9,286,500

The accompanying notes form an integral part of these consolidated financial statements.

# Notes to the Consolidated Financial Statements

For 2024 (In RMB thousands, unless otherwise stated)

## 1 General Information

Yibin City Commercial Bank Co., Ltd (宜賓市商業銀行股份有限公司) is a joint-stock city commercial bank headquartered in Yibin City, Sichuan Province, the PRC, and was incorporated on December 27, 2006. The Bank's predecessor was Yibin City Credit Cooperatives, which was established in 2000. As approved by the former China Banking and Insurance Regulatory Commission ("CBIRC") Sichuan Office, the Bank was jointly initiated and established by the shareholders of Yibin City Credit Cooperatives (including 44 non-individual shareholders and 386 individual shareholders). At the time of establishment, the registered capital of the Bank was RMB106,879,775, divided into 106,879,775 Domestic Unlisted Shares with a nominal value of RMB1.00 each. As of December 31, 2024, the registered capital of the Bank was RMB3,900,000,000.

The approved business scope of the Bank and its subsidiaries, Yibin Xingyi Rural Bank Co., Ltd. (宜賓興宜村鎮銀行有限責任公司, "Xingyi Bank") and Neijiang Xinglong Rural Bank Co., Ltd. (內江興隆村鎮銀行股份有限公司, "Xinglong Bank") (collectively referred to as the "Group") consists of deposit taking; granting of short-term, medium-term and long-term loans; handling domestic and overseas settlement; handling bill acceptance and discounting; issuing financial bonds; acting as agent to issue, settle and underwrite government bonds; trading of government bonds; engaging in interbank placement; bank cards business; providing letter of credit services and guarantee; acting as agent on inward and outward payments, acting as insurance agent; providing safe-box service, and other businesses as approved by the banking regulatory authorities and other regulatory authorities (certain projects are subject to additional approval of authorities).

## 2 Application of New and Amendments to International Financial Reporting Standards

### New and amendments standards issued but not yet effective

At the date of this report, the Group has not adopted the following new and amendments to International Financial Reporting Standards which have been issued and are not yet effective:

		Valid date
IAS 21 Amendments	Lack of Exchangeability	January 1, 2025
IFRS 9 and IFRS 7 Amendments	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
IFRS 10 and IAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been deferred indefinitely

The directors of the Bank anticipate that the application of these new and amendments to International Financial Reporting Standards will have no material impact on the Bank's operating results, financial position and comprehensive income in the foreseeable future.

### 3 Net Interest Income

	2024	2023
<b>Interest income</b>		
Deposits with central bank	68,885	58,155
Financial assets held under resale agreements, due from other banks and other financial institutions	98,184	123,897
Loans and advances to customers	2,777,282	2,701,391
Financial investments	746,963	679,911
<b>Subtotal</b>	<b>3,691,314</b>	<b>3,563,354</b>
<b>Interest expense</b>		
Borrowings from central bank	(34,760)	(40,141)
Financial assets sold under repurchase agreements, due to other banks and other financial institutions	(148,525)	(152,485)
Customer deposits	(1,888,800)	(1,471,233)
Bonds issued	(41,542)	(112,701)
Lease liabilities	–	(1,283)
<b>Subtotal</b>	<b>(2,113,627)</b>	<b>(1,777,843)</b>
<b>Net interest income</b>	<b>1,577,687</b>	<b>1,785,511</b>

#### 4 Fee and Commission

	2024	2023
<b>Fee and commission income</b>		
Commission income from settlement and agency services	23,060	11,646
Commission income from bank card services	1,137	1,153
Commission income from wealth management agency service	47,691	35,098
Other commission income	29,187	27,403
	<u>101,075</u>	<u>75,300</u>
<b>Fee and commission expense</b>		
Commission expense from settlement and agency services	(32,211)	(28,545)
Other commission expense	(3,762)	(2,836)
	<u>(35,973)</u>	<u>(31,381)</u>
<b>Net fee and commission income</b>	<u>65,102</u>	<u>43,919</u>

#### 5 Net Gains on Trading Activities

	2024	2023
Debt securities	209,215	262,444
Funds	540	18,219
Asset management plans	(8,767)	11,305
Unlisted stocks	–	(237)
Wealth management products	(23)	90
<b>Total</b>	<u>200,965</u>	<u>291,821</u>

#### 6 Net Gains on Financial Investments

	2024	2023
Net gains arising from financial assets at fair value through other comprehensive income	<u>315,138</u>	<u>10,637</u>

## 7 Other Operating Income

	2024	2023
Rental income	6,911	6,363
Net gains on disposal of property, plant and equipment	979	12,573
Government grants	17,347	18,989
Net amount of other miscellaneous items	(3,734)	(54)
<b>Total</b>	<b>21,503</b>	<b>37,871</b>

## 8 Operating Expenses

	2024	2023
Staff costs (i)	404,137	396,294
General and administrative expenses	196,936	181,355
Professional fees	11,635	4,987
Listing expenses	872	1,247
Auditors' remuneration		
– Audit service	858	699
– Non-audit service	91	79
Depreciation and expenses	57,772	70,332
Technical service fees	26,615	21,419
Tax and surcharges	26,249	21,791
<b>Total</b>	<b>725,165</b>	<b>698,203</b>

### (i) Staff costs

	2024	2023
Wages and salaries, bonus, allowance and subsidies	270,629	278,018
Staff welfare	14,302	14,386
Social security contributions	51,870	49,040
Labour union funds and employee education funds	7,545	6,887
Defined contribution benefits	47,086	45,026
Supplementary retirement benefits	12,705	2,937
<b>Total</b>	<b>404,137</b>	<b>396,294</b>

## 9 Expected Credit Losses

	2024	2023
Loans and advances to customers at amortised cost	770,802	900,509
Loans and advances to customers –fair value through other comprehensive income	(2,832)	2,504
Off-balance-sheet items	61,408	(32,591)
Financial assets held under resale agreements, due from other banks and other financial institutions	(2,759)	101
Financial investments-amortised cost	9,173	40
Financial investments-fair value through other comprehensive income	20,253	56,174
Other financial assets	32,692	1,841
<b>Total</b>	<b>888,737</b>	<b>928,578</b>

## 10 Impairment Losses

	2024	2023
Foreclosed assets	–	411
<b>Total</b>	<b>–</b>	<b>411</b>

## 11 Income Tax Expense

	2024	2023
Current income tax	290,093	168,910
Deferred income tax	(201,412)	(103,759)
<b>Total</b>	<b>88,681</b>	<b>65,151</b>

Current income tax is calculated by the statutory tax rate of 25% based on the taxable income of estimated assessable profit of the Group for the respective year as stipulated in PRC tax laws.

The difference between the actual income tax charge in the profit or loss and the amounts which would result from applying the enacted tax rate of 25% to profit before income tax can be reconciled as follows:

	2024	2023
Profit before income tax	566,493	542,567
Tax calculated at a tax rate of 25%	141,623	135,642
Tax effect arising from non-taxable income (a)	(94,980)	(84,315)
Tax effect of expenses that are not deductible for tax purposes (b)	28,911	5,804
Tax effect of recovery of loans that were deducted in previous years	13,127	8,020
<b>Income tax expense</b>	<b>88,681</b>	<b>65,151</b>

- (a) The Group's non-taxable income mainly represents income arising from government bonds and monetary fund which is non-taxable in accordance with the PRC tax laws.
- (b) The Group's expenses that are not tax deductible for tax purposes mainly represent certain expenditures, such as insurance fees for customer deposits, non-public welfare donation expenses, staff cost and entertainment expenses, which exceed the tax deductible limits pursuant to the PRC Laws.

## 12 Basic and Diluted Earnings per Share

### (a) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to shareholders of the Group by the weighted average number of ordinary shares in issue during the year.

	2024	2023
Net profit attributable to shareholders of the Group (RMB'000)	513,430	468,472
Weighted average number of ordinary shares issued (thousand shares)	3,900,000	3,900,000
Basic earnings per share (in RMB)	0.13	0.12

### (b) Diluted earnings per share

For the years ended December 31, 2024 and 2023, there was no potential diluted ordinary shares, so the diluted earnings per share was the same as the basic earnings per shares.

### 13 Financial Assets Held under Resale Agreements, due from Other Banks and Other Financial Institutions

	As at December 31, 2024	2023
Deposits with domestic banks and other financial institutions	1,853,710	2,459,762
Placements with domestic banks and other financial institutions	2,276,667	1,526,667
Financial assets held under resale agreements	1,112,921	1,869,499
	<hr/>	<hr/>
Accrued interest	5,181	7,431
Less: expected credit losses allowance	(259,987)	(262,746)
	<hr/>	<hr/>
<b>Total</b>	<b>4,988,492</b>	<b>5,600,613</b>
	<hr/>	<hr/>

### 14 Loans and Advances to Customers

#### Analysis of loans and advances to customers by measurement category

	As at December 31, 2024	2023
Loans and advances to customers at amortised cost		
– Corporate loans	48,558,373	39,162,218
– Personal loans	4,882,024	4,917,140
	<hr/>	<hr/>
Accrued interest	303,575	351,662
	<hr/>	<hr/>
Total loans and advances to customers at amortised cost	53,743,972	44,431,020
	<hr/>	<hr/>
Less: expected credit losses allowance	(2,626,182)	(2,368,317)
	<hr/>	<hr/>
Net loans and advances to customers at amortised cost	51,117,790	42,062,703
	<hr/>	<hr/>
Loans and advances to customers at fair value through other comprehensive income		
– Discounted bills	948,831	482,197
– Rediscounted bills	6,377,189	6,829,980
	<hr/>	<hr/>
Net loans and advances to customers	58,443,810	49,374,880
	<hr/>	<hr/>



The expected credit losses allowance of loans and advances to customers at fair value through other comprehensive income of the Group are shown as follows, and were credited to other comprehensive income.

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Expected credit losses allowance of loans and advances to customers at fair value through other comprehensive income	<b><u>3,223</u></b>	<b><u>6,055</u></b>

## **15 Financial Assets – Fair Value through Profit or Loss**

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Financial assets – fair value through profit or loss		
– Asset management plans	<b>133,136</b>	221,074
– Debt securities (a)	<b>4,530,042</b>	5,231,603
– Unlisted stocks	<b>35,375</b>	35,375
– Funds	<b>1,541,252</b>	480,647
– Wealth management products	<b>–</b>	300,090
<b>Total</b>	<b><u>6,239,805</u></b>	<b><u>6,268,789</u></b>

### **(a) Debt securities**

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Governments	<b>641,066</b>	1,074,605
Financial institutions	<b>1,848,979</b>	2,603,668
Corporates	<b>2,039,997</b>	1,553,330
<b>Total</b>	<b><u>4,530,042</u></b>	<b><u>5,231,603</u></b>

## 16 Financial Investments – Fair Value through Other Comprehensive Income

	As at December 31,	
	2024	2023
Debt securities issued by:		
– Governments	7,943,792	3,776,440
– Financial institutions	6,089,214	4,074,443
– Corporates	484,800	1,087,142
Interbank certificates of deposit	7,783,982	6,832,202
	<u>180,754</u>	<u>175,663</u>
Accrued interest		
	<u>180,754</u>	<u>175,663</u>
<b>Total</b>	<b><u>22,482,542</u></b>	<b><u>15,945,890</u></b>

## 17 Financial Investments – Amortised Cost

	As at December 31,	
	2024	2023
Debt securities (a)		
– Listed outside Hong Kong	7,584,851	7,631,700
Trust schemes	69,952	–
	<u>112,484</u>	<u>151,969</u>
Accrued interest		
	<u>112,484</u>	<u>151,969</u>
Less: expected credit losses allowance	(9,213)	(40)
	<u>(9,213)</u>	<u>(40)</u>
<b>Total</b>	<b><u>7,758,074</u></b>	<b><u>7,783,629</u></b>

### (a) Debt securities

	As at December 31,	
	2024	2023
Issued by:		
– Governments	4,757,964	4,707,754
– Financial institutions	2,034,204	2,923,946
– Corporates	792,683	–
	<u>7,584,851</u>	<u>7,631,700</u>
<b>Total</b>	<b><u>7,584,851</u></b>	<b><u>7,631,700</u></b>

The debt securities that the Group invested were all government bonds, provincial government debts, China Development Bank and policy bank debts.

**18 Financial Assets Sold under Repurchase Agreements, due to Other Banks and Other Financial Institutions**

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Deposits from other banks and financial institutions	<b>1,015,983</b>	883,136
Placements from other banks and financial institutions	<b>2,594,000</b>	2,840,000
Financial assets sold under repurchase agreements	<b>5,718,980</b>	2,527,142
	<hr/>	<hr/>
Accrued interest	<b>11,709</b>	12,808
	<hr/>	<hr/>
<b>Total</b>	<b>9,340,672</b>	6,263,086
	<hr/> <hr/>	<hr/> <hr/>

**19 Bonds Issued**

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Interbank certificates of deposit	<b>2,028,101</b>	3,279,022
	<hr/> <hr/>	<hr/> <hr/>

Interbank certificates of deposit are as follows:

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
Reference annualised rates of return	<b>1.85% -2.15%</b>	2.68%-3.11%
Original maturity	<b>3 to 12 months</b>	3 to 12 months
	<hr/> <hr/>	<hr/> <hr/>

As at December 31, 2024 and 2023, the Group and the Bank did not have any overdue principal and interest on interbank certificates of deposit or other defaults.

## 20 Dividends

### The Group and the Bank

	As at December 31, 2024	2023
Dividend declared during the year	78,000	58,500
Dividend per share (in RMB)	<u>0.0200</u>	<u>0.0150</u>

The annual general meeting on June 29, 2023 approved the Bank's 2022 profit distribution plan, which will distribute RMB58,500 thousand from retained earnings as cash dividends to shareholders. By December 31, 2023 the unpaid dividend distribution was recorded as dividend payable. (RMB0.0150 per share including tax, and the shares below RMB1 are rounded).

The annual general meeting on April 29, 2024 approved the Bank's 2023 profit distribution plan, which will distribute RMB78,000 thousand from retained earnings as cash dividends to shareholders. By December 31, 2024, the unpaid dividend distribution was recorded as dividend payable. (RMB0.0200 per share including tax, and the shares below RMB1 are rounded).

The Board of the Bank proposed to distribute a final cash dividend of RMB0.05 (tax inclusive) per share (the "final dividend") for the year ended December 31, 2024 to all shareholders, with the total amount of RMB229.42 million (tax inclusive). The Board will submit such proposal to the 2024 annual general meeting for approval. The final dividend, if approved at the meeting, is expected to be paid on or before August 26, 2025 by the Bank.

## 21 Financial Guarantees and Credit Related Commitments, Other Commitments and Contingent Liabilities

### (a) Financial guarantees and credit related commitments

The following tables indicate the amounts of the Group's financial guarantees which the Group commits to extend to customers:

	As at December 31, 2024	2023
Bank acceptance	9,315,841	6,510,671
Letters of guarantees	<u>67,827</u>	<u>50,293</u>
<b>Total</b>	<b><u>9,383,668</u></b>	<b><u>6,560,964</u></b>

### (b) Capital expenditure commitments

	As at December 31, 2024	2023
Properties and equipment		
Contracted but not paid for	<u>403,368</u>	<u>63,328</u>

### (c) Legal proceedings

Legal proceedings are initiated by third parties against the Group as a defendant. The Group had no significant outstanding legal claims as at December 31, 2024 and 2023.

## 22 Segment Analysis

The Group's operating segments are business units which provide different financial products and services and are engaged in different types of financial transactions. As different operating segments face different clients and counterparties supported by specific techniques and market strategies, they operate independently.

The Group has 4 operating segments: corporate banking, retail banking, financial markets, and unallocated classes.

Corporate banking mainly provides corporate customers with financial products including deposits and loans and services including corporate wealth management.

Retail banking mainly provides individual customers with financial products including deposits and loans and services including personal wealth management.

Financial markets mainly perform inter-financial institution lending and borrowing, financial investment businesses.

	Corporate Banking	Retail Banking	2024 Financial Markets	Unallocated	Total
Net interest income/(expenses) from external customers	1,692,850	(887,464)	772,301	–	1,577,687
Inter-segment net interest (expenses)/income	(146,917)	1,323,092	(1,176,175)	–	–
Net interest income	1,545,933	435,628	(403,874)	–	1,577,687
Net fee and commission income	25,444	46,263	(6,605)	–	65,102
Net gains on trading activities	–	–	200,965	–	200,965
Net gains on financial investments	–	–	315,138	–	315,138
Other operating income	13,284	6,824	994	401	21,503
<b>Operating income</b>	<b>1,584,661</b>	<b>488,715</b>	<b>106,618</b>	<b>401</b>	<b>2,180,395</b>
Operating expenses	(448,242)	(223,631)	(40,246)	(13,046)	(725,165)
– Depreciation and amortisation	(35,691)	(18,333)	(2,670)	(1,078)	(57,772)
– Others	(412,551)	(205,298)	(37,576)	(11,968)	(667,393)
Expected credit losses	(734,460)	(127,610)	(26,667)	–	(888,737)
Impairment losses	–	–	–	–	–
<b>Profit before income tax</b>	<b>401,959</b>	<b>137,474</b>	<b>39,705</b>	<b>(12,645)</b>	<b>566,493</b>
<b>Capital expenditure</b>	<b>(30,466)</b>	<b>(15,650)</b>	<b>(2,279)</b>	<b>(921)</b>	<b>(49,316)</b>
<b>Segment assets</b>	<b>52,242,596</b>	<b>5,470,627</b>	<b>51,475,518</b>	<b>16,652</b>	<b>109,205,393</b>
<b>Segment liabilities</b>	<b>43,531,253</b>	<b>43,125,163</b>	<b>12,563,781</b>	<b>12,907</b>	<b>99,233,104</b>

	Corporate Banking	Retail Banking	2023 Financial Markets	Unallocated	Total
Net interest income/(expenses) from external customers	1,870,698	(584,026)	498,839	–	1,785,511
Inter-segment net interest (expenses)/income	<u>(310,038)</u>	<u>1,030,085</u>	<u>(720,047)</u>	<u>–</u>	<u>–</u>
Net interest income	<u>1,560,660</u>	<u>446,059</u>	<u>(221,208)</u>	<u>–</u>	<u>1,785,511</u>
Net fee and commission income	<u>20,434</u>	<u>468</u>	<u>23,017</u>	<u>–</u>	<u>43,919</u>
Net gains on trading activities	–	–	291,821	–	291,821
Net gains on financial investments	–	–	10,637	–	10,637
Other operating income	<u>23,377</u>	<u>11,878</u>	<u>1,790</u>	<u>826</u>	<u>37,871</u>
<b>Operating income</b>	<u>1,604,471</u>	<u>458,405</u>	<u>106,057</u>	<u>826</u>	<u>2,169,759</u>
Operating expenses	(431,813)	(213,740)	(37,890)	(14,760)	(698,203)
– Depreciation and amortisation	(43,414)	(22,058)	(3,325)	(1,535)	(70,332)
– Others	(388,399)	(191,682)	(34,565)	(13,225)	(627,871)
Expected credit losses	(793,272)	(91,818)	(43,488)	–	(928,578)
Impairment losses	<u>(254)</u>	<u>(129)</u>	<u>(19)</u>	<u>(9)</u>	<u>(411)</u>
<b>Profit before income tax</b>	<u>379,132</u>	<u>152,718</u>	<u>24,660</u>	<u>(13,943)</u>	<u>542,567</u>
<b>Capital expenditure</b>	<u>(42,431)</u>	<u>(21,560)</u>	<u>(3,250)</u>	<u>(1,500)</u>	<u>(68,741)</u>
<b>Segment assets</b>	<u>48,262,209</u>	<u>5,376,852</u>	<u>38,673,905</u>	<u>16,478</u>	<u>92,329,444</u>
<b>Segment liabilities</b>	<u>40,116,766</u>	<u>34,216,033</u>	<u>9,815,015</u>	<u>9,730</u>	<u>84,157,544</u>

There is no high reliance of the Group on any of the main external customers.

## 7. Publication of Results Announcement and Annual Report

This results announcement has been published on the HKExnews website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Bank ([www.ybccb.com](http://www.ybccb.com)). The 2024 annual report of the Bank prepared in accordance with the IFRS will be published on the HKExnews website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Bank ([www.ybccb.com](http://www.ybccb.com)) in due course and will be despatched to the H shareholders of the Bank in the manner in which the H shareholders of the Bank have selected to receive corporate communications.

By order of the Board  
**Yibin City Commercial Bank Co., Ltd \***  
**Xue Feng**  
*Chairman*

Sichuan, the PRC, March 28, 2025

*As at the date of this announcement, the Board of Directors of the Bank comprises Mr. XUE Feng, Mr. YANG Xingwang and Mr. XU Yong as executive Directors, Ms. JIANG Lin, Ms. XIAO Yufeng, Ms. TIAN Tian and Mr. ZHAO Gen as non-executive Directors, and Mr. YAO Liming, Ms. YU Xiaoran, Mr. XING Huayu and Ms. ZHAO Jingmei as independent non-executive Directors.*

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