中国农业银行
AGRICULTURAL BANK OF CHINA

AGRICULTURAL BANK OF CHINA LIMITED
中國農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: 1288)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

Agricultural Bank of China Limited (the "**Bank**") is pleased to announce the unaudited interim results of the Bank and its subsidiaries (together, the "**Group**") for the six months ended 30 June 2026. This results announcement contains the interim report of the Bank for the six months ended 30 June 2026, the contents of which have been prepared in accordance with the relevant disclosure requirements of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the "**Hong Kong Listing Rules**"). The interim financial information of the Group for the six months ended 30 June 2026 has been reviewed by KPMG in accordance with International Standard on Review Engagements 2410. The interim results have also been reviewed by the Audit Committee of the Board of Directors of the Bank (the "**Audit Committee**"). The printed version of the 2026 interim report of the Bank will be despatched to the holders of H Shares of the Bank who have indicated their intention to receive printed copies of the Bank's corporate communications, and will also be available on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Bank (www.abchina.com.cn, www.abchina.com).

By Order of the Board
Agricultural Bank of China Limited
LIU Qing
Company Secretary

Beijing, the PRC
28 August 2026

As at the date of this announcement, the executive directors of the Bank are Mr. GU Shu, Mr. WANG Zhiheng, Mr. LIU Hong and Mr. LIN Li; the non-executive directors of the Bank are Ms. ZHOU Ji, Mr. ZHANG Qi (張奇) and Mr. ZHANG Hongwu; and the independent non-executive directors of the Bank are Mr. WU Liansheng, Mr. WANG Changyun, Mr. JU Jiandong, Ms. ZHUANG Yumin, Mr. ZHANG Qi (張琦) and Ms. WONG Pui Sze Priscilla.

Profile

The predecessor of the Bank was Agricultural Cooperative Bank established in 1951. Since the resumption of establishment in February 1979, the Bank has evolved from a state-owned specialized bank to a wholly state-owned commercial bank and subsequently a state-controlled commercial bank. The Bank was restructured into a joint stock limited liability company in January 2009. In July 2010, the Bank was listed on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

The Bank is one of the major integrated financial service providers in China, aiming at high-quality development, highlighting the two positionings of a leading bank serving rural revitalization and a major bank serving the real economy, and fully implementing its three strategies in rural and inclusive finance, green finance and digitalization. Capitalizing on its comprehensive business portfolio, extensive distribution network and advanced IT platform, the Bank provides a diverse portfolio of corporate and retail banking products and services for a broad range of customers and conducts treasury operations and asset management. The Bank's business scope also includes, among other things, investment banking, fund management, financial leasing and life insurance. At 30 June 2026, the Bank had total assets of RMB51,058,873 million, total loans and advances to customers of RMB28,824,760 million and deposits from customers of RMB34,050,893 million. The capital adequacy ratio was 17.50%. The Bank achieved a net profit of RMB148,062 million in the first half of 2026.

As at 30 June 2026, the Bank had 23,160 domestic branch outlets, including the Head Office, Business Department of the Head Office, four specialized institutions managed by the Head Office, four training institutes, 37 tier-1 branches, 410 tier-2 branches, 3,310 tier-1 sub-branches, 19,352 foundation-level branch outlets and 41 other establishments. The Bank's overseas branch outlets consisted of 13 overseas branches and four overseas representative offices. Its subsidiaries mainly included subsidiaries with integrated operations and overseas subsidiary banks, etc.

The Financial Stability Board has included the Bank in the list of Global Systemically Important Banks for 12 consecutive years since 2014. The Bank ranked No. 3 among global banks in terms of Tier 1 capital. At the date of this results announcement, Standard & Poor's affirmed long-/short-term issuer credit ratings of the Bank at A/A-1, Moody's affirmed long-/short-term bank deposit ratings of the Bank at A1/P-1 and Fitch Ratings affirmed long-/short-term issuer default ratings of the Bank at A/F1+.

CONTENTS

Definitions

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

1	ABC/Agricultural Bank of China/ the Bank/the Group/We	Agricultural Bank of China Limited, or Agricultural Bank of China Limited and its subsidiaries
2	ABC-CA	ABC-CA Fund Management Co., Ltd.
3	ABC Financial Leasing	ABC Financial Leasing Co., Ltd.
4	ABC International	ABC International Holdings Limited
5	ABC Investment	ABC Financial Asset Investment Co., Ltd.
6	ABC Life Insurance	ABC Life Insurance Co., Ltd.
7	ABC Wealth Management	ABC Wealth Management Co., Ltd.
8	Articles of Association	The *Articles of Association of Agricultural Bank of China Limited* amended pursuant to the *Approval on the Articles of Association of Agricultural Bank of China Limited by the National Financial Regulatory Administration* (Jin Fu [2025] No. 561) on 23 September 2025
9	A Share(s)	Ordinary shares listed domestically which are subscribed and traded in Renminbi
10	CASs/PRC GAAP	The Accounting Standards for Enterprises promulgated on 15 February 2006 by the Ministry of Finance of the People's Republic of China and other related rules and regulations subsequently issued
11	County Area Banking Division	An internal division with management mechanism adopted by us for specialized operation of financial services provided to agriculture, rural areas and rural residents and county areas, as required under our restructuring into a joint stock limited liability company, which focuses on the County Area Banking Business with independence in aspects such as governance mechanism, operational decision making, financial accounting as well as incentive and constraint mechanism to a certain extent

12	CSRC	China Securities Regulatory Commission
13	Global Systemically Important Banks	Banks recognized as key players in the financial market with global features as announced by the Financial Stability Board
14	H Share(s)	Shares listed on The Stock Exchange of Hong Kong Limited and subscribed and traded in Hong Kong Dollars, the nominal value of which is denominated in Renminbi
15	Hong Kong Listing Rules	*The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*
16	Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
17	Huijin	Central Huijin Investment Ltd.
18	Independent Director	The independent director referred to in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, as well as the independent non-executive director referred to in the Hong Kong Listing Rules
19	MOF	Ministry of Finance of the People's Republic of China
20	NFRA	National Financial Regulatory Administration, or the former China Banking and Insurance Regulatory Commission
21	PBOC	The People's Bank of China
22	SSF	National Council for Social Security Fund of the People's Republic of China

Basic Corporate Information and Major Financial Indicators

Basic Corporate Information

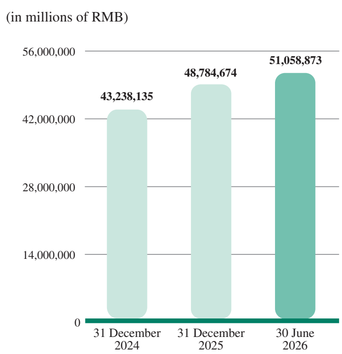
Legal name in Chinese **Abbreviation**	中國農業銀行股份有限公司 中國農業銀行
Legal name in English **Abbreviation**	AGRICULTURAL BANK OF CHINA LIMITED AGRICULTURAL BANK OF CHINA (ABC)
Legal representative	GU Shu
Authorized representatives	WANG Zhiheng LIU Qing
Secretary to the Board of Directors and Company Secretary	LIU Qing Address: No. 69, Jianguomen Nei Avenue, Dongcheng District, Beijing, PRC Tel: 86-10-85109619 (Investor Relations) Fax: 86-10-85126571 E-mail: ir@abchina.com
Selected media and websites for information disclosure	*China Securities Journal* (www.cs.com.cn) *Shanghai Securities News* (www.cnstock.com) *Securities Times* (www.stcn.com) *Securities Daily* (www.zqrb.cn)
Website of Shanghai Stock Exchange publishing the interim report (A Shares)	www.sse.com.cn
Website of Hong Kong Stock Exchange publishing the interim report (H Shares)	www.hkexnews.hk
Location where copies of the interim report are kept	Office of the Board of Directors of the Bank

Listing exchange of A Shares	Shanghai Stock Exchange
Stock name	農業銀行
Stock code	601288
Share registrar	China Securities Depository and Clearing Corporation Limited, Shanghai Branch (Address: No. 188 South Yanggao Road, Pudong New Area, Shanghai, PRC)
Listing exchange of H Shares	The Stock Exchange of Hong Kong Limited
Stock name	ABC
Stock code	1288
Share registrar	Computershare Hong Kong Investor Services Limited (Address: Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, PRC)
Trading exchange and platform of preference shares	The Integrated Business Platform of Shanghai Stock Exchange
Stock name (stock code)	農行優1 (360001), 農行優2 (360009)
Share registrar	China Securities Depository and Clearing Corporation Limited, Shanghai Branch (Address: No. 188 South Yanggao Road, Pudong New Area, Shanghai, PRC)
Legal advisor as to laws of Chinese mainland	King & Wood
Address	17-18/F, East Tower, World Financial Centre 1, No. 1, Dongsanhuan Zhong Road, Chaoyang District, Beijing, PRC
Legal advisor as to laws of Hong Kong	Linklaters
Address	11/F, Alexandra House, Chater Road, Central, Hong Kong, PRC
Domestic auditor	KPMG Huazhen LLP
Address	8/F, Office Tower E2, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing, PRC
Name of the undersigned accountants	JIANG Kun, BAO Chuansong
International auditor	KPMG
Address	8/F, Prince's Building, 10 Chater Road, Central, Hong Kong, PRC
Name of the undersigned accountant	LEE Lok Man

Financial Highlights

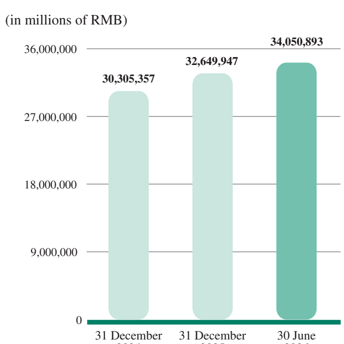
(Financial data and indicators recorded in this results announcement are prepared in accordance with IFRS Accounting Standards and denominated in RMB, unless otherwise stated)

Total assets

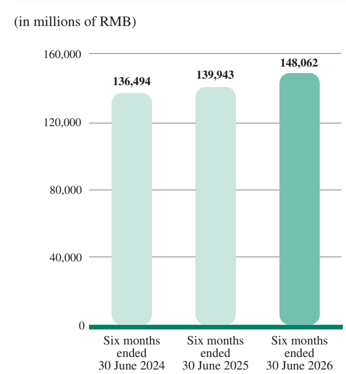


Total loans and advances to customers

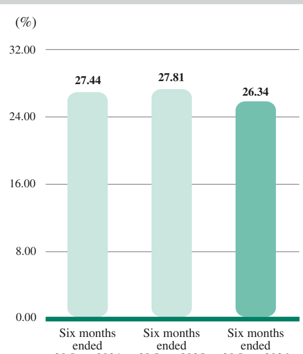
Deposits from customers



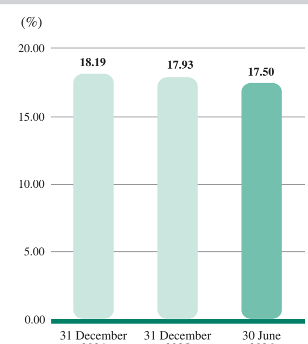
Net profit



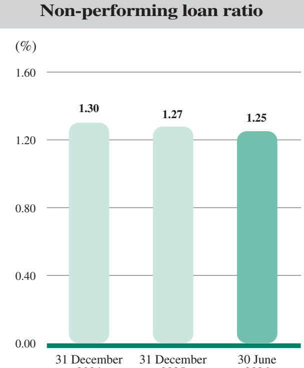
Cost-to-income ratio



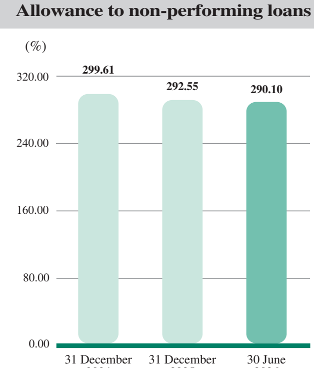
Capital adequacy ratio



Non-performing loan ratio



Allowance to non-performing loans



Major Financial Data

	30 June 2026	31 December 2025	31 December 2024
At the end of the reporting period (in millions of RMB)			
Total assets	**51,058,873**	48,784,674	43,238,135
Total loans and advances to customers	**28,824,760**	27,134,834	24,906,187
Including: Corporate loans	**16,761,571**	15,485,867	14,144,003
Discounted bills	**2,046,168**	1,952,660	1,507,921
Retail loans	**9,572,127**	9,262,676	8,814,212
Overseas and others	**386,290**	381,443	390,115
Loans and advances to customers, net	**27,819,229**	26,178,354	23,977,013
Financial investments	**17,854,606**	16,321,315	13,849,103
Cash and balances with central banks	**2,792,935**	2,801,985	2,134,452
Deposits and placements with and loans to banks and other financial institutions	**823,957**	1,005,264	1,101,723
Financial assets held under resale agreements	**816,259**	1,564,991	1,371,571
Total liabilities	**47,724,033**	45,541,303	40,140,862
Deposits from customers	**34,050,893**	32,649,947	30,305,357
Including: Corporate deposits	**10,963,686**	10,286,009	10,059,292
Retail deposits	**21,652,654**	20,761,096	18,692,180
Overseas and others	**1,018,809**	1,098,602	1,035,207
Deposits and placements from banks and other financial institutions	**7,163,047**	6,389,320	5,031,583
Financial assets sold under repurchase agreements	**1,133,475**	1,453,842	615,725
Debt securities issued	**3,525,218**	3,263,887	2,678,509
Equity attributable to equity holders of the Bank	**3,328,014**	3,237,182	3,090,808
Net capital[1]	**4,600,576**	4,448,690	4,112,653
Common Equity Tier 1 (CET1) capital, net[1]	**2,838,783**	2,748,493	2,582,305
Additional Tier 1 capital, net[1]	**470,000**	469,775	499,559
Tier 2 capital, net[1]	**1,291,793**	1,230,422	1,030,789
Risk-weighted assets[1]	**26,281,608**	24,812,801	22,603,866

	Six months ended 30 June 2026	Six months ended 30 June 2025	Six months ended 30 June 2024
Interim operating results (in millions of RMB)			
Operating income	**411,122**	369,793	367,140
Net interest income	**312,244**	282,473	290,848
Net fee and commission income	**46,959**	51,441	46,736
Operating expenses	**118,722**	111,725	108,679
Credit impairment losses	**110,620**	97,955	100,998
Total profit before tax	**181,769**	160,540	157,471
Net profit	**148,062**	139,943	136,494
Net profit attributable to equity holders of the Bank	**146,381**	139,510	135,892
Net cash from operating activities	**287,612**	1,005,804	291,380

Financial Indicators

	Six months ended 30 June 2026	Six months ended 30 June 2025	Six months ended 30 June 2024
Profitability (%)			
Return on average total assets[2]	**0.59***	0.62*	0.67*
Return on weighted average net assets[3]	**10.14***	10.16*	10.75*
Net interest margin[4]	**1.28***	1.32*	1.45*
Net interest spread[5]	**1.19***	1.20*	1.30*
Return on risk-weighted assets[1, 6]	**1.13***	1.16*	1.23*
Net fee and commission income to operating income	**11.42**	13.91	12.73
Cost-to-income ratio[7]	**26.34**	27.81	27.44
Data per share (RMB Yuan)			
Basic earnings per share[3]	**0.40**	0.37	0.37
Diluted earnings per share[3]	**0.40**	0.37	0.37
Net cash per share from operating activities	**0.82**	2.87	0.83

	30 June 2026	31 December 2025	31 December 2024
Asset quality (%)			
Non-performing loan ratio[8]	**1.25**	1.27	1.30
Allowance to non-performing loans[9]	**290.10**	292.55	299.61
Allowance to loan ratio[10]	**3.63**	3.71	3.88
Capital adequacy (%)			
Common Equity Tier 1 (CET1) capital adequacy ratio[1]	**10.80**	11.08	11.42
Tier 1 capital adequacy ratio[1]	**12.59**	12.97	13.63
Capital adequacy ratio[1]	**17.50**	17.93	18.19
Risk-weighted assets to total assets ratio[1]	**51.47**	50.86	52.28
Total equity to total assets ratio	**6.53**	6.65	7.16
Data per share (RMB Yuan)			
Net assets per ordinary share[11]	**8.17**	7.91	7.40

Notes:

1. *Calculated in accordance with the Rules on Capital Management of Commercial Banks and other relevant regulations.*
2. *Calculated by dividing net profit by the average balances of total assets at the beginning and the end of the period.*
3. *Calculated in accordance with the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.9 — Calculation and Disclosure of Return on Assets and Earnings per Share (amended in 2010) issued by the CSRC and IAS 33 — Earnings Per Share.*
4. *Calculated by dividing net interest income by the average balances of interest-earning assets.*
5. *Calculated as the difference between the average yield on interest-earning assets and the average cost of interest-bearing liabilities.*
6. *Calculated by dividing net profit by risk-weighted assets at the end of the period. The risk-weighted assets are calculated in accordance with the relevant regulations of the NFRA.*
7. *Calculated by dividing operating and administrative expenses by operating income in accordance with CASs, which is consistent with the corresponding figures as stated in the financial report of the Bank prepared in accordance with CASs.*
8. *Calculated by dividing the balance of non-performing loans (excluding accrued interest) by the balance of total loans and advances to customers (excluding accrued interest).*
9. *Calculated by dividing the balance of allowance for impairment losses on loans by the balance of non-performing loans (excluding accrued interest), among which, the balance of allowance for impairment losses on loans includes the allowance for impairment losses on bills and forfeiting recognized in other comprehensive income.*
10. *Calculated by dividing the balance of allowance for impairment losses on loans by the balance of total loans and advances to customers (excluding accrued interest), among which, the balance of allowance for impairment losses on loans includes the allowance for impairment losses on bills and forfeiting recognized in other comprehensive income.*
11. *Calculated by dividing equity attributable to ordinary equity holders of the Bank (excluding other equity instruments) at the end of the period by the total number of ordinary shares at the end of the period.*

* *Annualized figures.*

Operation Overview

This year, the Bank upheld the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and faithfully implemented the decisions and plans of the Central Committee of the Communist Party of China (CPC) and the State Council. Focusing on the work theme of preventing risks and promoting high-quality development, we took solid steps to do all our work well and continued to consolidate the momentum of business toward innovation-driven and high-quality development.

Our business operation maintained a steady and positive momentum. Our business performance continued to improve. Growth rates of operating income and net profit picked up further, rising by 0.7 percentage point and 1 percentage point, respectively, as compared to those of the first quarter. Operating income was RMB411.1 billion, representing a year-on-year increase of 11.2%. Net profit was RMB148.1 billion, representing a year-on-year increase of 5.8%. Net interest margin was 1.28%, rising by 2 basis points from the first quarter. **The increment of financing exceeded RMB3 trillion.** Total loans and advances to customers increased by RMB1.69 trillion or 6.2% to RMB28.82 trillion. Debt securities investments increased by RMB1.52 trillion or 9.6% to RMB17.37 trillion. Broad-caliber financing, including loans and advances to customers as well as debt securities investments, increased by RMB3.2 trillion. **Deposits maintained a high-quality development momentum.** The balance of all-system deposits from customers amounted to RMB40.86 trillion, representing an increase of RMB2.18 trillion, as compared to the end of the previous year. Our RMB and foreign currency deposit deviation ratio improved, falling by 0.36 percentage point year on year, making us the only one among comparable peers to keep the ratio below 3% for nine consecutive quarters. **Asset quality remained sound.** The non-performing loan ratio was 1.25%, down by 2 basis points from the end of the previous year. The scissors gap between overdue loans and non-performing loans remained negative for 24 consecutive quarters. The balance of allowance for impairment losses on loans was RMB1,043.3 billion, and the allowance to non-performing loans was 290.10%, both the highest among comparable peers, indicating that the Bank maintained strong resilience against risks.

We further strengthened our primary responsibility and core business of serving agriculture, rural areas and rural residents. Keeping pace with agricultural and rural modernization, we continued to scale up support for agriculture, rural areas and rural residents. The balance of loans in County Areas was RMB11.9 trillion, representing an increase of RMB981.5 billion or 9.0% as compared to the end of the previous year, with the proportion to domestic loans further rising to 41.9%. We expanded and deepened our service coverage. Monthly active users (MAU) of mobile banking in County Areas exceeded 132 million, representing an increase of 2.6%, indicating that our online service reach in rural areas was further enhanced. Relying on the ABC Huinong Cloud platform, we improved the smart agriculture-related scenario system. The platform had 445 thousand institutional members, covering 2,703 counties (districts). We further strengthened credit support for key areas. The balance of loans in fields related to ensuring stable supply of grains and major agricultural products, loans to rural industries and loans to rural construction and related areas reached RMB1.45 trillion, RMB3.15 trillion and RMB2.64 trillion, respectively, with growth rates of 20.3%, 18.1% and 7.0% as compared to the end of the previous year, which were 14.1 percentage points, 11.9 percentage points and 0.8 percentage point higher than the growth rate of loans of the Bank, respectively.

We continuously improved the quality and efficiency of serving the real economy. We remained at the forefront in supporting the expansion of domestic demand. We aligned with the policies for the special initiatives to boost consumption. The balance of personal consumption loans, including credit card balances, amounted to RMB1.50 trillion, representing an increase of RMB49,054 million as compared to the end of the previous year, with the increment maintaining first among comparable peers. We continued to improve the technology finance service system. We delivered high-quality financial services to support the building of China's strength in science and technology. The growth rates of loans to sci-tech enterprises and loans to sci-tech small and medium-sized enterprises reached 24% and 29%, respectively. We advanced the asset investment companies (AIC) equity investment pilot in an orderly manner, setting up 31 pilot funds in total and investing in 66 sci-tech innovation projects. We increasingly enriched our green finance service models. Focusing on building a Beautiful China, we accelerated innovation in products and service models. The balance of green loans amounted to RMB6.53 trillion, representing an increase of 10.4%. We continuously strengthened the sustainable development capacity of inclusive finance. The balance of inclusive loans increased by RMB532.4 billion to RMB4.88 trillion, with both the balance and increment ranking first among comparable peers. We scaled up support for the private economy, with the balance of loans granted to private enterprises increasing by RMB636.3 billion to RMB8.20 trillion. We further enhanced the quality and efficiency of pension finance services. We continued to promote the coverage of the three pillars system of pension finance. The number of users of physical social security cards reached 284 million. The scale of pension funds under entrusted management amounted to RMB438.6 billion, representing an increase of 13.0% as compared to the end of the previous year. The number of private pension customers and the amount of contribution increased by 14.3% and 36.7%, respectively, as compared to the end of the previous year, maintaining a leading position in the industry.

We continuously leveraged our customer base advantages and unleashed the development drivers. We further refined the customer service system classified by groups and layers. Adhering to a customer-centered approach, we deepened digital and intelligent empowerment, and strove to provide customers with more professional, intelligent and considerate services. The number of our retail banking customers reached 905 million, maintaining first in the banking industry. The assets under management (AUM) of retail banking customers amounted to RMB25.7 trillion. We continuously improved our wealth management capabilities. The balance of net worth wealth management products reached RMB1.99 trillion, ranking among the top in the industry. Our smart banking construction delivered new outcomes. The number of retail mobile banking customers reached 629 million. The number of MAU of mobile banking exceeded 282 million, and the number of MAU through mobile channels was 295 million, both leading the banking industry. We launched "Yiming", an enterprise-level AI digital assistant, which embeds AI capabilities across the full processes in the scenarios including customer services, business management and daily office work, driving notable improvement in digital and intelligent operations.

Our resilience in safe development was further strengthened. Upholding a prudent and sound business strategy, we prevented and mitigated financial risks in key areas, strengthened technology empowerment, and continuously improved our capabilities in forward-looking risk prevention, proactive risk control and targeted risk resolution. As a result, our asset quality remained stable. We actively responded to external risks and challenges from emerging risks, guarded the security bottom line of high-quality development, and kept all types of risks stable and under control. We improved the market risk management system and issued annual risk management policies for financial market business and interbank business to strengthen risk control requirements for market business. We tracked and analyzed market trends, optimized business strategies in a forward-looking manner, and strengthened interest rate risk management, with interest rate risk related indicators maintaining sound. Our IT infrastructure remained secure and stable. Information systems operated reliably. The average daily transaction volume processed by the distributed core system on working days reached 1,960 million, up by 17% year on year, and the availability rate of core system services was 100%.

Discussion and Analysis

Situation and Prospects

In the first half of 2026, China's economy remained generally stable while making steady progress, showing strong resilience and vitality, with new growth drivers emerging and the economic structure continuing to improve. The gross domestic product (GDP) increased by 4.7% year on year. Consumer prices rose moderately, with the consumer price index (CPI) increasing by 1.0% year on year. With reasonably ample liquidity, the balance of broad money supply (M2) amounted to RMB356.71 trillion, representing an increase of 8.0% year on year, and the outstanding aggregate financing to the real economy amounted to RMB462.06 trillion, representing an increase of 7.4% year on year. The RMB exchange rate remained basically stable at a reasonably balanced level.

In the first half of 2026, facing complex circumstances, the Chinese government implemented more proactive and effective macro policies in a targeted manner. It continued to adopt a more proactive fiscal policy, strengthened the alignment between the fiscal policy and other policies, and boosted synergy between adopted policies and new ones to provide strong support for the stable performance of the economy. An appropriately accommodative monetary policy was maintained, with a variety of monetary policy tools including reverse repos, medium-term lending facility, government bond buying and selling used to ensure ample liquidity. Implementation and supervision of interest rate policies were strengthened to keep overall social financing costs at a low level. A series of structural monetary policy instruments were rolled out and fully implemented to further facilitate the transformation and optimization of the economic structure.

Financial regulation maintained the policy stance of preventing risks, strengthening regulation and promoting high-quality development. Efforts were made to curb disorderly competition in the financial sector, shift from a model of scale-driven, high-speed expansion to a model focused on quality and efficiency, and continuously enhance core competitiveness. Guidance was provided to advance the "Five Priorities" of finance and support high-quality economic and social development. As at the end of June 2026, the total assets of Chinese commercial banks amounted to RMB433.04 trillion, representing an increase of 7.5% year on year. The non-performing loan ratio was 1.52%, the allowance to non-performing loans was 202.87%, and the capital adequacy ratio was 15.26%.

Looking ahead to the second half of 2026, China will accelerate the transition from old growth drivers to new ones and effectively implement a more proactive fiscal policy and an appropriately accommodative monetary policy. It will fully leverage policies already in place, timely introduce pragmatic and effective incremental policies, step up counter-cyclical adjustments, expand domestic demand and optimize supply, effectively safeguard and improve people's wellbeing and enhance development momentum and boost social vitality, so as to promote sustained innovation-driven, high-quality and sound economic development.

We will stay committed to preventing risks and promoting high-quality development, take solid steps to fulfill the key tasks of financial services and risk prevention and control for the second half of 2026, and strive to accomplish the annual targets and tasks, so as to facilitate a good start to the 15th Five-Year Plan period. First, we will seize the structural growth opportunities arising from high-quality development and further improve the financing supply for the real economy. Focusing on serving agricultural and rural modernization, we will make greater efforts to tap the potential of and increase credit granting for County Areas, and deepen comprehensive services for rural revitalization. We will increase support for the quality enhancement and upgrading of the manufacturing industry as well as scientific and technological innovation, strive to improve our financial service capabilities for manufacturing, and constantly expand the coverage of technology finance services. We will actively provide financing services for major projects such as the development of the "Six Networks" comprising water networks, new-type power grids, computing power networks, next-generation communication networks, urban underground pipeline networks and logistics networks, as well as urban renewal to stabilize investment and benefit people's wellbeing. We will improve the cross-border financial service system to help stabilize foreign trade and expand high-standard opening-up. We will make our credit policies more forward-looking and flexible and strengthen integrated investment and financing services to better meet customers' diverse financial needs. Second, we will continue to prevent and mitigate financial risks in key areas, and firmly guard the security bottom line of high-quality development. By adopting more forward-looking and proactive measures, we will further strengthen credit risk prevention and control in key areas including real estate, local government debt as well as inclusive and retail finance, continuously consolidate the foundational management of internal control and compliance, actively respond to external challenges and emerging risks, and further enhance the technological security resilience to maintain sound asset quality and keep all types of risks stable and under control.

Financial Statement Analysis

Income Statement Analysis

In the first half of 2026, the Bank achieved a net profit of RMB148,062 million, representing an increase of RMB8,119 million or 5.8%, as compared to the first half of the previous year.

Changes of Significant Income Statement Items

In millions of RMB, except for percentages

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Net interest income	**312,244**	282,473	29,771	10.5
Net fee and commission income	**46,959**	51,441	(4,482)	-8.7
Other non-interest income	**51,919**	35,879	16,040	44.7
Operating income	**411,122**	369,793	41,329	11.2
Less: Operating expenses	**118,722**	111,725	6,997	6.3
Credit impairment losses	**110,620**	97,955	12,665	12.9
Impairment losses on other assets	**5**	14	(9)	-64.3
Operating profit	**181,775**	160,099	21,676	13.5
Share of results of associates and joint ventures	**(6)**	441	(447)	-101.4
Profit before tax	**181,769**	160,540	21,229	13.2
Less: Income tax expense	**33,707**	20,597	13,110	63.7
Net profit	**148,062**	139,943	8,119	5.8
Attributable to: Equity holders of the Bank	**146,381**	139,510	6,871	4.9
Non-controlling interests	**1,681**	433	1,248	288.2

Net Interest Income

Net interest income was the largest component of our operating income, accounting for 75.9% of the operating income in the first half of 2026. Our net interest income was RMB312,244 million in the first half of 2026, representing an increase of RMB29,771 million as compared to the first half of the previous year, among which, the increase in volume and changes in interest rates resulted in an increase of RMB29,561 million and an increase of RMB210 million in net interest income, respectively. In the first half of 2026, our net interest margin and net interest spread were 1.28% and 1.19%, representing decreases of 4 basis points and 1 basis point as compared to the first half of the previous year, respectively. The year-on-year decreases in net interest margin and net interest spread were primarily due to a decrease in the yield of interest-earning assets as a result of our support for the development of the real economy and the decline in interest rates.

The table below presents the average balance, interest income/expense, and average yield/cost of interest-earning assets and interest-bearing liabilities.

In millions of RMB, except for percentages

	Six months ended 30 June 2026			Six months ended 30 June 2025		
Item	**Average balance**	**Interest income/ expense**	**Average yield/cost[6] (%)**	Average balance	Interest income/ expense	Average yield/cost[6] (%)
Assets						
Loans and advances to customers	**27,936,561**	**378,683**	**2.73**	25,677,592	378,600	2.97
Debt securities investments[1]	**16,442,589**	**195,736**	**2.40**	13,272,596	182,115	2.77
Non-restructuring-related debt securities	**16,058,392**	**192,406**	**2.42**	12,888,391	178,182	2.79
Restructuring-related debt securities[2]	**384,197**	**3,330**	**1.75**	384,205	3,933	2.06
Balances with central banks	**2,631,036**	**20,101**	**1.54**	2,524,238	19,708	1.57
Amounts due from banks and other financial institutions[3]	**2,115,419**	**18,499**	**1.76**	1,610,599	17,582	2.20
Total interest-earning assets	**49,125,605**	**613,019**	**2.52**	43,085,025	598,005	2.80
Allowance for impairment losses	**(752,009)**			(767,359)		
Non-interest-earning assets	**1,980,963**			1,880,339		
Total assets	**50,354,559**			44,198,005		
Liabilities						
Deposits from customers	**32,746,232**	**184,180**	**1.13**	30,418,600	213,656	1.42
Amounts due to banks and other financial institutions[4]	**8,635,117**	**73,064**	**1.71**	5,627,945	57,637	2.07
Other interest-bearing liabilities[5]	**4,291,984**	**43,531**	**2.05**	3,750,587	44,239	2.38
Total interest-bearing liabilities	**45,673,333**	**300,775**	**1.33**	39,797,132	315,532	1.60
Non-interest-bearing liabilities	**1,282,513**			1,400,788		
Total liabilities	**46,955,846**			41,197,920		
Net interest income		**312,244**			282,473	
Net interest spread			**1.19**			1.20
Net interest margin			**1.28**			1.32

Notes:
1. *Debt securities investments include debt securities investments at fair value through other comprehensive income and debt securities investments at amortized cost.*
2. *Restructuring-related debt securities include the receivables from the MOF and the special government bonds.*
3. *Amounts due from banks and other financial institutions include deposits with banks and other financial institutions, placements with and loans to banks and other financial institutions and financial assets held under resale agreements.*
4. *Amounts due to banks and other financial institutions include deposits from banks and other financial institutions, placements from banks and other financial institutions as well as financial assets sold under repurchase agreements.*
5. *Other interest-bearing liabilities primarily include debt securities issued and borrowings from central banks.*
6. *Annualized figures.*

The table below presents the changes in net interest income due to changes in volume and interest rate.

In millions of RMB

Item	Increase/(decrease) due to Volume	Increase/(decrease) due to Interest rate	Net increase/ (decrease)
Assets			
Loans and advances to customers	30,621	(30,538)	83
Debt securities investments	37,736	(24,115)	13,621
Balances with central banks	816	(423)	393
Amounts due from banks and other financial institutions	4,415	(3,498)	917
Changes in interest income	73,588	(58,574)	15,014
Liabilities			
Deposits from customers	13,092	(42,568)	(29,476)
Amounts due to banks and other financial institutions	25,444	(10,017)	15,427
Other interest-bearing liabilities	5,491	(6,199)	(708)
Changes in interest expense	44,027	(58,784)	(14,757)
Changes in net interest income	**29,561**	**210**	**29,771**

Note: Changes caused by both volume and interest rate have been allocated to changes in volume.

Interest Income

We achieved interest income of RMB613,019 million in the first half of 2026, representing an increase of RMB15,014 million as compared to the first half of the previous year, which was primarily due to an increase of RMB6,040,580 million in the average balance of interest-earning assets.

Interest Income from Loans and Advances to Customers

Interest income from loans and advances to customers increased by RMB83 million to RMB378,683 million as compared to the first half of the previous year, which was primarily due to an increase in the scale of loans and advances to customers.

The table below presents the average balance, interest income and average yield of loans and advances to customers by business type.

In millions of RMB, except for percentages

	Six months ended 30 June 2026			Six months ended 30 June 2025		
Item	**Average balance**	**Interest income**	**Average yield[1](%)**	Average balance	Interest income	Average yield[1](%)
Corporate loans	**16,314,840**	**221,459**	**2.74**	14,848,754	217,969	2.96
Short-term corporate loans	**4,650,511**	**60,507**	**2.62**	3,902,080	56,598	2.92
Medium- and long-term corporate loans	**11,664,329**	**160,952**	**2.78**	10,946,674	161,371	2.97
Discounted bills	**1,878,115**	**7,136**	**0.77**	1,441,940	6,673	0.93
Retail loans	**9,364,783**	**143,215**	**3.08**	9,004,034	146,013	3.27
Overseas and others	**378,823**	**6,873**	**3.66**	382,864	7,945	4.18
Total loans and advances to customers	**27,936,561**	**378,683**	**2.73**	25,677,592	378,600	2.97

Note: 1. Annualized figures.

Interest Income from Debt Securities Investments

Interest income from debt securities investments was the second largest component of interest income. In the first half of 2026, interest income from debt securities investments increased by RMB13,621 million to RMB195,736 million as compared to the first half of the previous year, which was primarily due to an increase in the scale of debt securities investments.

Interest Income from Balances with Central Banks

Interest income from balances with central banks increased by RMB393 million to RMB20,101 million as compared to the first half of the previous year, which was primarily due to an increase in the average balance of balances with central banks.

Interest Income from Amounts Due from Banks and Other Financial Institutions

Interest income from amounts due from banks and other financial institutions increased by RMB917 million to RMB18,499 million as compared to the first half of the previous year, which was primarily due to an increase in the average balance of amounts due from banks and other financial institutions.

Interest Expense

Interest expense decreased by RMB14,757 million to RMB300,775 million as compared to the first half of the previous year, which was primarily due to a decrease of 27 basis points in the average cost of interest-bearing liabilities.

Interest Expense on Deposits from Customers

Interest expense on deposits from customers decreased by RMB29,476 million to RMB184,180 million as compared to the first half of the previous year, which was primarily due to a decrease in the average cost of deposits from customers.

Analysis of Average Cost of Deposits by Product Type

In millions of RMB, except for percentages

Item	**Six months ended 30 June 2026**			Six months ended 30 June 2025		
	Average balance	**Interest expense**	**Average cost[1] (%)**	Average balance	Interest expense	Average cost[1] (%)
Corporate deposits						
Time	**6,045,206**	**54,384**	**1.81**	5,756,620	65,578	2.30
Demand	**5,382,244**	**11,175**	**0.42**	5,183,279	14,491	0.56
Sub-Total	**11,427,450**	**65,559**	**1.16**	10,939,899	80,069	1.48
Retail deposits						
Time	**13,993,058**	**116,145**	**1.67**	12,537,341	130,357	2.10
Demand	**7,325,724**	**2,476**	**0.07**	6,941,360	3,230	0.09
Sub-Total	**21,318,782**	**118,621**	**1.12**	19,478,701	133,587	1.38
Total deposits from customers	**32,746,232**	**184,180**	**1.13**	30,418,600	213,656	1.42

Note: 1. Annualized figures.

Interest Expense on Amounts Due to Banks and Other Financial Institutions

Interest expense on amounts due to banks and other financial institutions increased by RMB15,427 million to RMB73,064 million as compared to the first half of the previous year, which was primarily due to an increase in the scale of amounts due to banks and other financial institutions.

Interest Expense on Other Interest-bearing Liabilities

Interest expense on other interest-bearing liabilities decreased by RMB708 million to RMB43,531 million as compared to the first half of the previous year, which was primarily due to relatively low interest rates on newly issued interbank certificates of deposit and bonds.

Net Fee and Commission Income

In the first half of 2026, we generated net fee and commission income of RMB46,959 million, representing a decrease of 8.7%, as compared to the first half of the previous year, which was mainly affected by the high base in the same period of the previous year resulting from the one-off gains generated from outstanding wealth management products. Excluding this factor, net fee and commission income achieved a year-on-year growth on a comparable basis, primarily driven by relatively rapid growth in income from custodian and other fiduciary services as well as settlement and clearing services, which increased by 11.5% and 3.9% as compared to the first half of the previous year, respectively.

Composition of Net Fee and Commission Income

In millions of RMB, except for percentages

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Electronic banking service	**12,892**	12,951	(59)	-0.5
Consultancy and advisory	**11,245**	10,998	247	2.2
Agency commissions[1]	**9,509**	15,807	(6,298)	-39.8
Bank card	**8,474**	8,268	206	2.5
Settlement and clearing	**6,992**	6,729	263	3.9
Custodian and other fiduciary service	**2,755**	2,471	284	11.5
Credit commitment	**587**	683	(96)	-14.1
Others	**150**	190	(40)	-21.1
Fee and commission income	**52,604**	58,097	(5,493)	-9.5
Less: Fee and commission expenses	**5,645**	6,656	(1,011)	-15.2
Net Fee and Commission Income[1]	**46,959**	51,441	(4,482)	-8.7

Note: 1. The year-on-year declines in net fee and commission income and agency commissions income were primarily due to the high base of the one-off gains generated from outstanding wealth management products in the same period of the previous year.

Other Non-interest Income

In the first half of 2026, other non-interest income amounted to RMB51,919 million, representing an increase of RMB16,040 million, as compared to the first half of the previous year. In particular, net trading gain increased by RMB818 million, which was primarily due to an increase in net trading gain on equity instruments at fair value through profit or loss; net gain on financial investments increased by RMB4,837 million, which was primarily due to an increase in net gain on financial instruments at fair value through profit or loss; net gain on derecognition of financial assets measured at amortized cost increased by RMB10,412 million, which was primarily due to an increase in income from disposal of debt securities investments.

Composition of Other Non-interest Income

In millions of RMB

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Net trading gain	**8,376**	7,558
Net gain on financial investments	**10,706**	5,869
Net gain on derecognition of financial assets measured at amortized cost	**25,500**	15,088
Other operating income	**7,337**	7,364
Total	**51,919**	35,879

Operating Expenses

In the first half of 2026, operating expenses increased by RMB6,997 million to RMB118,722 million as compared to the first half of the previous year; cost-to-income ratio decreased by 1.47 percentage points to 26.34% as compared to the first half of the previous year.

Composition of Operating Expenses

In millions of RMB, except for percentages

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
Staff costs	**72,219**	67,533	4,686	6.9
General operating and administrative expenses	**23,962**	23,942	20	0.1
Depreciation and amortization	**12,022**	11,399	623	5.5
Taxes and surcharges	**4,078**	3,859	219	5.7
Insurance benefits and claims	**4,076**	3,590	486	13.5
Others	**2,365**	1,402	963	68.7
Total	**118,722**	111,725	6,997	6.3

Credit Impairment Losses

In the first half of 2026, our credit impairment losses increased by RMB12,665 million to RMB110,620 million as compared to the first half of the previous year, among which, impairment losses on loans increased by RMB11,578 million to RMB108,995 million as compared to the first half of the previous year.

Income Tax Expense

In the first half of 2026, our income tax expense increased by RMB13,110 million to RMB33,707 million as compared to the first half of the previous year. The effective tax rate was 18.54%, which was lower than the statutory tax rate. This was primarily because the interest income from the PRC treasury bonds and local government bonds held by the Bank was exempted from enterprise income tax by the relevant tax laws.

Segment Reports

We assessed our performance and determined the allocation of resources based on the segment reports. Segment information has been presented in the same manner as that of internal management and reporting. At present, we manage our segments from the aspects of business lines, geographical regions and the County Area Banking Business.

The table below presents our operating income by business segment during the periods indicated.

In millions of RMB, except for percentages

	Six months ended 30 June 2026		Six months ended 30 June 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Corporate banking business	**154,566**	**37.6**	138,060	37.3
Retail banking business	**200,188**	**48.7**	190,281	51.5
Treasury operations	**39,166**	**9.5**	29,403	7.9
Other business	**17,202**	**4.2**	12,049	3.3
Total operating income	**411,122**	**100.0**	369,793	100.0

The table below presents our operating income by geographic segment during the periods indicated.

In millions of RMB, except for percentages

	Six months ended 30 June 2026		Six months ended 30 June 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Head Office	**8,258**	**2.0**	(8,518)	(2.3)
Yangtze River Delta	**91,901**	**22.4**	89,132	24.1
Pearl River Delta	**56,591**	**13.8**	55,552	15.0
Bohai Rim	**60,586**	**14.7**	57,944	15.7
Central Region	**72,554**	**17.6**	66,064	17.9
Western Region	**85,683**	**20.8**	80,336	21.7
Northeastern Region	**15,089**	**3.7**	13,090	3.5
Overseas and others	**20,460**	**5.0**	16,193	4.4
Total operating income	**411,122**	**100.0**	369,793	100.0

The table below presents our operating income from the County Area Banking Business and Urban Area Banking Business during the periods indicated.

In millions of RMB, except for percentages

Item	Six months ended 30 June 2026 Amount	Six months ended 30 June 2026 Percentage (%)	Six months ended 30 June 2025 Amount	Six months ended 30 June 2025 Percentage (%)
County Area Banking Business	**198,088**	**48.2**	183,008	49.5
Urban Area Banking Business	**213,034**	**51.8**	186,785	50.5
Total operating income	**411,122**	**100.0**	369,793	100.0

Balance Sheet Analysis

Assets

At 30 June 2026, our total assets amounted to RMB51,058,873 million, representing an increase of RMB2,274,199 million, or 4.7%, as compared to the end of the previous year. In particular, net loans and advances to customers increased by RMB1,640,875 million, or 6.3%; financial investments increased by RMB1,533,291 million, or 9.4%; cash and balances with central banks decreased by RMB9,050 million, or 0.3%; deposits and placements with and loans to banks and other financial institutions decreased by RMB181,307 million, or 18.0%, which was primarily due to a decrease in cooperative deposits with banks and other financial institutions; financial assets held under resale agreements decreased by RMB748,732 million, or 47.8%, which was primarily due to a decrease in debt securities held under resale agreements.

Key Items of Assets

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Total loans and advances to customers	**28,824,760**	**—**	27,134,834	—
Less: Allowance for impairment losses on loans at amortized cost	**1,005,531**	**—**	956,480	—
Loans and advances to customers, net	**27,819,229**	**54.5**	26,178,354	53.7
Financial investments	**17,854,606**	**35.0**	16,321,315	33.4
Cash and balances with central banks	**2,792,935**	**5.5**	2,801,985	5.7
Deposits and placements with and loans to banks and other financial institutions	**823,957**	**1.6**	1,005,264	2.1
Financial assets held under resale agreements	**816,259**	**1.6**	1,564,991	3.2
Others	**951,887**	**1.8**	912,765	1.9
Total assets	**51,058,873**	**100.0**	48,784,674	100.0

Loans and Advances to Customers

At 30 June 2026, our total loans and advances to customers amounted to RMB28,824,760 million, representing an increase of RMB1,689,926 million, or 6.2%, as compared to the end of the previous year.

Distribution of Loans and Advances to Customers by Business Type

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Domestic loans	**28,379,866**	**98.7**	26,701,203	98.6
Corporate loans	**16,761,571**	**58.3**	15,485,867	57.2
Discounted bills	**2,046,168**	**7.1**	1,952,660	7.2
Retail loans	**9,572,127**	**33.3**	9,262,676	34.2
Overseas and others	**386,290**	**1.3**	381,443	1.4
Sub-Total	**28,766,156**	**100.0**	27,082,646	100.0
Accrued interest	**58,604**	**—**	52,188	—
Total	**28,824,760**	**—**	27,134,834	—

Distribution of Corporate Loans by Maturity

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Short-term corporate loans	**4,887,545**	**29.2**	4,175,045	27.0
Medium- and long-term corporate loans	**11,874,026**	**70.8**	11,310,822	73.0
Total	**16,761,571**	**100.0**	15,485,867	100.0

Distribution of Corporate Loans by Industry[1]

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Manufacturing	**2,863,521**	**17.1**	2,535,619	16.5
Production and supply of electricity, heating, gas and water	**1,820,083**	**10.9**	1,772,301	11.4
Real estate	**894,617**	**5.3**	874,310	5.6
Transportation, storage and postal services	**3,275,615**	**19.5**	3,171,653	20.5
Wholesale and retail	**1,157,830**	**6.9**	1,009,117	6.5
Water, environment and public utilities management	**1,505,219**	**9.0**	1,357,939	8.8
Construction	**682,378**	**4.1**	605,652	3.9
Mining	**330,163**	**2.0**	326,921	2.1
Leasing and commercial services	**2,898,657**	**17.3**	2,572,276	16.6
Finance	**437,371**	**2.6**	465,237	3.0
Information transmission, software and IT services	**177,323**	**1.1**	146,782	0.9
Others[2]	**718,794**	**4.2**	648,060	4.2
Total	**16,761,571**	**100.0**	15,485,867	100.0

Notes: 1. Classification of the loans in the above table is based on the industries in which the borrowers operate.

2. Others mainly include agriculture, forestry, animal husbandry, fishery, public health, and social work, etc.

At 30 June 2026, the top five major industries for our corporate loans include: (1) transportation, storage and postal services; (2) leasing and commercial services; (3) manufacturing; (4) production and supply of electricity, heating, gas and water; and (5) water, environment and public utilities management. The aggregate loan balance of the top five major industries accounted for 73.8% of our total corporate loans, remaining unchanged from the end of the previous year.

Distribution of Retail Loans by Product Type

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Residential mortgage loans	**4,728,180**	**49.4**	4,816,355	52.0
Personal consumption loans	**688,050**	**7.2**	604,758	6.5
Loans to private business	**3,339,886**	**34.9**	2,991,201	32.3
Credit card balances	**815,849**	**8.5**	850,087	9.2
Others	**162**	**—**	275	—
Total	**9,572,127**	**100.0**	9,262,676	100.0

At 30 June 2026, our retail loans increased by RMB309,451 million, or 3.3%, as compared to the end of the previous year. In particular, personal consumption loans (including credit card balances) increased by RMB49,054 million, or 3.4%, as compared to the end of the previous year, primarily due to our continuous increase in the granting of consumption loans, resulting from our efforts in actively aligning with the policies for the special initiatives to boost consumption and deepening integration into key consumption scenarios such as education, tourism and culture. Loans to private business increased by RMB348,685 million, or 11.7%, as compared to the end of the previous year, primarily because we leveraged the role of the coordination mechanism for supporting small and micro enterprises in obtaining financing, deepened the services for inclusive groups and rural revitalization, and actively responded to the financing needs of customer groups such as small and micro enterprise owners, self-employed individuals, and rural households.

Distribution of Loans and Advances to Customers by Geographic Region

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Head Office	**1,015,443**	**3.5**	1,081,629	4.0
Yangtze River Delta	**6,950,817**	**24.2**	6,509,002	23.9
Pearl River Delta	**4,398,629**	**15.3**	4,186,481	15.5
Bohai Rim	**3,876,805**	**13.5**	3,617,191	13.4
Central Region	**4,936,566**	**17.2**	4,521,692	16.7
Northeastern Region	**920,299**	**3.2**	861,442	3.2
Western Region	**6,281,307**	**21.8**	5,923,766	21.9
Overseas and others	**386,290**	**1.3**	381,443	1.4
Sub-Total	**28,766,156**	**100.0**	27,082,646	100.0
Accrued interest	**58,604**	**—**	52,188	—
Total	**28,824,760**	**—**	27,134,834	—

Financial Investments

At 30 June 2026, our financial investments amounted to RMB17,854,606 million, representing an increase of RMB1,533,291 million, or 9.4%, as compared to the end of the previous year. In particular, investments in non-restructuring-related debt securities increased by RMB1,523,637 million as compared to the end of the previous year, primarily due to an increase in the investments in government bonds.

Distribution of Financial Investments by Product Type

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Non-restructuring-related debt securities	**16,989,152**	**96.3**	15,465,515	95.9
Restructuring-related debt securities	**384,196**	**2.2**	384,198	2.4
Equity instruments	**166,670**	**0.9**	161,160	1.0
Others	**103,693**	**0.6**	108,852	0.7
Sub-Total	**17,643,711**	**100.0**	16,119,725	100.0
Accrued interest	**210,895**	**—**	201,590	—
Total	**17,854,606**	**—**	16,321,315	—

Distribution of Non-restructuring-related Debt Securities Investments by Issuer

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Government bonds	**13,015,238**	**76.6**	12,211,392	79.0
Bonds issued by policy banks	**1,713,353**	**10.1**	1,418,806	9.2
Bonds issued by banks and other financial institutions	**1,485,697**	**8.8**	1,229,774	8.0
Bonds issued by public sector entities	**292,771**	**1.7**	258,824	1.7
Corporate bonds	**482,093**	**2.8**	346,719	2.1
Total	**16,989,152**	**100.0**	15,465,515	100.0

Distribution of Non-restructuring-related Debt Securities Investments by Remaining Maturity

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Remaining Maturity	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Less than 3 months	**761,106**	**4.5**	605,100	3.9
3-12 months	**1,772,528**	**10.4**	1,866,857	12.1
1-5 years	**6,670,777**	**39.3**	6,088,729	39.4
Over 5 years	**7,784,741**	**45.8**	6,904,829	44.6
Total	**16,989,152**	**100.0**	15,465,515	100.0

Distribution of Non-restructuring-related Debt Securities Investments by Currency

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
RMB	**16,454,031**	**96.8**	14,974,971	96.8
USD	**370,898**	**2.2**	365,662	2.4
Other foreign currencies	**164,223**	**1.0**	124,882	0.8
Total	**16,989,152**	**100.0**	15,465,515	100.0

Distribution of Financial Investments by Business Models and Characteristics of Contractual Cash Flows

In millions of RMB, except for percentages

Item	30 June 2026 Amount	Percentage (%)	31 December 2025 Amount	Percentage (%)
Financial assets at fair value through profit or loss	**528,811**	**3.0**	556,994	3.5
Debt investments at amortized cost	**12,444,928**	**70.5**	11,628,715	72.1
Other debt instruments and other equity investments at fair value through other comprehensive income	**4,669,972**	**26.5**	3,934,016	24.4
Sub-Total	**17,643,711**	**100.0**	16,119,725	100.0
Accrued interest	**210,895**	**—**	201,590	—
Total	**17,854,606**	**—**	16,321,315	—

Investment in Financial Bonds

Financial bonds refer to securities issued by policy banks, banks and other financial institutions, the principal and interest of which are to be repaid pursuant to a pre-determined schedule. At 30 June 2026, the balance of financial bonds held by the Bank was RMB3,199,050 million, including bonds of RMB1,713,353 million issued by policy banks and bonds of RMB1,485,697 million issued by banks and other financial institutions.

The table below presents the top ten financial bonds held by the Bank in terms of face value at 30 June 2026.

In millions of RMB, except for percentages

Bond	Face value	Annual interest rate	Maturity date	Allowance[1]
2025 policy bank bond	136,949	1.87%	2035/09/05	—
2025 policy bank bond	119,308	1.82%	2035/08/07	—
2020 policy bank bond	49,381	3.74%	2030/11/16	—
2021 policy bank bond	47,147	3.38%	2031/07/16	—
2020 policy bank bond	46,970	3.79%	2030/10/26	—
2021 policy bank bond	46,791	3.30%	2031/11/05	—
2025 policy bank bond	46,344	1.78%	2035/05/15	—
2021 policy bank bond	41,683	3.52%	2031/05/24	—
2022 policy bank bond	38,355	3.06%	2032/06/06	—
2024 policy bank bond	38,271	2.30%	2029/02/22	—

Note: 1. Allowance in this table refers to allowance for impairment losses in stage II and stage III, not including allowance for impairment losses in stage I.

Liabilities

At 30 June 2026, our total liabilities amounted to RMB47,724,033 million, representing an increase of RMB2,182,730 million, or 4.8%, as compared to the end of the previous year. In particular, deposits from customers increased by RMB1,400,946 million, or 4.3%; deposits and placements from banks and other financial institutions increased by RMB773,727 million, or 12.1%, mainly due to an increase in deposits from non-banking financial institutions; financial assets sold under repurchase agreements decreased by RMB320,367 million, or 22.0%, mainly due to a decrease in bond repurchase; debt securities issued increased by RMB261,331 million, or 8.0%, mainly due to an increase in the issuance of interbank certificates of deposit.

Key Items of Liabilities

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Deposits from customers	**34,050,893**	**71.3**	32,649,947	71.7
Deposits and placements from banks and other financial institutions	**7,163,047**	**15.0**	6,389,320	14.0
Financial assets sold under repurchase agreements	**1,133,475**	**2.4**	1,453,842	3.2
Debt securities issued	**3,525,218**	**7.4**	3,263,887	7.2
Other liabilities	**1,851,400**	**3.9**	1,784,307	3.9
Total liabilities	**47,724,033**	**100.0**	45,541,303	100.0

Deposits from Customers

At 30 June 2026, the balance of our deposits from customers amounted to RMB34,050,893 million, representing an increase of RMB1,400,946 million, or 4.3%, as compared to the end of the previous year. In terms of customer structure, the proportion of retail deposits decreased by 0.2 percentage point to 64.4% as compared to the end of the previous year. In terms of maturity structure, the proportion of demand deposits decreased by 0.6 percentage point to 38.6% as compared to the end of the previous year.

Distribution of Deposits from Customers by Business Type

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Domestic deposits	**33,472,120**	**99.5**	31,973,985	99.5
Corporate deposits	**10,963,686**	**32.6**	10,286,009	32.0
Time	**5,312,001**	**15.8**	5,083,187	15.8
Demand	**5,651,685**	**16.8**	5,202,822	16.2
Retail deposits	**21,652,654**	**64.4**	20,761,096	64.6
Time	**14,303,942**	**42.6**	13,361,728	41.6
Demand	**7,348,712**	**21.8**	7,399,368	23.0
Other deposits[1]	**855,780**	**2.5**	926,880	2.9
Overseas and others	**163,029**	**0.5**	171,722	0.5
Sub-Total	**33,635,149**	**100.0**	32,145,707	100.0
Accrued interest	**415,744**	**—**	504,240	—
Total	**34,050,893**	**—**	32,649,947	—

Note: 1. Including margin deposits, remittance payables and outward remittance.

Distribution of Deposits from Customers by Geographic Region

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Head Office	**353,597**	**1.1**	165,460	0.5
Yangtze River Delta	**7,642,949**	**22.7**	7,365,168	22.9
Pearl River Delta	**4,550,268**	**13.5**	4,465,667	13.9
Bohai Rim	**5,955,547**	**17.7**	5,729,085	17.8
Central Region	**6,116,823**	**18.2**	5,701,354	17.8
Northeastern Region	**1,929,703**	**5.7**	1,877,604	5.9
Western Region	**6,923,233**	**20.6**	6,667,454	20.7
Overseas and others	**163,029**	**0.5**	173,915	0.5
Sub-Total	**33,635,149**	**100.0**	32,145,707	100.0
Accrued interest	**415,744**	**—**	504,240	—
Total	**34,050,893**	**—**	32,649,947	—

Distribution of Deposits from Customers by Remaining Maturity

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Demand	**13,952,287**	**41.5**	13,443,398	41.8
Less than 3 months	**3,233,223**	**9.6**	4,077,928	12.7
3-12 months	**7,676,645**	**22.8**	6,351,318	19.8
1-5 years	**8,761,624**	**26.1**	8,237,431	25.6
Over 5 years	**11,370**	**—**	35,632	0.1
Sub-Total	**33,635,149**	**100.0**	32,145,707	100.0
Accrued interest	**415,744**	**—**	504,240	—
Total	**34,050,893**	**—**	32,649,947	—

Shareholders' Equity

At 30 June 2026, our shareholders' equity amounted to RMB3,334,840 million, representing an increase of RMB91,469 million as compared to the end of the previous year. Net assets per ordinary share were RMB8.17, representing an increase of RMB0.26 as compared to the end of the previous year.

<u>*Composition of Shareholders' Equity*</u>

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Ordinary shares	**349,983**	**10.5**	349,983	10.8
Other equity instruments	**470,000**	**14.1**	470,000	14.5
Capital reserve	**173,426**	**5.2**	173,426	5.3
Surplus reserve	**331,389**	**9.9**	330,932	10.2
General reserve	**607,043**	**18.2**	570,282	17.6
Retained earnings	**1,329,426**	**39.9**	1,272,603	39.2
Other comprehensive income	**66,747**	**2.0**	69,956	2.2
Non-controlling interests	**6,826**	**0.2**	6,189	0.2
Total	**3,334,840**	**100.0**	3,243,371	100.0

Off-balance Sheet Items

Off-balance sheet business refers to business engaged by the Bank that is not recorded on the balance sheet under current accounting standards for enterprises and does not form actual assets or liabilities, but may lead to changes in profit or loss. Based on the characteristics and legal relationships, off-balance sheet business is categorized into guarantees and commitments, agency investment and financing services, intermediary services, and others. For details on off-balance sheet items such as credit commitments and capital expenditure commitments, please refer to Note 45 Contingent liabilities and commitments to the Condensed Consolidated Interim Financial Statements.

In the first half of 2026, the Bank adhered to the principle of prudent operations, and highly prioritized off-balance sheet business development and risk control. It fully implemented regulatory requirements, improved relevant systems, measures and management procedures, specified development objectives and strategies for off-balance sheet business, and focused on improving the refinement of business management to better meet customer demands for comprehensive financial services. It integrated off-balance sheet business into the comprehensive risk management system and continuously enhanced off-balance sheet business risk management and control capabilities to consolidate the foundation for the development of off-balance sheet business across the Bank.

Cash Flow Analysis

Net cash from operating activities was RMB287,612 million, representing a decrease of RMB718,192 million as compared to the first half of the previous year, mainly due to the net cash outflow from financial assets sold under repurchase agreements, compared with a net cash inflow in the first half of the previous year.

Net cash used in investing activities was RMB1,360,784 million, representing an increase of RMB977,202 million as compared to the first half of the previous year, mainly due to an increase in cash paid for purchase of investment securities.

Net cash from financing activities was RMB156,089 million, representing a decrease of RMB147,809 million as compared to the first half of the previous year, mainly due to an increase in repayments of debt securities issued.

Other Financial Information

Changes in Accounting Policies

There were no significant changes in accounting policies during the reporting period.

Differences between the Consolidated Financial Statements Prepared under IFRS Accounting Standards and those Prepared under CASs

There were no differences in the net profit or shareholders' equity, during the reporting period, between the Consolidated Interim Financial Statements of the Bank prepared under IFRS Accounting Standards and the corresponding figures prepared in accordance with CASs.

Other Financial Indicators

		Regulatory Standard	**30 June 2026**	31 December 2025	31 December 2024
Liquidity ratio[1] (%)	RMB	≥25	**88.22**	97.01	85.34
	Foreign currency	≥25	**160.65**	164.41	181.05
Percentage of loans to the largest single customer[2] (%)		≤10	**2.66**	2.58	2.64
Percentage of loans to the top ten customers[3] (%)			**13.85**	13.87	13.79
Loan migration ratio[4] (%)	Normal		**1.51**	1.28	1.26
	Special mention		**34.30**	21.30	18.61
	Substandard		**79.72**	37.25	39.37
	Doubtful		**105.28**	65.62	22.98

Notes:
1. *Calculated by dividing current assets by current liabilities in accordance with the relevant regulations of the NFRA.*
2. *Calculated by dividing total loans to the largest single customer (excluding accrued interest) by net capital.*
3. *Calculated by dividing total loans to the top ten customers (excluding accrued interest) by net capital.*
4. *The data at 30 June 2026 was annualized.*

Business Review

"Five Priorities" of Finance

We thoroughly implemented the major decisions and plans of the CPC Central Committee and the State Council and fully acted on the guiding principles of the Central Financial Work Conference. With a thorough understanding of the political and people-centered nature of financial work, we focused on our primary responsibility and core business of serving agriculture, rural areas and rural residents, continuously increased financial supply for key areas and weak links of the real economy, and strove to deliver tangible outcomes in the "Five Priorities" of technology finance, green finance, inclusive finance, pension finance and digital finance. Specifically, we progressively improved the service system of technology finance, increasingly enriched service models of green finance, continuously improved the service quality and efficiency of inclusive finance, accelerated the development of pension finance, and kept strengthening the service capabilities of digital finance.

Technology Finance

Focusing on greater self-reliance and strength in science and technology and the building of a modernized industrial system, we supported the building of China's strength in science and technology with high-quality financial services. We supported national strategies and improved our organizational framework. Closely aligning with the strategy to expand international science and technology innovation centers into broader regional clusters, we scaled up our technology finance service centers in an orderly manner, and continuously improved the three-tiered specialized service system comprising "Technology Finance Service Center – Technology Finance Division – Professional Technology Finance Sub-branch". We served science and technology innovation and optimized our product system. We expanded the scope of our dedicated credit service system, refined the rules of model-based rating for sci-tech enterprises, and intensified efforts for the innovation and promotion of featured products such as the Innovation Reward Points Loan, the Emerging Industries Empowerment Loan and the Research and Development Loan. We served industrial development and made good use of policy instruments. We intensified our underwriting of and investment in sci-tech innovation bonds. In the first half of 2026, we served as the lead underwriter for 37 sci-tech innovation bonds, with a total issuance scale exceeding RMB120.0 billion. We efficiently implemented the re-lending and interest subsidy policies for sci-tech innovation and technological transformation, providing strong support for emerging and future industries such as integrated circuits, commercial aerospace and artificial intelligence, thereby fostering the deep integration of technological and industrial innovation. We catered to comprehensive needs and jointly built a sci-tech innovation ecosystem. We upgraded the NongYinChuangDa, a full-chain and full-lifecycle service solution of technology finance and provided integrated services spanning equity, bonds, lending, leasing and advisory with group-wide synergy. In collaboration with government departments, research institutes, venture capital firms and industry associations, we jointly fulfilled the requirements of making early-stage, small-scale, long-term and core-technology investments. Since the establishment of the pilot program for equity investment, we have cumulatively invested in 66 sci-tech innovation projects. As at the end of June 2026, we had cumulatively provided financial services to over 360 thousand sci-tech enterprises, and growth rates of loans to sci-tech enterprises and loans to sci-tech small and medium-sized enterprises reached 24% and 29%, as compared to the end of the previous year, respectively.

Green Finance

Focusing on the Beautiful China Initiative, we took solid steps to advance green finance. Guided by the goals of achieving carbon peaking and carbon neutrality, we set business targets for green finance, improved systems and mechanisms, accelerated innovation in products and service models, and advanced the business development of green finance as well as energy conservation and carbon reduction within our own operations in an orderly manner. We strengthened policy guidance by continuously incorporating the requirements of green and low-carbon development into our credit policy system, so as to guide green funds to tilt toward key areas such as the establishment of pilot zones under the Beautiful China Initiative, the critical battle against pollution, and the improvement of ecosystem. We enhanced the management of the major project pool of green finance and increased the supply of green loans. We diversified our green investment and financing system, underwrote green bonds, invested in green bonds, and continuously expanded innovative businesses such as green funds, green leasing, and green wealth management to effectively meet customers' diversified investment and financing needs. In addition, we formulated a green transition plan to advance the green transformation of our business operations and management on all fronts. We made steady progress in energy conservation and carbon reduction within our own operations, and conducted carbon emission accounting for investment and financing activities in an orderly manner. Ensuring both development and security, we comprehensively strengthened ESG and climate-related risk management. As at the end of June 2026, the balance of green loans amounted to RMB6.53 trillion, with a growth rate of 10.4%.

Inclusive Finance

We remained committed to the goal of high-quality and sustainable development, further advanced our strategy of rural and inclusive finance, and made good use of coordinated fiscal and financial policies to boost domestic demand. We improved capabilities for providing digital, intelligent, intensive, targeted and comprehensive services, strove to provide financial services that align with economic development and respond to market demand, and promoted reasonable growth in quantity and effective improvement in quality of inclusive loans, so as to effectively serve market entities such as small and micro enterprises, self-employed individuals, and rural households. As at the end of June 2026, the balance of inclusive loans amounted to RMB4.88 trillion, representing an increase of RMB532.4 billion or 12.2% as compared to the end of the previous year; the balance of inclusive loans to small and micro enterprises was RMB4.40 trillion, representing an increase of RMB469.8 billion or 12.0% as compared to the end of the previous year; the number of inclusive small and micro enterprise customers with outstanding inclusive loan balances amounted to 5,579.7 thousand, representing an increase of 340.3 thousand customers as compared to the end of the previous year.

Pension Finance

With a focus on the people-centered, functional and inclusive nature of pension finance, we actively served the proactive national strategy in response to population aging, further enhanced the quality and efficiency of pension finance services, developed distinctive service offerings, and optimized service supply, with an unwavering commitment to transitioning toward a value-creating bank and a service-oriented bank in pension finance. We continued to facilitate the expansion of the coverage of the three-pillar pension finance system. As at the end of June 2026, the number of users of physical social security cards of the Bank amounted to 284 million; our pension funds under entrusted management amounted to RMB438,646 million, representing an increase of 13.0% as compared to the end of the previous year; the number of private pension customers and the amount of contribution increased by 14.3% and 36.7%, respectively, as compared to the end of the previous year, maintaining a leading position in the industry. We continued to expand the supply of pension finance products. Treasury bonds were newly added to the private pension finance product portfolio, with the number of investable products exceeding 260. We introduced time deposit with regular interest withdrawal under ABC Yi Yang Bao, a monthly payout product portfolio to help elderly customers increase retirement reserves. We also built exclusive age-friendly service channels for elderly customers. We continued to upgrade the Pension Zone on mobile banking, delivering video customer service to better serve elderly customers. Our remote banking Care Hotline provided 4.14 million person-times "direct access to customer service representatives" services, and introduced a three-party calling function connecting elderly customers, our customer service representatives and customers' children. We offered door-to-door caring services, delivering services to customer groups including elderly customers for more than 1.20 million person-times. We strengthened multi-tiered support for the elderly care industry and made full and good use of policies such as PBOC's re-lending facility aimed at boosting service consumption and elderly care.

Digital Finance

We further advanced the development of smart banking. Leveraging AI agent applications and guided by project-specific needs, we continuously improved our AI+ capability system and promoted the large-scale and inclusive application of AI across the Bank. We launched mobile banking Version 11.2, built the NongYinRuiDa corporate banking service platform, and drove the digital and intelligent upgrade of customer services through "AI + data". We developed our in-house AI agent, ABC-Claw, and launched "Yiming", an enterprise-level digital assistant, to reduce burdens and empower employees in credit processing, daily office work and other scenarios. We advanced the development of the enterprise-level knowledge project, expanded our knowledge base, and reinforced the comprehensive knowledge infrastructure for AI applications, to continuously unlock the value of knowledge assets. We leveraged the ABC Smart+ platform to achieve the unified output of computing resources and models, establishing a standardized technological foundation for AI applications across various business scenarios of the Bank. As at the end of June 2026, the balance of ABC E-loan amounted to RMB7.27 trillion, representing an increase of 6.9% as compared to the end of the previous year, and the number of MAU of mobile banking exceeded 282 million.

Corporate Banking

During the reporting period, upholding our positioning as a major bank serving the real economy, we supported the building of a modernized industrial system, and took solid steps to promote the development of the "Five Priorities" of finance. We continued to optimize the credit structure and increased financial support for major national strategies, key areas and weak links. Being customer-centered, we deepened our hierarchical and classified customer management system, strengthened technology empowerment, and promoted the high-quality development of our corporate banking business. As at the end of June 2026, the balance of domestic corporate deposits amounted to RMB10,963,686 million. The balance of domestic corporate loans and discounted bills amounted to RMB18,807,739 million, representing an increase of RMB1,369,212 million as compared to the end of the previous year. As at the end of June 2026, we had 14,111.2 thousand corporate banking customers, among which 692.3 thousand customers had outstanding loan balances, representing an increase of 44.7 thousand customers as compared to the end of the previous year.

➢ We supported the accelerated advancement of new industrialization. Focusing on advanced manufacturing, industrial transformation and upgrading, green industrial development, industrial and supply chains and other fields, we strengthened policy support and resource supply, optimized financial products and service models, and supported large-scale equipment upgrades, as well as the transformation, upgrading and high-quality development of the manufacturing industry. As at the end of June 2026, the contracted loans under the program for technology transformation and equipment upgrades reached RMB437.3 billion, and the balance of loans was RMB191.4 billion, representing an increase of RMB18.4 billion as compared to the end of the previous year; the balance of loans granted to the manufacturing industry (based on the distribution of loans) amounted to RMB4.16 trillion, representing an increase of RMB435.7 billion or 11.7% as compared to the end of the previous year; the balance of medium- and long-term loans granted to the manufacturing industry (based on the distribution of loans) reached RMB1.68 trillion, representing an increase of RMB112.0 billion as compared to the end of the previous year.

➢ We served national strategies of regional development. We leveraged our advantages in omni-channel coverage, a full range of products and multiple licenses, and strengthened differentiated policy support to comprehensively serve national strategies of regional development, such as Coordinated Development of the Beijing-Tianjin-Hebei Region, Integrated Development of the Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area and Chengdu-Chongqing Economic Circle, with an increase of RMB897.4 billion in loans to corporate customers in the first half of 2026.

➢ We supported the high-quality development of the private economy. Focusing on serving the modernized industrial system, and centering on key areas including the upgrading of traditional industries, the development of emerging and future industries, and the development of modernized infrastructure, we improved the financial service system for private enterprises, increased credit supply, and provided more targeted and effective financial services for private enterprises. As at the end of June 2026, the balance of loans granted to private enterprises was RMB8.20 trillion, representing an increase of RMB636.3 billion or 8.4% as compared to the end of the previous year.

- We supported the stable operation of the capital market. We further expanded the business of lending facility for share buybacks and shareholding increases, improved the coordination mechanism among the Head Office, branches and sub-branches, formulated full-chain service solutions covering the process from initial marketing to follow-up management, and took targeted measures to meet the financing needs of high-quality listed companies. We granted loans to companies in multiple sectors, with the cumulative amount maintaining a stable leading position in the banking industry.

- We continuously and deeply built the transaction banking system based on account services and payment and settlement to facilitate the high-quality development of transaction banking business. Targeting the scenario of corporate customer account opening, we strengthened technology empowerment and strove to enhance mobile marketing service capabilities, so as to continuously improve customer experience of account opening. As at the end of June 2026, we had 17,452.9 thousand corporate RMB-denominated settlement accounts.

- We promoted digital and intelligent transformation. We improved the intelligent marketing management platform and a series of digital support tools to better support the building of a modernized industrial system through financial services.

Institutional Banking

Adhering to the customer-centered principle, we deepened our presence in key areas such as financial services to the governments, fiscal affairs and social security, people's wellbeing and financial institutions, reshaped our institutional banking service model through digital transformation, and continued to enhance the quality and efficiency of comprehensive financial services, thereby advancing institutional banking business with higher quality, better structure and greater resilience. As at the end of June 2026, we had 885.6 thousand institutional banking customers, representing an increase of 36.3 thousand customers as compared to the end of the previous year.

- In terms of financial services to the governments, we focused on customer segments including government agencies, political and legal institutions, public organizations and foundation-level organizations, and implemented measures tailored to each segment for targeted empowerment, thus achieving improvements in both customer base and service capabilities.

- In terms of fiscal affairs and social security, we supported the fiscal budget institutional reform, and facilitated the front-loaded implementation of a more proactive fiscal policy. We were awarded the excellent agent bank for central fiscal authorized payments by the MOF for nine consecutive years, and the excellent agent bank for central non-tax revenue collection by the MOF for 16 consecutive years. We deepened cooperation on social security and medical insurance business and consolidated the medical insurance service network, with the number of qualifications for cooperation in mobile payment of medical bills under medical insurance and medical insurance QR code users both maintaining first in the banking industry.

- In terms of services for people's wellbeing, we remained committed to ensuring and improving people's wellbeing, and provided high-quality financial services to 1,552 universities and colleges, 860 Grade-A tertiary hospitals, as well as tens of millions of faculty members, students and patients, etc. Our cooperation coverage among Housing Provident Fund Management Centers reached 98%.

- In terms of services to financial institutions, we served residents' wealth management needs through our third-party depository business, with the number of customer contracts exceeding 90 million.

Investment Banking

We vigorously advanced the transformation toward a value-creating investment bank, and continued to deepen the development of the "first-class investment banking division of commercial banks". In the first half of 2026, the income from our investment banking business was RMB9,762 million.

- We followed national strategies and served the overall national development. We deeply engaged in the preparation for and operation of national-level funds for integrated circuits, mixed-ownership reform of central SOEs and other key areas, to support the implementation of major national strategies. We provided all-round services for key areas such as sci-tech innovation, green development, rural revitalization, digital economy and elderly care, and established a pipeline of prospective customers for bond underwriting covering the "Five Priorities" of finance. We maintained a leading position among comparable peers in terms of the underwriting scale of rural revitalization-themed notes and green bonds.

- We leveraged our professional and comprehensive strengths to expand financing channels for the real economy. We gave full play to our strengths in syndicated loans business to meet the financing needs of projects in key sectors, with the scale of syndicated loans surpassing RMB3.3 trillion. Seizing the opportunities brought by the new policies on M&A loans, we achieved steady growth in the scale of M&A loans. We developed a multi-tiered and full-process comprehensive service model for REITs to support the development of the real economy through diverse services.

- We adhered to innovation-driven development and deepened the layout of technology finance. We advanced the pilot program of AIC equity investment in an orderly manner. As at the end of June 2026, 31 AIC pilot funds were set up, covering diverse sectors such as computing chips, AI, low-altitude economy, the Internet of Things, and biomedicine. We innovated corporate asset securitization products and underwrote the country's first intellectual property-backed ABN with dual credit enhancement from bank guarantees and credit enhancement institutions. We strengthened investment-loan linkage, and launched Touyuan Tongxing, a private equity investment marketing management system, to precisely tap service opportunities for venture-backed tech enterprises.

- We further advanced digital empowerment and iteratively upgraded our service platforms. We continuously optimized the features of the ABC SISON platform, enriched data services, expanded service channels, and extended the depth and coverage of service to improve online customer service capabilities. Supported by intelligent algorithms, we refined the personalized information recommendation function to enhance the accuracy and targeting of platform services.

Retail Banking

With a focus on high-quality development, we deeply implemented the development strategy of "One Main Body with Two Wings" (namely, customer construction as the main body, unswervingly promoting broad wealth management and digital transformation as the two wings). We strengthened coordinated online-offline customer services, innovated wealth management service models, further advanced the building of digital and intelligent capabilities, increased the supply of retail loans, and optimized payment services. By meeting customer needs, improving customer experience and helping customers grow their wealth, we advanced the transformation of the Bank toward a value-creating bank and a service-oriented bank.

Customer Management

Adhering to the customer-centered principle, we continuously improved customer services classified by groups and layers, focused on the coordination of online and offline services, deepened digital and intelligent empowerment, and strove to deliver a more professional, intelligent and considerate service experience to customers. As at the end of June 2026, the total number of our retail banking customers reached 905 million, maintaining first in the banking industry.

- We optimized the strategy of providing customer services classified by groups and layers. Focusing on key customer groups including elderly customers, payroll customers and new urban residents, we adopted group-specific policies to deliver differentiated services. We expanded product offerings such as the ABC Yi Yang Bao, Payroll Joy and micro and small merchant cards, optimized the smart pension service model, enhanced the Monthly Payroll Joy campaign brand, and deepened the building of the service system for new urban residents, to meet the underlying financial needs of various customer groups in various aspects. We upgraded the Star-rated Privilege customer benefits system to deliver a more rewarding experience with exclusive benefits for customers.

- We deepened the integration of online and offline services. We actively fostered outlet-centric financial ecosystems, strengthened connections with local communities, enterprises and merchants, and developed the service brand of "ABC Considerate Services, Progress Every Day". We enhanced online service capabilities and provided customers with convenient financial services available anytime and anywhere through mobile banking, WeCom and other platforms. We actively explored the digital and intelligent direct marketing service model. Driven by data, we gained precise insights into customer needs, provided differentiated products and benefits tailored to different customer segments, and strengthened the synergy between online and offline channels, to increase the coverage, quality and efficiency of our services.

- We strengthened the building of professional service capabilities. We further enhanced the professional competence of our teams, carried out tiered and categorized training across the Bank, and continuously strengthened professional teams dedicated to investment research, direct marketing and customer management, to consolidate the foundation of services. We strengthened digital and intelligent empowerment, and were the first in the industry to launch an enterprise-level digital assistant named "Yiming", which embeds AI capabilities across the full processes in the scenarios including customer services, business management and daily office work, enabling instant consultation and efficient processing. We systematically improved the digital and intelligent operations across the Bank, and enhanced the quality and efficiency of services by leveraging new quality productive forces.

Broad Wealth Management

We proactively built a "four-wheel drive" wealth management system, driven by value, reform, organization, and digitalization and intelligence, to continuously enhance our professional wealth management service capabilities. As at the end of June 2026, the AUM of our retail banking customers reached RMB25.69 trillion, ranking among the top in the banking industry; the balance of domestic retail deposits amounted to RMB21,652,654 million, representing an increase of RMB891,558 million as compared to the end of the previous year, maintaining a leading position in the banking industry.

- We stayed committed to the principle of finance for the people. We upheld the service philosophy of "insights into demands, reasonable expectations and qualified delivery". Centering on customers' full-lifecycle wealth management needs, we implemented a comprehensive asset allocation service strategy, continuously optimized investment services, and created long-term value for customers.

- We innovated wealth management service models. Fully leveraging the Group's strengths in synergistic and integrated operations, we adopted a two-pronged approach of innovation and selection of premium products to build a comprehensive wealth management product portfolio covering multi-strategy wealth management products, multi-functional insurance matrix, funds, precious metals and other products. We integrated resources and created new approaches to translate our advantages in customer base and service channels into robust drivers for the development of broad wealth management business.

- We forged wealth management service capabilities. We strengthened the development of our professional wealth management team, and conducted capacity-building training under the Spark Program to comprehensively improve full-process service capabilities encompassing customer insights, asset allocation and ongoing customer companionship. We launched the "ABC Wealth" service brand, conveying the brand philosophy of dedication to stewardship for a future of smart wealth management, and delivered more considerate and reliable wealth management services to customers.

Retail Loans

➢ Practicing the principle of finance for the people and focusing on residential mortgage loans, personal consumption loans, and inclusive loans to private business, we enhanced the quality and efficiency of services for expanding domestic demand, stimulating consumption and improving people's wellbeing, and increased the granting of retail loans. As at the end of June 2026, the balance of domestic retail loans was RMB9.57 trillion, representing an increase of RMB309,451 million or 3.3% as compared to the end of the previous year, maintaining first in the banking industry in terms of the scale of retail loans.

➢ We implemented national policies for stabilizing the real estate market, fully satisfied the essential housing demand of urban and rural residents and their demand for better housing, and stepped up the granting of retail residential mortgage loans in areas such as the development of quality homes and urban renewal. In the first half of 2026, we granted retail residential mortgage loans of RMB258.9 billion.

➢ We aligned with policies for the special initiatives to boost consumption, carried out the two interest subsidy policies in a prudent and orderly manner, strengthened our presence in key consumption scenarios, and improved service quality and efficiency. As at the end of June 2026, the balance of personal consumption loans (including credit card balances) amounted to RMB1.50 trillion, representing an increase of RMB49,054 million as compared to the end of the previous year.

➢ With a focus on serving inclusive groups and rural revitalization, we leveraged the coordination mechanism for supporting small and micro enterprises in obtaining financing, implemented national relief policies, and actively responded to the financing needs of small and micro business owners, self-employed individuals, rural households and other customer groups. As at the end of June 2026, the balance of loans to private business reached RMB3.34 trillion, representing an increase of RMB348,685 million as compared to the end of the previous year.

Bank Card Business

➢ We continuously enhanced our debit card service capabilities. We optimized our debit card customization services to continuously meet customers' personalized needs. We further expanded the influence of our proprietary activity brand Money-Saving Monthly Card, and collaborated with UnionPay as well as leading payment institutions to launch a series of activities to boost consumption, such as welcome rewards for first-time card binding, government subsidy measures for benefiting the people, supporting agriculture and rural industries, and threshold discounts under large-scale subsidy campaigns, so as to contribute to consumption recovery. We strictly implemented the measures of fee reduction and interest concession, exempting annual fees and minimum balance fees for eligible accounts. As at the end of June 2026, we had 1.24 billion existing debit cards, with 24,770.3 thousand debit cards newly issued in the first half of 2026.

➢ Aligning with national arrangements to boost consumption, we implemented fiscal interest subsidy policies, and stepped up support for consumer goods trade-in programs. We strengthened external collaboration and cooperation, and jointly launched activities to boost consumption with the Ministry of Commerce, cultural and tourism authorities and local governments. We deepened engagement in popular consumption scenarios including culture and tourism, outbound consumption and county markets, while expanding presence in emerging fields such as service consumption, green consumption and smart consumption. We tapped the potential in big-ticket consumption, accelerated business expansion in partnership with key new-energy vehicle brands, and expanded the coverage and the scale of Huinong installment services focusing on agricultural machinery, agricultural inputs and other key areas, to meet the diversified consumption needs of customers. We deepened technology and data empowerment, and promoted the in-depth application of AI technologies in business scenarios, to improve service response efficiency and customer experience. We continuously refreshed our credit card brand with new elements to strengthen brand recognition among customers. In the first half of 2026, the total transaction volume of credit card consumption exceeded RMB1 trillion.

Private Banking Business

➢ We continuously upgraded our "Private Banking +" integrated financial service platform, and developed a three-pronged comprehensive service solution covering wealth management, customer group management and diversified ecosystems. Through the "four-wheel drive" wealth management system, we built a private banking wealth management platform featuring multi-strategy exclusive products, multi-asset integrated allocation, multi-functional insurance protection, alongside group-wide collaborative services and open cooperation across the market.

➢ We further expanded the full-spectrum private banking product portfolio and promoted customized products for specific regions. To meet customer demand for wealth management planning and family wealth succession, we launched family trusts providing full-lifecycle companionship. We deepened systematic customer group management, strengthened the integration of private banking and corporate banking services for entrepreneurs, and delivered tailored service solutions through proactive outreach covering scenarios such as industrial clusters, specialized markets, universities and research institutes. We built two head-office-level centers, the Private Banking Center and the Technology Finance Service Center, as our dual hubs, to enhance the quality and efficiency of services for sci-tech enterprises and tech professionals. We deepened practices in public welfare finance, integrated various social resources through charitable trusts, and channeled wealth toward positive and virtuous outcomes. The scale of charitable trusts launched by customers with our assistance increased by 18% as compared to the end of the previous year.

Treasury Operations

Treasury operations of the Bank include money market activities and investment portfolio management. We adhered to serving the high-quality development of the real economy and supporting green and low-carbon development. We flexibly adjusted investment strategies on the basis of ensuring the security of bank-wide liquidity. Our investment return on assets remained at a relatively high level among peers.

Money Market Activities

➢ We strengthened research on monetary policies and forecasts of market liquidity, comprehensively used financing instruments such as interbank lending, repurchases, certificates of deposit and interbank deposits, and continuously optimized the structure of short-term assets to improve the efficiency of capital utilization while ensuring the security of our liquidity.

➢ We effectively fulfilled the responsibilities as a primary dealer of open market operations and efficiently assisted in the transmission of monetary policies. We proactively conducted bond repurchase transactions under the Securities, Funds and Insurance companies Swap Facility (SFISF) to continuously facilitate the stable development of the capital market. In the first half of 2026, the volume of our RMB-denominated financing transactions amounted to RMB122.95 trillion.

Investment Portfolio Management

As at 30 June 2026, our financial investments amounted to RMB17,854,606 million, representing an increase of RMB1,533,291 million or 9.4% as compared to the end of the previous year.

Trading Book Activities

➢ We made solid progress in promoting the high-quality development of the bond market-making business and helped improve bond market liquidity. Aiming to serve the real economy, we strengthened market-making quotations for bonds in areas including agriculture, rural areas and rural residents, rural revitalization, sci-tech innovation, as well as green and low-carbon development. We actively facilitated overseas investors' participation in China's bond market, and served the high-standard opening-up of the financial market as well as the development of Shanghai as an international financial center.

➢ We enhanced the management of the bond trading portfolio. In the first half of 2026, domestic bond yields showed an overall downward trend amid fluctuations. We actively seized trading opportunities, further optimized portfolio positions, and boosted returns while controlling risks.

Banking Book Activities

➢ We strengthened bond market analysis and judgment to enhance the refinement of investment strategies. Considering both the trends in the bond market and the needs of portfolio management, we took proactive measures, strengthened swing trading, and dynamically optimized the portfolio structure to improve portfolio returns. We coordinated asset returns and risk prevention and control to enhance the quality and effectiveness of investment operations.

➢ We served national strategic needs, and maintained investment intensity in government bonds, maintaining a leading position among peers in terms of the scale of investments in treasury bonds and local government bonds. To serve the high-quality development of the real economy, we actively invested in credit bonds, optimized the structure of credit bond investment, and supported the financing needs of green industries and sci-tech innovation industries.

Asset Management

Wealth Management

As at the end of June 2026, the balance of the Group's wealth management products amounted to RMB1,992,031 million, all of which were net worth wealth management products managed by ABC Wealth Management. Among them, publicly-offered wealth management products and privately-offered wealth management products accounted for 94.1% and 5.9%, respectively.

The table below presents the issuance, maturity and outstanding status of wealth management products of the Group

In 100 million RMB, except for tranches

31 December 2025		Issuance		Maturity		**30 June 2026**	
Tranche	Amount	Tranche	Amount	Tranche	Amount	**Tranche**	**Amount**
1,034	21,512.98	465	26,018.90	266	27,762.61	**1,233**	**19,920.31**

Note: The amount of issuance refers to the actual raised amount of new products and the subscription amount of outstanding products during the reporting period. The amount of maturity refers to the payment amount of matured products and the redemption amount of outstanding products during the reporting period.

The table below presents the balances of direct and indirect investment assets under the Group's wealth management business

In 100 million RMB, except for percentages

	30 June 2026	
Item	**Amount**	**Percentage (%)**
Cash, deposits and bonds held under resale agreements	**8,137.51**	**38.8**
Debt securities	**10,454.79**	**49.9**
Non-standard debt-based assets	**380.79**	**1.8**
Other assets	**1,979.81**	**9.5**
Total	**20,952.90**	**100.0**

Note: Other assets include mutual funds, financial derivatives, overseas assets, and equity assets.

Custody Business

- ➢ We aligned with national strategic plans, improved the quality and efficiency of custody services, safeguarded the security of assets under custody, and enhanced comprehensive value contribution to drive the high-quality and sustainable development of the custody business.

- ➢ Focusing on key areas such as sci-tech innovation, we newly added more than 100 industrial funds under custody to actively support the development of the real economy. We accelerated the expansion and improvement of annuity services, and newly won the bids for over 20 single enterprise annuity plans under custody, including those of the Agricultural Development Bank of China and Bank of Guizhou, committing to delivering high-quality pension finance services.

- ➢ We steadily advanced the development of a smart custody bank and the building of our global custody capabilities, embedded compliance management requirements into the entire business workflow, and achieved continuous improvements in the efficiency and standardization of custody operations and services.

- ➢ As at the end of June 2026, the total assets under our custody on a full-scope basis exceeded RMB20 trillion, representing an increase of 7.1% as compared to the end of the previous year. Among them, the scale of insurance assets, securities investment funds and bank wealth management products under custody reached RMB8.49 trillion, RMB2.34 trillion, and RMB2.23 trillion, respectively.

Precious Metals Business

- ➢ In the first half of 2026, we steadily conducted precious metals trading. We traded 1,121.49 tons of gold through proprietary and agency businesses.

- ➢ We met the precious-metal-using demands of enterprises in the precious metals industrial chain through the precious metals leasing business. We prioritized support for high-quality green mine enterprises to facilitate the development of the green mining industry.

Treasury Transactions on Behalf of Customers

- ➢ We continuously promoted the concept of exchange rate risk neutrality and provided enterprises with forwards, swaps, option products and other exchange rate hedging products to help improve the quality and stabilize the volume of foreign trade. In the first half of 2026, the transaction volume of foreign exchange sales and settlements as well as foreign exchange trading on behalf of customers amounted to USD262,804 million.

➢ Our over-the-counter (OTC) bond business, Zhaishibao, maintained steady and sound operations. We further enriched the supply of OTC bond products with a particular focus on introducing green bonds, effectively improving the quality and efficiency of services to the real economy and strengthening our green finance service capabilities. We continued to increase customer reach of inclusive finance, serving over 3 million inclusive finance customers and effectively supporting the growth of residents' property income.

Pension Business

➢ We consolidated the customer base, deepened market development, and facilitated the expansion of the coverage of the annuity system. We strengthened risk management and control as well as forward-looking assessment, optimized the annuity asset allocation strategy, and promoted the value preservation and appreciation of pension funds under entrusted management, contributing to accelerating the development of a multi-tiered and multi-pillar pension insurance system.

➢ As at the end of June 2026, our pension funds[1] under entrusted management amounted to RMB438,646 million, representing an increase of 13.0% as compared to the end of the previous year.

Inclusive Finance

We adhered to the general principle of pursuing progress while ensuring stability, and continuously promoted inclusive finance services by stabilizing credit supply, optimizing credit structure, improving quality and ensuring sustainability. In the first half of 2026, our inclusive loans to small and micro enterprises grew by 12.0%, which was 5.8 percentage points higher than the growth rate of loans of the Bank. The annualized interest rate of newly granted inclusive loans to small and micro enterprises was 2.95%, representing a decrease of 13 basis points as compared to the previous year. We fully leveraged the role of the coordination mechanism for supporting small and micro enterprises in obtaining financing, focused on key areas such as science and technology, foreign trade, consumption and elderly care, and enhanced the precision of inclusive finance services, with our key indicators maintaining a leading position in the industry.

➢ We refined our credit product system. We improved Technology Quick Loans, an exclusive product for technology-based small and micro enterprises, and launched loan processing through PAD, incorporating an "on-site and remote" centralized operating model, to improve customer experience. We upgraded the Mortgage E-loan product model and supported branches in developing innovative products tailored to local industries and customer segments. Based on the diverse needs of upstream and downstream small and micro enterprises in industrial chains, we built a "three-in-one" product portfolio featuring strong-core, weak-core and de-core paradigms, and strengthened regionally featured supply chain finance services. We engaged with competent government departments, industry associations and leading enterprises to access reliable agriculture-related data and expand the service coverage of Huinong Internet Loan.

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1 Including occupational annuities, enterprise annuities and other pension assets under entrusted management.

- ➢ We enhanced comprehensive service capabilities. Focusing on the high-frequency production and operation needs of small and micro enterprises, we continuously upgraded Inclusive E-station, a customer service platform for small and micro enterprises, launched Salary Manager for small and micro enterprises, the first exclusive payroll service platform tailored for small and micro enterprises, and strengthened scenario-based services for an enterprise-friendly ecosystem. We selected 500 demonstration sub-branches for financial services to small and micro enterprises, assessed the small and micro credit operation and management grades of our outlets, and continuously reinforced our integrated online-offline inclusive finance service capabilities.

- ➢ We optimized the credit service mechanism. We advanced the digital and intelligent operations of inclusive finance and explored a new AI-assisted loan processing model, to effectively improve the efficiency of business processing. We became the first bank to jointly issue a document with the National Financing Guarantee Fund to advance the special guarantee program for private investment. We pushed for the thorough implementation of loan interest subsidy policies for micro, small and medium enterprises as well as service-sector market entities, thereby reducing the comprehensive financing costs for market entities. We implemented regulatory guidance on inclusive finance and maintained unwavering support under differentiated credit policies. We effectively implemented the policy of due diligence and liability exemption for inclusive credit business to sustain the business development initiative of branches and customer managers.

- ➢ We reinforced risk and compliance safeguards. We thoroughly grasped the emerging risk landscape associated with inclusive loans, improved relevant policies and systems, strengthened our talent teams, and continuously enhanced our risk control capability from the source. We strove to develop a seamless online-offline risk prevention and control model, agilely iterated quantitative risk control models, and strengthened dynamic monitoring, intelligent early warning and closed-loop disposal, to continuously improve the precision of risk control. We further advanced the reform of "onsite + remote" centralized operations, and optimized business processes, so as to reduce burdens at the foundation level and effectively enhance the centralized and intensive risk control capabilities. In the first half of the year, the asset quality of inclusive loans remained stable.

Green Finance

Please refer to "Sustainability Information — Environment — Green Finance".

Online Finance

We focused on customer needs, upheld the service philosophy of "making operations more convenient, services more attentive, and funds more secure", accelerated innovation in digital and intelligent technologies, and comprehensively upgraded the online financial service ecosystem, thereby contributing to the further advancement of the Digital China Initiative and the high-quality development of the real economy.

Smart Mobile Banking

We strengthened AI and data-driven development, launched the mobile banking Version 11.2, and achieved a digital and intelligent upgrade of mobile banking. As at the end of June 2026, we had over 282 million MAU of mobile banking, representing an increase of 5.99 million MAU as compared to the end of the previous year, maintaining the leading position among comparable peers.

➢ We deepened AI-native applications. By leveraging the intelligent assistant, we built a "Conversation-as-a-Service" AI service model, and explored integrating intelligent services into customers' daily high-frequency scenarios, enabling users to get things done with just one command.

➢ We upgraded functions and optimized service. We introduced the functions of time deposit with regular interest withdrawal, and savings bond purchases through private pension accounts, further improving our financial service offerings. The large font version of mobile banking offers one-click deactivation of transfers and remote video verification for high-risk fund transfer transactions, safeguarding fund security for elderly customers.

➢ We deeply advanced featured services that benefit farmers. We launched special columns such as Rural Lecture Series to disseminate financial information that benefits farmers, enabling customers in County Areas to stay informed about agriculture-related policies. For farmers and other agriculture-related customers, we introduced featured services such as plain-language guides to agricultural credit guarantee policies and County-Area life circles. As at the end of June 2026, we had over 57 million MAU of the rural version of mobile banking.

Corporate Banking Service Platform

Leveraging the NongYinRuiDa Version 9.0, we integrated corporate online service resources and built an integrated corporate online service channel. As at the end of June 2026, we had 16.23 million contracted customers of corporate banking service platform, representing an increase of 0.95 million as compared to the end of the previous year.

➢ We optimized corporate online products. We launched the income and expenditure analysis function on corporate mobile banking to facilitate refined business management for enterprises, enabled full-process online handling for family trust services, and streamlined the international remittance process to make cross-border settlement more convenient.

➢ We improved the quality and efficiency of business handling. We optimized the online loan application process of Inclusive E-station to streamline the handling steps for small and micro enterprises. We extended paperless signing scenarios for legal representatives to significantly streamline customers' offline operational procedures. We launched the Salary Manager for small and micro enterprises to upgrade their digital payroll management.

Customer Manager Super Workbench

➢ We launched the Super Workbench Version 5.1. We upgraded the account opening and contracting functions to support one-stop processing including debit card issuance, mobile banking enrollment, and credit card applications, cutting down on repetitive information collection. We built a corporate customer manager operations hub integrating functions such as marketing, account opening and loan processing, to help customer managers enhance their ability to provide targeted customer services.

➢ We advanced the intelligent development of the credit business. We optimized the loan application process, enabling automated verification and analysis of credit documents and intelligent pre-filling of information to reduce manual data entry, thus improving loan processing efficiency. We also launched the Government Guaranteed E-loan, enriching the supply of loan products for small and micro enterprises.

Smart Scenario-based Finance

➢ We continued to improve the scenario-based service ecosystem. In terms of travel, we improved online support services for driver training, offering one-stop services including driving lessons, parking, refuelling, and EV charging. In terms of elderly care, we built the Pension Zone, providing comprehensive scenario-based services such as wealth planning, social security and health insurance, elderly care assistance, and lectures. In terms of convenience services, we launched an online canteen service integrating employee cards with online food delivery, enabling employees to dine flexibly and use their meal allowances at their discretion.

E-CNY Projects

➢ We supported prepaid fund management. We implemented prepaid fund supervision projects in Guangdong, Zhejiang, Jiangsu, and other regions, covering sectors related to people's wellbeing such as education and training, elderly care and healthcare, and achieved closed-loop management of prepaid funds. As at the end of June 2026, we accumulatively managed over RMB3.8 billion of prepaid funds.

➢ We promoted the development of inclusive finance. We fully leveraged the advantages of e-CNY smart contracts to achieve look-through management of supply chain loan funds and alleviate capital pressures on small and medium-sized enterprises.

➢ We improved cross-border financial services. We actively participated in the development of the PBOC's Cross-border e-CNY Transfer Services (CBETS) platform, and were among the first institutions to complete system integration, laying a solid foundation for bilateral cooperation in cross-border e-CNY business.

Cross-Border Financial Services

We actively serve the high-standard opening-up of China, step up efforts to promote the stable growth of foreign trade, and make our contributions to the Belt and Road cooperation, the Regional Comprehensive Economic Partnership (RCEP), the international use of RMB, and the development of Pilot Free Trade Zone and Hainan Free Trade Port. In the first half of 2026, the volume of international settlement (on an international balance of payments basis, the same below) by domestic branches reached USD867,463 million, and the volume of international trade finance (including financing with domestic letters of credit) reached USD91,450 million. As at the end of June 2026, the total assets of our overseas branches and subsidiary banks reached USD175.4 billion, with net profit for the first half of 2026 amounting to USD0.54 billion.

➢ We have been providing targeted and effective services for the real economy in foreign trade. We improved the customer services of trade facilitation, with 0.44 million trade facilitation transactions handled in the first half of the year, representing a year-on-year increase of 43.0%. We supported the development of new forms of trade business, conducting a total of USD15,081 million of international settlement business related to new forms of trade business, such as new offshore international trade, overseas warehouses, market procurement trade, integrated foreign trade services, bonded maintenance, and cross-border e-commerce in the first half of the year. We strengthened financial support for high-quality foreign trade enterprises, conducting a total of USD229,050 million of international settlement business for 1,879 Authorized Economic Operators (AEOs) in the first half of the year. We stepped up financing support for small and micro foreign trade enterprises, and improved the risk-sharing mechanism among micro, small and medium enterprises, export credit insurance companies, local governments and ABC, with a year-on-year increase of 21.4% in credit insurance financing business in the first half of the year. We strengthened financial support for agricultural cooperation, optimized and improved the cross-border financial marketing mechanism for agro-related customers. In the first half of the year, our domestic branches completed agro-related trade finance of USD4,143 million cumulatively. We continued to optimize online channel services, processing 268 thousand online international remittances for enterprises in the first half of the year, with online transactions accounting for 61.4% of the total number of transactions, an increase of 3.2 percentage points as compared to the first half of the previous year.

- We have been enhancing the quality and efficiency of cross-border financial services in key regions. We supported high-quality Belt and Road cooperation and enterprises' financial needs of going global. Our domestic branches handled USD161,054 million of international business related to the Belt and Road cooperation in the first half of the year, covering 152 countries participating in the Belt and Road cooperation. Specifically, we provided trade settlement services of USD151,976 million and trade finance support of USD9,078 million for enterprises trading with countries participating in the Belt and Road cooperation. We served cross-border trade and investment in the RCEP region, with the volume of international settlement and international trade finance by domestic institutions for the RCEP region of USD128.6 billion and USD7,723 million, respectively, in the first half of the year. We promoted the development of free trade (FT) accounting business with an international settlement volume of USD50,590 million under the FT account scheme in the first half of the year.

- We developed cross-border RMB business in an orderly manner. The volume of cross-border RMB settlement reached RMB1.96 trillion in the first half of the year.

Overseas Subsidiary Banks

Agricultural Bank of China (Luxembourg) S.A.

Agricultural Bank of China (Luxembourg) S.A. is a wholly-owned subsidiary of the Bank incorporated in Luxembourg, with a registered capital of EUR20.00 million. Its scope of business includes wholesale banking business such as international settlement, corporate deposits, syndicated loans, bilateral loans, trade finance and foreign exchange trading. As at the end of June 2026, its total assets and net assets amounted to USD90 million and USD31 million, respectively. It recorded a net profit of USD3.40 million for the first half of the year.

Agricultural Bank of China (Moscow) Limited

Agricultural Bank of China (Moscow) Limited is a wholly-owned subsidiary of the Bank incorporated in Russia, with a registered capital of RUB7,556 million. Its scope of business includes wholesale banking business such as international settlement, corporate deposits, syndicated loans, bilateral loans, trade finance and foreign exchange trading. As at the end of June 2026, its total assets and net assets amounted to USD507 million and USD177 million, respectively. It recorded a net profit of USD10.03 million for the first half of the year.

Integrated Operations

We have established an integrated operation platform covering fund management, securities and investment banking, financial leasing, life insurance, debt-to-equity swap and wealth management businesses. In the first half of 2026, our six subsidiaries of integrated operations centered on the Group's overall development strategy and focused on their primary responsibilities and core businesses. They continued to improve management mechanisms, deepened corporate governance, consolidated the shields for risk prevention and control and coordinated with the Group in making solid headway in the "Five Priorities" of finance. As a result, our capabilities of providing integrated financial services have been continuously improved.

ABC-CA Fund Management Co., Ltd.

ABC-CA Fund Management Co., Ltd. was established in March 2008 with a registered capital of RMB1,750 million, 51.67% of which was held by the Bank. Its principal business covers fund raising, fund sales, asset management and other businesses approved by the CSRC. It holds multiple business qualifications, including qualifications for mutual fund management, specific asset management (segregated accounts), qualified domestic institutional investor (QDII), insurance fund management, and fund investment advisory. As at 30 June 2026, the total assets and net assets of ABC-CA amounted to RMB5,227 million and RMB4,848 million, respectively, achieving a net profit of RMB153 million for the first half of the year.

ABC-CA actively implemented the work arrangements specified in the *Action Plan for Promoting the High-Quality Development of Mutual Funds* by the CSRC, and continuously increased investment in key areas in close alignment with the requirements of the "Five Priorities" of finance. It refined the investment and research mechanism on multiple fronts, improved its product portfolio, marketing and services, and strengthened risk and compliance management to drive the high-quality development of businesses. As at the end of June 2026, ABC-CA had offered 96 mutual funds, with AUM amounting to RMB245,996 million, an increase of RMB19,899 million as compared to the end of the previous year.

ABC International Holdings Limited

ABC International Holdings Limited was established in Hong Kong SAR, China in November 2009 with a share capital of HKD4,760 million, 100% of which was held by the Bank. Its business scope covers comprehensive and integrated cross-border investment banking services, including IPO sponsorship and underwriting, underwriting of bond issuance, financial consultation, asset management, institutional sales, securities brokerage, securities consultation and direct investment. As at 30 June 2026, its total assets and net assets amounted to HKD52,440 million and HKD12,576 million, respectively. It recorded a net profit of HKD249 million for the first half of the year.

Focusing on its core business of cross-border investment banking, ABC International leveraged investment banking tools including IPO sponsorship and bond underwriting to meet customers' medium- and long-term financing needs, continuously improved the quality and efficiency of services for the real economy, and supported Hong Kong in consolidating and enhancing its status as an international financial center. It strongly supported enterprises in going global. It helped dozens of enterprises in hard technology, biomedicine and other sectors complete IPOs on the Hong Kong Stock Exchange, and facilitated multiple central state-owned enterprises (SOEs), local SOEs and industry-leading companies in issuing offshore multi-currency bonds, with the scale of equity and bond underwriting maintaining a leading position among comparable peers. ABC International strengthened its investment and research capabilities and enriched the supply of technology finance and green finance services. Through asset management and wealth management services, it supported customers' global asset allocation, achieving a steady increase in market competitiveness and influence.

ABC Financial Leasing Co., Ltd.

ABC Financial Leasing Co., Ltd. was established in September 2010 with a registered capital of RMB9.5 billion, 100% of which was held by the Bank. It mainly engages in financial leasing in key areas such as rural and inclusive fields, aviation and shipping, new energy, science and technology innovation and advanced manufacturing, and provides a range of financial leasing services such as the transfer and acquisition of leasing assets. As at 30 June 2026, it recorded total assets of RMB117,820 million and net assets of RMB14,283 million, with a net profit of RMB434 million for the first half of the year.

Based on the primary responsibility and core business, ABC Financial Leasing fully leveraged the role of leasing, optimized its strategic business layout, strengthened research on emerging industries, actively advanced product innovation, and consistently strengthened risk management and control. As at the end of June 2026, the scale of its domestic aircraft fleet ranked among the top in the industry, and it received three times the Outstanding Contribution Award of Financial Support for Domestic Aircraft from Commercial Aircraft Corporation of China, Ltd. The balance of green leasing assets was RMB63,292 million, accounting for 59.5% of the total leasing assets, and maintaining a leading position in the industry. The balance of direct leasing and operating leasing assets amounted to RMB60,438 million, with the proportion in the total leasing assets increasing by 3.47 percentage points as compared to the end of the previous year.

ABC Life Insurance Co., Ltd.

ABC Life Insurance Co., Ltd. was established in December 2005 with a registered capital of RMB2.95 billion, 51% of which was held by the Bank. It operates various insurance businesses such as life insurance, health insurance and accident insurance, as well as reinsurance of the aforesaid businesses, businesses permitted by national laws and regulations to use insurance funds and other businesses approved by the regulatory authorities. As at 30 June 2026, its total assets and net assets amounted to RMB248,608 million and RMB6,859 million, respectively. It recorded a net profit of RMB3,312 million for the first half of the year.

Adhering to prudent operations, ABC Life Insurance further consolidated its customer base, continued to improve its key operating indicators, and steadily enhanced its comprehensive competitiveness, showcasing a sound momentum of growth in both business scale and quality. Centering on the "Five Priorities" of finance, it prioritized building a featured inclusive financial service system, to offer comprehensive, flexible and accessible insurance protection and integrated services for agriculture, rural areas, and rural residents, new urban residents, small and micro enterprises, and special groups. It enhanced its capacity to provide pension insurance products, improved pension insurance services, enriched value-added services for elderly customers, and maintained prudent management of pension insurance assets. It deepened the application of digital tools to empower the high-quality development of corporate operations and management.

ABC Financial Asset Investment Co., Ltd.

ABC Financial Asset Investment Co., Ltd. was established in August 2017 with a registered capital of RMB20.0 billion, 100% of which was held by the Bank. It is among the first batch of institutions in China to implement market-based debt-to-equity swaps. It holds the franchise license of non-bank financial institution and is mainly engaged in debt-to-equity swaps and supporting businesses, and carries out the pilot program for equity investment through its affiliates. As at 30 June 2026, its total assets and net assets amounted to RMB132,801 million and RMB42,999 million, respectively. It recorded a net profit of RMB3,031 million for the first half of the year.

ABC Investment promoted the development of market-based debt-to-equity swaps and pilot equity investment in a coordinated manner, continued to refine full-cycle risk management, strengthened foundational capabilities, and continuously increased investment in key areas such as rural revitalization, green and low-carbon development, and scientific and technological innovation, so as to further foster competitive business advantages and market brands. Since the establishment of the pilot program for equity investment, a total of 31 pilot funds have been set up, covering all of the 18 pilot areas, successfully identifying and investing in a number of high-quality technology enterprises, actively leveraging long-term and patient capital.

ABC Wealth Management Co., Ltd.

ABC Wealth Management Co., Ltd. was established in July 2019 with a registered capital of RMB12.0 billion, 100% of which was held by the Bank. It mainly engages in the issuance of wealth management products, wealth management advisory and consulting services, and other businesses approved by the regulatory authorities. As at 30 June 2026, its total assets and net assets amounted to RMB27,571 million and RMB26,973 million, respectively. It recorded a net profit of RMB987 million for the first half of the year.

Upholding the concept of "Built on Stability, Driven by Expertise" and being customer-centered, ABC Wealth Management enhanced its investment and research capabilities, deepened product innovation, strengthened technology empowerment, and consolidated the shields for risk prevention and control, so as to continuously improve customer satisfaction. It further enriched its strategy of Fixed Income+ products, with the existing scale of Fixed Income+ products reaching RMB721.7 billion as at the end of June 2026. It made solid headway in the operation of pension wealth management and personal pension wealth management products, with the existing scale of over RMB15.0 billion as at the end of June 2026. It vigorously served the real economy, and the balance of credit bond investment amounted to RMB579.0 billion as at the end of June 2026. It facilitated the development of sci-tech innovation enterprises in a targeted manner, and the existing scale of sci-tech innovation bonds amounted to RMB34.2 billion as at the end of June 2026, with an increase of RMB6.5 billion in the first half of the year. It further improved its green finance services, and the balance of green bond investment amounted to RMB6.2 billion as at the end of June 2026. Its brand image was further improved, and it received 11 major awards in the asset management industry, such as the Golden Pixiu Award from *Financial Money*, Golden Reputation Award from PYStandard, and Golden Toad Award from Lianhe Credit.

Besides, we own China Agricultural Finance Co., Ltd. in Hong Kong SAR, China, with a share capital of HKD589 million, 100% of which is held by the Bank.

FinTech

During the reporting period, we continued to deepen the application of frontier technologies related to FinTech, formulated development ideas for the 15th Five-Year Plan, and evaluated the effectiveness of the implementation of key tasks, to continuously improve the scientific and technological support and empowerment level.

Focusing on FinTech Innovation

Actively responding to the accelerated evolution of technology transformation, we sped up the transformation into a new-generation technology system and deepened the application of FinTech to empower the high-quality development of business operations.

➢ Regarding the application of AI, we kept pace with AI development trends, and deployed multiple large models in private environments, to improve our model matrix. We accelerated the exploration of AI agent applications and developed the customized ABC-Claw.

➢ Regarding the application of big data technology, we successfully completed the upgrade and migration of services to the new-generation data lakehouse platform, marking the first large-scale implementation of cloud-native data lake infrastructure in the banking industry. Based on an architecture featuring storage-compute separation and unified stream and batch processing, the new platform effectively reduced server resource consumption while enhancing data processing efficiency.

➢ Regarding the development of cloud-native capabilities, we deployed domestic AI computing clusters using a domestically developed cloud-native platform and launched a project to migrate branch applications to the cloud. The proportion of PaaS-based applications reached 98.5%.

➢ Regarding the application of network technology, we continuously advanced IPv6 deployment and promoted the SRv6 SD-WAN technology in ten branches to enhance network efficiency and ensure highly efficient, secure, and stable business operations.

➢ Regarding foundational data governance, we enhanced enterprise-level data supply capabilities to fully support data needs across various scenarios and strengthen the foundation for digital and intelligent development. Moreover, we established a "data + tools + models + analytics" service-capability system to enhance the quality and efficiency in business operations.

Improving the Level of Guarantee of Our Business Continuity

Our information system always maintained stable operation under multiple challenges, such as the continued growth in transaction volume, systems under heavy load and switching of technology stacks, and the technological operation system related to the distributed architecture was further completed.

➢ We continuously conducted emergency drills. We completed the "local + remote" joint switching drill of important information systems, regularly carried out disaster recovery switching drills in branches, and expanded the coverage of emergency drills to ensure the guarantee capabilities for business continuity under extreme conditions.

➢ We further improved the operation and maintenance management mechanism. We improved the Head-Office-branches integrated, digital, and intelligent technology operation system, and accelerated the promotion and adaptation of the integrated production, operation and maintenance platform at branches, to steadily enhance the core capabilities of technology operations.

➢ Our information systems maintained stable operation under sustained high pressure. The average daily transaction volume processed by the core system on working days reached 1,960 million. The peak daily transaction volume reached 2,325 million, which hit an all-time high. The availability rate of core system services reached 100%.

Improving the Cybersecurity Protection System

We continued to improve our cybersecurity governance system, refined management systems and mechanisms, enhanced the technical protection system, and strengthened capacity building of the workforce, thereby further enhancing our cybersecurity protection capabilities.

➢ We enhanced vulnerability governance and promoted application security management and control throughout the entire lifecycle of project research and development to reduce cybersecurity risk exposure.

➢ We established a unified security operation and management system across the Group, optimized the organizational setup for overseas cybersecurity, and strengthened overseas cybersecurity management. We carried out the promotion of integrated security tools and conducted emergency drills across the Group to continuously improve our cybersecurity protection capabilities.

Human Resources Management and Institution Management

Human Resources and Institution Reform

During the reporting period, aligning with the demands of national financial infrastructure construction and major regional strategies, we refined our organizational structure in a targeted manner to continuously enhance our financial services efficiency.

- ➢ In line with China's overall plan for the development of e-CNY, we optimized and adjusted the functions and organizational setup of our e-CNY Program Office, so as to strengthen the capacity to coordinate and advance relevant businesses.

- ➢ In response to the administrative division adjustments of Chongqing Liangjiang New Area, we optimized the layout of our local operating institutions, further streamlined internal reporting relationships, and strengthened operational synergies to facilitate the accelerated development of the state-level new area.

- ➢ In support of the development of the Hainan Free Trade Port following the launch of island-wide special customs operations, we set up international banking departments at key branches and sub-branches in Hainan, to continuously enhance our financial service capabilities in international settlements, trade finance, and other related areas.

Talent Cultivation and Development

During the reporting period, we thoroughly implemented the strategy of empowering the Bank with talent force. In alignment with the national strategy of boosting China's strength in finance and in response to our intrinsic transformation and development needs, including supporting all-around rural revitalization and advancing smart banking under new circumstances, we promoted the building of talent teams and talent cultivation across all fields and levels in an orderly manner and strove to turn the achievements of building a talent team into a competitive edge and development advantages.

➢ We continuously strengthened our talent team building in various fields. We thoroughly implemented the deployment of the national employment-first strategy and actively carried out campus recruitment to bring in young talents. We persistently advanced the development of outstanding young cadres and grassroots management talent teams, while strengthening the reserve and cultivation of leaders at all levels. By building a classified and tiered professional talent pool, we coordinated the cultivation of professionals in various fields. Focusing on key areas including rural revitalization and the "Five Priorities" of finance, we launched the second round of selection and cultivation programs for leading, core and key talents. We explored the establishment of a phased training mechanism for leading talents to enhance the quality and effectiveness of talent cultivation. We expanded the customer manager team in an orderly manner, continued to implement training programs to enhance their competence and quality, and focused on cultivating customer managers for the new era with Mr. Rao Caifu as the model. We conducted selection and appointment for professional positions on a regular basis, organized periodic professional title assessments, effectively strengthened the linkage of such practices with capabilities and performance of talents, and provided a comprehensive range of incentives for different categories of talents to continuously unlock their innovative and creative potential.

➢ We rigorously implemented the plan for education and training. In close alignment with the Bank's overall development strategy, we focused on building a classified and tiered training system covering employees' entire careers and continuously improved their comprehensive quality and performance competence. We carried out targeted training in response to the requirements on serving the real economy, preventing and controlling risks, and deepening reform, further promoted the special training on the "Five Priorities" of finance, continuously refined the "production-study-research" training model, and organized tiered training programs including young and middle-aged cadre training, Executive Management Training (EMT) for targeted young cadres, onboarding training for newly appointed cadres, and training for outlet heads. We strengthened the development of education and training resources, continuously optimized the ABC E-Learning online platform, rolled out 930 high-quality online courses, and established 75 thematic learning modules, thereby making high-quality learning resources directly accessible to frontline employees. During the first half of the year, our online and offline training programs reached over 400 thousand employees.

Information on Employees

As at the end of June 2026, we had a total of 446,913 employees. Among them, 830 employees were employed by our overseas branches, subsidiary banks and representative offices, and 6,666 employees were employed by the subsidiaries with integrated operations.

Distribution of Employees by Region

	30 June 2026	
	Number of Employees	**Percentage (%)**
Head Office	15,595	3.5
Yangtze River Delta	63,900	14.3
Pearl River Delta	49,391	11.0
Bohai Rim	63,661	14.2
Central Region	89,366	20.0
Northeastern Region	41,481	9.3
Western Region	116,023	26.0
Overseas Branches, Subsidiary Banks and Representative Offices	830	0.2
Subsidiaries with Integrated Operations	6,666	1.5
Total	**446,913**	**100.0**

Information on Institutions

As at the end of June 2026, we had 23,160 domestic branch outlets, including the Head Office, Business Department of the Head Office, four specialized business institutions managed by the Head Office, four training institutes, 37 tier-1 branches, 410 tier-2 branches, 3,310 tier-1 sub-branches, 19,352 foundation-level branch outlets and 41 other establishments. We had a total of 13 overseas branches and four overseas representative offices, including branches in the Hong Kong SAR, Singapore, Seoul, New York, Dubai International Financial Centre (DIFC), Dubai, Tokyo, Frankfurt, Sydney, Luxembourg, London, the Macao SAR and Hanoi, and representative offices in Vancouver, Chinese Taipei, Sao Paulo and Dushanbe. Our subsidiaries mainly included subsidiaries with integrated operations and overseas subsidiary banks. For details, please refer to "Business Review — Integrated Operations" and "Business Review — Cross-Border Financial Services" under "Discussion and Analysis", respectively.

<u>*Number of Domestic Branch Outlets by Region*</u>

	30 June 2026	
	Number of Domestic Branch Outlets	**Percentage (%)**
Head office[1]	10	—
Yangtze River Delta	2,998	12.9
Pearl River Delta	2,371	10.2
Bohai Rim	3,323	14.4
Central Region	5,203	22.5
Northeastern Region	2,385	10.3
Western Region	6,870	29.7
Total	**23,160**	**100.0**

Note: 1. Organizations of the Head Office include the Head Office, Business Department of the Head Office, Capital Operation Center, Private Banking Department, Credit Card Center, Bills Business Department, Beijing Advanced-Level Training Institute, Tianjin Financial Training Institute, Changchun Financial Training Institute and Wuhan Financial Training Institute.

Service Channels

Offline Channels

➢ Optimizing the distribution of offline channels. With a focus on key areas of new urbanization, we promoted the relocation of branch outlets to townships, to continuously expand the coverage of financial services and consolidate our service network in County Areas.

➢ Deepening the implementation of the ABC Considerate Services Project. We enhanced the building of the "ABC Considerate Services" brand, fostered the culture of "ABC Considerate Services, Progress Every Day", and stayed true to the service principles of being proactive, professional, standardized, and efficient, so as to continuously improve customer experience. We improved our counter business system and branch outlet service workflow to further enhance service quality and efficiency at branch outlets.

➢ Delivering better age-friendly services at branch outlets. We completed the renovation and upgrade of age-friendly facilities and equipped the outlets with priority service counters and seats, and other convenient amenities to provide elderly customers with a safer, more convenient, and more comfortable service environment. We offered appointment-based door-to-door services for customers who are of advanced age, functionally impaired, or bedridden due to severe illness, to deliver more considerate services at branch outlets.

- Optimizing self-service banking services. We continued to upgrade the functions of STMs and ATMs, and strengthened equipment monitoring and maintenance, to keep improving the customer experience. As at the end of June 2026, we had a total of 52.8 thousand STMs and 50.6 thousand ATMs.

Online Channels

For details of our online channels, please refer to "Business Review — Online Finance" under "Discussion and Analysis".

Remote Channels

- In the first half of the year, we reached customers a total of 199 million person-times through all-media customer services (including voice, text, video, and new media), representing a year-on-year increase of 4.7%. Among these, 42.07 million person-times of voice call-ins were handled by customer service representatives, representing a year-on-year increase of 5.9%, with a customer satisfaction rate of 99.92%.

- Enhancing services for special customer groups. We introduced a three-party real-time calling function connecting elderly customers, our customer service representatives, and customers' children for complex transactions, to improve the efficiency of communication and issue resolution. On the homepage of the online customer service on mobile banking, we set up an exclusive video customer service portal for elderly customers, providing guidance on mobile banking operations through video calls. We rolled out the "direct access to customer service representatives" service of the 95599 customer hotline at eligible Huinong service stations.

- Enhancing the capability to address customer issues. We expanded online video verification services for the reactivation of online transfer and payment functions and the upgraded self-service registration for personal mobile banking, etc., enabling customers to handle such businesses online. We launched the "Remote Service" zone on mobile banking. For business requests that cannot be directly handled through remote channels, we sent SMS messages to guide customers directly to the "Remote Service" page, where our customer service representatives could provide real-time online assistance to complete business procedures. We established a collaborative model between telephone customer service and the official WeChat account of ABC Cloud Customer Service, and customers could input a verification code through our official WeChat account to initiate an online chat with telephone customer service representatives, making communication more convenient.

- Strengthening the development of digital and intelligent customer services. We applied large models to enhance intent recognition of customer service robots and enriched multi-turn interactive scenarios for intelligent services. We strengthened the development of enterprise-level knowledge bases, upgraded full life-cycle knowledge management tools to provide knowledge support for large models and AI agent applications in smart banking. We launched a real-time transaction function for intelligent outbound calls and developed outbound call agents to improve proactive service efficiency.

County Area Banking Business

We provide customers in County Areas and rural areas with comprehensive financial services through all our operating institutions of the County Area Banking Division. We refer to such business as the County Area Banking Business or Banking Business for Agriculture, Rural Areas and Rural Residents. During the reporting period, we upheld our primary responsibility and core business of serving agriculture, rural areas and rural residents, deeply learned from and applied the experience gained from the Green Rural Revival Program in Zhejiang Province, focused on our positioning as a leading bank serving rural revitalization, kept improving the systems and mechanisms of the County Area Banking Division, strove to strengthen technology empowerment, and enhanced synergy and innovation to further improve our financial service capabilities for agriculture, rural areas and rural residents.

Management Mechanism

➢ **We increased the preferential allocation of policy resources.** We formulated separate credit plans for loans in County Areas and agriculture-related loans, allocating more credit quotas and giving priority to meeting credit demand of agriculture, rural areas and rural residents as well as County Areas. We allocated economic capital in County Areas separately, improved economic capital support policies, strengthened Fund Transfer Pricing (FTP) preferential treatment and pricing support for agriculture, rural areas and rural residents as well as County Areas, and guided branches to increase the granting of loans in key areas related to agriculture as well as County Areas. We prioritized resource input in agriculture, rural areas and rural residents and County Areas, and allocated more fixed assets and financial expenses, among other resources, to the front-line institutions serving rural revitalization, fully supporting the high-quality development of business in agriculture, rural areas and rural residents as well as County Areas.

➢ **We refined the rural credit management mechanism.** We formulated the rural credit policy guidelines for 2026, which clarified our key credit priorities for agriculture, rural areas and rural residents as well as County Areas and refined our differentiated agriculture-related support policies. We continued to deepen financial services in key areas of food security, strengthened support for underdeveloped areas, and further stepped up credit supply for rural industries and rural construction. We optimized the priority processing and expedited completion mechanism for key businesses of rural revitalization, refined review criteria, and strengthened AI application, so as to improve the level of credit review and approval for agriculture, rural areas and rural residents as well as County Areas.

➢ **We established an integrated online-offline channel system.** We continued to optimize the layout of branch outlets in County Areas, and promoted the relocation of outlets to townships to extend financial services to the grassroots level. We improved the basic financial functions of the rural version of mobile banking, and expanded and enriched distinctive agricultural service scenarios to empower financial services for agriculture, rural areas and rural residents as well as County Areas. As at the end of June 2026, the proportion of outlets in County Areas increased to 56.8%, and the number of monthly active users of the rural version of mobile banking exceeded 57 million.

- **We strengthened the building of talent teams in County Areas.** We thoroughly implemented the "Double Hundred" cadres and talent pairing assistance plan featuring collaboration between eastern and western branches, and intensified assistance for key regions of rural revitalization, the northeastern region, and old revolutionary base areas. We continuously strengthened the cultivation of a talent team for rural finance. We strengthened the selection and staffing of leadership teams of County Area sub-branches, stepped up the selection and cultivation of young talent in County Areas, enhanced recruitment and training of talent for rural revitalization, and fostered the cultivation of customer managers with Mr. Rao Caifu as the model, so as to build a multi-level, high-caliber talent team for rural finance.

Financial Services for All-around Rural Revitalization

Regular financial assistance

The 15th Five-Year Plan period marks a new stage of regular assistance following the end of the transition period for consolidating and expanding poverty alleviation gains to boost rural revitalization. During the reporting period, we focused on people who are at risk of lapsing or relapsing into poverty and underdeveloped areas, refined the regular financial assistance mechanism, continued to optimize financial assistance policies, and further strengthened credit support to ensure that the intensity of financial assistance remains unchanged and to help guard against any large-scale lapse or relapse into poverty.

- **We increased credit support for key areas.** We continued to scale up credit supply for the key counties receiving national and provincial assistance for rural revitalization, the former "Three Areas and Three Prefectures", the designated counties receiving assistance and other key areas, formulated separate credit plans, gave priority to meeting their credit demand, and implemented differentiated pricing support policies, to support the accelerated development of underdeveloped areas. As at the end of June 2026, the balance of loans to 160 key counties receiving national assistance for rural revitalization (excluding discounted bills) amounted to RMB458.04 billion, representing an increase of 4.5% as compared to the end of the previous year.

- **We provided targeted financial assistance to key groups.** We made full use of products and services such as Assistance Microcredit and the Fumin Loan to support people who are at risk of lapsing or relapsing into poverty in their production and business activities. We strengthened the financial support mechanisms for involving more rural residents in local industry development, provided priority credit support to business entities that have delivered notable results in boosting rural residents' income, and facilitated the participation of low-income groups in industrial development. We continued to provide financial services for people with disabilities, with a credit line of RMB13.8 billion granted to 65 thousand families with disabled members on a cumulative basis.

➢ **We took solid steps to provide comprehensive assistance.** We proactively integrated into the government arrangements for east-west cooperation, provided supporting financial services for east-west cooperation programs, and vigorously supported the development of distinctive industries in the western region. We continued to carry out the training of "enhancing aspirations and building education" and delivered financial literacy and vocational skills programs to rural revitalization leaders and professional and technical personnel to facilitate employment and entrepreneurship. Furthermore, we continued to step up efforts in buy-to-support schemes to help expand market channels for agricultural and sideline products from underdeveloped areas.

Serving All-around Rural Revitalization

During the reporting period, we closely aligned with national strategic plans for all-around rural revitalization. Focusing on the key areas of rural revitalization, such as food security, ensuring stable production and supply of major agricultural products, rural industries, rural construction and farmers' income increase, we intensified the supply of financial services to County Areas and rural areas, accelerated innovation in financial products and service models, and advanced the development of smart banking for agriculture, rural areas and rural residents, to enhance the quality and efficiency of financial services for rural revitalization on all fronts.

➢ **We further strengthened financial support for key areas of rural revitalization.** Focusing on key areas such as invigorating the seed industry and food production, processing and marketing, we increased financial support for the whole grain industrial chain. Centering on rural industries that benefit local people, we further strengthened the development of our agriculture-related customer system, carried out hierarchical and classified customer outreach and engagement, and strengthened full-lifecycle financial services for key enterprises and projects. We served the building of a beautiful and harmonious countryside for people to live and work in, increased financial supply with city-specific policies, and actively supported integrated urban-rural development, in light of functional positioning of county towns. As at the end of June 2026, the balance of loans in fields related to ensuring stable supply of grains and major agricultural products, loans to rural industries and loans to rural construction and related areas amounted to RMB1.45 trillion, RMB3.15 trillion and RMB2.64 trillion, with growth rates of 20.3%, 18.1% and 7.0% as compared to the end of the previous year, respectively.

➢ **We vigorously improved the quality and efficiency of financial services for rural households.** Leveraging Huinong E-loan, we promoted special products such as Professional Large-scale Operator Loan, Merchant Loan, and Rural Tourism Loan, and continuously improved our credit supply capacity and service quality for rural households. By making full use of FinTech tools, we advanced the convenient loan application through the integration of digital and intelligent technologies to further improve customer experience. As at the end of June 2026, the balance of Huinong E-loan reached RMB2.10 trillion, representing an increase of RMB260.2 billion or 14.2% as compared to the end of the previous year.

- **We continuously enhanced rural financial product innovation.** We formulated annual opinions on the innovation in rural financial products. Centering on major national strategies, urgent operational needs at the foundation level, farmer-benefiting and people-enriching initiatives, and technology empowerment, we leveraged the synergistic effect of the model characterized by overall planning and demonstration by the Head Office, innovation by branches, and pilot trials at frontline institutions, and continuously intensified innovation in rural financial products. We innovatively launched products such as Assistance Microcredit, Water Conservancy Asset Operation Loan, Whole-of-Area Land Improvement Loan, and Leading Agricultural Enterprise Loan, continuously enriching our product system for agriculture, rural areas and rural residents as well as County Areas.

- **We strove to promote the development of smart banking for agriculture, rural areas and rural residents.** Focusing on three major fields, namely agricultural industries, rural governance and people's wellbeing, we improved the agriculture-related smart scenario ecosystem on the basis of the ABC Huinong Cloud platform, with settlement, credit and other financial services embedded, to achieve synergistic empowerment of scenarios and financial services. By integrating multi-source and multi-modal data from rural government affairs, rural industries and finance, we built various models for data-based profiling, automated credit-line granting, and intelligent risk control, to effectively unleash the value of agriculture-related data and provide targeted financial services. As at the end of June 2026, the ABC Huinong Cloud platform had 445 thousand institutional members, covering 2,703 counties (districts) and serving over seven million customers.

Financial Position

Major Items of Assets and Liabilities of the County Area Banking Business

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Total loans and advances to customers	**11,917,700**	**—**	10,936,160	—
Allowance for impairment losses on loans	**(420,674)**	**—**	(393,725)	—
Loans and advances to customers, net	**11,497,026**	**68.8**	10,542,435	65.5
Intra-bank balance[1]	**3,889,283**	**23.3**	4,218,171	26.2
Other assets	**1,333,660**	**7.9**	1,325,480	8.3
Total assets	**16,719,969**	**100.0**	16,086,086	100.0
Deposits from customers	**14,936,909**	**96.1**	14,381,965	96.1
Other liabilities	**601,274**	**3.9**	581,567	3.9
Total liabilities	**15,538,183**	**100.0**	14,963,532	100.0

Note: 1. Intra-bank balance refers to funds provided by the County Area Banking Business to other business segments within the Bank through internal funds transfers.

Major Income Statement Items of the County Area Banking Business

In millions of RMB, except for percentages

	Six months ended 30 June 2026	Six months ended 30 June 2025	Increase/ (decrease)	Growth rate (%)
External interest income	**161,947**	157,536	4,411	2.8
Less: External interest expense	**84,992**	95,451	(10,459)	-11.0
Interest income from intra-bank balance[1]	**99,833**	98,767	1,066	1.1
Net interest income	**176,788**	160,852	15,936	9.9
Net fee and commission income	**18,376**	19,550	(1,174)	-6.0
Other non-interest income	**2,924**	2,606	318	12.2
Operating income	**198,088**	183,008	15,080	8.2
Less: Operating expenses	**53,491**	50,427	3,064	6.1
Credit impairment losses	**53,162**	41,450	11,712	28.3
Impairment losses on other assets	**4**	13	(9)	-69.2
Total profit before tax	**91,431**	91,118	313	0.3

Note: 1. Interest income from intra-bank balance represents the interest income earned on funds provided by the County Area Banking Business to other business segments of the Bank through internal funds transfer pricing, the interest rate of which is determined based on the market interest rate.

Major Financial Indicators of the County Area Banking Business

Unit:%

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Average yield of loans	**2.83***	3.09*
Average cost of deposits	**1.09***	1.35*
Net fee and commission income to operating income	**9.28**	10.68
Cost-to-income ratio	**26.15**	26.73

Item	**30 June 2026**	31 December 2025
Loan-to-deposit ratio	**79.79**	76.04
Non-performing loan ratio	**1.05**	1.13
Allowance to non-performing loans	**350.76**	336.21
Allowance to loan ratio	**3.68**	3.80

* *Annualized figures.*

Risk Management

In the first half of 2026, amid the complex and challenging internal and external situations, we continued to improve the risk management system and mechanism, strengthened risk management and control in key areas, and firmly guarded the bottom line of risk and compliance. We reviewed and updated the Group's risk appetite and comprehensive risk management strategies, strengthened the transmission of risk appetite, and took a more proactive and forward-looking approach to risk management. We continued to optimize the credit asset portfolio structure, deepened the application of technology tools to strengthen credit management, and effectively prevented and mitigated credit risks in key areas in a robust and orderly manner. We made full use of various risk management tools such as risk exposure limits and price monitoring to continuously enhance the effectiveness of market risk management. We upgraded the operational risk management system, enhanced operational risk management capabilities, and consolidated the foundation for full-process management.

Credit Risk

We adhered to the prudent and sound operation philosophy. Focusing on controlling new risks, reducing existing risks and consolidating the foundation, we continuously optimized the credit structure, intensified risk prevention and control in key areas, strengthened technology empowerment, and continuously enhanced our capabilities in forward-looking risk prevention, proactive risk control and targeted risk resolution. As a result, our asset quality remained stable.

We maintained strategic resolve to adjust and optimize the credit structure. We stepped up credit supply in areas such as rural revitalization, major programs and key projects, technology finance, green finance and inclusive finance, and channeled credit resources to precisely serve key areas and weak links of the real economy, to continuously optimize our credit asset structure.

We continuously improved our distinctive inclusive and retail credit risk prevention and control system. We adhered to strict customer access thresholds, and achieved source-based and batched customer acquisition and overall risk control through project-specific plans. Adhering to online-offline collaboration, we ensured authentic pre-loan investigations and robust post-loan management. Upholding the separation of loan review and approval as well as checks and balances among posts, we established an oversight and constraint mechanism characterized by mutual checks and balances. Following the principle of small-amount and diversified lending, we strengthened unified credit management to guard against risks of duplicate credit extension and excessive credit utilization. We improved the responsibility constraint mechanism, solidified operational and management accountabilities. These efforts were made to advance the sustainable, high-quality development of inclusive and retail credit businesses.

We prevented and mitigated credit risks in key areas in a robust and orderly manner. We increased credit support for areas such as the construction of the "Three Major Projects" represented by government-subsidized housing, the "white list" project under the urban real estate financing coordination mechanism and the development of quality homes. We refined the management of key aspects of real estate projects, including funds, assets, and equity interests, and strengthened risk control for customers with large loan balances through developer-specific measures and project-specific plans. We appropriately leveraged policy tools, including the "16 financial measures", to steadily advance the mitigation and disposal of existing risks. We fully implemented national decisions and plans on preventing and mitigating local government debt risks, adhered to the market-based principles and the rule of law, properly mitigated risks of hidden debts and the operational debts of financing platforms, handled newly increased financing in compliance with relevant regulations, and firmly safeguarded the principle of not increasing local government hidden debts.

We deeply leveraged technological tools to empower risk prevention and control. We promoted a centralized operating model of "onsite + remote" pre-loan investigations and adopted AI technologies to generate credit investigation reports. We reinforced authenticity management and leveraged technologies such as GPS location cross-checking and AI-enabled identification to enhance technology-driven capabilities for detecting, preventing and addressing fraud.

We stepped up the management and control of overdue loans and the disposal of non-performing loans. We managed maturing loans in a proactive manner and carried out the collection of overdue loans on a regular basis. We comprehensively used diverse disposal approaches to continuously improve the quality and efficiency of disposal.

Risk Classification of Financial Assets

We formulated the risk classification management systems in accordance with the requirements of the *Rules on Risk Classification of Financial Assets of Commercial Banks*. We specified the methods for the risk classification of different types of financial assets, based on such information as the financial asset type, the counterparty type, the features of product structure, and past defaults, taking into account the characteristics of their asset portfolios, with an overdue method for retail assets and a model method for non-retail assets. The classification process follows the principle of checks and balances horizontally and authority restriction vertically, and it operates based on process and authority. The basic procedures include preliminary classification, classification recognition, classification review and approval.

We adopted two classification management models for financial assets exposed to credit risk, being the 5-category classification system and the 12-category classification system. Non-retail credit assets were mainly managed with the 12-category classification system. We conducted comprehensive evaluations from the two dimensions of customer default risk and debt transaction risk to prudently reflect the degree of credit assets risk. Our retail credit assets were managed with the 5-category classification system, which carried out risk classification automatically by the system, mainly based on overdue days of principal and interest of the credit assets and the type of guarantee. Our non-credit assets were managed with the 5-category classification system, mainly taking into account factors such as the type of financial assets, type of counterparty, and overdue days, so as to truly reflect the risk profile.

Credit Risk Analysis

Distribution of Loans by Collaterals

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage (%)**	Amount	Percentage (%)
Loans secured by mortgages	**8,911,553**	**31.0**	8,859,668	32.7
Loans secured by pledges	**2,526,137**	**8.8**	2,462,618	9.1
Guaranteed loans	**4,034,624**	**14.0**	3,464,355	12.8
Unsecured loans	**13,293,842**	**46.2**	12,296,005	45.4
Sub-Total	**28,766,156**	**100.0**	27,082,646	100.0
Accrued interest	**58,604**	**—**	52,188	—
Total	**28,824,760**	**—**	27,134,834	—

Distribution of Overdue Loans by Overdue Period

In millions of RMB, except for percentages

	30 June 2026		31 December 2025	
Item	**Amount**	**Percentage of total loans (%)**	Amount	Percentage of total loans (%)
Overdue for less than 90 days (including 90 days)	**98,275**	**0.34**	92,435	0.34
Overdue for 91 days to 360 days (including 360 days)	**125,698**	**0.44**	124,041	0.46
Overdue for 361 days to 3 years (including 3 years)	**113,161**	**0.39**	101,498	0.37
Overdue for over 3 years	**20,759**	**0.07**	21,573	0.08
Total	**357,893**	**1.24**	339,547	1.25

Loan Concentration

In millions of RMB, except for percentages

Top ten single borrowers	Industry	Amount	Percentage of total loans (%)
Borrower A	Transportation, storage and postal services	122,582	0.43
Borrower B	Finance	110,596	0.38
Borrower C	Production and supply of electricity, heating, gas and water	74,161	0.26
Borrower D	Transportation, storage and postal services	68,388	0.24
Borrower E	Transportation, storage and postal services	59,738	0.21
Borrower F	Transportation, storage and postal services	50,741	0.18
Borrower G	Finance	41,619	0.14
Borrower H	Transportation, storage and postal services	38,471	0.13
Borrower I	Leasing and commercial services	35,994	0.13
Borrower J	Transportation, storage and postal services	34,922	0.12
Total		**637,212**	**2.22**

As of 30 June 2026, we fulfilled the regulatory requirements as total loans to our largest single borrower represented 2.66% of our net capital and total loans to our top ten single borrowers represented 13.85% of our net capital.

Large Exposures

During the reporting period, pursuant to the *Administrative Measures for Large Exposures of Commercial Banks* and other relevant regulatory requirements, we continuously improved the organizational structure and system for large exposures management, consolidated the data basis, optimized the measurement process, upgraded system functions, carried out the measurement, monitoring and system optimization of large exposures in an orderly manner, strictly implemented each regulatory indicator, regularly reported the regulatory reports, strengthened limit management and control and constantly improved our capability to measure and manage large exposures.

Distribution of Loans by Five-category Classification

In millions of RMB, except for percentages

Item	30 June 2026 Amount	30 June 2026 Percentage (%)	31 December 2025 Amount	31 December 2025 Percentage (%)
Normal	**28,009,526**	**97.37**	26,361,575	97.34
Special mention	**396,978**	**1.38**	377,615	1.39
Non-performing loans	**359,652**	**1.25**	343,456	1.27
Substandard	**125,872**	**0.44**	111,791	0.42
Doubtful	**87,212**	**0.30**	90,208	0.33
Loss	**146,568**	**0.51**	141,457	0.52
Sub-Total	**28,766,156**	**100.00**	27,082,646	100.00
Accrued interest	**58,604**	**—**	52,188	—
Total	**28,824,760**	**—**	27,134,834	—

As of 30 June 2026, the balance of our non-performing loans was RMB359,652 million, representing an increase of RMB16,196 million as compared to the end of the previous year; and the non-performing loan ratio was 1.25%, representing a decrease of 0.02 percentage point as compared to the end of the previous year. The balance of special mention loans was RMB396,978 million, representing an increase of RMB19,363 million as compared to the end of the previous year; and special mention loans accounted for 1.38%, representing a decrease of 0.01 percentage point as compared to the end of the previous year.

Distribution of Non-Performing Loans by Business Type

In millions of RMB, except for percentages

	30 June 2026			31 December 2025		
Item	**Amount**	**Percentage (%)**	**Non-performing loan ratio (%)**	Amount	Percentage (%)	Non-performing loan ratio (%)
Corporate loans	**218,746**	**60.8**	**1.31**	211,471	61.6	1.37
Short-term corporate loans	**52,784**	**14.7**	**1.08**	47,156	13.7	1.13
Medium- and long-term corporate loans	**165,962**	**46.1**	**1.40**	164,315	47.9	1.45
Discounted bills	**—**	**—**	**—**	—	—	—
Retail loans	**133,438**	**37.1**	**1.39**	124,287	36.2	1.34
Residential mortgage loans	**41,903**	**11.7**	**0.89**	44,235	12.9	0.92
Personal consumption loans	**10,836**	**3.0**	**1.57**	8,842	2.6	1.46
Loans to private business	**63,981**	**17.8**	**1.92**	55,232	16.1	1.85
Credit card balances	**16,704**	**4.6**	**2.05**	15,956	4.6	1.88
Others	**14**	**—**	**8.64**	22	—	8.00
Overseas and others	**7,468**	**2.1**	**1.93**	7,698	2.2	2.02
Total	**359,652**	**100.0**	**1.25**	343,456	100.0	1.27

Distribution of Corporate Non-Performing Loans by Industry

In millions of RMB, except for percentages

	30 June 2026			31 December 2025		
Item	**Amount**	**Percentage (%)**	**Non-performing loan ratio (%)**	Amount	Percentage (%)	Non-performing loan ratio (%)
Manufacturing	**34,046**	**15.6**	**1.19**	35,183	16.6	1.39
Production and supply of electricity, heating, gas and water	**4,810**	**2.2**	**0.26**	4,229	2.0	0.24
Real estate	**48,296**	**22.0**	**5.40**	47,197	22.3	5.40
Transportation, storage and postal services	**11,268**	**5.2**	**0.34**	5,135	2.4	0.16
Wholesale and retail	**25,426**	**11.6**	**2.20**	24,650	11.7	2.44
Water, environment and public utilities management	**16,652**	**7.6**	**1.11**	17,737	8.4	1.31
Construction	**13,072**	**6.0**	**1.92**	12,835	6.1	2.12
Mining	**841**	**0.4**	**0.25**	1,114	0.5	0.34
Leasing and commercial services	**38,244**	**17.5**	**1.32**	41,430	19.6	1.61
Finance	**2,877**	**1.3**	**0.66**	280	0.1	0.06
Information transmission, software and IT services	**4,160**	**1.9**	**2.35**	3,754	1.8	2.56
Others	**19,054**	**8.7**	**2.65**	17,927	8.5	2.77
Total	**218,746**	**100.0**	**1.31**	211,471	100.0	1.37

Distribution of Non-Performing Loans by Geographic Region

In millions of RMB, except for percentages

	30 June 2026			31 December 2025		
Item	**Amount**	**Percentage (%)**	**Non-performing loan ratio (%)**	Amount	Percentage (%)	Non-performing loan ratio (%)
Head Office	**5,624**	**1.6**	**0.55**	4,599	1.3	0.43
Yangtze River Delta	**70,625**	**19.6**	**1.02**	62,891	18.3	0.97
Pearl River Delta	**68,219**	**19.0**	**1.55**	66,742	19.5	1.59
Bohai Rim	**48,018**	**13.4**	**1.24**	47,068	13.7	1.30
Central Region	**50,215**	**14.0**	**1.02**	48,725	14.2	1.08
Northeastern Region	**17,363**	**4.8**	**1.89**	17,646	5.1	2.05
Western Region	**92,120**	**25.5**	**1.47**	88,087	25.7	1.49
Overseas and others	**7,468**	**2.1**	**1.93**	7,698	2.2	2.02
Total	**359,652**	**100.0**	**1.25**	343,456	100.0	1.27

Changes in the Allowance for Impairment Losses on Loans

In millions of RMB

Item	Six months ended 30 June 2026			
	Stage I	Stage II	Stage III	Total
	12 months expected credit loss	Lifetime expected credit loss		
1 January 2026	**641,533**	**111,740**	**251,507**	**1,004,780**
Transfer				
Stage I to Stage II	(12,364)	12,364	—	—
Stage II to Stage III	—	(29,181)	29,181	—
Stage II to Stage I	12,079	(12,079)	—	—
Stage III to Stage II	—	6,768	(6,768)	—
Originated or purchased financial assets	160,902	—	—	160,902
Remeasurement	(44,239)	46,976	82,366	85,103
Repayment and transfer-out of normal loans and special mention loans	(106,779)	(8,909)	—	(115,688)
Repayment and transfer-out of non-performing loans	—	—	(30,080)	(30,080)
Write-offs	—	—	(61,670)	(61,670)
30 June 2026	**651,132**	**127,679**	**264,536**	**1,043,347**

Notes: 1. For details of the three-stage impairment models, please refer to "Note 21 Loans and advances to customers to the Condensed Consolidated Interim Financial Statements".

2. The table includes the allowance for impairment losses on loans measured at fair value through other comprehensive income.

Market Risk

In the first half of 2026, we formulated the annual risk management strategies for financial market businesses, adjusted market risk exposure limit indicators and targets, and improved risk control for bond trading, bond investment, precious metals and other related businesses. We formulated the management measures for risk control of financial market business products to further standardize and strengthen risk control for such products. We updated the list for financial market business price monitoring to further enhance the granularity of price monitoring. We continuously improved the mechanism for on-site management of market risk in the treasury trading business, and fully leveraged management tools and methods, such as transaction reconciliation, price monitoring, transaction monitoring and profit and loss analysis, to conduct transaction-by-transaction look-through monitoring of the treasury trading business, thereby continuously improving the precision and effectiveness of the management of risks associated with transaction behavior.

The types of our market risk exposure limits are classified into quantity limits, stop-loss limits, risk limits, and sensitivity limits, etc., and categorized into directive limits and indicative limits by enforceability. We classified all of the on- and off-balance sheet assets and liabilities into either the trading book or the banking book. The trading book includes the financial instruments, foreign exchange and commodities positions held by the Bank for trading or hedging against the risk of other items in the trading book. Any other positions are classified into the banking book.

Market Risk Management in the Trading Book

We managed the market risk of the trading book through various approaches including stress testing, Value at Risk (VaR), exposure limit management, sensitivity analysis, duration analysis and exposure analysis.

We regularly conducted stress testing to evaluate the maximum loss to the Bank's trading book under extreme market risk. Stress testing scenarios fall into three categories, namely the single-factor scenario, the multi-factor scenario, and the historical scenario. In the stress testing of market risk, through quantitative analysis of the impact of changes in interest rates, foreign exchange rates and other market prices on the Bank's asset prices and profits/losses, we revealed the weak links in the Bank's investment and trading businesses under extreme scenarios, to improve the Bank's responsiveness to extreme risk events. Results of the stress testing indicated that during the reporting period, losses of the Bank under stress testing of market risk were generally controllable.

Please refer to "Note 47.3 Market Risk to the Financial Risk Management to the Condensed Consolidated Interim Financial Statements" for details of VaR for the trading book.

Exchange Rate Risk Management

In the first half of 2026, the Bank regularly performed exchange rate exposure monitoring, exchange rate sensitivity analysis and stress testing, and further refined the exchange rate risk measurement. We also flexibly adjusted the trading exchange rate risk exposure, and maintained stable exposure to non-trading exchange rate risk. Exchange rate risk exposure of the Bank was controlled within a reasonable range.

Exchange Rate Risk Analysis

The Bank's exchange rate risk is mainly the exposure risk arising from the exchange rate of USD against RMB. In the first half of 2026, the central parity of the RMB against USD appreciated cumulatively by 2,179 basis points or 3.20%. As at the end of June 2026, the Bank had a long position of USD17,847 million for the foreign exchange exposure of on- and off-balance sheet financial assets/liabilities.

Foreign Exchange Exposure

In millions of RMB (USD)

	30 June 2026		31 December 2025	
	RMB	**USD equivalent**	RMB	USD equivalent
Net foreign exchange exposure of on-balance sheet financial assets/liabilities	**(93,537)**	**(13,733)**	(94,465)	(13,440)
Net foreign exchange exposure of off-balance sheet financial assets/liabilities	**215,089**	**31,580**	135,814	19,323

Note: Please refer to "Note 47.3 Market Risk to the Financial Risk Management to the Condensed Consolidated Interim Financial Statements" for more details.

Exchange Rate Sensitivity Analysis

In millions of RMB

Currency	**Increase/decrease in exchange rate of foreign currency against RMB**	**Impact on profit before tax** **30 June 2026**	31 December 2025
USD	+5%	**699**	129
	-5%	**(699)**	(129)
HKD	+5%	**1,045**	1,211
	-5%	**(1,045)**	(1,211)

The non-RMB-denominated assets and liabilities of the Bank were primarily denominated in USD and HKD. Based on the exchange rate exposure at the end of the reporting period, the profit before tax of the Bank would increase (or decrease) by RMB699 million if USD appreciates (or depreciates) by 5% against RMB.

Interest Rate Risk in the Banking Book

Interest Rate Risk Management in the Banking Book

We managed interest rate risk in the banking book through the comprehensive use of technical measures such as exposure limit management, stress testing, scenario analysis and gap analysis.

During the reporting period, we adhered to the prudent risk appetite for interest rate risk in the banking book, strengthened interest rate risk forecasting, monitoring and analysis, and continued to optimize the interest rate exposure and duration structure of assets and liabilities. We improved the internal and external pricing mechanisms, and intensified the transmission of the interest rate risk strategy. We further refined the measurement of the interest rate risk in the banking book and enhanced the accuracy of analysis. During the reporting period, as shown by the result of stress testing, all the interest rate risk indicators of the Bank were within the scope of regulatory requirements and management objectives, indicating that our interest rate risk in the banking book remained generally controllable.

Interest Rate Risk Analysis in the Banking Book

As at 30 June 2026, the cumulative negative gap with interest rate sensitivity within one year of the Bank amounted to RMB2,487,745 million, representing an increase of RMB885,858 million in absolute value as compared to the end of the previous year.

Interest Rate Risk Gap

In millions of RMB

	Within 1 month	1-3 months	3-12 months	Sub-total of 1 year and below	1-5 years	Over 5 years	Non-interest earning
30 June 2026	**(11,088,367)**	**2,036,509**	**6,564,113**	**(2,487,745)**	**(2,270,329)**	**7,454,788**	**396,755**
31 December 2025	(7,927,447)	1,555,245	4,770,315	(1,601,887)	(2,194,527)	6,662,485	127,850

Note: Please refer to "Note 47.3 Market Risk to the Financial Risk Management to the Condensed Consolidated Interim Financial Statements" for more details.

Interest Rate Sensitivity Analysis

In millions of RMB

	30 June 2026		31 December 2025	
	Movements in net interest income	**Movements in other comprehensive income**	Movements in net interest income	Movements in other comprehensive income
+ 100 basis points in interest rate	**(64,123)**	**(149,218)**	(45,280)	(106,049)
– 100 basis points in interest rate	**64,123**	**149,218**	45,280	106,049

The interest rate sensitivity analysis above indicates the movements within the next 12 months in net interest income and other comprehensive income under various interest rate conditions, assuming that there is a parallel shift in the yield curve and without taking into account any risk management measures that the Management may adopt to reduce interest rate risk.

Based on the composition of the assets and liabilities as at 30 June 2026, if the interest rates instantaneously rise (or fall) by 100 basis points, the net interest income and other comprehensive income of the Bank would decrease (or increase) by RMB64,123 million and RMB149,218 million, respectively.

Liquidity Risk

Liquidity Risk Management Governance Structure

The liquidity risk management governance structure of the Bank consists of a decision-making system, an execution system and a supervision system, among which, the decision-making system comprises the Board of Directors and its Risk Management and Consumers' Interests Protection Committee and the Senior Management; the execution system comprises the departments of the Bank, which involved in liquidity management, asset and liability business management as well as information and technology, etc.; and the supervision system comprises the Audit Office, the Internal Control and Compliance Supervision Department and the Legal Affairs Department. The above systems perform their respective decision-making, execution and supervision functions based on the division of responsibility.

Liquidity Risk Management Strategy and Policy

We adhered to a prudent liquidity management strategy. We formulated our liquidity risk management policy pursuant to the regulatory requirements, external macroeconomic environment and our business development. We effectively maintained balance among liquidity, security and profitability, on the premise of ensuring liquidity security.

Liquidity Risk Management Objectives

The objectives of our liquidity risk management were to effectively identify, measure, monitor and report liquidity risk by establishing a scientific and refined liquidity risk management system, to promptly fulfill the liquidity needs of assets, liabilities and off-balance sheet businesses, perform the external payment obligations, achieve an effective balance between capital profitability and security of liquidity, and prevent the overall liquidity risk of the Group, under normal business environment or stressed scenarios.

Liquidity Risk Management Method

We paid close attention to internal and external economic situation, continuously monitored our bank-wide liquidity position, and strengthened the asset-liability matching management to mitigate risks related to mismatch of maturity. We improved the liquidity management mechanism by strengthening the monitoring, early warning, and overall allocation of liquidity position, and by enhancing the diversification and stability of sources of funding, to maintain a moderate reserve level and meet various payment demands. In addition, we continued to refine the functions of the liquidity management system and improved the level of our electronic management.

Stress Testing

Based on the market conditions and operational practices, we set liquidity risk stress testing scenarios fully considering various risk factors that may affect liquidity. Stress testing was conducted on a quarterly basis. According to the testing results, under the prescribed stress scenarios, we could pass all the shortest survival period tests as required by regulatory authorities.

Main Factors Affecting Liquidity Risk

The major factors affecting liquidity risk include negative impacts of market liquidity, withdrawal of deposits by customers, drawing of loans by customers, mismatch between asset and liability structures, debtor's default, difficulty in asset realization, weakening financing ability.

Liquidity Risk Analysis

During the reporting period, we managed cash flows brought by maturing funds properly, and the overall liquidity position was adequate, secure and under control. As at the end of June 2026, we recorded liquidity ratios for RMB and foreign currency of 88.22% and 160.65%, respectively, both meeting regulatory requirements. The average liquidity coverage ratio for the second quarter of 2026 decreased by 2.49 percentage points to 129.72% as compared to the previous quarter. As at the end of June 2026, our net stable funding ratio was 132.00%, with available stable funding of RMB34,480,872 million as the numerator and required stable funding of RMB26,121,888 million as the denominator.

Liquidity Gap Analysis

The table below presents the Bank's net position of liquidity as at the dates indicated.

In millions of RMB

	Past due	On demand	Within 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Undated	Total
30 June 2026	**78,075**	**(16,539,576)**	**86,013**	**(1,619,776)**	**(1,556,563)**	**2,345,295**	**17,526,649**	**2,773,352**	**3,093,469**
31 December 2025	70,711	(15,282,505)	372,770	(2,218,960)	(2,047,847)	2,330,373	17,117,573	2,651,806	2,993,921

Note: Please refer to "Note 47.2 Liquidity Risk to the Financial Risk Management to the Condensed Consolidated Interim Financial Statements" for more details.

For details of liquidity coverage ratio and net stable funding ratio of the Bank, please refer to the *Pillar 3 Report for the First Half of 2026* published on the website of the Bank (www.abchina.com.cn, www.abchina.com).

Operational Risk

In the first half of 2026, we reviewed our operational risk appetite and management strategies, adhered to a prudent risk appetite, and clearly defined the direction of operational risk management. We solidly promoted the pilot program for identifying risk points, and continuously refined the relevant methodology, to consolidate the foundation for the whole-process management. We solidly promoted preparations for the regulatory compliance application for the implementation of the new standardized approach, conducted annual verification of operational risk loss data, optimized the loss data management system, advanced the automatic and batch generation of loss data, and continuously improved the quality of loss data. We upgraded the operational risk management system, optimized the operational risk management tools and reinforced the resource allocation for operational risk management to enhance our operational risk management capabilities. We formulated duty performance lists for operational risk management for the first and second lines of defense, and improved the evaluation mechanism that takes into account both process and outcomes.

Legal Risk Management

In the first half of 2026, we continued to deepen the construction of Agricultural Bank of China under the rule of law to further promote law-based governance. Focusing on our primary responsibilities and core businesses, we strengthened legal support for financial services for agriculture, rural areas and rural residents as well as all-around rural revitalization, and for the "Five Priorities" of finance, etc., to underpin the high-quality development of key businesses of the Bank. We dynamically refined the standardized contract template system, and strengthened the prevention and control of legal risks associated with online retail business contracts. We carried out the Intellectual Property Rights Publicity Week Activity to continuously enhance the role of intellectual property rights in empowering business development. We actively supported the disposal and liquidation of non-performing assets, and promoted the in-depth application of diversified dispute resolution mechanisms. We reinforced group-wide integrated legal risk management and control, and enhanced legal service support for overseas-related affairs. We deepened the digital transformation of legal affairs and enhanced the intelligent management of legal risks. We actively participated in building the rule of law in finance, and strengthened the building and cultivation of a legal talent team, to strive to enhance the rule-of-law thinking and awareness among our cadres and employees across the Bank.

Anti-Money Laundering and Sanctions Risk Management

We systematically advanced the development of anti-money laundering data infrastructure, established a transaction monitoring model framework based on product dimensions, and strengthened money laundering risk monitoring in key areas. We continuously tracked and assessed changes in international sanctions policies, focused on sanctions risks in key areas, and refined the working mechanism that balances sanctions risk prevention and control with business development. In line with the new regulatory requirements on customer due diligence, we optimized customer due diligence policies, systems and models, improved the policies for due diligence on the tax-related information of non-residents and identification of beneficial owners, established and improved a comprehensive set of risk signals, and expedited the application of the customer due diligence system at overseas institutions, thereby strengthening our capability to proactively monitor, identify, manage and control risks.

Reputational Risk

In the first half of 2026, adhering to the management philosophy of prioritizing prevention, we continuously improved the whole-process management system of reputational risk, solidly promoted work including pre-assessment, risk screening, front-end resolution, real-time monitoring, response and handling, and post-incident review and summary, and strengthened the building of a professional team through training, education and emergency drills. Through these efforts, we comprehensively enhanced our public opinion response capabilities, and proactively and effectively prevented and controlled reputational risk.

Country Risk

In the first half of 2026, we implemented the regulatory requirements on country risk, updated and optimized the management strategies for country risk, taking into account changes in external situations. We conducted annual country risk evaluation and rating, reasonably set country or regional risk exposure limits, and strengthened country risk monitoring and reporting.

Risk Consolidated

In the first half of 2026, we continued to improve the system and mechanism for the risk consolidation management of the Group, and advanced integrated construction of risk management covering the Bank and its subsidiaries across the Group. We guided our subsidiaries to revise their risk appetite statements and risk management policies for 2026 on a subsidiary-specific basis, adjusted business access criteria, and clarified the management requirements for market risk, compliance risk, etc., in accordance with regulatory requirements. We implemented the requirements specified in the *Rules on Market Risk Management of Commercial Banks*, guided subsidiaries to formulate dedicated policies for market risk management, and established and improved the market risk management system. We iteratively upgraded the risk management systems of subsidiaries to support the construction of intelligent risk control.

Capital Management

During the reporting period, in accordance with the *Rules on Capital Management of Commercial Banks*, we effectively implemented our capital plan for 2025-2027, improved the working mechanism of capital management, deepened the transmission of the principle of capital constraint and value return, and made solid progress in intensive and refined management of capital, further consolidating the strategic support of capital management for the Bank's high-quality development. We actively and steadily carried out multi-tiered capital and Total Loss-Absorbing Capacity (TLAC) replenishment, effectively balanced capital supply and demand, and enhanced our own risk resilience, continuously meeting regulatory requirements for capital adequacy and TLAC.

We continued to enhance the construction of the Internal Capital Adequacy Assessment Process (ICAAP), strengthened the institutional foundation and the capital management reporting mechanism, expanded the scope of risk coverage, optimized the risk assessment standards, completed the ICAAP for 2026, and carried out the special audit, thereby effectively improving the level of capital and risk management across the Bank.

As one of the Global Systemically Important Banks (G-SIBs) and Domestic Systemically Important Banks (D-SIBs), in accordance with regulatory requirements, we continued to meet the relevant additional capital requirements, optimized the construction of the mechanism for the recovery and resolution plan, updated the recovery and resolution plan of the Bank, improved capabilities of risk early warning and crisis management, and consolidated the foundation for financial stability.

We implemented advanced approaches of capital management, and calculated capital adequacy ratio using the advanced approaches and other approaches in parallel, in accordance with NFRA requirements.

Management of Capital Financing

In May 2026, we issued RMB35.0 billion of Tier 2 capital bonds in the National Interbank Bond Market, to replenish our Tier 2 capital.

In April and May 2026, we issued RMB50.0 billion and RMB30.0 billion of TLAC eligible non-capital bonds in the National Interbank Bond Market, respectively, to enhance the Bank's Total Loss-Absorbing Capacity.

In August 2026, we issued RMB20.0 billion of undated additional Tier 1 capital bonds in the National Interbank Bond Market, to replenish our additional Tier 1 capital.

Management of Economic Capital

During the reporting period, we strengthened total capital constraint, optimized the asset structure, controlled the growth of risk-weighted assets, and strove to achieve capital-intensive development. We continued to improve the economic capital allocation mechanism, highlighted the transmission of operational strategic objectives, continuously improved the refined management of economic capital, and increased economic capital allocation in key areas, such as rural revitalization, inclusive finance, manufacturing, private enterprises, green loans, and food security. We strengthened the process management and control of economic capital, advanced system development, enhanced the timeliness and effectiveness of capital management policy transmission, and improved the efficiency of economic capital monitoring.

Capital Adequacy Ratio and Leverage Ratio

The table below presents the Group's capital adequacy ratio calculated in accordance with the *Rules on Capital Management of Commercial Banks*.

In millions of RMB, except for percentages

Item	30 June 2026
CET1 capital, net	2,838,783
Tier 1 capital, net	3,308,783
Net capital	4,600,576
Risk-weighted assets	26,281,608
CET1 capital adequacy ratio	**10.80%**
Tier 1 capital adequacy ratio	**12.59%**
Capital adequacy ratio	**17.50%**

The table below presents the Group's leverage ratio calculated in accordance with the *Rules on Capital Management of Commercial Banks*.

In millions of RMB, except for percentages

Item	30 June 2026
Tier 1 capital, net	3,308,783
Adjusted on-and off-balance sheet assets	53,585,588
Leverage ratio	**6.17%**

For details of our capital adequacy ratio and leverage ratio, please refer to the *Pillar 3 Report for the First Half of 2026* published on the website of the Bank (www.abchina.com.cn, www.abchina.com).

Sustainability Information

In the first half of the year, we actively implemented the Global Development Initiative and commitments to sustainable development, identified sustainability risks and opportunities, actively and steadily promoted the goals of carbon peaking and carbon neutrality, served a wide range of stakeholders, and steadily advanced work related to sustainable development.

- ➢ The Board of Directors reviewed several sustainable development proposals, including the Sustainability Report, Report on green finance and carbon peaking and carbon neutrality, comprehensive risk management reports (including environmental and climate-related financial risks), inclusive finance, consumer interests protection, internal control assessment, case risk prevention and control, and external donations. The Board of Directors also listened to several reports such as the reports on related party transactions, information technology risks and business continuity management, the implementation of the 14th Five-Year Plan, and the implementation of stress testing.

- ➢ We conducted disclosure and publicity through multiple channels. We disclosed the *2025 Sustainability Report* in a compliant manner, published policy essentials and progress updates of ESG on the official website, conducted special publicity campaigns on sustainability with the media, fully highlighted the Bank's strengths, and actively demonstrated market value.

- ➢ We were recognized as a Model Enterprise of the Year at the 2026 China ESG Gala hosted by China Media Group, and an Influential ESG Enterprise of 2026 by *Southern Weekly*. We were also included in the *2026 Fortune* China ESG Impact List.

Environment

We implemented the requirements for comprehensive green transition of the national 15th Five-Year Plan and issued a bank-wide green transition plan. Taking into account the national key milestones for carbon peaking and carbon neutrality, including those for 2030, 2035 and 2060, we put forward a series of transition initiatives covering transition direction, business development strategies, risk management, carbon neutrality in our own operations, capacity building and information disclosure, so as to advance the green transition of operations and management on all fronts. We also implemented the Bank's work plan for carbon peaking and carbon neutrality, advanced carbon neutrality of buildings in an orderly manner, and conducted carbon emissions accounting for eight high-carbon industries.

Green Finance

Green Loans

➢ We increased the supply of green loans. We leveraged the major project pool of green finance to drive financing deployment and intensified the marketing and dynamic management of major projects. We increased the supply of funds to key areas such as the establishment of pilot zones under the Beautiful China Initiative, energy transition, and industrial upgrading. As at the end of June 2026, the balance of green loans amounted to RMB6.53 trillion, with a growth rate of 10.4%.

➢ We promoted the integration and innovation of agriculture, rural areas and rural residents and green finance services. We promoted national reserve forests loans and improved the business model of "Reserved Forest Loan + Smart Forestry". We advanced product innovation in areas such as green and ecological development and desertification control. We optimized and promoted agriculture-related scenarios such as smart animal husbandry, smart agricultural services and smart agricultural inputs, thereby providing digital tools to support green agricultural production and operations.

Green Investment and Financing

➢ Focusing on green industry sectors such as clean energy, green upgrading of infrastructure, and energy conservation and environmental protection, we actively invested in green bonds. As at the end of June 2026, the balance of green bonds invested for our own account increased by 9.7% to RMB173.1 billion as compared to the end of the previous year.

➢ We utilized green debt financing instruments to provide financing for green industries and customers, covering sectors such as energy-saving equipment manufacturing and clean energy. We also underwrote several multi-labeled bonds integrating green development with scientific and technological innovation, rural revitalization and other areas.

ESG Risk and Climate-Related Risk Management

➢ Based on the level of potential environmental, social, and governance (ESG) risks faced by customers, we classified customers by ESG risk and implemented differentiated management measures. And we adopted a "one-vote veto" policy for non-eco-friendly customers and projects.

➢ We continued to refine the requirements for green finance, environmental and climate risk management and constantly optimized risk appetite strategies related to green finance. We deepened climate-related risk stress testing, continuously expanded the stress testing scope, optimized scenario design and method models, fully identified and assessed climate-related risks and opportunities, to enhance climate resilience.

➢ For details about our policies on green finance business, ESG risk due diligence, and research reports on climate-related risks, please refer to the *Progress of Financing Environmental Impact* published on the official website.[1]

Green Operations

Deepening the Carbon Neutrality of Buildings

In the first half of the year, the south building of the Head Office achieved 100% green electricity supply and reduced carbon emissions by 1,340.91 tons. Going forward, we plan to advance green electricity replacement in other Head Office buildings. We incorporated energy efficiency indicators into project procurement as technical specifications and prioritized green and eco-friendly products in the partial replacement of carpets in office buildings, repairs to office building air-conditioning systems, and renewal of kitchen equipment in staff canteens. We also advanced the energy-saving upgrades of lighting fixtures and set multi-scenario lighting modes, thereby effectively lowering energy consumption. We worked to advance the carbon neutrality of Head Office buildings as well as major buildings of domestic tier-1 branches and some tier-2 branches. We assessed the buildings at the Head Office and 37 tier-1 branches and accelerated the implementation of tasks related to the carbon neutrality of buildings.

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[1] *Please refer to the Progress of Financing Environmental Impact issued in "ABC ESG – ESG Updates" section of the official website of Agricultural Bank of China: http://www.abchina.com/en/AboutUs/esg/policies/202607/P020260713637767343070.pdf*

Green Office

- ➢ We promoted paperless meetings, advocated online conferencing, revised the *Meeting Management Guidelines of Head Office*, streamlined meetings, and strictly controlled the number of offline meetings. We upgraded the intelligent meeting system, saving 5,653.6 thousand sheets of paper in the first half of the year. We strictly controlled document printing costs, with the Head Office's print volume falling by 6.5% year on year and the number of color-printing authorizations reduced by 28%.

- ➢ We explored the new "AI + office" model to enhance working efficiency and reduce burdens of grassroots institutions. We leveraged the integrated office information system to promote electronic approval submissions and continuously reduced the volume of non-classified paper documents.

- ➢ We organized a bank-wide training program for archives management personnel, providing training on policies and rules including the *Management Measures on Electronic Archives of Agricultural Bank of China*, and steadily advanced the digitization of existing archives in an orderly manner.

Green Procurement

We continued to refine the routine operation mechanism for green procurement, and integrated energy conservation, environmental protection, low-carbon and emission reduction indicators into the entire procurement management process. We advanced the digital empowerment of green procurement. By using online procurement platforms, we significantly reduced paper consumption. In the first half of 2026, approximately 0.14 million sets of paper bidding documents were reduced across the Bank.

Green Culture

We organized green and low-carbon activities themed *Practicing a Green Lifestyle, Nurturing a Green Culture Together* across the Bank, in order to integrate green concepts into daily activities and corporate culture. In the first half of the year, a total of 2,978 green and low-carbon themed activities were held, with a total participation of 188.2 thousand person-times.

Society

Contributions to Society

Following the concept of "shouldering responsibilities, benefiting the people, giving priority to social responsibility, promoting societal prosperity", we vigorously promoted the building of the brand "ABC Charity", focused on such priority areas as rural revitalization, green ecology, and vulnerable group protection, advanced the four major public welfare campaigns themed "Revitalization", "Protection", "Caring" and "Fulfilling Dreams", continued to explore innovative practices, leveraged financial strength for common prosperity and supported Chinese modernization.

➢ The Revitalization Action. We stayed committed to our primary responsibilities and core businesses of serving agriculture, rural areas and rural residents, thoroughly implemented the strategic plans to move faster to build up China's strength in agriculture and advance all-around rural revitalization, and organized and implemented charity projects such as rural education and medical support, rural infrastructure donation and construction, improvement in rural living environment, and popularization of rural financial knowledge.

➢ The Protection Action. Focusing on themes such as ecological protection, energy conservation and carbon reduction, we organized diverse volunteer activities including tree planting and urban cleanup. In the first half of the year, a total of 918 green volunteer service activities, including tree planting and urban cleanup, were carried out, attracting a participation of over 20,000 person-times.

➢ The Caring Action. We continued to deliver services of "ABC Caring Service Zones" at outlets. In the first half of the year, we organized over 12 thousand public welfare service activities targeting key groups such as the elderly, new urban residents, outdoor workers, and teenagers. These activities included volunteer assistance inspired by Lei Feng, Financial Literacy Publicity Tour, financial education programs on campuses, support services for students taking the national college entrance examination, and care programs for outdoor workers. As at the end of June, a total of 132 films were narrated and more than 2.40 million characters of script were written for the "My Voice, Your Eyes" volunteer activity for the blind, directly benefiting 11.8 thousand person-times of blind people. We continued to promote the "Health Express for Mothers" project. In the first half of the year, we donated funds for purchasing 20 specialized medical vehicles, which were allocated to 20 counties in six border areas, including Nyingchi in Xizang. As at the end of June, a total of 166 vehicles were donated under the "Health Express for Mothers" project, benefiting over 160 villages nationwide.

➢ The Fulfilling Dreams Action. On critical occasions such as the back-to-school season, International Children's Day and the national college entrance examination, we regularly carried out volunteer activities such as donations, public welfare education, examinee escort, etc., providing targeted assistance for young people. We upgraded the "Small Points, Big Dream" public welfare activities and launched special public welfare projects such as "ABC Care: Empowering Education, Fulfilling Dreams" and "ABC Care: Hope Classrooms". For over 20 consecutive years, we carried out the "Joining Hearts and Hands for Students from Dong Villages" volunteer service activity, providing scholarships for students at two primary schools in Nanzhai and Bugou in Liuzhou City, Guangxi Zhuang Autonomous Region. As at the end of June, we raised a total of RMB1.04 million in funds and supplies and secured social donations of more than RMB2 million.

Supply Chain Security

Following the principle of honesty and integrity and a rigorous and standardized approach to management, we continuously strengthened the supply chain risk management system and conducted comprehensive risk identification, assessment, monitoring, and response measures, thereby improving the resilience and stability of supply chains.

➢ We strengthened supplier admission control to firmly safeguard the first line of defense against risks. We strictly enforced qualification standards and screened out unqualified suppliers such as those with records of illegal and dishonest behaviors, involved in corruption, lacking the ability to fulfill obligations, or lacking necessary qualifications. We actively conducted supplier investigations, further improved the quality of supplier admission, and ensured supply chain security and stability at the source. We launched a supplier profiling tool for centralized procurement that provides comprehensive supplier profiles and intelligent, multi-dimensional risk early warnings.

➢ We expanded sourcing from the open market and upheld fair competition in bidding and procurement. We primarily sourced potential suppliers through public channels, optimized the publication of tender notices on procurement portals, enhanced the transparency of procurement information, and broadened the scope of competition. We deepened the application of "AI + procurement", optimized relevant risk models, and strengthened our capabilities to prevent risks associated with bid rigging and collusion.

➢ We stepped up due diligence supervision and inspection as well as compliance management regarding contract performance. Focusing on key procurement projects and sectors, we conducted in-depth on-site and off-site reviews of supplier contract performance, reinforced the management accountability of the acceptance entities, supervised non-compliant suppliers in effectively implementing rectification measures, and promptly identified and defused risks related to contract performance.

➢ We deepened industry-wide coordination on credit risk prevention and promoted the standardized use of information. Leveraging external information sources such as the China Tendering and Bidding Public Service Platform and the Financial Industry Performance Cross-Verification Mechanism of the China Tendering and Bidding Association, we effectively avoided dishonest bidding practices such as suppliers' fabricating track records.

Consumer Interests Protection

We effectively assumed the primary responsibility of protecting the legitimate rights and interests of financial consumers, adhered to the customer-centered operation philosophy and the service philosophy of "Customers First and Always". We built a consumer protection system that covers the entire process of pre-event, in-event and post-event phases. Guided by the concept of comprehensive consumer protection, we deepened the construction of the pattern of "the bank-wide management of consumer interests protection, and the bank-wide responsibility for consumer interests protection", fully implemented financial consumer protection requirements, to enhance people's growing sense of fulfillment, happiness and security.

➢ **We improved governance on consumer interests protection.** The Board of Directors and the Senior Management actively performed their duties, constantly strengthened the guidance and supervision of consumer interests protection, and continuously advanced the incorporation of consumer interests protection into corporate governance, corporate culture and business development strategy. In the first half of 2026, the Board of Directors, its Risk Management and Consumers' Interests Protection Committee, and the Senior Management studied and reviewed more than 40 proposals related to consumer interests protection. The Senior Management convened meetings of the Consumers' Interests Protection Committee, symposiums on the high-quality development of the retail banking business, the inclusive finance work meeting, among other meetings, to deploy and advance governance of complaints from the source, optimization of customer services, and development of a "smart consumer interests protection" system, thus ensuring that the strategies, policies and objectives of consumer interests protection were effectively implemented.

➢ **We strengthened the construction of policy system.** We made solid progress in implementing new regulatory requirements, strictly complied with product suitability management measures and various industry self-regulatory standards, promoted the effective implementation of the Administrative Measures for the Online Marketing of Financial Products and the new regulations on information disclosure of asset management products, issued and revised more than 50 internal policies and agreements to further safeguard the legitimate rights and interests of financial consumers.

- **We strengthened supervision and review of products and services.** We incorporated consumer interests protection review into the systems for consumer interests protection evaluation, risk management and internal control, integrated consumer interests protection principles into our products and services, and continuously refined the consumer interests protection review mechanism. For products and services provided to consumers, consumer interests protection reviews were conducted during stages such as design, development and pricing management, with a focus placed on suitability management and end-to-end information disclosure, to prevent the occurrence of infringement of the legitimate rights and interests of consumers from the source. We formulated ten categories of key points on consumer interests protection review, achieving comprehensive coverage of key business areas. We launched an AI-powered consumer interests protection review tool that enables rapid and one-click review across multiple business categories and intelligent assistance in generating review opinions, thereby significantly enhancing review efficiency and accuracy. We actively promoted one-stop financial services, such as the ABC Pension Finance • Golden Age Canteen and services for personal estate settlement, in order to address the difficulty in dining for elderly people with mobility issues and to help the public conveniently inquire about and withdraw assets of deceased relatives from various banks.

- **We continuously improved the quality and efficiency of complaint handling.** We optimized complaint handling processes and tools, actively supported the capacity expansion of the 12378 hotline, strengthened the guarantee for the "one-click call transfer" function, and improved the closed-loop complaint management covering acceptance, resolution, and follow-up calls, leading in the industry in terms of the call answer rate, customer waiting time and other indicators regarding the quality and efficiency of complaint handling. We comprehensively enhanced the effectiveness of diversified dispute resolution, established a diverse range of dispute resolution platforms such as Fengqiao Workstation, and built a dispute resolution model featuring prevention orientation, mediation first and on-site resolution. The Head Office set up a special working group to escalate and centrally handle the complaints directed at the Head Office and those unresolved by institutions at the lower level. We advanced the development of the smart consumer interests protection system and promoted the transformation of complaint management from a predominantly manual approach to digitally enabled human-machine collaboration. We deepened root-cause governance in key areas, strengthened root-cause analysis, and resolved conflicts from the source.

- **We enhanced the targeting and effectiveness of financial education.** Leveraging extensive outlets and channels in townships, we strengthened financial literacy outreach and risk reminders for customers in County Areas through initiatives such as County Area Banking Lecture Hall. Targeting key groups including elderly customers, we carried out more than 0.08 million centralized education activities in the first half of the year, such as the "3 • 15" financial consumer interests protection education and publicity and the Financial Literacy Publicity Tour. We leveraged platforms in industries such as express delivery, food delivery and transportation to reach groups including truck drivers, ride-hailing drivers, couriers and food delivery riders. The "Agriculture-related Service" column was launched on the Bank's official WeChat Official Account, to showcase exemplary stories of our considerate services, assistance and support, and post-disaster relief efforts. Well received initiatives including Fresh Voices for Consumer Protection and Green Consumer Interests Protection Lecture Hall were rolled out. Risk reminders were promptly issued in response to emerging risks associated with high-interest deposit solicitation under the guise of large banks and gold custody scams. The Bank was awarded titles including "Excellent Financial Institution for Consumer Protection" and "Excellent Financial Education Case" by multiple media outlets.

- **We continued to strengthen training for employees on consumer interests protection.** We provided tiered and classified training through themed workshops, case-based teaching, knowledge tests and other approaches, to empower middle and senior management, staff in the consumer interests protection line and community-level business personnel. We actively incorporated consumer interests protection courses into the Party school curricula, and embedded consumer interests protection content in all new employee training programs. Focusing on key areas of personal information protection such as information use authorization and partnering institution management, we continued to carry out "Case of the Week" and "micro training" programs. Emergency drills were organized covering outlet services, complaint handling, personal information protection and public opinion incident response. Exemplary deeds of outstanding consumer interests protection teams and individuals were promoted through lectures, exhibitions and symposiums.

Data Security and Customer Privacy Protection

We consistently prioritized data security and customer privacy protection. We effectively safeguarded customer privacy and data security by establishing the data security governance framework, refining the data security policy system, solidifying the foundation for data classification and grading, strengthening security protection across the three key domains of export, systems, and terminals, deepening data security training, publicity and education, and enhancing our security emergency response capabilities. We continuously updated and refined our privacy policies in light of regulatory requirements and business development needs, defined the rules governing the processing of customers' personal information, constantly enriched disclosures on mechanisms for responding to customer rights and resolving disputes to safeguard customer rights and interests in accordance with the law.

➢ **Promoting Data Security Governance.** In the first half of 2026, the Party Committee of the Bank deliberated on three issues related to network security and data security, the Board of Directors listened to reports on network security and data security for 2025, and the Senior Management listened to special reports on data security or approved data security documents nine times.

➢ **Improving the Data Security Policy System.** We attached great importance to data security. Our data security policies apply to all business lines of domestic institutions at all levels and overseas branches. Overseas branches shall also comply with laws, regulations and regulatory requirements of the countries where they operate, and implement the stricter ones where differences exist. In the first half of 2026, we continuously followed national laws and regulations such as the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*, as well as industry regulatory provisions including the *Measures for Data Security Management of Banking and Insurance Institutions* and the *Measures for the Administration of Data Security in Business Areas of the People's Bank of China*. We revised the *Data Security Management Measures of Agricultural Bank of China*, strengthened the accountability framework for data security, adjusted grading standards in line with established benchmarks, refined the requirements for the external provision of data, enhanced control over algorithmic models, and raised standards for emergency reporting. Based on mechanisms already established for specific areas, we improved and issued standards and guidelines regarding classification and grading, information systems, incident emergency response, and key data processing activities, refined classification and grading standards, prevented and controlled data security risks in key areas, unified and standardized the management of key data processing activities, and strengthened emergency reporting and loss assessment for security incidents, thereby consolidating the bottom line of data security.

- **Optimizing Data Classification and Grading.** In the first half of 2026, we revised the *Guidelines for Data Classification and Grading of Agricultural Bank of China*, specifying the requirements for the management of the data grading list, data classification and grading, and the application of data classification and grading results. We updated the Data Grading List, specifying the data security attributes of each category of data items, including whether they constitute personal information, whether they are sourced externally, and how they are distributed across business systems. Data classification and grading were conducted using data classification and grading tools. We classified and graded the collection, storage, transmission and use of various data assets and implemented dynamic adjustments. We implemented differentiated data security protection based on the classification and grading results.

- **Strengthening Risk Control over Cross-Domain Data Flow.** We identified the flow of sensitive data across domains as a primary source of data security risk, specifically the three key domains of exports, systems, and terminals. We advanced a risk control approach combining manual control and technical control to effectively manage cross-domain data flow risks. In the first half of the year, we formulated the *Information System Data Lifecycle Protection Standards*, defined business management and technical protection requirements across the entire data lifecycle, including collection, storage, use, processing, transmission, provision, and destruction, and deployed pilot monitoring rules for risks arising from user behavior based on the data security monitoring platform.

- **Promoting Data Security Training, Publicity and Education.** We attached great importance to training and education regarding data security and customer privacy protection. We established a multi-dimensional, systematic, and professional training system that covers all employees and third-party personnel, such as labor dispatch workers and contractors. We integrated data security requirements into daily business management and conducted training through various methods, including bank-wide examination, special training courses, online video courses, and on-site guidance. The training covered laws and regulations regarding data security, industry policies and standards, data security cases, security management and technical protection requirements, data security protection in third-party partnerships, and emergency response to data security incidents. In the first half of 2026, we conducted 978 data security training sessions. By including labor dispatch workers and third-party personnel (including contractors) in the scope of data security training, we clarified the accountability for violations and enhanced security awareness. The training covered the *Data Security Management Measures of Agricultural Bank of China*, data security management requirements for outsourcing business, personal information protection, and data security requirements for third-party partnership. In the first half of 2026, the Head Office and branches conducted 213 data security training sessions for labor dispatch workers covering areas such as external audit, development and testing, as well as 172 training sessions for outsourced personnel and other third-party personnel (including contractors) on 53 key scenarios related to data collaboration.

➢ **Strengthening Data Security Emergency Response.** We established a data security emergency management mechanism covering the entire Group. In the first half of 2026, we revised the *Data Security Incident Emergency Response Plan of Agricultural Bank of China*. Serving as the overarching plan for data security incidents, the plan outlines the overall requirements for the monitoring, reporting, handling and drills regarding data security incidents. In accordance with this plan, all departments and branches developed scenario-specific contingency plans tailored to their respective business, systems and scenarios. We attached great importance to monitoring data security risks and incident emergency response. Through regular emergency drills, risk clue monitoring, incident emergency response, proactive measures, in-process monitoring, and reactive measures, we continuously enhanced our risk awareness and formed well-practiced emergency response capabilities. In the first half of the year, no data security incidents occurred at the Bank. If any data security incident occurs or is detected, we will, in accordance with the emergency response plan, rapidly and efficiently complete internal information reporting, timely complete regulatory reporting procedures. If regulatory reporting is required, we will accurately assess data losses and immediately take emergency response measures. After the incident, we will conduct reviews of response actions, analyze root causes, refine relevant policies, optimize relevant systems, and prepare written reports in accordance with both internal and regulatory requirements.

For details about data security and customer privacy protection, please refer to the *Progress on Privacy and Data Security*[1] published on the Bank's official website.

[1] *Please refer to the Progress on Privacy and Data Security issued in "ABC ESG – ESG Updates" section of the official website of Agricultural Bank of China: http://www.abchina.com/en/AboutUs/esg/policies/202607/P020260713638180689840.pdf*

Employees

- ➢ We placed great emphasis on employees' career development, regarded it as a core component of fulfilling our corporate mission to "empower employees", continuously optimized our job structure, and established a "double-channel" career development system comprising managerial and professional pathways. While making coordinated use of the managerial and professional "double-channel" career development system and conducting regular selection and appointment for mid- and senior-level professional positions, we actively promoted all branches to optimize the management mechanism for selecting and appointing employees to professional positions at foundation level, and carried out such selection and appointment in a standardized and orderly manner. We strictly enforced qualification standards and procedures for professional positions, ensured fairness, justice and openness in selection and appointment, and enabled employees across the Bank to align their career advancement and development with the Bank's growth and achieve progress together.

- ➢ We attached great importance to employee education and training. Focusing on key tasks across the Bank and the career development needs of employees, we made overall arrangements for tiered and categorized training plans, provided training for employees at different levels and in different positions, conducted special training centered on the "Five Priorities" in finance, and continuously deepened "production-study-research" training, so as to constantly enhance employees' professional competence and duty performance capabilities. We increased the supply of education and training resources as well as service support and strengthened the development of ABC E-Learning, an online learning platform, to fully meet the diverse training and learning needs of employees.

For details about employees, please refer to the *Progress of Human Resource Development* published on the Bank's official website[1].

Non-pay Benefits and Employee Care

We continued to develop a non-pay benefit system covering all employees, including labor dispatch workers.

- ➢ **We strengthened employees' health.** Critical illness insurance coverage was extended to all employees, with a total payout amount of RMB209 million in the first half of 2026. We stepped up support for employees' mental health, formulated relevant policies, and provided standardized, systematic, and professional mental health support across the Bank. In the first half of the year, we provided psychological counseling services 29.5 thousand person-times and psychological assessment services 55.4 thousand person-times, held over 960 mental health lectures, and organized 9,322 recreational and sports activities, with a total participation of 529.8 thousand person-times.

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[1] *Please refer to the Progress of Human Resource Development issued in "ABC ESG – ESG Updates" section of the official website of Agricultural Bank of China: http://www.abchina.com/en/AboutUs/esg/policies/202607/P020260713637413488029.pdf*

➢ **We improved working and living conditions.** In the first half of the year, we built 4,080 new Homes of Employees facilities. Among these, 3,837 dedicated functional areas were established, including small canteens, small reading rooms, small activity rooms, small bathrooms, revolving dormitories, noon break rooms, female employee care rooms, and stress-relief rooms, together with 243 comprehensive functional areas.

➢ **We stepped up efforts to relieve the financial distress of employees.** We carried out targeted support activities, including collective assistance and immediate aid, for employees in difficulty (including labor dispatch workers). We carried out care and support initiatives for groups including single mothers facing financial difficulties, model workers in need, employees injured or disabled at work, and families of employees who died in the line of duty.

Democratic Management

We established a workers' congress system to effectively safeguard employees' rights to be informed, to participate, to express opinions, and to supervise. We actively and steadily advanced the democratic enterprise management system that takes the workers' congress as the basic form, refined the scope and procedures for the workers' congress to decide on and review major issues, important appointments and removals, major projects, and the use of large amounts of funds, and convened the fourth session of the fourth workers' congress. We enhanced the duty performance capabilities of representatives and the quality of their proposals and actively participated in the selection of outstanding proposals by employee representatives organized by the higher-level trade union. Four proposals from the Bank were recognized as 2024-2025 Outstanding Employee Representative Proposals in the Financial Sector, among which one proposal was recognized as a National Outstanding Employee Representative Proposal under the theme "Pooling Strength for Development".

Employee Opinion and Grievance Reporting

➢ We carried out the 2026 employee satisfaction questionnaire survey and optimized questionnaire design in aspects such as employee satisfaction rating, pressing issues and concerns, and the effectiveness of implemented measures, with a total of over 340 thousand valid questionnaires collected. The survey results showed that on the whole, more than 90% of employees rated our employee care work as "satisfied", representing an increase of more than 2 percentage points compared to the previous year.

➢ We further advanced the 2026 initiative for trade union chairpersons to visit banking outlets. Trade union chairpersons at all levels focused their visits on remote outlets, outlets operating under difficult conditions and representative outlets. They visited employees' workplaces and living areas, held extensive discussions with employees, solicited their opinions and suggestions, and gained first-hand insights into the implementation of employee care and support policies and measures. In the first half of the year, 4,205 trade union chairpersons across the Bank visited a total of 11,352 outlets and collected 8,518 issues, 6,784 of which were effectively resolved.

Sustainable Development Governance

Anti-Commercial Bribery and Anti-Corruption

Tiered and Categorized Warning Education

➢ **We convened bank-wide warning education meetings.** Committed to improving conduct, tightening discipline, and fighting corruption, we held the Meeting on Full and Rigorous Party Self-Governance and Discipline Inspection and Supervision Work for 2026 in combination with the warning education meeting. We held a meeting to advance the learning and education of fostering and practicing a correct understanding of what it means to perform well. We also carried out warning education, circulated information on typical violations of laws, regulations, and disciplines, made arrangements for related warning education across the Bank, and continuously reinforced its warning and deterrent effect. We convened a conference on case prevention and warning education across the Bank, assessed the relevant situation, set out clear objectives, and organized employees to watch a warning education film on case risk prevention and control.

➢ **We produced a dedicated warning education documentary.** We produced the warning education film *The Apricot Blossom Promise*, and organized Party members and cadres across the Bank to watch the film, so as to enhance the legal and compliance awareness and promote rectification and improve governance through the cases.

➢ **We conducted warning education through a variety of forms.** We adopted a variety of approaches, including organizing Party members and cadres to visit warning education centers on Party conduct and integrity and to observe court proceedings, to educate and guide them to heighten vigilance, recognize the consequences of misconduct, and maintain due respect for discipline and rules.

Strengthening Integrity Risk Alerts

On the eve of the Spring Festival, the International Labor Day, and the Dragon Boat Festival, among other festivals, we sent integrity reminder text messages to Party members and cadres, reminding them to strictly adhere to the Eight-point Decision of the Central Committee on improving work conduct and maintain their integrity during festivals. We issued integrity reminder letters to newly promoted Party members and cadres, urged them to make integrity commitments, and reviewed their integrity commitment letters. We timely issued work reminders on improving Party conduct and integrity and extended full and rigorous Party self-governance to grassroots.

Promoting Integrity Procurement

In the first half of the year, we continued to advance integrity procurement. We established a centralized procurement management system with fairness, integrity and efficiency, ensured that anti-corruption policies covered all centralized procurement projects and participating suppliers, and advanced procurement governance in a compliant and orderly manner.

➢ **We fulfilled our notification obligations and reinforced commitments to integrity and compliance.** We incorporated clauses warning against commercial bribery into procurement-related business documents, such as the *Integrity Commitment Letter, Bid Letter and Platform Registration Agreement*, explicitly requiring suppliers to pledge compliance with national laws and regulations on bidding and tendering as well as the Bank's supplier management policies.

➢ **We enhanced management and monitoring tools and took strict action against supplier misconduct.** During the admission process, we incorporated suppliers' involvement in corruption as prohibited conditions for bidding and procurement. During the review process, we utilized intelligent tools to monitor and identify bid rigging and collusion by suppliers. We addressed queries and complaints in time to ensure fair competition, and adopted a zero-tolerance policy for suppliers involved in corruption.

➢ **We reinforced integrity responsibilities and strengthened warning education.** We conducted preventive management of supplier misconduct. Through regular communications and meetings with suppliers, we strengthened the promotion of relevant rules and warning education, and guided and urged suppliers to compete fairly and perform their contractual obligations in good faith. We organized training and publicity on the newly revised *Detailed Rules for the Management of Improper Conduct of Supplier*, providing a solid foundation for the effective implementation of procurement policies and procedures.

Corporate Governance Report

Operation of Corporate Governance

During the reporting period, we continued to improve the modernization of our corporate governance system and governance capacity, and continuously improved the modern financial enterprise system with Chinese characteristics, in strict compliance with the laws, regulations and regulatory requirements including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China* and the *Law of the People's Republic of China on Commercial Banks*. We continuously consolidated the institutional foundation of our corporate governance, adjusted and optimized the composition of the Board of Directors and its relevant special committees, and effectively enhanced the operational efficiency of our corporate governance.

During the reporting period, we fully complied with all the principles and code provisions of the *Corporate Governance Code* set out in Appendix C1 to the Hong Kong Listing Rules and most of the recommended best practices thereunder.

Shareholders' Meetings

During the reporting period, we convened two shareholders' meetings, at which nine proposals including the annual work report of the Board of Directors and external donation quota were considered, and four reports including the management of related party transactions were listened.

We published the poll results announcements and legal opinions on the above shareholders' meetings in a timely manner in accordance with regulatory requirements. For details, please refer to the relevant announcements published by the Bank on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Meetings of the Board of Directors

During the reporting period, we convened four meetings of the Board of Directors, at which 38 proposals including the final financial accounts plan and profit distribution plan were considered, and 16 reports including the report on cybersecurity and data security were listened.

Internal Control

Adhering to the risk-based principle, we continuously refined internal control mechanisms to consolidate the foundation of our internal control system. We formulated an annual plan for the formulation, revision and abolition of rules, and continued to optimize the Bank's policy system. We enhanced the efficiency of annual basic authorization to promptly meet operation and management needs. We promoted the intensive risk monitoring approach for internal control and compliance and improved the full-lifecycle management mechanism for internal control and compliance monitoring models to effectively enhance the accuracy of risk identification. We promoted the implementation of internal control construction standards, issued assessment guidelines, and conducted special assessments on key areas to steadily improve the quality and efficiency of internal control work.

We further explored and promoted exemplary practices and experience in fostering a compliance culture, optimized the selection criteria for compliance benchmarks, and standardized the performance of duties of compliance officers. We revised the management measures for compliance reviews and refined the working rules governing compliance reviews. We improved the compliance management mechanism for overseas branches, subsidiary banks and subsidiaries, and ensured effective compliance coaching and training for staff in key positions. We accelerated the promotion and application of digital and intelligent solutions, including the compliance risk cockpit and employee risk profiles, actively advanced the development of intelligent agents, and strove to make internal control and compliance management more regularized, standardized and intelligent.

Internal Audit

During the reporting period, we firmly adhered to the work theme of "preventing risks and promoting high-quality development", anchored on the economic and social development goals set forth in the 15th Five-Year Plan, and solidly carried out audit supervision. Focusing on the implementation of major decisions and plans of the CPC Central Committee on serving rural revitalization, the real economy, boosting consumption, etc., we conducted in-depth risk management audit to promote the effective transmission of national economic and financial policies into the Bank's operations. We earnestly strengthened risk prevention and control, and conducted audits focusing on key areas including credit risk, financial management, off-balance-sheet businesses, emerging businesses, internal control and case prevention, and information technology. We intensified supervision over the performance of duties by the first and second lines of defense, closely monitored emerging problems arising from new businesses and new models, and attached great importance to and actively leveraged various audit recommendations to continuously guard the bottom line of the Bank's risk prevention and control. We resolutely implemented the rectification requirements of internal and external audits, consolidated rectification responsibilities, enforced rigorous quality control for rectification, and consistently promoted the substantive rectification of problems identified by internal and external audits. We continuously strengthened internal management and team building of audit lines, deepened the construction of regional, professional as well as digital and intelligent audit mechanisms, improved the policy system, and optimized performance appraisal, to safeguard the high-quality development of the Bank through high-quality audit.

Progress of the Action of "Corporate Value and Return Enhancement"

In line with the requirements of the *Several Opinions of the State Council on Strengthening Regulation and Forestalling Risks to Promote the High-quality Development of the Capital Market* and the *Guidelines No. 10 for the Regulation of Listed Companies — Market Value Management* by the CSRC, and in response to the initiative on "Corporate Value and Return Enhancement" of the Shanghai Stock Exchange, the Bank continuously advanced the implementation of the *Market Value Management System* and the *Valuation Enhancement Plan and Corporate Value and Return Enhancement Action* of Agricultural Bank of China. We thoroughly practiced the investor-centered principle, adhered to our responsibilities and mission of serving agriculture, rural areas and rural residents as well as the real economy, made every effort to promote the "Five Priorities" of finance, closely adhered to the work theme of preventing risks and promoting development, continuously improved work quality and efficiency, promoted high-quality development, and strove to create greater value for investors (for details, please refer to the "Operation Overview"). We insisted on a stable cash dividend policy to earnestly deliver returns to investors, maintained a dividend payout ratio above 30% since listing, actively implemented the distribution of interim dividends, and provided holders of H shares with RMB dividends currency option to enhance the sense of gain and convenience for shareholders. We actively practiced the philosophy of sustainable development, deepened the development of our information disclosure system, improved the quality of sustainability report disclosure, proactively engaged in multi-level and multi-channel investor communications to convey corporate value, addressed capital market concerns in a targeted manner, and enhanced investors' value recognition. We continuously improved the orderly-working corporate governance system with effective counterbalance, strengthened the responsibilities of the key management personnel including controlling shareholders, Directors, and senior management members, and focused on protecting the rights and interests of investors, particularly small and medium-sized investors. We will continue to follow up regulatory policies, and evaluate and implement other legal and compliant market value management measures as appropriate based on actual conditions.

Directors and Senior Management Members

Directors and Senior Management Members of the Bank

As at the date when the Board of Directors considered and approved this results announcement, the compositions of the Board of Directors and Senior Management of the Bank were as follows:

The Board of Directors of the Bank consisted of 13 Directors, including four Executive Directors, namely Mr. GU Shu, Mr. WANG Zhiheng, Mr. LIU Hong and Mr. LIN Li; three Non-executive Directors, namely Ms. ZHOU Ji, Mr. ZHANG Qi (張奇) and Mr. ZHANG Hongwu; and six Independent Directors, namely Mr. WU Liansheng, Mr. WANG Changyun, Mr. JU Jiandong, Ms. ZHUANG Yumin, Mr. ZHANG Qi (張琦) and Ms. WONG Pui Sze Priscilla.

The Senior Management of the Bank consisted of six members, namely Mr. WANG Zhiheng, Mr. LIN Li, Mr. WANG Wenjin, Mr. MENG Fanjun, Mr. WANG Dajun and Ms. LIU Qing.

During the reporting period, none of the incumbent Directors or senior management members of the Bank or who departed during the reporting period held or traded in any shares of the Bank, or held any share options of the Bank, or was granted restricted shares of the Bank.

Changes in Directors and Senior Management Members

Changes in Directors

In November 2025, Mr. ZHANG Hongwu was elected as a Non-executive Director of the Bank at the 2025 Second Extraordinary Shareholders' Meeting of the Bank. His qualification was ratified by the NFRA on 26 January 2026.

In March 2026, Mr. LI Wei ceased to serve as a Non-executive Director of the Bank due to the expiry of his term of office.

In May 2026, Mr. LIU Xiaopeng resigned as a Non-executive Director of the Bank due to work adjustments.

In June 2026, Ms. ZHANG Yuqing was elected as a Non-executive Director of the Bank at the 2025 Annual Shareholders' Meeting of the Bank. Her appointment is subject to the ratification of her qualification by the NFRA.

Changes in Senior Management Members

In February 2026, Mr. WANG Zhiheng was appointed to concurrently serve as the Chief Compliance Officer of the Bank by the Board of Directors. His appointment took effect on the date of consideration and approval by the Board of Directors.

Changes in Personal Information of Directors

Ms. ZHUANG Yumin, an Independent Director of the Bank, ceased to serve as the dean of School of Finance of Renmin University of China in April 2026.

Mr. WU Liansheng, an Independent Director of the Bank, has served as an independent director of Shenzhen Honeycomb Internet Technology Co., Ltd. since July 2026.

Particulars of Ordinary Shares

Changes in Share Capital of Ordinary Shares

Details of Changes in Share Capital

Unit: Share

	31 December 2025 Number of Shares	31 December 2025 Percentage[2] (%)	Increase/decrease during the reporting period	30 June 2026 Number of Shares	30 June 2026 Percentage[2] (%)
I. Shares subject to restrictions on sales[3]	**—**	**—**	**—**	**—**	**—**
II. Shares not subject to restrictions on sales	**349,983,033,873**	**100.00**	**—**	**349,983,033,873**	**100.00**
1. RMB-denominated ordinary shares	319,244,210,777	91.22	—	319,244,210,777	91.22
2. Foreign-invested shares listed overseas[1]	30,738,823,096	8.78	—	30,738,823,096	8.78
III. Total number of shares	**349,983,033,873**	**100.00**	**—**	**349,983,033,873**	**100.00**

Notes:

1. *"Foreign-invested shares listed overseas" refers to the H Shares as defined in the No. 5 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Report of Change in Shareholding (Revision 2022) of the CSRC.*

2. *Rounding errors may arise in the "Percentage" column of the table above as the figures are rounded to the nearest decimal number.*

3. *"Shares subject to restrictions on sales" refers to shares which are subject to restrictions on sales in accordance with laws, regulations or commitments.*

4. *Information in the table above was based on the share registration recorded in Shanghai Branch of China Securities Depository and Clearing Corporation Limited and Computershare Hong Kong Investor Services Limited.*

Details of Issuance and Listing of Securities

Issuance of Securities

For issuance of securities of the Bank during the reporting period, please refer to "Note 33 Debt Securities Issued to the Condensed Consolidated Interim Financial Statements" for details.

Employee Shares

The Bank had no employee shares.

Particulars of Holders of Ordinary Shares

Number of Shareholders and Particulars of Shareholding

As at 30 June 2026, the Bank had a total of 657,732 shareholders, including 639,311 holders of A Shares and 18,421 holders of H Shares.

Particulars of shareholdings of the top 10 shareholders of the Bank (the shareholdings of holders of H Shares are based on the number of shares as set out in the registers of members of the Bank maintained by its H Share registrar)

Total number of shareholders	**657,732** (as set out in the registers of holders of A Shares and H Shares as at 30 June 2026)

Particulars of shareholdings of the top 10 shareholders (the information below is based on the registers of shareholders as at 30 June 2026)

Unit: Share

Name of shareholders	Nature of shareholders	Type of shares	Increase/ decrease during the reporting period (+, –)	Shareholding percentage (%)	Total number of shares held	Number of shares held subject to restrictions on sales	Number of shares pledged, marked or locked-up
Huijin	State-owned	A Shares	–	40.14	140,488,809,651	–	None
MOF	State-owned	A Shares	–	35.29	123,515,185,240	–	None
HKSCC Nominees Limited	Overseas legal entity	H Shares	+2,480,171	8.73	30,564,242,858	–	Unknown
SSF	State-owned	A Shares	–	6.72	23,520,968,297	–	None
Ping An Life Insurance Company of China, Ltd.	Domestic non-state-owned legal entity	A Shares	-8,545,900	1.67	5,850,671,870	–	None
China National Tobacco Corporation	State-owned legal entity	A Shares	–	0.72	2,518,891,687	–	None
China Securities Finance Corporation Limited	State-owned legal entity	A Shares	–	0.53	1,842,751,177	–	None
Shanghai Haiyan Investment Management Company Limited	State-owned legal entity	A Shares	–	0.36	1,259,445,843	–	None
Central Huijin Asset Management Ltd.	State-owned legal entity	A Shares	–	0.36	1,255,434,700	–	None
Hong Kong Securities Clearing Company Limited	Overseas legal entity	A Shares	-202,176,168	0.33	1,150,947,129	–	None

Notes:

1. *The total number of shares held by HKSCC Nominees Limited represents the number of H Shares in aggregate held by it as a nominee on behalf of all institutional and individual investors registered with it as at 30 June 2026.*

2. *The number of shares held by Hong Kong Securities Clearing Company Limited represents the A Shares (northbound shares of Shanghai-Hong Kong Stock Connect) held by it as a nominee designated by and on behalf of investors from Hong Kong SAR and overseas.*

3. *Among the shareholders listed above, Huijin holds 100% equity of Central Huijin Asset Management Ltd. and 66.70% equity of China Securities Finance Corporation Limited; HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited; and China National Tobacco Corporation is the de facto controller of Shanghai Haiyan Investment Management Company Limited. Save as mentioned above, the Bank is not aware of any related party relationship between the shareholders above, or whether they are parties acting in concert.*

4. *Among the shareholders listed above, save as the transfer of voting rights of 9,797,058,826 A Shares held by the SSF to the MOF according to the share subscription agreement dated 21 April 2010 and the Approval on the Proposed Transfer of State-owned Shares of Agricultural Bank of China issued by the MOF on 5 May 2010, the Bank is not aware of the existence of the consigned, accepted consignment of, or waived voting rights by other shareholders.*

5. *None of the top 10 shareholders were engaged in the business of margin trading and securities lending or refinancing, among which HKSCC Nominees Limited held the H Shares as a nominee and it was not engaged in the business of margin trading and securities lending or refinancing.*

6. *None of the Bank's shares were subject to restrictions on sales.*

Particulars of Substantial Shareholders

Change in Substantial Shareholders and De Facto Controller

During the reporting period, the Bank's substantial shareholders and controlling shareholders remained unchanged. The Bank had no de facto controller.

<u>Interests and Short Positions Held by Substantial Shareholders and Other Persons[1]</u>

Unit: Share

Name	Capacity	Interests and short positions	Nature	Percentage of issued class shares (%)	Percentage of total issued shares (%)
Huijin	Beneficial owner	140,488,809,651 (A Shares)	Long position	44.01	40.14
	Interest of controlled entity	3,098,185,877 (A Shares)	Long position	0.97	0.89
MOF	Beneficial owner/nominee[2]	133,312,244,066 (A Shares)[3]	Long position	41.76	38.09
SSF	Beneficial owner	23,520,968,297 (A Shares)	Long position	7.37	6.72
Ping An Asset Management Co., Ltd.	Investment manager	9,231,991,000 (H Shares)[4]	Long position	30.03	2.64
Ping An Insurance (Group) Company of China, Ltd.	Interest of controlled entity	8,114,462,000 (H Shares)[5]	Long position	26.39	2.32
Qatar Investment Authority	Interest of controlled entity	2,448,859,255 (H Shares)[6]	Long position	7.97	0.70
Qatar Holding LLC	Beneficial owner	2,408,696,255 (H Shares)[6]	Long position	7.84	0.69
BlackRock, Inc.	Interest of controlled entity	1,791,642,604 (H Shares)[7]	Long position	5.83	0.51
		65,476,000 (H Shares)[7]	Short position	0.21	0.02

Notes:

1. *As of 30 June 2026, the Bank received notifications from the above persons regarding their interests or short positions in the shares and underlying shares of the Bank. Such interests or short positions were recorded in the register required to be kept pursuant to Section 336 of the Securities and Futures Ordinance of Hong Kong.*

2. *9,797,058,826 A Shares are held by the SSF, but the voting rights of these shares were transferred to the MOF according to the share subscription agreement dated 21 April 2010 and the Approval on the Proposed Transfer of State-owned Shares of Agricultural Bank of China issued by the MOF on 5 May 2010.*

3. *According to the register of members of the Bank as of 30 June 2026, the MOF held 123,515,185,240 A Shares of the Bank, representing 38.69% of the issued A Shares and 35.29% of the total issued shares of the Bank.*

4. *As confirmed by Ping An Asset Management Co., Ltd., the shares held by it include shares it held on behalf of certain customers (including but not limited to Ping An Life Insurance Company of China, Ltd., Ping An Property & Casualty Insurance Company of China, Ltd. and Ping An Health Insurance Company of China, Ltd.) as investment manager, and the interests in such shares were disclosed based on the latest disclosure of interests form filed by Ping An Asset Management Co., Ltd. as of 30 June 2026 (the date of relevant event being 30 June 2026).*

5. *According to the latest disclosure of interests form filed by Ping An Insurance (Group) Company of China, Ltd. as of 30 June 2026 (the date of relevant event being 30 June 2026), Ping An Insurance (Group) Company of China, Ltd. held 8,114,462,000 H Shares of the Bank through its subsidiaries, namely Ping An Life Insurance Company of China, Ltd., Ping An Property & Casualty Insurance Company of China, Ltd. and Ping An Health Insurance Company of China, Ltd. Ping An Asset Management Co., Ltd. is also a subsidiary of Ping An Insurance (Group) Company of China, Ltd. However, as an investment manager, Ping An Asset Management Co., Ltd., may exercise voting rights over shares with full discretion on behalf of customers and independently exercise investment operation management rights, and is completely independent of Ping An Insurance (Group) Company of China, Ltd. Accordingly, pursuant to the Securities and Futures Ordinance of Hong Kong, Ping An Insurance (Group) Company of China, Ltd. adopted a non-aggregation approach and was exempted from aggregated disclosure of interests in shares held by Ping An Asset Management Co., Ltd. as its holding company.*

6. *Qatar Investment Authority is deemed to be interested in 2,448,859,255 H Shares in aggregate, held by Qatar Holding LLC and QSMA1 LLC, both of which are wholly-owned subsidiaries of Qatar Investment Authority.*

7. *BlackRock, Inc. is deemed to hold long position interests in 1,791,642,604 H Shares and short position interests in 65,476,000 H Shares in aggregate, directly or indirectly held by 20 entities including BlackRock Investment Management, LLC and BlackRock Financial Management, Inc., all of which are wholly-owned subsidiaries of BlackRock, Inc. For details, please refer to the disclosure of interests form filed by BlackRock, Inc. as of 30 June 2026.*

Particulars of Preference Shares

Issuance and Listing of Preference Shares

During the reporting period, the Bank did not issue or list any preference shares.

Number of Holders of Preference Shares[1] and Particulars of Shareholdings

As at 30 June 2026, the Bank had a total of 37 holders of the preference shares "農行優1".

Particulars of Shareholding of the Top 10 Holders of Preference Shares "農行優1" (Stock Code: 360001) (the information below is based on the registers of shareholders as at 30 June 2026)

Unit: Share

Name of shareholders[1]	Nature of shareholders[2]	Type of shares	Increase/ decrease during the reporting period[3] (+, -)	Total number of shares held	Shareholding percentage[4] (%)	Number of shares pledged or locked-up
Sun Life Everbright Asset Management Co., Ltd.	Others	Domestic preference shares	—	50,000,000	12.50	None
China Merchants Fund Management Co., Ltd.	Others	Domestic preference shares	—	49,000,000	12.25	None
PICC Life Insurance Company Limited	Others	Domestic preference shares	—	30,000,000	7.50	None
Ping An Life Insurance Company of China, Ltd.	Others	Domestic preference shares	—	30,000,000	7.50	None
New China Life Insurance Company Ltd.	Others	Domestic preference shares	—	25,000,000	6.25	None
Shanghai Everbright Securities Asset Management Co., Ltd.	Others	Domestic preference shares	—	23,100,000	5.78	None
CITIC-Prudential Life Insurance Company Limited	Others	Domestic preference shares	—	22,440,000	5.61	None
Hwabao Trust Co., Ltd.	Others	Domestic preference shares	—	16,440,000	4.11	None
China Fortune Securities Company Limited	Others	Domestic preference shares	—	14,480,000	3.62	None
Bank of Communications Schroder Asset Management Co., Ltd.	Others	Domestic preference shares	-3,050,000	13,070,000	3.27	None

Notes:

1. *Huijin holds 31.34% equity of New China Life Insurance Company Ltd. Save as mentioned above, the Bank is not aware of any related party relationship between the above holders of preference shares, and between the above holders of preference shares and the top 10 holders of ordinary shares, or whether they are parties acting in concert.*

[1] *The number of the holders of preference shares was calculated by the number of qualified investors that hold the preference shares. When calculating the number of qualified investors, an asset management institution that subscribes to or purchases the preference shares through two or more products under its control will be counted as one.*

2. *As stipulated in the No. 3 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of Interim Report (Revision 2025), "Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the state and foreign shareholders". Except for the entities which hold shares on behalf of the state and foreign shareholders, the nature of other holders of preference shares is categorized as "others".*

3. *"Increase/decrease during the reporting period" refers to the change in shareholding due to secondary market transactions.*

4. *"Shareholding percentage" refers to the percentage of the number of "農行優1" held by the holders of preference shares to the total number of "農行優1" (i.e. 400 million shares).*

As at 30 June 2026, the Bank had a total of 36 holders of the preference shares "農行優2".

Particulars of Shareholding of the Top 10 Holders of Preference Shares "農行優2" (Stock Code: 360009) (the information below is based on the registers of shareholders as at 30 June 2026)

Unit: Share

Name of shareholders[1]	Nature of shareholders[2]	Type of shares	Increase/ decrease during the reporting period[3] (+, -)	Number of shares held	Shareholding percentage[4] (%)	Number of shares pledged or locked-up
China National Tobacco Corporation	Others	Domestic preference shares	—	50,000,000	12.50	None
China Life Insurance Company Limited	Others	Domestic preference shares	—	50,000,000	12.50	None
New China Life Insurance Company Ltd.	Others	Domestic preference shares	—	29,000,000	7.25	None
Sun Life Everbright Asset Management Co., Ltd.	Others	Domestic preference shares	—	25,000,000	6.25	None
China Mobile Communications Group Co., Ltd.	Others	Domestic preference shares	—	20,000,000	5.00	None
China National Tobacco Corporation Yunnan Province Company	Others	Domestic preference shares	—	20,000,000	5.00	None
China National Tobacco Corporation Jiangsu Province Company (Jiangsu Tobacco Company)	Others	Domestic preference shares	—	20,000,000	5.00	None
Shanghai Everbright Securities Asset Management Co., Ltd.	Others	Domestic preference shares	+2,400,000	18,920,000	4.73	None
Shanghai Tobacco Group Co., Ltd.	Others	Domestic preference shares	—	15,700,000	3.93	None
Ping An Property & Casualty Insurance Company of China, Ltd.	Others	Domestic preference shares	—	15,000,000	3.75	None

Notes:

1. *Huijin holds 31.34% equity of New China Life Insurance Company Ltd., China National Tobacco Corporation Yunnan Province Company, China National Tobacco Corporation Jiangsu Province Company (Jiangsu Tobacco Company) and Shanghai Tobacco Group Co., Ltd. are the wholly-owned subsidiaries of China National Tobacco Corporation. China National Tobacco Corporation is the de facto controller of Shanghai Haiyan Investment Management Company Limited. Ping An Property & Casualty Insurance Company of China, Ltd. and Ping An Life Insurance Company of China, Ltd. are both controlled by Ping An Insurance (Group) Company of China, Ltd. Save as mentioned above, the Bank is not aware of any related party relationship between the above holders of preference shares, and between the above holders of preference shares and the top 10 holders of ordinary shares, or whether they are parties acting in concert.*

2. *As stipulated in the No. 3 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of Interim Report (Revision 2025), "Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the state and foreign shareholders". Except for the entities which hold shares on behalf of the state and foreign shareholders, the nature of other holders of preference shares is categorized as "others".*

3. *"Increase/decrease during the reporting period" refers to the change in shareholding due to secondary market transactions.*

4. *"Shareholding percentage" refers to the percentage of the number of "農行優2" held by the holders of preference shares to the total number of "農行優2" (i.e. 400 million shares).*

The preference shares "農行優1" and "農行優2" of the Bank are shares not subject to restrictions on sales, and the top 10 holders of preference shares "農行優1" and "農行優2" who are not subject to restrictions on sales are the same as the top 10 holders of preference shares.

Profit Distribution of Preference Shares

Dividends of our preference shares are paid in cash annually. When we resolve to cancel part or all of the dividends to holders of preference shares, such undistributed dividends of the current period shall not be accumulated to subsequent dividend periods. The holders of our preference shares, upon receiving dividends at the agreed rate, shall not participate together with the holders of ordinary shares in the distribution of the remaining profit.

On 11 March 2026, we paid cash dividends of RMB3.77 (tax inclusive) per preference share or RMB1,508 million (tax inclusive) in aggregate (calculated at a coupon rate of 3.77%) to all holders of "農行優2" (stock code: 360009) whose names appeared on the register of members at the close of business on 10 March 2026.

On 28 August 2026, the Board of Directors of the Bank considered and approved the Dividend Payment Scheme of the First Tranche of the Preference Shares for the Year 2025-2026. On 5 November 2026, we will pay cash dividends of RMB4.12 (tax inclusive) per preference share or RMB1,648 million (tax inclusive) in aggregate (calculated at a coupon rate of 4.12%) to all holders of "農行優1" (stock code: 360001) whose names appear on the register of members at the close of business on 4 November 2026.

Please refer to our relevant announcements published on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Hong Kong Stock Exchange (www.hkexnews.hk) for details.

Redemption or Conversion of Preference Shares

During the reporting period, there was no redemption or conversion of the preference shares issued by the Bank.

Restoration of Voting Rights of Preference Shares

During the reporting period, there was no restoration of voting rights of the preference shares issued by the Bank.

Accounting Policies

In accordance with the *Accounting Standards for Enterprises No. 22 — Recognition and Measurement of Financial Instruments* and the *Accounting Standards for Enterprises No. 37 — Presentation of Financial Instruments* issued by the MOF, as well as the *IFRS 9 — Financial Instruments* and the *IAS 32 — Financial Instruments: Presentation* issued by the International Accounting Standards Board, we are of the view that the terms of preference shares "農行優1" and "農行優2" can be accounted for as equity instruments.

Significant Events

Profit and Dividends Distribution

As approved at the 2026 First Extraordinary Shareholders' Meeting, we distributed 2025 final cash dividends of RMB1.300 (tax inclusive) per ten shares, with a total amount of RMB45,498 million (tax inclusive), to ordinary shareholders whose names appeared on the registers of members of the Bank after the close of business on 12 May 2026. Including the 2025 interim dividends already distributed, the annual cash dividends of RMB2.495 (tax inclusive) per ten shares with a total amount of RMB87,321 million (tax inclusive) were paid for the year 2025.

The Board of Directors of the Bank proposed distribution of 2026 interim cash dividends of RMB1.297 (tax inclusive) per ten shares of 349,983,033,873 ordinary shares, with a total amount of RMB45,393 million (tax inclusive), accounting for 31.0% of the net profit attributable to equity holders of the Bank for the first half of 2026. The 2026 interim cash dividends distribution of the Bank will provide holders of H Shares with a RMB dividend currency option, and holders of H Shares will be given the option to elect to receive the interim dividends for the H Shares entirely in RMB or Hong Kong dollars (partial election of currency option is only applicable to HKSCC Nominees Limited). The currency exchange rate between RMB and Hong Kong dollars will be the average of the reference exchange rates of RMB against Hong Kong dollars published by the China Foreign Exchange Trade System (CFETS) at 11:00 am each day during five business days preceding the date (excluding the date itself) on which the Bank dispatches the dividend currency election forms to holders of H Shares.

The 2026 interim profit distribution plan will be submitted for consideration and approval at the shareholders' meeting in the second half of 2026. The Bank will pay the cash dividends within two months after the approval of the 2026 interim profit distribution plan by the shareholders' meeting. For details regarding the record date, period for closure for register of members, expected payment date, tax and tax relief in relation to the distribution of 2026 interim cash dividends, please refer to the relevant announcements to be published by the Bank.

Formulation and Implementation of Cash Dividend Policy

We make profit distribution with a focus on providing reasonable return on investments by the investors, maintaining continuity and consistency of the profit distribution policy, as well as taking into account our long-term interests, interests of all shareholders as a whole and our sustainable development. We may make dividends distributions by way of cash, shares or the combination of cash and shares. We prefer profit distribution in cash.

The formulation and implementation of our cash dividend policy comply with the Articles of Association and the resolutions of the shareholders' meetings. The relevant decision-making procedure and mechanism are complete, and the distribution standards and proportion are clearly stated. Independent Directors have diligently fulfilled their duties, made their due efforts and expressed their opinions. The minority shareholders have opportunities to fully express their opinions and demands, and their legitimate rights and interests have been sufficiently protected.

Material Litigations and Arbitrations

During the reporting period, there was no litigation or arbitration with a material impact on our operations.

As at 30 June 2026, the value of the claims of the pending litigation or arbitration in which the Bank was involved as a defendant, a respondent or a third party amounted to approximately RMB1,346 million. The Management believes that the Bank has made full provision for potential losses arising from the aforesaid litigations or arbitrations, and they will not have a material adverse impact on our financial position or operating results.

Major Asset Acquisition, Disposal and Merger by Absorption

During the reporting period, we did not carry out any major asset acquisition, disposal or merger by absorption.

Related Party Transactions

During the reporting period, we did not enter into any major related party transactions.

In the first half of 2026, we continuously implemented standardized management of related party transactions strictly in compliance with the regulatory requirements of the NFRA and the CSRC, and the listing rules of Shanghai and Hong Kong. During the reporting period, our related party transactions were conducted on normal commercial terms and in accordance with laws and regulations. Our pricing for interest rates followed fair business principles, and no impairment of the interests of the Bank or the minority shareholders was identified.

In the first half of 2026, we conducted connected transactions with connected persons (as defined in the Hong Kong Listing Rules) of the Bank in the ordinary course of business. Such transactions satisfied the applicable exemption conditions set out in Rule 14A.73 under the Hong Kong Listing Rules, and therefore were fully exempted from compliance with the requirements of shareholders' approval, annual review and all requirements in relation to disclosures.

For details of the related party transactions defined in accordance with the domestic laws and regulations as well as the accounting standards, please refer to "Note 43 Related Party Transactions to the Condensed Consolidated Interim Financial Statements".

Use of Proceeds

All the proceeds raised were used to replenish our capital to support the future development of our business as disclosed in the prospectus, offering documents and other documents.

Material Contracts and Their Performance

Material Custody, Contract and Lease

During the reporting period, we did not enter into any material custody, contracting or leasing arrangements on the assets of other companies, which were subject to disclosure, nor did any other companies enter into any custody, contracting or leasing arrangements on our assets, which were subject to disclosure.

Material Guarantees

Provision of guarantees is one of our off-balance-sheet businesses in our ordinary course of business. During the reporting period, we did not have any material guarantees required to be disclosed, except for the financial guarantee services within the business scope as approved by the PBOC and the NFRA.

External Guarantees

During the reporting period, the Bank did not enter into any guarantee contracts in violation of laws, administrative regulations or the external guarantee resolution procedures stipulated by the CSRC.

Material Equity Investments Obtained and Material Non-equity Investments in Progress

In 2024, the Bank signed the *Promoters' Agreement of China Integrated Circuit Industry Investment Fund Phase III Co., Ltd.*, with a subscribed capital contribution of RMB21.5 billion. In April 2026, we paid the fourth instalment in the amount of RMB2.795 billion, bringing our total paid-in capital to RMB6.45 billion.

Commitments

During the reporting period, we did not have any commitments that had been duly fulfilled and completed. As at the end of the reporting period, we did not have any expired commitments that had not been duly fulfilled.

Penalties Imposed on the Bank and its Controlling Shareholders, Directors and Senior Management Members

During the reporting period, we were not under investigation in accordance with the law for suspected crimes, and the controlling shareholders, Directors and senior management members of the Bank were not subject to compulsory measures in accordance with the law for suspected crimes. The Bank or its controlling shareholders, Directors and senior management members have not been subject to any criminal punishment, nor have they been subject to any investigation by the CSRC or administrative punishment by the CSRC for suspected violation of laws or regulations, and have not been subject to any material administrative punishment by other competent authorities. None of the controlling shareholders, Directors and senior management members of the Bank has been subject to detention by the disciplinary inspection and supervision authorities for suspected serious violations of disciplines or laws, or duty-related crimes, which may affect their performance of duties. The Directors and senior management members of the Bank have not been subject to compulsory measures by other competent authorities due to suspected violation of laws and regulations, which may affect their performance of duties. Neither the Bank nor its controlling shareholders, Directors and senior management members were subject to administrative regulatory measures by the CSRC or disciplinary actions by any stock exchanges.

Misappropriation of the Bank's Funds by Controlling Shareholders and Other Related Parties for Non-operating Purposes

During the reporting period, there was no misappropriation of the Bank's funds by its controlling shareholders or other related parties for non-operating purposes.

Integrity of the Bank and Controlling Shareholders

There was no circumstance where we or our controlling shareholders have failed to fulfill obligations specified in an effective court judgment or repay any outstanding debt of a significant amount that matured.

Purchase, Sale or Redemption of the Bank's Shares

During the reporting period, neither the Bank nor its subsidiaries purchased, sold or redeemed any of its listed shares (including sale of treasury shares). As at the end of the reporting period, neither the Bank nor its subsidiaries held treasury shares.

Implementation of Share Incentive Plan

During the reporting period, we did not implement any share incentive schemes, such as share appreciation rights schemes for management or employee share ownership schemes.

Securities Transactions by Directors

The Bank has adopted a code of conduct for securities transactions by Directors with terms no less exacting than those set out in the *Model Code for Securities Transactions by Directors of Listed Issuers* in Appendix C3 to the Hong Kong Listing Rules. Each Director of the Bank had confirmed that they had complied with such code of conduct throughout the reporting period.

Rights of Directors to Acquire Shares or Debentures

As at 30 June 2026, the Bank did not grant any rights to acquire shares or debentures to any Directors of the Bank, nor was any of such rights exercised by any Directors of the Bank. Neither the Bank nor its subsidiaries entered into any agreements or arrangements enabling the Directors to obtain benefits by acquiring shares or debentures of the Bank or any other corporations.

Interests in Shares, Underlying Shares and Debentures Held by Directors

As at 30 June 2026, none of the Directors of the Bank had any interests or short positions in the shares, underlying shares or debentures of the Bank or any of its associated corporations (as defined in Part XV of the *Securities and Futures Ordinance of Hong Kong*) which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the *Securities and Futures Ordinance of Hong Kong* (including interests and short positions deemed to be owned by them under such provisions of the *Securities and Futures Ordinance of Hong Kong*), or any interests or short positions which were required to be recorded in the register pursuant to Section 352 of *the Securities and Futures Ordinance of Hong Kong*, or any interests or short positions which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to the *Model Code for Securities Transactions by Directors of Listed Issuers* as set out in Appendix C3 to the Hong Kong Listing Rules. For the interests and short positions of substantial shareholders of the Bank and other persons, please refer to "Corporate Governance Report — Particulars of Ordinary Shares".

Interim Review

The 2026 Interim Financial Report prepared by the Bank in accordance with the CASs and IFRS Accounting Standards was reviewed by KPMG Huazhen LLP and KPMG in accordance with the PRC and international standards on review engagements, respectively.

The interim results announcement of the Bank has been considered and approved by the Board of Directors of the Bank and its Audit Committee.

Issue of Capital Bonds

For the details of the issue of capital bonds of the Bank, please refer to "Discussion and Analysis — Capital Management — Management of Capital Financing".

Interim Financial Information (Unaudited)

(please refer to the following pages)

Agricultural Bank of China Limited

(Incorporated in the People's Republic of China
with Limited Liability)

Interim Financial Information (Unaudited)
For the six months ended 30 June 2026

Report on Review of Interim Financial Information
To the Board of Directors of
Agricultural Bank of China Limited

(Incorporated in the People's Republic of China with Limited Liability)

Introduction

We have reviewed the interim financial information set out on pages 1 to 151, which comprises the condensed consolidated interim statement of financial position of Agricultural Bank of China Limited (the "Bank") and its subsidiaries (collectively the "Group") as of 30 June 2026 and the condensed consolidated interim income statement, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and IAS 34 *Interim Financial Reporting,* issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 *Interim Financial Reporting*.

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

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the International Auditing and Assurance Standards Board. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Report on Review of Interim Financial Information
To the Board of Directors of
Agricultural Bank of China Limited (continued)
(Incorporated in the People's Republic of China with Limited Liability)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information as at 30 June 2026 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

KPMG

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

28 August 2026

Agricultural Bank of China Limited
Condensed consolidated interim income statement
For the six months ended 30 June 2026

(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*Six months ended 30 June* *2026* (Unaudited)	*2025* (Unaudited)
Interest income	6	613,019	598,005
Interest expense	6	(300,775)	(315,532)
Net interest income	6	312,244	282,473
Fee and commission income	7	52,604	58,097
Fee and commission expense	7	(5,645)	(6,656)
Net fee and commission income	7	46,959	51,441
Net trading gain	8	8,376	7,558
Net gain on financial investments	9	10,706	5,869
Net gain on derecognition of financial assets measured at amortized cost		25,500	15,088
Other operating income	10	7,337	7,364
Operating income		411,122	369,793
Operating expenses	11	(118,722)	(111,725)
Credit impairment losses	12	(110,620)	(97,955)
Impairment losses on other assets		(5)	(14)
Operating profit		181,775	160,099
Share of results of associates and joint ventures		(6)	441
Profit before tax		181,769	160,540
Income tax expense	13	(33,707)	(20,597)
Profit for the period		148,062	139,943

Agricultural Bank of China Limited
Condensed consolidated interim income statement
For the six months ended 30 June 2026 (continued)
(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
Attributable to:			
Equity holders of the Bank		146,381	139,510
Non-controlling interests		1,681	433
		148,062	139,943
Earnings per share attributable to the ordinary equity holders of the Bank (expressed in RMB yuan per share)			
- Basic and diluted	15	0.40	0.37

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

Agricultural Bank of China Limited
Condensed consolidated interim statement of comprehensive income
For the six months ended 30 June 2026

(Amounts in millions of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026 (Unaudited)	*2025* (Unaudited)
Profit for the period	148,062	139,943
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on debt instruments at fair value through other comprehensive income	12,886	(7,211)
Loss allowance on debt instruments at fair value through other comprehensive income	(10,060)	5,570
Income tax impact for fair value changes and loss allowance on debt instruments at fair value through other comprehensive income	(725)	474
Foreign currency translation differences	(2,693)	114
Others	(2,801)	(2,184)
Subtotal	(3,393)	(3,237)
Items that will not be reclassified subsequently to profit or loss:		
Fair value changes on other equity investments designated at fair value through other comprehensive income	(1,006)	4,509
Income tax impact for fair value changes on other equity investments designated at fair value through other comprehensive income	240	(1,126)
Others	(115)	13
Subtotal	(881)	3,396
Other comprehensive income, net of tax	(4,274)	159
Total comprehensive income for the period	143,788	140,102

Agricultural Bank of China Limited
Condensed consolidated interim statement of comprehensive income
For the six months ended 30 June 2026 (continued)

(Amounts in millions of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	*2025*
	(Unaudited)	(Unaudited)
Total comprehensive income attributable to:		
Equity holders of the Bank	143,151	140,426
Non-controlling interests	637	(324)
	143,788	140,102

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

Agricultural Bank of China Limited
Condensed consolidated interim statement of financial position
As at 30 June 2026

(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*30 June 2026* (Unaudited)	*31 December 2025* (Audited)
Assets			
Cash and balances with central banks	16	2,792,935	2,801,985
Deposits with banks and other financial institutions	17	237,133	456,883
Precious metals		194,451	204,662
Placements with and loans to banks and other financial institutions	18	586,824	548,381
Derivative financial assets	19	47,449	33,515
Financial assets held under resale agreements	20	816,259	1,564,991
Loans and advances to customers	21	27,819,229	26,178,354
Financial investments	22		
Financial assets at fair value through profit or loss		528,811	556,994
Debt instrument investments at amortized cost		12,623,843	11,799,270
Other debt instrument and other equity investments at fair value through other comprehensive income		4,701,952	3,965,051
Investment in associates and joint ventures	23	22,381	19,820
Property and equipment	24	153,915	156,514
Goodwill		10,921	10,921
Deferred tax assets	25	144,157	150,040
Other assets	26	378,613	337,293
Total assets		51,058,873	48,784,674

Agricultural Bank of China Limited
Condensed consolidated interim statement
of financial position
As at 30 June 2026 (continued)
(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*30 June 2026* (Unaudited)	*31 December 2025* (Audited)
Liabilities			
Borrowings from central banks	27	1,257,550	1,127,471
Deposits from banks and other financial institutions	28	6,812,423	6,037,759
Placements from banks and other financial institutions	29	350,624	351,561
Financial liabilities at fair value through profit or loss	30	43,639	33,509
Derivative financial liabilities	19	23,042	45,044
Financial assets sold under repurchase agreements	31	1,133,475	1,453,842
Due to customers	32	34,050,893	32,649,947
Dividends payable	14	-	18,433
Debt securities issued	33	3,525,218	3,263,887
Deferred tax liabilities	25	944	1,458
Other liabilities	34	526,225	558,392
Total liabilities		47,724,033	45,541,303

Agricultural Bank of China Limited
Condensed consolidated interim statement of financial position
As at 30 June 2026 (continued)

(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*30 June 2026* (Unaudited)	*31 December 2025* (Audited)
Equity			
Ordinary shares	35	349,983	349,983
Other equity instruments	36	470,000	470,000
Preference shares		80,000	80,000
Perpetual bonds		390,000	390,000
Capital reserve	37	173,426	173,426
Other comprehensive income	38	66,747	69,956
Surplus reserve	39	331,389	330,932
General reserve	40	607,043	570,282
Retained earnings		1,329,426	1,272,603
Equity attributable to equity holders of the Bank		3,328,014	3,237,182
Non-controlling interests		6,826	6,189
Total equity		3,334,840	3,243,371
Total equity and liabilities		51,058,873	48,784,674

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

Gu Shu	Wang Zhiheng
Chairman	Vice Chairman

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

Agricultural Bank of China Limited
Condensed consolidated interim statement of changes in equity
For the six months ended 30 June 2026
(Amounts in millions of Renminbi, unless otherwise stated)

		Total equity attributable to equity holders of the Bank									
	Notes	*Ordinary shares*	*Other equity instruments*	*Capital reserve*	*Other comprehensive income*	*Surplus reserve*	*General reserve*	*Retained earnings*	*Subtotal*	*Non-controlling interests*	*Total*
As at 31 December 2025 (Audited)		349,983	470,000	173,426	69,956	330,932	570,282	1,272,603	3,237,182	6,189	3,243,371
Profit for the period		-	-	-	-	-	-	146,381	146,381	1,681	148,062
Other comprehensive income		-	-	-	(3,230)	-	-	-	(3,230)	(1,044)	(4,274)
Total comprehensive income for the period		-	-	-	(3,230)	-	-	146,381	143,151	637	143,788
Appropriation to surplus reserve	39	-	-	-	-	457	-	(457)	-	-	-
Appropriation to general reserve	40	-	-	-	-	-	36,761	(36,761)	-	-	-
Dividends paid to ordinary equity holders	14	-	-	-	-	-	-	(45,498)	(45,498)	-	(45,498)
Dividends paid to other equity instruments holders	14	-	-	-	-	-	-	(6,821)	(6,821)	-	(6,821)
Other comprehensive income transferred to retained earnings		-	-	-	21	-	-	(21)	-	-	-
As at 30 June 2026 (Unaudited)		349,983	470,000	173,426	66,747	331,389	607,043	1,329,426	3,328,014	6,826	3,334,840

Agricultural Bank of China Limited
Condensed consolidated interim statement of changes in equity
For the year ended 31 December 2025
(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	Ordinary shares	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Subtotal	Non-controlling interests	Total
		Total equity attributable to equity holders of the Bank									
As at 31 December 2024 (Audited)		349,983	500,000	173,419	81,816	301,841	532,991	1,150,758	3,090,808	6,465	3,097,273
Profit for the period		-	-	-	-	-	-	139,510	139,510	433	139,943
Other comprehensive income		-	-	-	916	-	-	-	916	(757)	159
Total comprehensive income for the period		-	-	-	916	-	-	139,510	140,426	(324)	140,102
Capital contribution and reduction from equity holders	36	-	(35,000)	(4)	-	-	-	-	(35,004)	-	(35,004)
Appropriation to surplus reserve	39	-	-	-	-	430	-	(430)	-	-	-
Appropriation to general reserve	40	-	-	-	-	-	37,201	(37,201)	-	-	-
Dividends paid to ordinary equity holders	14	-	-	-	-	-	-	(43,923)	(43,923)	-	(43,923)
Dividends paid to other equity instruments holders	14	-	-	-	-	-	-	(9,207)	(9,207)	-	(9,207)
Other comprehensive income transferred to retained earnings		-	-	-	(2)	-	-	2	-	-	-
As at 30 June 2025 (Unaudited)		349,983	465,000	173,415	82,730	302,271	570,192	1,199,509	3,143,100	6,141	3,149,241
Profit for the period		-	-	-	-	-	-	151,531	151,531	529	152,060
Other comprehensive income		-	-	-	(12,759)	-	-	-	(12,759)	12	(12,747)
Total comprehensive income for the period		-	-	-	(12,759)	-	-	151,531	138,772	541	139,313
Capital contribution and reduction from equity holders	36	-	5,000	11	-	-	-	-	5,011	(330)	4,681
Appropriation to surplus reserve	39	-	-	-	-	28,661	-	(28,661)	-	-	-
Appropriation to general reserve	40	-	-	-	-	-	90	(90)	-	-	-
Dividends paid to ordinary equity holders	14	-	-	-	-	-	-	(41,823)	(41,823)	-	(41,823)
Dividends paid to other equity instruments holders	14	-	-	-	-	-	-	(7,878)	(7,878)	-	(7,878)
Dividends paid to other equity instruments holders of subsidiaries		-	-	-	-	-	-	-	-	(69)	(69)
Dividends paid to non-controlling equity holders		-	-	-	-	-	-	-	-	(94)	(94)
Other comprehensive income transferred to retained earnings		-	-	-	(15)	-	-	15	-	-	-
As at 31 December 2025 (Audited)		349,983	470,000	173,426	69,956	330,932	570,282	1,272,603	3,237,182	6,189	3,243,371

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

Agricultural Bank of China Limited
Condensed consolidated interim statement of cash flows
For the six months ended 30 June 2026
(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*Six months ended 30 June* *2026* (Unaudited)	*2025* (Unaudited)
Cash flows from operating activities			
Profit before tax		181,769	160,540
Adjustments for:			
Amortization of intangible assets and other assets		2,371	2,124
Depreciation of property, equipment and right-of-use assets, and others		10,307	9,744
Credit impairment losses		110,620	97,955
Impairment losses on other assets		5	14
Interest income arising from investment securities		(195,736)	(182,115)
Interest expense on debt securities issued		33,566	36,058
Revaluation gain/(loss) on financial instruments at fair value through profit or loss		280	(4,992)
Net gain on investment securities		(30,144)	(17,205)
Share of results of associates and joint ventures		6	(441)
Net gain on disposal and stocktake of property, equipment and other assets		(453)	(406)
Net foreign exchange gain/(loss)		2,951	(3,033)
		115,542	98,243

Agricultural Bank of China Limited
Condensed consolidated interim statement of cash flows
For the six months ended 30 June 2026 (continued)
(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*Six months ended 30 June* 2026 (Unaudited)	2025 (Unaudited)
Cash flows from operating activities (continued)			
Net changes in operating assets and operating liabilities:			
Net decrease/(increase) in balances with central banks,deposits with banks and other financial institutions		67,375	(227,768)
Net increase in placements with and loans to banks and other financial institutions		(40,581)	(20,945)
Net increase in financial assets held under resale agreements		(16,783)	(10,983)
Net increase in loans and advances to customers		(1,720,209)	(1,831,300)
Net increase in borrowings from central banks		129,929	97,478
Net (decrease)/increase in placements from banks and other financial institutions		(1,113)	3,352
Net increase in due to customers and deposits from banks and other financial institutions		2,261,739	2,632,234
Net (decrease)/increase in financial assets sold under repurchase agreements		(319,498)	448,485
Increase in other operating assets		(64,329)	(118,880)
Decrease in other operating liabilities		(107,763)	(30,838)
Cash from operations		304,309	1,039,078
Income tax paid		(16,697)	(33,274)
Net cash from operating activities		287,612	1,005,804

Agricultural Bank of China Limited
Condensed consolidated interim statement of cash flows
For the six months ended 30 June 2026 (continued)

(Amounts in millions of Renminbi, unless otherwise stated)

	Notes	*Six months ended 30 June* 2026 (Unaudited)	2025 (Unaudited)
Cash flows from investing activities			
Cash received from disposal of investment securities		2,153,154	2,020,659
Cash received from investment income		189,770	196,495
Cash received from disposal of investment in associates and joint ventures		-	45
Cash received from disposal of property, equipment and other assets		3,097	2,151
Cash paid for purchase of investment securities		(3,692,966)	(2,589,702)
Increase in investment in associates and joint ventures		(2,795)	(4,900)
Cash paid for purchase of property, equipment and other assets		(11,044)	(8,330)
Net cash used in investing activities		(1,360,784)	(383,582)
Cash flows from financing activities			
Contribution from issues of other equity instruments		-	50,000
Cash payment for redemption of other equity instruments		-	(85,000)
Cash payments for transaction cost of other equity instruments issued and redeemed		-	(4)
Cash received from debt securities issued		2,404,544	2,249,575
Cash payments for transaction cost of debt securities issued		(15)	(7)
Repayments of debt securities issued		(2,140,739)	(1,800,851)
Cash payments for interest on debt securities issued		(34,760)	(57,504)
Cash payments for principal and interest of lease liability		(2,189)	(2,366)
Dividends or interest paid to equity instruments holders		(70,752)	(49,945)
Net cash from financing activities		156,089	303,898

Agricultural Bank of China Limited
Condensed consolidated interim statement of cash flows
For the six months ended 30 June 2026 (continued)

(Amounts in millions of Renminbi, unless otherwise stated)

		Six months ended 30 June	
	Notes	*2026* (Unaudited)	*2025* (Unaudited)
Net (decrease)/increase in cash and cash equivalents		(917,083)	926,120
Cash and cash equivalents as at 1 January		2,239,342	1,846,612
Effect of exchange rate changes on cash and cash equivalents		(12,257)	7,576
Cash and cash equivalents as at 30 June	41	1,310,002	2,780,308
Net cash flows from operating activities include:			
Interest received		380,348	370,548
Interest paid		(355,637)	(314,367)

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

1 GENERAL INFORMATION

Agricultural Bank of China Limited (the "Bank") is the successor entity to the Agricultural Bank of China (the "Predecessor Entity") which was a wholly state-owned commercial bank approved for setup by the People's Bank of China (the "PBOC") and founded on 23 February 1979 in the People's Republic of China (the "PRC"). On 15 January 2009, the Bank was established after the completion of the financial restructuring of the Predecessor Entity. The Bank's establishment was authorized by the PBOC. The Bank was listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited on 15 July 2010 and 16 July 2010, respectively.

The Bank operates under financial services certificate No. B0002H111000001 issued by the National Financial Regulatory Administration (the former "China Banking and Insurance Regulatory Commission",the "NFRA"), and business license No. 911100001000054748 issued by Beijing Administration of Industry and Commerce. The registered office of the Bank is located at No. 69 Jianguomen Nei Avenue, Dongcheng District, Beijing, the PRC.

The principal activities of the Bank and its subsidiaries (collectively, the "Group") include Renminbi ("RMB") and foreign currency deposits, loans, clearing and settlement services, assets custodian services, fund management, financial leasing services, insurance services and other services as approved by relevant regulators, and the provision of related services by its overseas establishments as approved by the respective local regulators.

The head office and domestic branches of the Bank and its subsidiaries operating in Chinese mainland are referred to as the "Domestic Operations". Branches and subsidiaries registered and operating outside Chinese mainland are referred to as the "Overseas Operations".

2 BASIS OF PREPARATION

The unaudited interim financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 Interim Financial Reporting, as well as with all applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(Amounts in millions of Renminbi, unless otherwise stated)

3 MATERIAL ACCOUNTING POLICIES

The unaudited interim financial information has been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value. Except for those described below, the material accounting policies and methods of computation used in preparing the interim financial information are the same as those followed in the preparation of the Group's annual financial information for the year ended 31 December 2025.

The interim financial information should be read in conjunction with the Group's annual financial information for the year ended 31 December 2025.

3.1 Amendments effective in 2026 relevant to and adopted by the Group

In the current reporting period, the Group has adopted the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB"), that are mandatorily effective for the current reporting period.

			Effective for annual periods beginning on or after	*Notes*
(1)	Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	(i)
(2)	Annual Improvements to IFRS Accounting Standards	Volume 11	1 January 2026	(i)
(3)	Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026	(i)

(i) Description of these amendments was disclosed in the Group's annual financial information for the year ended 31 December 2025. In particular, Amendments to IFRS 9 and IFRS 7 clarify when a financial asset or a financial liability is recognized and derecognized. They also introduce an exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled with cash, using an electronic payment system that meets specific criteria. The adoption of these amendments does not have a significant impact on the financial information of the Group.

(Amounts in millions of Renminbi, unless otherwise stated)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Standards and amendments relevant to the Group that are not yet effective in the current reporting period and have not been adopted before their effective dates by the Group

The Group has not adopted the following standards and amendments that have been issued by the IASB but are not yet effective.

			Effective for annual periods beginning on or after	*Notes*
(1)	IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	(i)
(2)	IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027	(i)
(3)	Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027	(i)
(4)	IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029	(ii)
(5)	Amendments to IAS 28	Fair Value Option	1 January 2027	(iii)
(6)	Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date has been deferred indefinitely	(i)

(i) Descriptions of these standards and amendments were disclosed in the Group's annual financial information for the year ended 31 December 2025. The Group anticipates that the adoption of the above standards and amendments except for IFRS 18 will not have a significant impact on the Group's financial information. IFRS 18 requires a more structured statement of profit or loss and greater disaggregation of information. The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on the Group's consolidated financial statements.

(ii) On 27 May 2026, the IASB issued IFRS 20, a new IFRS Accounting Standard that applies to entities subject to rate regulation, which are common in the utility and transport sectors. It introduces an accounting model intended to supplement information provided under IFRS 15 by reflecting regulatory assets and liabilities. The Group anticipates that the adoption of the standard will not have a significant impact on the Group's financial information.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(iii) On 26 June 2026, the IASB issued targeted amendments to IAS 28, clarifying eligibility for the fair value option for investments in associates and joint ventures. The amendments specify that "similar entities" in paragraphs 18-19 include entities that have a main business activity of investing in particular types of assets (consistent with the concept in paragraph 49(a) of IFRS 18). An entity shall apply the amendments at the same time and in accordance with the relevant transition requirement as it applies IFRS 18. The transitional provisions of IFRS 18 permit an eligible entity, at the date of initial application, to change its IAS 28.18 election from the equity method to fair value through profit or loss, applied retrospectively. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's financial information.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual financial information for the year ended 31 December 2025.

(Amounts in millions of Renminbi, unless otherwise stated)

5 INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND STRUCTURED ENTITIES

(1) Investment in subsidiaries

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

Name of entity	*Notes*	*Date of incorporation/ establishment*	*Place of incorporation/ establishment*	*Authorized capital*	*Percentage of equity interest (%)*	*Percentage of voting rights (%)*	*Principal activities*
China Agricultural Finance Co., Ltd.		1 November 1988	Hong Kong, PRC	HKD588,790,000	100.00	100.00	Investment holding
ABC-CA Fund Management Co., Ltd.		18 March 2008	Shanghai, PRC	RMB1,750,000,001	51.67	51.67	Fund management
ABC International Holdings Limited		11 November 2009	Hong Kong, PRC	HKD4,759,853,614	100.00	100.00	Investment holding
ABC Financial Leasing Co., Ltd.		29 September 2010	Shanghai, PRC	RMB9,500,000,000	100.00	100.00	Financial leasing
ABC Life Insurance Co., Ltd.	(i)	19 December 2005	Beijing, PRC	RMB2,949,916,475	51.00	51.00	Life insurance
Agricultural Bank of China (Luxembourg) S.A.		26 November 2014	Luxembourg, Luxembourg	EUR20,000,000	100.00	100.00	Banking
Agricultural Bank of China (Moscow) Limited		23 December 2014	Moscow, Russia	RUB7,556,038,271	100.00	100.00	Banking
ABC Financial Asset Investment Co., Ltd.		1 August 2017	Beijing, PRC	RMB20,000,000,000	100.00	100.00	Debt-to-equity swap and related services
Agricultural Bank of China Wealth Management Co., Ltd.		25 July 2019	Beijing, PRC	RMB12,000,000,000	100.00	100.00	Wealth management

5 INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND STRUCTURED ENTITIES (CONTINUED)

For the six months ended 30 June 2026, there were no changes in the proportion of equity interest or voting rights the Bank held in its above subsidiaries.

(i) On 31 December 2012, the Bank acquired 51% of the issued share capital of Jiahe Life Insurance Co., Ltd. and renamed it as ABC Life Insurance Co., Ltd. ("ABC Life Insurance"). As at 31 December 2012, the Group recognized goodwill of RMB1,381 million as a result of this acquisition. During the year ended 31 December 2016, the Bank and other investors contributed additional capital totalling RMB3,761 million to ABC Life Insurance, comprising registered capital of RMB917 million and capital reserve of RMB2,844 million. After the capital injection, the proportion of equity interest and voting rights the Bank held in ABC Life Insurance remained at 51%.

As at 30 June 2026, there was no objective evidence noted for any goodwill impairment.

(ii) With the approval of the NFRA, ABC Hexigten Rural Bank Limited Liability Company, ABC Ansai Rural Bank Limited Liability Company and ABC Jixi Rural Bank Limited Liability Company ceased operations and implemented dissolution in January 2026. The Bank has set up new branches at the original sites of three rural banks to undertake assets, liabilities, businesses and employees of the former rural banks.

(Amounts in millions of Renminbi, unless otherwise stated)

5 INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND STRUCTURED ENTITIES (CONTINUED)

(2) Investment in associates

Name of entity	*Notes*	*Date of establishment*	*Place of incorporation/ business*	*Authorized capital*	*Percentage of equity interest (%)*	*Percentage of voting rights (%)*	*Principal activities*
Sino-Congolese Bank of Africa	(i)	2015	Brazzaville, Congo	XAF53,342,800,000	50.00	50.00	Bank
Shenzhen Yuanzhifuhai No.6 Investment Enterprise (Limited Partnership)	(ii)	2015	Guangdong, PRC	RMB313,000,000	31.95	33.33	Equity investment, investment management and investment advisory service
Beijing Guofa Aero Engine Industry Investment Fund Center (Limited Partnership)	(ii)	2018	Beijing, PRC	RMB6,343,200,000	15.61	11.11	Non-securities equity investment activities and related advisory services
Xinyuan (Beijing) Debt-to-Equity Special Equity Investment Center (Limited Partnership)	(ii)	2020	Beijing, PRC	RMB11,524,196,644.54	30.58	14.29	Equity investment
National Green Development Fund Co., Ltd.	(iii)	2020	Shanghai, PRC	RMB88,500,000,000	9.04	9.04	Equity investment, project investment and investment management
National Social Endowment Insurance Co., Ltd.	(iv)	2022	Beijing, PRC	RMB11,377,551,020	8.79	8.79	Insurance
BNP Paribas ABC Wealth Management Co., Ltd.	(iv)	2023	Shanghai, PRC	RMB1,000,000,000	49.00	49.00	Wealth management
China Integrated Circuit Industry Investment Fund Phase III Co., Ltd.	(v)	2024	Beijing, PRC	RMB344,000,000,000	6.25	6.25	Equity investment, investment management and asset management
Guofeng Xinghua Honghu Zhiyuan Phase III Private Equity Investment Fund No. 3	(vi)	2025	Beijing, PRC	RMB2,500,000,000	40.00	40.00	Equity investment

5 INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND STRUCTURED ENTITIES (CONTINUED)

(i) On 28 May 2015, the Sino-Congolese Bank of Africa (La Banque Sino-Congolaise pour l'Afrique, hereinafter referred to as BSCA. Bank), established by the Bank and other investors with authorized capital denominated in Central African CFA franc ("XAF"), was granted the required banking license by the local regulatory authority. The Bank holds 50% equity interest and voting rights in BSCA. Bank, and has the right to participate in the financial and operational decisions of BSCA. Bank, but does not constitute control or joint control over those decisions.

(ii) The Bank's wholly-owned subsidiary, ABC Financial Asset Investment Co., Ltd. and other investors invested in the above-mentioned enterprises. The Group has the right to participate in the financial and operational decisions of these enterprises, but does not constitute control or joint control over those decisions.

(iii) The Bank was approved to participate in the investment in National Green Development Fund Co., Ltd. in 2021. The Bank holds 9.04% equity interest and has the right to participate in the financial and operational decisions, but does not constitute control or joint control over those decisions.

(iv) The Bank's wholly-owned subsidiary, Agricultural Bank of China Wealth Management Co., Ltd. and other investors invested in the above-mentioned enterprises. The Group has the right to participate in the financial and operational decisions of these enterprises, but does not constitute control or joint control over those decisions.

(v) The Bank was approved to participate in the investment in China Integrated Circuit Industry Investment Fund Phase III Co., Ltd. in 2024. The Bank holds 6.25% equity interest and has the right to participate in the financial and operational decisions, but does not constitute control or joint control over those decisions.

(vi) The Bank's subsidiary, ABC Life Insurance Co., Ltd. and other investors invested in the above-mentioned enterprises. The Group has the right to participate in the financial and operational decisions, but does not constitute control or joint control over those decisions.

(vii) The interests of the Group in the above-mentioned associates do not have a significant impact on the Group.

(Amounts in millions of Renminbi, unless otherwise stated)

5 INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND STRUCTURED ENTITIES (CONTINUED)

(3) Investment in joint ventures

Name of entity	*Date of establishment*	*Place of incorporation/ business*	*Authorized capital*	*Percentage of equity interest (%)*	*Percentage of voting rights (%)*	*Principal activities*
Jiangsu Jiequansuihe State-owned Enterprise Mixed Ownership Reform Fund (Limited Partnership)	2018	Jiangsu, PRC	RMB1,000,000,000	69.00	28.57	Equity investment, debt-to-equity and related supporting services
Nongjin Gaotou (Hubei) Debt-to-Equity Investment Fund (Limited Partnership)	2018	Hubei, PRC	RMB500,000,000	74.00	33.33	Non-securities equity investment activities and related advisory services
Jiaxing Suihe New Silk Road Investment Fund (Limited Partnership)	2018	Zhejiang, PRC	RMB1,500,000,000	66.67	50.00	Industrial investment and equity investment
Inner Mongolia Mengxingzhuli Development Fund Investment Center (Limited Partnership)	2018	Inner Mongolia, PRC	RMB2,000,000,000	50.00	50.00	Equity investment, investment management and investment advisory service
Jianyuan Infrastructure Equity Investment (Tianjin) Fund (Limited Partnership)	2019	Tianjin, PRC	RMB3,500,000,000	20.00	20.00	Equity investment and investment management
Shaanxi Suihe Equity Investment Fund Partnership (Limited Partnership)	2019	Shaanxi, PRC	RMB1,000,000,000	50.00	50.00	Equity investment

The wholly-owned subsidiary of the Bank, ABC Financial Asset Investment Co., Ltd. and other investors established the above-mentioned entities. According to the agreements, matters considered at the Meeting of Partners or investment decision-making committee shall be approved by the unanimous consent of all the partners or all the committee members. The Group constitutes joint control over the financial and operational decisions of these enterprises with the other investors.

The interests of the Group in the above-mentioned joint ventures do not have a significant impact on the Group.

(4) Structured entities

The consolidated structured entities of the Group have been disclosed in Note 44 Structured entities.

(Amounts in millions of Renminbi, unless otherwise stated)

6 NET INTEREST INCOME

	Six months ended 30 June	
	2026	*2025*
Interest income		
Loans and advances to customers	378,683	378,600
Including: Corporate loans and advances	235,308	232,342
Personal loans	143,375	146,258
Financial investments		
Debt instrument investments at amortized cost	153,427	143,428
Other debt instrument investments at fair value through other comprehensive income	42,309	38,687
Balances with central banks	20,101	19,708
Financial assets held under resale agreements	8,523	6,142
Placements with and loans to banks and other financial institutions	7,643	7,672
Deposits with banks and other financial institutions	2,333	3,768
Subtotal	613,019	598,005
Interest expense		
Due to customers	(184,180)	(213,656)
Deposits from banks and other financial institutions	(56,867)	(42,502)
Debt securities issued	(33,566)	(36,058)
Financial assets sold under repurchase agreements	(11,148)	(7,640)
Borrowings from central banks	(9,965)	(8,181)
Placements from banks and other financial institutions	(5,049)	(7,495)
Subtotal	(300,775)	(315,532)
Net interest income	312,244	282,473

(Amounts in millions of Renminbi, unless otherwise stated)

7 NET FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2026	*2025*
Fee and commission income		
Electronic banking services	12,892	12,951
Consultancy and advisory services	11,245	10,998
Agency services	9,509	15,807
Bank cards	8,474	8,268
Settlement and clearing services	6,992	6,729
Custodian and other fiduciary services	2,755	2,471
Credit commitment	587	683
Others	150	190
Subtotal	52,604	58,097
Fee and commission expense		
Bank cards	(3,899)	(4,061)
Electronic banking services	(803)	(1,522)
Settlement and clearing services	(601)	(728)
Others	(342)	(345)
Subtotal	(5,645)	(6,656)
Net fee and commission income	46,959	51,441

8 NET TRADING GAIN

		Six months ended 30 June	
	Note	*2026*	*2025*
Net gain on debt instruments held for trading		1,596	3,510
Net gain on precious metals	(1)	3,539	2,923
Net gain on foreign exchange rate derivatives		503	811
Net (loss)/gain on interest rate derivatives		(96)	229
Others		2,834	85
Total		8,376	7,558

(1) Net gain on precious metals consists of net gain on precious metals and precious metal related derivative products.

(Amounts in millions of Renminbi, unless otherwise stated)

9 NET GAIN ON FINANCIAL INVESTMENTS

		Six months ended 30 June	
	Note	*2026*	*2025*
Net (loss)/gain on debt instruments designated as at FVPL		(21)	21
Net gain on other debt instruments and equity investments measured at FVPL		7,643	4,050
Net loss on financial liabilities designated as at FVPL	(1)	(1,650)	(246)
Net gain on other debt instrument and other equity investments measured at FVOCI		4,645	2,117
Others		89	(73)
Total		10,706	5,869

(1) Net loss on financial liabilities designated as at FVPL consists of the payable amount upon the maturity of due to customers measured at fair value through profit or loss.

10 OTHER OPERATING INCOME

	Six months ended 30 June	
	2026	*2025*
Insurance revenue	3,230	3,073
Rental income	1,110	834
Gain on disposal of property and equipment	390	392
Government grant	513	509
Net gain on foreign exchange	1,126	1,495
Others	968	1,061
Total	7,337	7,364

11 OPERATING EXPENSES

		Six months ended 30 June	
	Notes	*2026*	*2025*
Staff costs	(1)	72,219	67,533
General operating and administrative expenses		23,962	23,942
Depreciation and amortization		12,022	11,399
Tax and surcharges	(2)	4,078	3,859
Insurance benefits and claims		4,076	3,590
Others		2,365	1,402
Total		118,722	111,725

For the six months ended 30 June 2026, the Group’s research and development expenses amounted to RMB2,689 million (six months ended 30 June 2025: RMB2,632 million).

(Amounts in millions of Renminbi, unless otherwise stated)

11 OPERATING EXPENSES (CONTINUED)

(1) Staff costs

	Six months ended 30 June	
	2026	*2025*
Short-term employee benefits		
Salaries, bonuses, allowances and subsidies	45,455	42,556
Housing funds	6,002	5,614
Social insurance	3,857	3,470
Including: Medical insurance	3,650	3,282
Maternity insurance	95	88
Employment injury insurance	112	100
Labor union fees and staff education expenses	1,582	1,492
Others	3,816	3,773
Subtotal	60,712	56,905
Defined contribution benefits	11,506	10,629
Early retirement benefits	1	(1)
Total	72,219	67,533

(2) City maintenance and construction tax is calculated at 1%, 5% or 7% of VAT and consumption tax for the Group's Domestic Operations.

Education surcharge is calculated at 3%, while local education surcharge is calculated at 2% of VAT and consumption tax for the Group's Domestic Operations.

12 CREDIT IMPAIRMENT LOSSES

	Six months ended 30 June	
	2026	*2025*
Loans and advances to customers	108,995	97,417
Financial investments		
Debt instrument investments at amortized cost	863	5,320
Other debt instrument investments at fair value through other comprehensive income	647	13
Provision for guarantees and commitments	(1,510)	(2,233)
Placements with and loans to banks and other financial institutions	(129)	30
Deposits with banks and other financial institutions	(20)	(147)
Financial assets held under resale agreements	(420)	214
Others	2,194	(2,659)
Total	110,620	97,955

(Amounts in millions of Renminbi, unless otherwise stated)

13 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	*2025*
Current income tax		
- PRC Enterprise Income Tax	27,262	14,989
- Hong Kong SAR Income Tax	427	457
- Other jurisdictions Income Tax	202	247
Subtotal	27,891	15,693
Deferred tax (Note 25)	5,816	4,904
Total	33,707	20,597

Domestic and Overseas Branches Income Tax is calculated at 25% of the estimated taxable profit for the current and prior periods, which includes supplementary PRC tax on Overseas Branches as determined in accordance with the relevant PRC income tax rules and regulations. Pre-tax deduction items of enterprise income tax are governed by the relevant tax regulations in Chinese mainland. Taxation arising in other jurisdictions (including Hong Kong SAR) is calculated at the rates prevailing in the relevant jurisdictions.

As at 30 June 2026, Pillar Two legislation has come into effect in countries where some of the Group’s subsidiaries are located. For the six months ended 30 June 2026, the impact of the top-up tax on the Group’s current income tax expense is not material.

The tax charges for the six months ended 30 June 2026 and 30 June 2025 can be reconciled to the profit per the condensed consolidated interim income statement as follows:

		Six months ended 30 June	
	Note	*2026*	*2025*
Profit before tax		181,769	160,540
Tax calculated at applicable PRC statutory tax rate of 25%		45,442	40,135
Tax effect of income not taxable for tax purpose	(1)	(37,960)	(33,214)
Tax effect of costs, expenses, losses and others not deductible for tax purpose		27,566	15,506
Tax effect of perpetual bonds interest expense		(1,328)	(1,818)
Effect of different tax rates in other jurisdictions		(13)	(12)
Income tax expense		33,707	20,597

(1) Non-taxable income primarily includes interest income from PRC treasury bonds and municipal government bonds.

(Amounts in millions of Renminbi, unless otherwise stated)

14 DIVIDENDS

		Six months ended 30 June	
	Notes	2026	2025
Dividends on ordinary shares declared and unpaid			
Final cash dividend related to 2024	(3)	-	43,923
Dividends on ordinary shares declared and paid			
Final cash dividend related to 2025	(2)	45,498	-
		45,498	43,923
Dividends on preference shares declared and paid	(4)	1,508	1,936
Interest on perpetual bonds declared and paid	(5)	5,313	7,271

(1) Distribution of dividend on ordinary shares for 2026

On 28 August 2026, the Board of Directors of the Bank proposed distribution of interim cash dividends for 2026 of RMB0.1297 (tax inclusive) per ordinary share for holders of ordinary shares with a total amount of RMB45,393 million (tax inclusive). The distribution plan will be submitted for consideration and approval at the shareholders' general meeting. The profit distribution plan will be included in the financial statements of the Bank and the Group after approval by the Bank's general meeting of shareholders.

(2) Distribution of dividend on ordinary shares for 2025

A cash dividend of RMB0.1195 (tax inclusive) per ordinary share related to mid 2025, amounting to RMB41,823 million (tax inclusive) in total, at the 2025 second extraordinary general meeting held on 28 November 2025.

The above dividend was recognized during the year ended 31 December 2025. As at 30 June 2026, the above dividend was distributed.

A final cash dividend of RMB0.1300 (tax inclusive) per ordinary share related to 2025, amounting to RMB45,498 million (tax inclusive) in total was approved at the 2026 first extraordinary general meeting held on 23 April 2026.

The above dividend was recognized as distribution and distributed during the period ended 30 June 2026.

14 DIVIDENDS (CONTINUED)

(3) Distribution of dividend on ordinary shares for 2024

A cash dividend of RMB0.1164 (tax inclusive) per ordinary share related to mid 2024, amounting to RMB40,738 million (tax inclusive) in total was approved at the 2024 third extraordinary general meeting held on 29 November 2024.

The above dividend was recognized as distribution during the year ended 31 December 2024. The above dividend was distributed during the period ended 30 June 2025.

A final cash dividend of RMB0.1255 (tax inclusive) per ordinary share related to 2024, amounting to RMB43,923 million (tax inclusive) in total was approved at the 2024 general meeting held on 27 June 2025.

The above dividend was recognized as distribution and distributed during the year ended 31 December 2025.

(4) Distribution of dividend on preference shares

Distribution of dividend on preference shares for 2026

A cash dividend at the dividend rate of 3.77% per annum related to the second tranche of preference shares of 2025 to 2026 amounting to RMB1,508 million (tax inclusive) in total was approved at the Board of Directors' Meeting held on 13 February 2026 and distributed on 11 March 2026.

Distribution of dividend on preference shares for 2025

A cash dividend at the dividend rate of 4.84% per annum related to the second tranche of preference shares of 2024 to 2025 amounting to RMB1,936 million (tax inclusive) in total was approved at the Board of Directors' Meeting held on 14 February 2025 and distributed on 11 March 2025.

A cash dividend at the dividend rate of 4.12% per annum related to the first tranche of preference shares of 2024 to 2025 amounting to RMB1,648 million (tax inclusive) in total was approved at the Board of Directors' Meeting held on 29 August 2025 and distributed on 5 November 2025.

(5) Distribution of interest on perpetual bonds

Distribution of interest on perpetual bonds for 2026

An interest at the interest rate of 3.49% per annum related to 2022 undated additional tier 1 capital bonds (first tranche) of RMB50 billion amounting to RMB1,745 million in total was declared on 9 February 2026 and distributed on 22 February 2026.

An interest at the interest rate of 2.73% per annum related to 2024 undated additional tier 1 capital bonds (first tranche) of RMB40 billion amounting to RMB1,092 million in total was declared on 5 March 2026 and distributed on 15 March 2026.

14 DIVIDENDS (CONTINUED)

An interest at the interest rate of 2.00% per annum related to 2025 undated additional tier 1 capital bonds (first tranche) of RMB50 billion amounting to RMB1,000 million in total was declared on 21 May 2026 and distributed on 29 May 2026.

An interest at the interest rate of 2.46% per annum related to 2024 undated additional tier 1 capital bonds (second tranche) of RMB60 billion amounting to RMB1,476 million in total was declared on 28 May 2026 and distributed on 5 June 2026.

Distribution of interest on perpetual bonds for 2025

An interest at the interest rate of 3.49% per annum related to 2022 undated additional tier 1 capital bonds (first tranche) of RMB50 billion amounting to RMB1,745 million in total was declared on 20 February 2025 and distributed on 22 February 2025.

An interest at the interest rate of 2.73% per annum related to 2024 undated additional tier 1 capital bonds (first tranche) of RMB40 billion amounting to RMB1,092 million in total was declared on 4 March 2025 and distributed on 15 March 2025.

An interest at the interest rate of 3.48% per annum related to 2020 undated additional tier 1 capital bonds (first tranche) of RMB85 billion amounting to RMB2,958 million in total was declared on 2 April 2025 and distributed on 12 May 2025.

An interest at the interest rate of 2.46% per annum related to 2024 undated additional tier 1 capital bonds (second tranche) of RMB60 billion amounting to RMB1,476 million in total was declared on 20 May 2025 and distributed on 5 June 2025.

An interest at the interest rate of 4.50% per annum related to 2020 undated additional tier 1 capital bonds (second tranche) of RMB35 billion amounting to RMB1,575 million in total was declared on 23 July 2025 and distributed on 24 August 2025.

An interest at the interest rate of 3.21% per annum related to 2023 undated additional tier 1 capital bonds (first tranche) of RMB40 billion amounting to RMB1,284 million in total was declared on 19 August 2025 and distributed on 28 August 2025.

An interest at the interest rate of 3.17% per annum related to 2022 undated additional tier 1 capital bonds (second tranche) of RMB30 billion amounting to RMB951 million in total was declared on 25 August 2025 and distributed on 5 September 2025.

An interest at the interest rate of 3.76% per annum related to 2021 undated additional tier 1 capital bonds (first tranche) of RMB40 billion amounting to RMB1,504 million in total was declared on 7 November 2025 and distributed on 16 November 2025.

An interest at the interest rate of 2.29% per annum related to 2024 undated additional tier 1 capital bonds (third tranche) of RMB40 billion amounting to RMB916 million in total was declared on 20 November 2025 and distributed on 28 November 2025.

15 EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	*2025*
Earnings:		
Profit for the period attributable to equity holders of the Bank	146,381	139,510
Less: profit for the period attributable to other equity instruments holders of the Bank	(6,821)	(9,207)
Profit for the period attributable to ordinary equity holders of the Bank	139,560	130,303
Number of shares:		
Weighted average number of ordinary shares in issue (in millions)	349,983	349,983
Basic and diluted earnings per share (RMB yuan)	0.40	0.37

For the years ended 31 December 2015 and 31 December 2014, the Bank issued two non-cumulative preference shares, respectively, and the specific terms are included in Note 36 Other equity instruments.

As at 30 June 2026, the specific terms of the Bank's outstanding non-cumulative undated additional tier 1 capital bonds are included in Note 36 Other equity instruments.

For the purpose of calculating basic earnings per share for the six months ended 30 June 2026, cash dividends and interest of RMB6,821 million of preference shares and non-cumulative undated additional tier 1 capital bonds declared and distributed were deducted from the profit for the period attributable to ordinary equity holders of the Bank (six months ended 30 June 2025: cash dividends and interest of RMB9,207 million of preference shares and non-cumulative undated additional tier 1 capital bonds).

The conversion feature of preference shares is considered to fall within contingently issuable ordinary shares. The triggering events of conversion did not occur for the six months ended 30 June 2026 and 30 June 2025, and therefore the conversion feature of preference shares has no dilutive effect on earnings per share calculation.

(Amounts in millions of Renminbi, unless otherwise stated)

16 CASH AND BALANCES WITH CENTRAL BANKS

	Notes	*30 June 2026*	*31 December 2025*
Cash		62,151	64,176
Mandatory reserve deposits with central banks	(1)	2,421,996	2,358,957
Surplus reserve deposits with central banks	(2)	141,778	254,309
Other deposits with central banks	(3)	165,934	123,335
Subtotal		2,791,859	2,800,777
Accrued interest		1,076	1,208
Total		2,792,935	2,801,985

(1) The Group places mandatory reserve deposits with the PBOC and overseas regulatory bodies. These include RMB reserve deposits and foreign currency reserve deposits that are not available for use in the Group's daily operations.

As at 30 June 2026, the mandatory deposit reserve ratios of the domestic branches of the Bank in respect of customer deposits denominated in RMB and foreign currencies were consistent with the requirement of the PBOC. The mandatory reserve funds placed with the central bank of domestic subsidiaries of the Group are determined by the PBOC. The amounts of mandatory reserve deposits placed with the central banks of those countries or regions outside Chinese mainland are determined by local jurisdictions.

(2) Surplus reserve deposits with central banks include funds for the purpose of cash settlement and other kinds of unrestricted deposits.

(3) Other deposits with central banks primarily represent fiscal deposits and foreign exchange risk reserve placed with the PBOC that are not available for use in the Group's daily operations.

17 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	*31 December 2025*
Deposits with:		
Domestic banks	166,183	383,117
Other domestic financial institutions	12,288	14,252
Overseas banks	58,062	58,238
Subtotal	236,533	455,607
Accrued interest	1,799	2,497
Allowance for impairment losses	(1,199)	(1,221)
Carrying amount	237,133	456,883

(Amounts in millions of Renminbi, unless otherwise stated)

18 PLACEMENTS WITH AND LOANS TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	*31 December 2025*
Placements with and loans to:		
Domestic banks	90,410	96,965
Other domestic financial institutions	167,894	172,893
Overseas banks and other financial institutions	326,732	276,853
Subtotal	585,036	546,711
Accrued interest	3,288	3,340
Allowance for impairment losses	(1,500)	(1,670)
Carrying amount	586,824	548,381

19 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Group primarily enters into foreign exchange rate, interest rate and precious metal derivative contracts related to trading, asset and liability management, and customer initiated transactions.

The contractual/notional amounts and fair values of the derivative financial instruments entered into by the Group are set out in the following tables. The contractual/notional amounts of derivative financial instruments provide a basis for comparison with fair values of instruments recognized in the consolidated interim statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The fair value of derivative instruments becomes favorable (assets) or unfavorable (liabilities) as a result of fluctuations in market interest rates, foreign exchange rates or precious metal prices relative to their terms. The aggregated fair values of derivative financial assets and liabilities can fluctuate significantly in different periods.

Certain financial assets and financial liabilities of the Group are subject to enforceable master net arrangements or similar agreements. The agreement between the Group and the counterparty generally allows for net settlement of the relevant financial assets and financial liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and financial liabilities will be settled on a gross basis. However, each party to the master netting arrangements or similar agreements will have the option to settle all such amounts on a net basis in the event of default of the other party. The Group did not offset these financial assets and financial liabilities on a net basis. As at 30 June 2026 and 31 December 2025, the Group did not hold any other financial assets or liabilities, other than derivatives, that are subject to master netting arrangements or similar agreements.

(Amounts in millions of Renminbi, unless otherwise stated)

19 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

	30 June 2026		
	Contractual/ notional amount	Fair value	
		Assets	Liabilities
Exchange rate derivatives			
Currency forwards and swaps, and cross - currency interest rate swaps	2,928,841	21,275	(19,406)
Currency options	289,717	1,384	(1,369)
Subtotal		22,659	(20,775)
Interest rate derivatives			
Interest rate swaps	737,958	2,071	(1,412)
Precious metal derivatives and others	257,186	22,719	(855)
Total		47,449	(23,042)

	31 December 2025		
	Contractual/ notional amount	Fair value	
		Assets	Liabilities
Exchange rate derivatives			
Currency forwards and swaps, and cross -currency interest rate swaps	5,131,369	29,478	(22,155)
Currency options	327,453	1,779	(923)
Subtotal		31,257	(23,078)
Interest rate derivatives			
Interest rate swaps	737,852	2,014	(1,585)
Precious metal derivatives and others	221,154	244	(20,381)
Total		33,515	(45,044)

Credit risk-weighted assets for derivative transaction counterparties represent the counterparty credit risk associated with derivative transactions and are calculated in accordance with the "Rules on Capital Management of Commercial Banks" issued by the NFRA, and are dependent on, among other factors, creditworthiness of customers and maturity characteristics of each type of contracts.

	30 June 2026	31 December 2025
Counterparty credit default risk-weighted assets	38,721	30,416
Credit value adjustment risk-weighted assets	9,983	8,218
Central counterparties credit risk-weighted assets	5,434	3,340
Total	54,138	41,974

(Amounts in millions of Renminbi, unless otherwise stated)

19 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

Fair value hedges

The following designated fair value hedging instruments are included in the derivative financial instruments disclosed above:

	30 June 2026		
	Contractual/ notional amount	*Fair value*	
		Assets	*Liabilities*
Interest rate swaps	56,442	820	(186)

	31 December 2025		
	Contractual/ notional amount	*Fair value*	
		Assets	*Liabilities*
Interest rate swaps	63,367	764	(392)

The Group uses interest rate swaps to hedge against changes arising from changes in interest rates in fair value of loans and advances to customers, debt instrument investments at amortized cost and other debt instrument investments at fair value through other comprehensive income.

The Group's net gains/(losses) on fair value hedges are as follows:

	Six months ended 30 June	
	2026	*2025*
Net gains/(losses) on		
- hedging instruments	406	(702)
- hedged items	(413)	669
Ineffective portion recognized in net trading gains	(7)	(33)

The following table shows maturity details with notional amount of hedging instruments disclosed above:

	Fair value hedges					
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Total*
30 June 2026	-	1,022	15,980	29,923	9,517	56,442
31 December 2025	266	2,300	12,207	41,668	6,926	63,367

(Amounts in millions of Renminbi, unless otherwise stated)

19 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

The following table sets out the details of the hedged items covered by the Group's fair value hedging strategies:

	30 June 2026				
	Carrying amount of hedged items		*Accumulated amount of fair value adjustments on the hedged items*		*Line items in the statement of financial position*
	Assets	*Liabilities*	*Assets*	*Liabilities*	
Debt securities	56,931	-	(31)	-	Debt instrument investments at amortized cost and other debt instrument investments at fair value through other comprehensive income

	31 December 2025				
	Carrying amount of hedged items		*Accumulated amount of fair value adjustments on the hedged items*		*Line items in the statement of financial position*
	Assets	*Liabilities*	*Assets*	*Liabilities*	
Debt securities	60,908	-	(42)	-	Debt instrument investments at amortized cost and other debt instrument investments at fair value through other comprehensive income
Loans	2,466	-	(6)	-	Loans and advances to customers
Total	63,374	-	(48)	-	

(Amounts in millions of Renminbi, unless otherwise stated)

20 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	30 June 2026	*31 December 2025*
Analyzed by collateral type:		
Debt securities	680,886	1,471,558
Bills	135,806	94,119
Subtotal	816,692	1,565,677
Accrued interest	247	414
Allowance for impairment losses	(680)	(1,100)
Carrying amount	816,259	1,564,991

The collateral received in connection with financial assets held under resale agreements is disclosed in Note 45 Contingent liabilities and commitments - Collateral.

21 LOANS AND ADVANCES TO CUSTOMERS

21.1 Analyzed by measurement basis

	Notes	*30 June 2026*	*31 December 2025*
Measured at amortized cost	(1)	25,208,422	23,687,532
Measured at fair value through other comprehensive income	(2)	2,610,807	2,490,822
Total		27,819,229	26,178,354

(1) Measured at amortized cost:

	30 June 2026	*31 December 2025*
Corporate loans and advances		
Loans and advances	16,572,146	15,318,002
Personal loans	9,583,203	9,273,822
Subtotal	26,155,349	24,591,824
Accrued interest	58,604	52,188
Allowance for impairment losses	(1,005,531)	(956,480)
Carrying amount of loans and advances to customers measured at amortized cost	25,208,422	23,687,532

(Amounts in millions of Renminbi, unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(2) Measured at fair value through other comprehensive income:

	30 June 2026	*31 December 2025*
Corporate loans and advances		
Loans and advances	564,639	538,162
Discounted bills	2,046,168	1,952,660
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	2,610,807	2,490,822

21.2 Analyzed by ECL assessment method

	30 June 2026			
	Stage I	*Stage II*	*Stage III*	
	12 months ECL	*Lifetime ECL*		*Total*
Gross loans and advances to customers measured at amortized cost	25,336,328	517,973	359,652	26,213,953
Allowance for impairment losses	(613,363)	(127,632)	(264,536)	(1,005,531)
Loans and advances to customers measured at amortized cost, net	24,722,965	390,341	95,116	25,208,422
Loans and advances to customers measured at fair value through other comprehensive income	2,610,228	579	-	2,610,807
Allowance for impairment losses of loans and advances to customers measured at fair value through other comprehensive income	(37,769)	(47)	-	(37,816)

	31 December 2025			
	Stage I	*Stage II*	*Stage III*	
	12 months ECL	*Lifetime ECL*		*Total*
Gross loans and advances to customers measured at amortized cost	23,827,107	473,621	343,284	24,644,012
Allowance for impairment losses	(593,495)	(111,650)	(251,335)	(956,480)
Loans and advances to customers measured at amortized cost, net	23,233,612	361,971	91,949	23,687,532
Loans and advances to customers measured at fair value through other comprehensive income	2,490,200	450	172	2,490,822
Allowance for impairment losses of loans and advances to customers measured at fair value through other comprehensive income	(48,038)	(90)	(172)	(48,300)

The expected credit loss (“ECL”) for corporate loans and advances in Stage I and Stage II, as well as personal loans, was measured in accordance with the risk parameters modelling method. The ECL for corporate loans and advances in Stage III was calculated using the discounted cash flow method. For details, see Note 47.1 Credit risk.

(Amounts in millions of Renminbi, unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

21.3 Analyzed by movements in loss allowance

The movements of loss allowance are mainly affected by:

- Transfers between stages due to loans and advances to customers experiencing significant increases (or decreases) in credit risk or becoming credit-impaired, and the corresponding transfer of the measurement basis of the loss allowance between 12 months and the entire lifetime ECL;
- Allowance for new loans and advances to customers recognized;
- Remeasurement includes the impact of changes in model assumptions, updates of model parameters, changes in probability of default and loss given default; changes in ECL due to transfer of loans and advances to customers between stages; changes in ECL due to unwinding of discount over time; changes in foreign exchange translations for assets denominated in foreign currencies and other movements;
- The reversal of allowances caused by repayment, transfer out and write-offs of loans and advances to customers.

The following table shows the impact of above factors on the allowance for impairment losses:

	Six months ended 30 June 2026			
Corporate loans and advances	*Stage I*	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
1 January 2026	497,789	70,153	155,375	723,317
Transfer:				
Stage I to Stage II	(5,653)	5,653	-	-
Stage II to Stage III	-	(10,298)	10,298	-
Stage II to Stage I	2,871	(2,871)	-	-
Stage III to Stage II	-	4,333	(4,333)	-
Originated or purchased financial assets	118,009	-	-	118,009
Remeasurement	(16,763)	8,709	20,067	12,013
Repayment or transfer out	(78,151)	(3,246)	(5,218)	(86,615)
Write-offs	-	-	(17,614)	(17,614)
30 June 2026	518,102	72,433	158,575	749,110

	Six months ended 30 June 2026			
Personal loans	*Stage I*	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
1 January 2026	143,744	41,587	96,132	281,463
Transfer:				
Stage I to Stage II	(6,711)	6,711	-	-
Stage II to Stage III	-	(18,883)	18,883	-
Stage II to Stage I	9,208	(9,208)	-	-
Stage III to Stage II	-	2,435	(2,435)	-
Originated or purchased financial assets	42,893	-	-	42,893
Remeasurement	(27,476)	38,267	62,299	73,090
Repayment or transfer out	(28,628)	(5,663)	(24,862)	(59,153)
Write-offs	-	-	(44,056)	(44,056)
30 June 2026	133,030	55,246	105,961	294,237

(Amounts in millions of Renminbi, unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

	Year ended 31 December 2025			
Corporate loans and advances	*Stage I 12 months ECL*	*Stage II*	*Stage III*	*Total*
		Lifetime ECL		
1 January 2025	476,083	69,824	148,891	694,798
Transfer:				
Stage I to Stage II	(6,589)	6,589	-	-
Stage II to Stage III	-	(19,515)	19,515	-
Stage II to Stage I	11,317	(11,317)	-	-
Stage III to Stage II	-	12,273	(12,273)	-
Originated or purchased financial assets	139,614	-	-	139,614
Remeasurement	(39,347)	25,509	60,816	46,978
Repayment or transfer out	(83,289)	(13,210)	(24,106)	(120,605)
Write-offs	-	-	(37,468)	(37,468)
31 December 2025	497,789	70,153	155,375	723,317

	Year ended 31 December 2025			
Personal loans	*Stage I 12 months ECL*	*Stage II*	*Stage III*	*Total*
		Lifetime ECL		
1 January 2025	183,244	30,564	56,620	270,428
Transfer:				
Stage I to Stage II	(6,617)	6,617	-	-
Stage II to Stage III	-	(21,931)	21,931	-
Stage II to Stage I	8,788	(8,788)	-	-
Stage III to Stage II	-	2,385	(2,385)	-
Originated or purchased financial assets	65,693	-	-	65,693
Remeasurement	(39,165)	42,890	85,615	89,340
Repayment or transfer out	(68,199)	(10,150)	(10,348)	(88,697)
Write-offs	-	-	(55,301)	(55,301)
31 December 2025	143,744	41,587	96,132	281,463

22 FINANCIAL INVESTMENTS

	Notes	*30 June 2026*	*31 December 2025*
Financial assets at fair value through profit or loss	22.1	528,811	556,994
Debt instrument investments at amortized cost	22.2	12,623,843	11,799,270
Other debt instrument and other equity investments at fair value through other comprehensive income	22.3	4,701,952	3,965,051
Total		17,854,606	16,321,315

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

22.1 Financial assets at fair value through profit or loss

	Notes	*30 June 2026*	*31 December 2025*
Financial assets held for trading	(1)	159,612	208,170
Other financial assets at fair value through profit or loss	(2)	369,199	348,824
Total		528,811	556,994
Analyzed as:			
Listed in Hong Kong		7,464	7,550
Listed outside Hong Kong	(i)	359,926	381,650
Unlisted		161,421	167,794
Total		528,811	556,994

(i) Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

(1) Financial assets held for trading

	30 June 2026	*31 December 2025*
Debt securities issued by:		
Governments	10,993	16,543
Public sector and quasi-governments	27,879	65,844
Financial institutions	71,883	69,296
Corporates	4,337	6,054
Subtotal of debt securities	115,092	157,737
Precious metal contracts	13,670	16,701
Equity	10,342	8,800
Fund and others	20,508	24,932
Total	159,612	208,170

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

(2) Other financial assets at fair value through profit or loss (ii)

	30 June 2026	*31 December 2025*
Debt securities issued by:		
Public sector and quasi-governments	11,948	11,903
Financial institutions	187,380	170,696
Corporates	1,046	938
Subtotal of debt securities	200,374	183,537
Equity	121,231	121,263
Fund and others	47,594	44,024
Total	369,199	348,824

(ii) Other financial assets at fair value through profit or loss refer to financial assets that do not qualify for measurement at amortized cost or fair value through other comprehensive income and are not held for trading, including bond investments, equity interests, funds, trust plans and asset management products of the Group.

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

22.2 Debt instrument investments at amortized cost

	Notes	*30 June 2026*	*31 December 2025*
Debt securities issued by:			
Governments		10,255,121	9,542,461
Public sector and quasi-governments		1,423,858	1,319,824
Financial institutions		211,622	219,265
Corporates		173,148	163,892
Subtotal of debt securities		12,063,749	11,245,442
Receivable from the MOF	(i)	290,891	290,891
Special government bond	(ii)	93,305	93,307
Others	(iii)	17,711	19,034
Subtotal		12,465,656	11,648,674
Accrued interest		178,915	170,555
Allowance for impairment losses		(20,728)	(19,959)
Debt instrument investments at amortized cost, net		12,623,843	11,799,270
Analyzed as:			
Listed in Hong Kong		24,802	17,386
Listed outside Hong Kong	(iv)	12,124,600	11,332,226
Unlisted		474,441	449,658
Total		12,623,843	11,799,270

(i) The Group received a notice from the MOF in January 2020, clarifying that from 1 January 2020, the interest rate of the unpaid payments will be verified year by year based on the rate of return of the five-year treasury bond of the previous year.

(ii) Special government bond refers to the non-transferable bond issued by the MOF in 1998 in the aggregated principal amount of RMB93.3 billion to the Predecessor Entity for capital replenishment. The bond will mature in 2028 and bears interest at a fixed rate of 2.25% per annum, starting from 1 December 2008.

(iii) Other debt instrument investments at amortized cost are primarily related to investment in unconsolidated structured entities held by the Group (Note 44(2)).

(iv) Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

(1) Analyzed by ECL assessment method

	30 June 2026			
	Stage I 12 months ECL	Stage II Lifetime ECL	Stage III	Total
Gross debt instrument investments at amortized cost	12,642,595	306	1,670	12,644,571
Allowance for impairment losses	(19,604)	(8)	(1,116)	(20,728)
Debt instrument investments at amortized cost, net	12,622,991	298	554	12,623,843

	31 December 2025			
	Stage I 12 months ECL	Stage II Lifetime ECL	Stage III	Total
Gross debt instrument investments at amortized cost	11,817,243	306	1,680	11,819,229
Allowance for impairment losses	(18,823)	(9)	(1,127)	(19,959)
Debt instrument investments at amortized cost, net	11,798,420	297	553	11,799,270

Debt instrument investments at amortized cost in Stage II and Stage III mainly included corporates bonds and other debt instrument investments of the Group.

(2) Analyzed by movements in loss allowance (v)

	Six months ended 30 June 2026			
	Stage I 12 months ECL	Stage II Lifetime ECL	Stage III	Total
1 January 2026	18,823	9	1,127	19,959
Originated or purchased financial assets	1,827	-	-	1,827
Remeasurement	(306)	(1)	(11)	(318)
Maturities or transfer out	(740)	-	-	(740)
30 June 2026	19,604	8	1,116	20,728

	Year ended 31 December 2025			
	Stage I 12 months ECL	Stage II Lifetime ECL	Stage III	Total
1 January 2025	22,546	16	1,007	23,569
Transfer:				
Stage II to Stage III	-	(14)	14	-
Originated or purchased financial assets	3,576	-	108	3,684
Remeasurement	(5,019)	7	222	(4,790)
Maturities or transfer out	(2,280)	-	-	(2,280)
Write-offs	-	-	(224)	(224)
31 December 2025	18,823	9	1,127	19,959

(v) As at 30 June 2026, the increases of the Group's loss allowance of debt instrument investments at amortized cost were mainly due to the increase of debt instrument investments.

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

22.3 Other debt instrument and other equity investments at fair value through other comprehensive income

		30 June 2026			
	Notes	*Amortized cost of debt instruments/ cost of equity instruments*	*Fair value*	*Cumulative amount of change in fair value that is accrued to other comprehensive income*	*Cumulative amount of impairment*
Other debt instrument investments	(1)	4,609,462	4,666,855	57,393	(4,296)
Other equity investments	(2)	29,404	35,097	5,693	N/A
Total		4,638,866	4,701,952	63,086	(4,296)

		31 December 2025			
	Notes	*Amortized cost of debt instruments/ cost of equity instruments*	*Fair value*	*Cumulative amount of change in fair value that is accrued to other comprehensive income*	*Cumulative amount of impairment*
Other debt instrument investments	(1)	3,884,637	3,933,954	49,317	(3,908)
Other equity investments	(2)	24,444	31,097	6,653	N/A
Total		3,909,081	3,965,051	55,970	(3,908)

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

(1) Other debt instrument investments

(a) Analyzed by types of issuers

	Note	*30 June 2026*	*31 December 2025*
Debt securities:			
Governments		2,768,092	2,670,538
Public sector and quasi-governments		542,532	280,139
Financial institutions		1,015,132	770,771
Corporates		303,705	176,044
Subtotal of debt securities		4,629,461	3,897,492
Others	(i)	5,414	5,427
Subtotal		4,634,875	3,902,919
Accrued interest		31,980	31,035
Total		4,666,855	3,933,954
Analyzed as:			
Listed in Hong Kong		136,690	132,156
Listed outside Hong Kong	(ii)	4,404,442	3,679,024
Unlisted		125,723	122,774
Total		4,666,855	3,933,954

(i) Others primarily include investments in unconsolidated structured entities held by the Group (Note 44(2)), such as trust plans and debt investment plans.

(ii) Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

(b) Analyzed by ECL assessment method

	30 June 2026			
	Stage I	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
Carrying amount of other debt instrument investments at fair value through other comprehensive income	4,665,931	924	-	4,666,855
Allowance for impairment losses	(4,293)	(3)	-	(4,296)

	31 December 2025			
	Stage I	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
Carrying amount of other debt instrument investments at fair value through other comprehensive income	3,932,923	1,031	-	3,933,954
Allowance for impairment losses	(3,901)	(7)	-	(3,908)

As at 30 June 2026 and 31 December 2025, other debt instrument investments at fair value through other comprehensive income in Stage II mainly included corporates bonds and financial institutions bonds of the Group. The Group did not hold any other debt instrument investments at fair value through other comprehensive income in Stage III.

(c) Analyzed by movements in loss allowance (iii)

	Six months ended 30 June 2026			
	Stage I	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
1 January 2026	3,901	7	-	3,908
Originated or purchased financial assets	747	-	-	747
Remeasurement	(83)	0	-	(83)
Maturities or transfer out	(272)	(4)	-	(276)
30 June 2026	4,293	3	-	4,296

	Year ended 31 December 2025			
	Stage I	*Stage II*	*Stage III*	*Total*
	12 months ECL	*Lifetime ECL*		
1 January 2025	4,906	10	-	4,916
Transfer:				
Stage I to Stage II	(1)	1	-	-
Originated or purchased financial assets	1,191	1	-	1,192
Remeasurement	(984)	(4)	-	(988)
Maturities or transfer out	(1,211)	(1)	-	(1,212)
31 December 2025	3,901	7	-	3,908

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

(iii) As at 30 June 2026, the increases of the Group's loss allowance of other debt instrument investments at fair value through other comprehensive income were mainly due to the increase of debt instrument investments.

(2) Other equity investments

(a) Analyzed by types of issuers

	30 June 2026	*31 December 2025*
Financial institutions	18,787	17,531
Other enterprises	16,310	13,566
Total	35,097	31,097

(b) Analyzed by movements

Item	1 January 2026	Purchases	Movements in fair value: Movements relating to investments derecognized	Movements in fair value: Movements relating to investments held at period-end	Disposals	The cumulative losses transferred into retained earnings from other comprehensive income	30 June 2026
	Six months ended 30 June 2026						
Carrying amount	31,097	5,152	(5)	(1,016)	(131)	-	35,097
The cumulative gains or losses recognized in other comprehensive income	6,653	-	(5)	(997)	-	42	5,693

Item	1 January 2025	Purchases	Movements in fair value: Movements relating to investments derecognized	Movements in fair value: Movements relating to investments held at period-end	Disposals	The cumulative gains transferred into retained earnings from other comprehensive income	31 December 2025
	Year ended 31 December 2025						
Carrying amount	11,555	15,381	12	4,259	(110)	-	31,097
The cumulative gains or losses recognized in other comprehensive income	2,437	-	12	4,237	-	(33)	6,653

(Amounts in millions of Renminbi, unless otherwise stated)

22 FINANCIAL INVESTMENTS (CONTINUED)

Based on the intention of strategy holding, the Group designated certain non-trading equity investments as financial investments at fair value through other comprehensive income. Based on the need for strategic portfolio adjustments, the Group chose to sell some above-mentioned non-trading equity investments. For the six months ended 30 June 2026, dividend income from such equity investments of the Group was RMB227 million (six months ended 30 June 2025: RMB148 million), dividend income from investments derecognized was RMB0.17 million (six months ended 30 June 2025: RMB0.81 million), dividend income from investments held at the end of reporting period was RMB227 million (six months ended 30 June 2025: RMB147 million).

23 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

	30 June 2026	*31 December 2025*
Investment in associates	19,844	16,986
Investment in joint ventures	2,626	2,923
Subtotal	22,470	19,909
Allowance for impairment losses		
- investment in associates	(89)	(89)
Carrying amount	22,381	19,820

The detail information of the investment in associates and joint ventures was disclosed in Note 5 Investment in subsidiaries, associates, joint ventures and structured entities.

(Amounts in millions of Renminbi, unless otherwise stated)

24 PROPERTY AND EQUIPMENT

	Buildings	*Machinery and equipment*	*Motor vehicles*	*Construction in progress*	*Total*
Cost:					
1 January 2026	209,341	78,291	22,140	8,391	318,163
Additions	441	2,992	2,092	1,886	7,411
Transfers in/(out)	1,506	2,038	1	(3,545)	-
Disposals and other movements	(607)	(2,163)	(543)	(108)	(3,421)
30 June 2026	210,681	81,158	23,690	6,624	322,153
Accumulated depreciation:					
1 January 2026	(102,311)	(53,271)	(5,783)	-	(161,365)
Charge for the period	(3,864)	(3,862)	(597)	-	(8,323)
Disposals and other movements	454	1,150	128	-	1,732
30 June 2026	(105,721)	(55,983)	(6,252)	-	(167,956)
Allowance for impairment losses:					
1 January 2026	(222)	(6)	(22)	(34)	(284)
Disposals and other movements	1	-	1	-	2
30 June 2026	(221)	(6)	(21)	(34)	(282)
Carrying amount:					
1 January 2026	106,808	25,014	16,335	8,357	156,514
30 June 2026	104,739	25,169	17,417	6,590	153,915

	Buildings	*Machinery and equipment*	*Motor vehicles*	*Construction in progress*	*Total*
Cost:					
1 January 2025	200,806	73,209	19,449	13,715	307,179
Additions	2,898	10,698	2,363	7,183	23,142
Transfers in/(out)	7,457	3,771	864	(12,092)	-
Disposals and other movements	(1,820)	(9,387)	(536)	(415)	(12,158)
31 December 2025	209,341	78,291	22,140	8,391	318,163
Accumulated depreciation:					
1 January 2025	(95,947)	(51,308)	(5,122)	-	(152,377)
Charge for the year	(7,555)	(7,327)	(1,090)	-	(15,972)
Disposals and other movements	1,191	5,364	429	-	6,984
31 December 2025	(102,311)	(53,271)	(5,783)	-	(161,365)
Allowance for impairment losses:					
1 January 2025	(256)	(6)	(22)	(34)	(318)
Disposals and other movements	34	-	-	-	34
31 December 2025	(222)	(6)	(22)	(34)	(284)
Carrying amount:					
1 January 2025	104,603	21,895	14,305	13,681	154,484
31 December 2025	106,808	25,014	16,335	8,357	156,514

According to the relevant laws and regulations, subsequent to the Bank's transformation into a joint stock company, the legal title of properties previously held by the Predecessor Entity are to be transferred to the Bank. As at 30 June 2026, the registration transfer process of these transferred properties and other certain properties has not been completed. Management believes that the incomplete registration transfer process does not affect the rights of the Bank as the legal successor to those assets or adversely affect the Bank's operation.

(Amounts in millions of Renminbi, unless otherwise stated)

25 DEFERRED TAXATION

For the purpose of presentation in the condensed consolidated interim statement of financial position, certain deferred tax assets and liabilities have been offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following is the analysis of the deferred tax balances:

	30 June 2026	*31 December 2025*
Deferred tax assets	144,157	150,040
Deferred tax liabilities	(944)	(1,458)
Net	143,213	148,582

(1) The following are the movements and major deferred tax assets and liabilities recognized:

	Allowance for impairment losses	*Accrued but unpaid staff cost*	*Early retirement benefits*	*Provision*	*Fair value changes of financial instruments*	*Others*	*Total*
1 January 2026	154,837	20,660	76	6,383	(37,615)	4,241	148,582
Credit/(charge) to profit or loss	(3,458)	(4,114)	(9)	(445)	2,414	(204)	(5,816)
Credit/(charge) to other comprehensive income	-	-	-	-	(485)	932	447
30 June 2026	151,379	16,546	67	5,938	(35,686)	4,969	143,213

	Allowance for impairment losses	*Accrued but unpaid staff cost*	*Early retirement benefits*	*Provision*	*Fair value changes of financial instruments*	*Others*	*Total*
1 January 2025	152,019	18,944	101	8,917	(35,642)	3,361	147,700
Credit/(charge) to profit or loss	2,818	1,716	(25)	(2,534)	(6,462)	(1,455)	(5,942)
Credit/(charge) to other comprehensive income	-	-	-	-	4,489	(525)	3,964
Others	-	-	-	-	-	2,860	2,860
31 December 2025	154,837	20,660	76	6,383	(37,615)	4,241	148,582

(Amounts in millions of Renminbi, unless otherwise stated)

25 DEFERRED TAXATION (CONTINUED)

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

	30 June 2026		*31 December 2025*	
	Deductible/ (taxable) temporary differences	*Deferred tax assets/ (liabilities)*	*Deductible/ (taxable) temporary differences*	*Deferred tax assets/ (liabilities)*
Deferred tax assets				
Allowance for impairment losses	605,575	151,379	619,410	154,837
Fair value changes of financial instruments	179,345	44,833	115,186	28,794
Accrued but unpaid staff cost	66,185	16,546	82,638	20,660
Provision	23,750	5,938	25,528	6,383
Early retirement benefits	269	67	306	76
Others	44,862	11,215	42,630	10,656
Subtotal	919,986	229,978	885,698	221,406
Deferred tax liabilities				
Fair value changes of financial instruments	(322,321)	(80,519)	(265,890)	(66,409)
Others	(25,007)	(6,246)	(25,684)	(6,415)
Subtotal	(347,328)	(86,765)	(291,574)	(72,824)
Net	572,658	143,213	594,124	148,582

26 OTHER ASSETS

	Notes	*30 June 2026*	*31 December 2025*
Accounts receivable and temporary payments		322,270	276,843
Land use rights	(1)	16,846	17,396
Right-of-use assets	(2)	10,329	10,952
Intangible assets	(3)	11,070	11,457
Interest receivable		3,773	5,001
Long-term deferred expenses		2,787	3,091
Investment properties		2,436	2,525
Foreclosed assets		1,312	1,380
Ceded reinsurance contract assets		345	378
Others		7,445	8,270
Total		378,613	337,293

(1) According to the relevant laws and regulations, subsequent to the Bank's transformation into a joint stock company, land use rights previously held by the Predecessor Entity are to be transferred to the Bank. As at 30 June 2026, the registration transfer process of certain land use rights has not been completed. Management believes that the incomplete registration transfer process does not affect the rights of the Bank as the legal successor to those land use rights.

(Amounts in millions of Renminbi, unless otherwise stated)

26 OTHER ASSETS (CONTINUED)

(2) Right-of-use assets

	Buildings	*Others*	*Total*
Cost:			
1 January 2026	24,713	131	24,844
Additions	1,635	5	1,640
Other movements	(2,020)	(35)	(2,055)
30 June 2026	24,328	101	24,429
Accumulated depreciation:			
1 January 2026	(13,804)	(88)	(13,892)
Additions	(1,976)	(8)	(1,984)
Other movements	1,742	34	1,776
30 June 2026	(14,038)	(62)	(14,100)
Carrying amount:			
1 January 2026	10,909	43	10,952
30 June 2026	10,290	39	10,329

	Buildings	*Others*	*Total*
Cost:			
1 January 2025	23,758	130	23,888
Additions	4,567	26	4,593
Other movements	(3,612)	(25)	(3,637)
31 December 2025	24,713	131	24,844
Accumulated depreciation:			
1 January 2025	(12,686)	(93)	(12,779)
Additions	(3,924)	(16)	(3,940)
Other movements	2,806	21	2,827
31 December 2025	(13,804)	(88)	(13,892)
Carrying amount:			
1 January 2025	11,072	37	11,109
31 December 2025	10,909	43	10,952

(3) For the six months ended 30 June 2026, the Group’s capitalized research and development expenditure amounted to RMB1,093 million (six months ended 30 June 2025: RMB1,031 million), and the Group’s capitalized research and development expenditure of the projects that had been closed and transferred to intangible assets amounted to RMB816 million (six months ended 30 June 2025: RMB1,082 million).

(Amounts in millions of Renminbi, unless otherwise stated)

27 BORROWINGS FROM CENTRAL BANKS

	30 June 2026	*31 December 2025*
Borrowings from central banks	1,247,963	1,118,035
Accrued interest	9,587	9,436
Total	1,257,550	1,127,471

28 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	*31 December 2025*
Deposits from:		
Domestic banks	717,343	1,060,475
Other domestic financial institutions	5,981,914	4,871,341
Overseas banks	6,726	5,299
Other overseas financial institutions	65,994	60,876
Subtotal	6,771,977	5,997,991
Accrued interest	40,446	39,768
Total	6,812,423	6,037,759

29 PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2026	*31 December 2025*
Placements from:		
Domestic banks and other financial institutions	138,210	139,991
Overseas banks and other financial institutions	209,938	209,270
Subtotal	348,148	349,261
Accrued interest	2,476	2,300
Total	350,624	351,561

(Amounts in millions of Renminbi, unless otherwise stated)

30 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026	*31 December 2025*
Financial liabilities held for trading		
Precious metal contracts	42,637	32,586
Financial liabilities designated at fair value through profit or loss		
Liabilities of the controlled structured entities	956	923
Others	46	-
Subtotal	1,002	923
Total	43,639	33,509

For the six months ended 30 June 2026 and the year ended 31 December 2025, there were no significant changes in the fair value of the Group’s financial liabilities designated at fair value through profit or loss attributable to the changes in the Group’s own credit risk.

31 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	30 June 2026	*31 December 2025*
Analyzed by type of collateral:		
Debt securities	1,123,772	1,443,663
Bills	5,803	5,410
Subtotal	1,129,575	1,449,073
Accrued interest	3,900	4,769
Total	1,133,475	1,453,842

The collateral pledged under repurchase agreements is disclosed in Note 45 Contingent liabilities and commitments - Collateral.

(Amounts in millions of Renminbi, unless otherwise stated)

32 DUE TO CUSTOMERS

	Note	*30 June 2026*	*31 December 2025*
Demand deposits			
Corporate customers		5,664,109	5,213,865
Individual customers		7,349,467	7,400,130
Time deposits			
Corporate customers		5,451,737	5,232,410
Individual customers		14,311,865	13,371,657
Pledged deposits	(1)	724,697	778,930
Others		133,274	148,715
Subtotal		33,635,149	32,145,707
Accrued interest		415,744	504,240
Total		34,050,893	32,649,947

(1) Analyzed by activity to which pledged deposits are related to:

	30 June 2026	*31 December 2025*
Bank acceptance	413,470	446,992
Letters of credit	79,664	77,780
Letters of guarantee and guarantees	38,388	39,364
Trade finance	11,511	17,354
Others	181,664	197,440
Total	724,697	778,930

(2) As at 30 June 2026, due to customers measured at amortized cost of the Group amounted to RMB33,915,914 million (31 December 2025: RMB32,571,085 million); due to customers measured at fair value through profit or loss of the Group amounted to RMB134,979 million (31 December 2025: RMB78,862 million). As at 30 June 2026 and 31 December 2025, the difference between the fair value of due to customers designated at fair value through profit or loss of the Group and the contractual amount payable to the holders of these products upon maturity was not material.

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED

	Notes	*30 June 2026*	*31 December 2025*
Bonds issued	(1)	1,148,441	1,056,075
Certificates of deposit issued	(2)	328,815	352,445
Other debt securities issued	(3)	2,033,369	1,839,674
Subtotal		3,510,625	3,248,194
Accrued interest		14,593	15,693
Total		3,525,218	3,263,887

As at 30 June 2026 and 31 December 2025, there was no default on the principal, interest or redemption related to any debt securities issued by the Group.

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED (CONTINUED)

(1) Bonds issued

	Notes	*30 June 2026*	*31 December 2025*
1.85% CNY fixed rate Green Bonds maturing in February 2028	(i)	50,000	50,000
2.80% CNY fixed rate Green Bonds maturing in October 2027	(ii)	5,000	5,000
1.88% CNY fixed rate Green Bonds maturing in February 2030	(iii)	10,000	10,000
1.25% USD fixed rate Green Bonds maturing in January 2026	(iv)	-	2,109
2.00% USD fixed rate Green Bonds maturing in January 2027	(v)	2,043	2,109
7-day reverse repurchase rate+0.40% CNY float rate Green Bonds maturing in August 2028	(vi)	6,000	6,000
SOFR+0.63% USD float rate Green Bonds maturing in November 2026	(vii)	2,043	2,109
3.45% Tier-two capital fixed rate bonds maturing in June 2032	(viii)	40,000	40,000
3.03% Tier-two capital fixed rate bonds maturing in September 2032	(ix)	50,000	50,000
3.49% Tier-two capital fixed rate bonds maturing in March 2033	(x)	45,000	45,000
3.25% Tier-two capital fixed rate bonds maturing in September 2033	(xi)	30,000	30,000
3.45% Tier-two capital fixed rate bonds maturing in October 2033	(xii)	30,000	30,000
2.76% Tier-two capital fixed rate bonds maturing in February 2034	(xiii)	35,000	35,000
2.32% Tier-two capital fixed rate bonds maturing in April 2034	(xiv)	30,000	30,000
1.93% Tier-two capital fixed rate bonds maturing in June 2035	(xv)	35,000	35,000
1.92% Tier-two capital fixed rate bonds maturing in July 2035	(xvi)	40,000	40,000
2.18% Tier-two capital fixed rate bonds maturing in September 2035	(xvii)	35,000	35,000
2.14% Tier-two capital fixed rate bonds maturing in November 2035	(xviii)	32,000	32,000
1.97% Tier-two capital fixed rate bonds maturing in May 2036	(xix)	33,000	-
4.53% Tier-two capital fixed rate bonds maturing in March 2034	(xx)	10,000	10,000
4.63% Tier-two capital fixed rate bonds maturing in April 2034	(xxi)	20,000	20,000
3.65% Tier-two capital fixed rate bonds maturing in June 2037	(xxii)	20,000	20,000

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED (CONTINUED)

(1) Bonds issued (continued)

	Notes	*30 June 2026*	*31 December 2025*
3.34% Tier-two capital fixed rate bonds maturing in September 2037	(xxiii)	20,000	20,000
3.61% Tier-two capital fixed rate bonds maturing in March 2038	(xxiv)	25,000	25,000
3.35% Tier-two capital fixed rate bonds maturing in September 2038	(xxv)	30,000	30,000
3.55% Tier-two capital fixed rate bonds maturing in October 2038	(xxvi)	30,000	30,000
2.80% Tier-two capital fixed rate bonds maturing in February 2039	(xxvii)	35,000	35,000
2.49% Tier-two capital fixed rate bonds maturing in April 2039	(xxviii)	30,000	30,000
2.10% Tier-two capital fixed rate bonds maturing in June 2040	(xxix)	25,000	25,000
2.12% Tier-two capital fixed rate bonds maturing in July 2040	(xxx)	20,000	20,000
2.50% Tier-two capital fixed rate bonds maturing in September 2040	(xxxi)	25,000	25,000
2.40% Tier-two capital fixed rate bonds maturing in November 2040	(xxxii)	3,000	3,000
2.27% Tier-two capital fixed rate bonds maturing in May 2041	(xxxiii)	2,000	-
Medium term notes issued	(xxxiv)	38,513	38,919
2.65% fixed rate financial bonds maturing in June 2026	(xxxv)	-	20,000
1.74% fixed rate financial bonds maturing in January 2028	(xxxvi)	30,000	30,000
1.65% fixed rate financial bonds maturing in May 2028	(xxxvii)	20,000	20,000
1.84% fixed rate financial bonds maturing in January 2030	(xxxviii)	10,000	10,000
2.18% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2028	(xxxix)	35,000	35,000
1.83% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in June 2029	(xl)	15,000	15,000
1.85% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2029	(xli)	30,000	30,000
2.02% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in December2029	(xlii)	14,000	14,000
1.80% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in April 2030	(xliii)	20,000	-

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED (CONTINUED)

(1) Bonds issued (continued)

	Notes	*30 June 2026*	*31 December 2025*
1.75% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in May 2030	(xliv)	16,000	-
2.24% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2030	(xlv)	10,000	10,000
1.87% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in June 2031	(xlvi)	3,000	3,000
1.93% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2031	(xlvii)	5,000	5,000
2.12% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in December 2031	(xlviii)	3,000	3,000
2.00% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in April 2032	(xlix)	20,000	-
1.92% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in May 2032	(l)	13,000	-
2.39% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2035	(li)	5,000	5,000
2.06% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in June 2036	(lii)	12,000	12,000
2.15% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in August 2036	(liii)	15,000	15,000
2.50% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in December2036	(liv)	3,000	3,000
2.27% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in April 2037	(lv)	10,000	-
2.23% fixed rate Total Loss-Absorbing Capacity non-capital bonds maturing in May 2037	(lvi)	1,000	-
2.80% fixed rate financial bonds maturing in November 2026	(lvii)	2,400	2,400
2.50% fixed rate financial bonds maturing in February 2027	(lviii)	3,000	3,000
2.25% fixed rate financial bonds maturing in April 2027	(lix)	2,000	2,000
2.70% fixed rate corporate bonds maturing in April 2027	(lx)	1,300	1,300
2.40% fixed rate corporate bonds maturing in June 2027	(lxi)	2,700	2,700
3.67% fixed rate capital replenishment bonds maturing in March 2033	(lxii)	3,500	3,500
Total nominal value		1,148,499	1,056,146
Less: Unamortized issuance cost and discounts		(58)	(71)
Total		1,148,441	1,056,075

33 DEBT SECURITIES ISSUED (CONTINUED)

Pursuant to the approval by relevant regulatory authorities, the bonds issued by the Group are set out as below:

(i) The CNY green bonds issued in February 2025 have a maturity of 3 years, with a fixed coupon rate 1.85%, payable annually.

(ii) The CNY green bonds issued in October 2022 have a maturity of 5 years, with a fixed coupon rate 2.80%, payable annually.

(iii) The CNY green bonds issued in February 2025 have a maturity of 5 years, with a fixed coupon rate 1.88%, payable annually.

(iv) The USD green bonds issued in January 2021 have a maturity of 5 years, with a fixed coupon rate 1.25%, payable semi-annually. The bonds matured on 19 January 2026.

(v) The USD green bonds issued in January 2022 have a maturity of 5 years, with a fixed coupon rate 2.00%, payable semi-annually.

(vi) The CNY green bonds issued in August 2025 have a maturity of 3 years, with a float coupon rate 7-day reverse repurchase rate+0.40%, payable quarterly.

(vii) The USD green bonds issued in November 2023 have a maturity of 3 years, with a float coupon rate SOFR+0.63%, payable quarterly.

(viii) The Tier-two capital bonds issued in June 2022 have a maturity of 10 years, with a fixed coupon rate 3.45%, payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2027 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(ix) The Tier-two capital bonds issued in September 2022 have a maturity of 10 years, with a fixed coupon rate of 3.03% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2027 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFAR requirements.

(x) The Tier-two capital bonds issued in March 2023 have a maturity of 10 years, with a fixed coupon rate of 3.49% payable annually. The Bank has an option to redeem part or all of the bonds at face value in March 2028 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFAR requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xi) The Tier-two capital bonds issued in September 2023 have a maturity of 10 years, with a fixed coupon rate of 3.25% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2028 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFAR requirements.

(xii) The Tier-two capital bonds issued in October 2023 have a maturity of 10 years, with a fixed coupon rate of 3.45% payable annually. The Bank has an option to redeem part or all of the bonds at face value in October 2028 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xiii) The Tier-two capital bonds issued in February 2024 have a maturity of 10 years, with a fixed coupon rate of 2.76% payable annually. The Bank has an option to redeem part or all of the bonds at face value in February 2029 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xiv) The Tier-two capital bonds issued in April 2024 have a maturity of 10 years, with a fixed coupon rate of 2.32% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2029 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xv) The Tier-two capital bonds issued in June 2025 have a maturity of 10 years, with a fixed coupon rate of 1.93% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xvi) The Tier-two capital bonds issued in July 2025 have a maturity of 10 years, with a fixed coupon rate of 1.92% payable annually. The Bank has an option to redeem part or all of the bonds at face value in July 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xvii) The Tier-two capital bonds issued in September 2025 have a maturity of 10 years, with a fixed coupon rate of 2.18% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xviii) The Tier-two capital bonds issued in November 2025 have a maturity of 10 years, with a fixed coupon rate of 2.14% payable annually. The Bank has an option to redeem part or all of the bonds at face value in November 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xix) The Tier-two capital bonds issued in May 2026 have a maturity of 10 years, with a fixed coupon rate of 1.97% payable annually. The Bank has an option to redeem part or all of the bonds at face value in May 2031 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFAR requirements.

(xx) The Tier-two capital bonds issued in March 2019 have a maturity of 15 years, with a fixed coupon rate of 4.53% payable annually. The Bank has an option to redeem part or all of the bonds at face value in March 2029 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxi) The Tier-two capital bonds issued in April 2019 have a maturity of 15 years, with a fixed coupon rate of 4.63% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2029 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xxii) The Tier-two capital bonds issued in June 2022 have a maturity of 15 years, with a fixed coupon rate of 3.65% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2032 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxiii) The Tier-two capital bonds issued in September 2022 have a maturity of 15 years, with a fixed coupon rate of 3.34% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2032 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxiv) The Tier-two capital bonds issued in March 2023 have a maturity of 15 years, with a fixed coupon rate of 3.61% payable annually. The Bank has an option to redeem part or all of the bonds at face value in March 2033 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxv) The Tier-two capital bonds issued in September 2023 have a maturity of 15 years, with a fixed coupon rate of 3.35% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2033 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxvi) The Tier-two capital bonds issued in October 2023 have a maturity of 15 years, with a fixed coupon rate of 3.55% payable annually. The Bank has an option to redeem part or all of the bonds at face value in October 2033 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xxvii) The Tier-two capital bonds issued in February 2024 have a maturity of 15 years, with a fixed coupon rate of 2.80% payable annually. The Bank has an option to redeem part or all of the bonds at face value in February 2034 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxviii) The Tier-two capital bonds issued in April 2024 have a maturity of 15 years, with a fixed coupon rate of 2.49% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2034 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxix) The Tier-two capital bonds issued in June 2025 have a maturity of 15 years, with a fixed coupon rate of 2.10% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxx) The Tier-two capital bonds issued in July 2025 have a maturity of 15 years, with a fixed coupon rate of 2.12% payable annually. The Bank has an option to redeem part or all of the bonds at face value in July 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxxi) The Tier-two capital bonds issued in September 2025 have a maturity of 15 years, with a fixed coupon rate of 2.50% payable annually. The Bank has an option to redeem part or all of the bonds at face value in September 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(xxxii) The Tier-two capital bonds issued in November 2025 have a maturity of 15 years, with a fixed coupon rate of 2.40% payable annually. The Bank has an option to redeem part or all of the bonds at face value in November 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFRA requirements.

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED (CONTINUED)

(xxxiii) The Tier-two capital bonds issued in May 2026 have a maturity of 15 years, with a fixed coupon rate of 2.27% payable annually. The Bank has an option to redeem part or all of the bonds at face value in May 2036 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory recognition. These Tier-two capital bonds have the write-down feature of a Tier-two capital instrument and they are qualified as Tier-two Capital Instruments in accordance with the NFAR requirements.

(xxxiv) The medium term notes ("MTNs") were issued by the Overseas Operations of the Group and are measured at amortized cost. The details of MTNs issued were as follows:

	30 June 2026		
	Maturity dates ranging from	*Coupon rates (%)*	*Outstanding balance*
Fixed rate RMB MTNs	September 2026 to November 2030	2.10-2.99	3,705
Fixed rate USD MTNs	August 2026 to November 2027	1.60-3.88	6,198
Floating rate USD MTNs	August 2026 to January 2031	SOFR+48bps to SOFR+63bps	28,610
Total			38,513

	31 December 2025		
	Maturity dates ranging from	*Coupon rates (%)*	*Outstanding balance*
Fixed rate RMB MTNs	September 2026 to November 2030	2.10 - 2.99	3,713
Fixed rate USD MTNs	March 2026 to November 2027	1.25 - 3.88	11,950
Floating rate USD MTNs	August 2026 to December 2028	SOFR+48bps to SOFR+63bps	23,256
Total			38,919

(xxxv) The fixed rate financial bonds issued in June 2023 have a maturity of 3 years, with a fixed coupon rate of 2.65%, payable annually. The bonds matured on 6 June 2026.

(xxxvi) The fixed rate financial bonds issued in January 2025 have a maturity of 3 years, with a fixed coupon rate of 1.74%, payable annually.

(xxxvii) The fixed rate financial bonds issued in May 2025 have a maturity of 3 years, with a fixed coupon rate of 1.65%, payable annually.

(xxxviii) The fixed rate financial bonds issued in January 2025 have a maturity of 5 years, with a fixed coupon rate of 1.84%, payable annually.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xxxix) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2024 have a maturity of 4 years, with a fixed coupon rate of 2.18% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2027 with the satisfaction of the regulatory requirements.

(xl) The Total Loss-Absorbing Capacity non-capital bonds issued in June 2025 have a maturity of 4 years, with a fixed coupon rate of 1.83% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2028 with the satisfaction of the regulatory requirements.

(xli) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2025 have a maturity of 4 years, with a fixed coupon rate of 1.85% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2028 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(xlii) The Total Loss-Absorbing Capacity non-capital bonds issued in November 2025 have a maturity of 4 years, with a fixed coupon rate of 2.02% payable annually. The Bank has an option to redeem part or all of the bonds at face value in December 2028 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(xliii) The Total Loss-Absorbing Capacity non-capital bonds issued in April 2026 have a maturity of 4 years, with a fixed coupon rate of 1.80% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2029 with the satisfaction of the regulatory requirements.

(xliv) The Total Loss-Absorbing Capacity non-capital bonds issued in May 2026 have a maturity of 4 years, with a fixed coupon rate of 1.75% payable annually. The Bank has an option to redeem part or all of the bonds at face value in May 2029 with the satisfaction of the regulatory requirements.

(xlv) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2024 have a maturity of 6 years, with a fixed coupon rate of 2.24% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2029 with the satisfaction of the regulatory requirements.

(xlvi) The Total Loss-Absorbing Capacity non-capital bonds issued in June 2025 have a maturity of 6 years, with a fixed coupon rate of 1.87% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2030 with the satisfaction of the regulatory requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(xlvii) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2025 have a maturity of 6 years, with a fixed coupon rate of 1.93% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(xlviii) The Total Loss-Absorbing Capacity non-capital bonds issued in November 2025 have a maturity of 6 years, with a fixed coupon rate of 2.12% payable annually. The Bank has an option to redeem part or all of the bonds at face value in December 2030 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(xlix) The Total Loss-Absorbing Capacity non-capital bonds issued in April 2026 have a maturity of 6 years, with a fixed coupon rate of 2.00% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2031 with the satisfaction of the regulatory requirements.

(l) The Total Loss-Absorbing Capacity non-capital bonds issued in May 2026 have a maturity of 6 years, with a fixed coupon rate of 1.92% payable annually. The Bank has an option to redeem part or all of the bonds at face value in May 2031 with the satisfaction of the regulatory requirements.

(li) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2024 have a maturity of 11 years, with a fixed coupon rate of 2.39% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2034 with the satisfaction of the regulatory requirements.

(lii) The Total Loss-Absorbing Capacity non-capital bonds issued in June 2025 have a maturity of 11 years, with a fixed coupon rate of 2.06% payable annually. The Bank has an option to redeem part or all of the bonds at face value in June 2035 with the satisfaction of the regulatory requirements.

(liii) The Total Loss-Absorbing Capacity non-capital bonds issued in August 2025 have a maturity of 11 years, with a fixed coupon rate of 2.15% payable annually. The Bank has an option to redeem part or all of the bonds at face value in August 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(liv) The Total Loss-Absorbing Capacity non-capital bonds issued in November 2025 have a maturity of 11 years, with a fixed coupon rate of 2.50% payable annually. The Bank has an option to redeem part or all of the bonds at face value in December 2035 if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval.

(lv) The Total Loss-Absorbing Capacity non-capital bonds issued in April 2026 have a maturity of 11 years, with a fixed coupon rate of 2.27% payable annually. The Bank has an option to redeem part or all of the bonds at face value in April 2036 with the satisfaction of the regulatory requirements.

33 DEBT SECURITIES ISSUED (CONTINUED)

(lvi) The Total Loss-Absorbing Capacity non-capital bonds issued in May 2026 have a maturity of 11 years, with a fixed coupon rate of 2.23% payable annually. The Bank has an option to redeem part or all of the bonds at face value in May 2036 with the satisfaction of the regulatory requirements.

(lvii) The fixed rate financial bonds issued by ABC Financial Leasing Co., Ltd. in November 2023 have a maturity of 3 years, with a fixed coupon rate of 2.80%, payable annually.

(lviii) The fixed rate financial bonds issued by ABC Financial Leasing Co., Ltd. in February 2024 have a maturity of 3 years, with a fixed coupon rate of 2.50%, payable annually.

(lix) The fixed rate financial bonds issued by ABC Financial Leasing Co., Ltd. in April 2024 have a maturity of 3 years, with a fixed coupon rate of 2.25%, payable annually.

(lx) The fixed rate corporate bonds issued by ABCI Investment Suzhou Corporation Limited in April 2024 have a maturity of 3 years, with a fixed coupon rate of 2.70%, payable annually.

(lxi) The fixed rate corporate bonds issued by ABCI China Investment Corporation Limited in June 2024 have a maturity of 3 years, with a fixed coupon rate of 2.40%, payable annually.

(lxii) The fixed rate capital replenishment bonds issued by ABC Life Insurance in March 2023 have a maturity of 10 years, with a fixed coupon rate of 3.67%, payable annually. ABC Life Insurance has an option to redeem all of the bonds at face value in March 2028. If ABC Life Insurance does not exercise this option, the coupon rate of the bonds will increase to 4.67% per annum from 31 March 2028 onwards.

(Amounts in millions of Renminbi, unless otherwise stated)

33 DEBT SECURITIES ISSUED (CONTINUED)

(2) The certificates of deposit were issued by the Overseas Operations of the Group and were measured at amortized cost. As at 30 June 2026, the terms of the certificates of deposit ranged from thirty days to five years, with coupon interest rates ranging from 0.00% to 5.00% per annum. (As at 31 December 2025, the terms of the certificates of deposit ranged from thirty days to five years, with coupon interest rates ranging from 0.00% to 5.00% per annum.)

(3) Other debt securities issued by the Group are commercial papers and interbank certificates of deposit.

(i) The commercial papers were issued by the Overseas Operations of the Group and were measured at amortized cost. As at 30 June 2026, the terms of the commercial papers ranged from three months to one year, with effective interest rates ranging from 3.65% to 3.92% per annum (As at 31 December 2025, the terms of the commercial papers ranged from three months to nine months, with effective interest rates ranging from 3.68% to 4.18% per annum.)

(ii) The interbank certificates of deposit were issued by the Bank's Head Office. As at 30 June 2026, the terms of the interbank certificates of deposit ranged from three months to one year, with effective interest rates ranging from 1.30% to 1.71% per annum (As at 31 December 2025, the terms of the interbank certificates of deposit ranged from one month to one year, with effective interest rates ranging from 1.54% to 2.04% per annum.)

34 OTHER LIABILITIES

	Notes	*30 June 2026*	*31 December 2025*
Insurance liabilities		216,343	202,151
Clearing and settlement		109,137	154,068
Staff costs payable	(1)	77,039	94,646
Income taxes payable		625	776
Provision	(2)	23,750	25,528
Lease liabilities	(3)	9,997	10,495
VAT and other taxes payable		12,056	10,578
Amount payable to the MOF		424	322
Other payable		42,678	27,802
Others		34,176	32,026
Total		526,225	558,392

(Amounts in millions of Renminbi, unless otherwise stated)

34 OTHER LIABILITIES (CONTINUED)

(1) Staff costs payable

	Notes	*30 June 2026*	*31 December 2025*
Short-term employee benefits	(i)	76,083	92,595
Defined contribution benefits	(ii)	687	1,745
Early retirement benefits	(iii)	269	306
Total		77,039	94,646

(i) Short-term employee benefits

	Note	*Six months ended 30 June 2026*			
		1 January	*Increase*	*Decrease*	*30 June*
Salaries, bonuses, allowances and subsidies	(a)	71,148	46,229	(63,540)	53,837
Housing funds	(a)	71	6,120	(6,096)	95
Social insurance including:	(a)	236	3,929	(3,926)	239
- Medical insurance		219	3,719	(3,716)	222
- Maternity insurance		10	96	(97)	9
- Employment injury insurance		7	114	(113)	8
Labor union fees and staff education expenses		12,118	1,591	(851)	12,858
Others		9,022	3,817	(3,785)	9,054
Total		92,595	61,686	(78,198)	76,083

	Note	*Year ended 31 December 2025*			
		1 January	*Increase*	*Decrease*	*31 December*
Salaries, bonuses, allowances and subsidies	(a)	65,940	113,028	(107,820)	71,148
Housing funds	(a)	77	11,886	(11,892)	71
Social insurance including:	(a)	298	7,245	(7,307)	236
- Medical insurance		274	6,850	(6,905)	219
- Maternity insurance		12	182	(184)	10
- Employment injury insurance		12	213	(218)	7
Labor union fees and staff education expenses		11,297	3,952	(3,131)	12,118
Others		7,969	12,846	(11,793)	9,022
Total		85,581	148,957	(141,943)	92,595

(a) Salaries, bonuses, allowances and subsidies, housing funds and social insurance are timely distributed and paid in accordance with the relevant laws and regulations and the Group's policy.

(Amounts in millions of Renminbi, unless otherwise stated)

34 OTHER LIABILITIES (CONTINUED)

(ii) Defined contribution benefits

	Six months ended 30 June 2026			
	1 January	*Increase*	*Decrease*	*30 June*
Basic pensions	472	7,422	(7,405)	489
Unemployment insurance	42	272	(265)	49
Annuity Scheme	1,231	4,012	(5,094)	149
Total	1,745	11,706	(12,764)	687

	Year ended 31 December 2025			
	1 January	*Increase*	*Decrease*	*31 December*
Basic pensions	551	13,902	(13,981)	472
Unemployment insurance	48	506	(512)	42
Annuity Scheme	1,219	8,917	(8,905)	1,231
Total	1,818	23,325	(23,398)	1,745

The defined contribution benefits are timely distributed and paid in accordance with the relevant laws and regulations and the Group's policy. There was no forfeited contribution available to reduce the contribution payable by the Group under the above schemes.

(iii) Early retirement benefits

	Six months ended 30 June 2026			
	1 January	*Increase*	*Decrease*	*30 June*
Early retirement benefits	306	1	(38)	269

	Year ended 31 December 2025			
	1 January	*Increase*	*Decrease*	*31 December*
Early retirement benefits	404	4	(102)	306

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	30 June 2026	*31 December 2025*
Discount rate	1.28%	1.39%
Annual average medical expense growth rate	8.00%	8.00%
Annual subsidies growth rate	8.00%	8.00%
Normal retirement age		
- Male	60 - 63	60 - 63
- Female	55 - 58	55 - 58

Assumptions regarding future mortality experience are based on the China Life Insurance Mortality Table (published historical statistics in China).

Any difference arising from the actual result or changes in assumptions may affect the amount of expense recognized in the consolidated interim income statement.

(Amounts in millions of Renminbi, unless otherwise stated)

34 OTHER LIABILITIES (CONTINUED)

(2) Provision

	30 June 2026	*31 December 2025*
Loan commitments and financial guarantee contracts	18,560	20,121
Litigation provision	4,480	4,695
Others	710	712
Total	23,750	25,528

(3) Lease liabilities

The table below summarizes the maturity analysis of lease liabilities:

	30 June 2026	*31 December 2025*
Less than 1 year	3,826	3,926
1 - 5 years	5,977	6,349
Over 5 years	840	925
Total undiscounted lease liabilities	10,643	11,200
Lease liabilities	9,997	10,495

(Amounts in millions of Renminbi, unless otherwise stated)

35 ORDINARY SHARES

	30 June 2026	
	Number of shares (millions)	*Nominal value*
Domestic listed A shares, par value RMB1.00 per share	319,244	319,244
Overseas listed H shares, par value RMB1.00 per share	30,739	30,739
Total	349,983	349,983

	31 December 2025	
	Number of shares (millions)	*Nominal value*
Domestic listed A shares, par value RMB1.00 per share	319,244	319,244
Overseas listed H shares, par value RMB1.00 per share	30,739	30,739
Total	349,983	349,983

(1) A shares refer to the ordinary shares listed in Chinese mainland. They are offered and traded in RMB. H shares refer to the ordinary shares listed in Hong Kong SAR. Their par value is denominated in RMB when they were initially offered and are currently traded in HKD.

(2) As at 30 June 2026 and 31 December 2025, the Bank's A shares and H shares were not subject to lock-up restriction.

(Amounts in millions of Renminbi, unless otherwise stated)

36 OTHER EQUITY INSTRUMENTS

(1) Preference shares

Preference shares	*Notes*	*Dividend rate*	*Issued price (RMB yuan)*	*Issued number of shares (millions)*	*Issued nominal value (millions)*	*Maturity date*	*Conversion*
First tranche	(a)	6.00% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	No conversion during the period
Second tranche	(b)	5.50% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	No conversion during the period
Total					80,000		

The Bank was authorized to issue no more than 800 million preference shares of RMB100 each, pursuant to the approval by its ordinary equity holders and relevant regulatory authorities.

(a) The first tranche of 400 million preference shares was issued at par in November 2014. The first tranche of preference shares bears a dividend rate of 6.00% per annum; dividends are non-cumulative and where payable, are paid annually, for the first five years from issuance. The dividend rate will be re-priced every five years thereafter with reference to the five-year PRC treasury bonds yield plus a fixed premium of 2.29%. During the second dividend period beginning from 5 November 2019, the base rate and fixed premium are 3.03% and 2.29%, respectively, and the coupon rate is 5.32%. The dividend is paid annually. During the third dividend period beginning from 5 November 2024, the base rate and fixed premium is 1.83% and 2.29%, respectively, and the coupon rate is 4.12%. The dividend is paid annually.

(b) The second tranche of 400 million preference shares was issued at par in March 2015. The second tranche of preference shares bears a dividend rate of 5.50% per annum; dividends are non-cumulative and where payable, are paid annually, for the first five years from issuance. The dividend rate will be re-priced every five years thereafter with reference to the five-year PRC treasury bonds yield plus a fixed premium of 2.24%. During the second dividend period beginning from 11 March 2020, the base rate and fixed premium is 2.60% and 2.24%, respectively, and the coupon rate is 4.84%. The dividend is paid annually. During the third dividend period beginning from 11 March 2025, the base rate and fixed premium is 1.53% and 2.24%, respectively, and the coupon rate is 3.77%. The dividend is paid annually.

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

As authorized by the ordinary equity holders in the annual general meeting, the Board of Directors has the sole discretion to declare and distribute dividends on preference shares. The Bank shall not distribute any dividends to its ordinary equity holders before it declares such dividends to preference shareholders for the relevant period. The distribution of preference shares dividend is at the Bank's discretion and is non-cumulative. Preference shareholders are not entitled to participate in the distribution of retained earnings except for the dividends stated above.

The Bank has a redemption option when specified conditions as stipulated in the offering documents are met, subject to regulatory approval, whereas preference shareholders have no right to request the Bank to redeem the preference shares.

Upon liquidation, the claims of preference shareholders have priority over ordinary equity holders on the residual assets of the Bank, but are subordinated to those of depositors, general creditors, Tier-two Capital Instruments holders or any other subordinated debt holders with equivalent rights.

Upon occurrence of the triggering events as stipulated in paragraph 2(1) of the Guidance of the NFRA on Amendments to Commercial Banks' Innovation on Capital Instruments (NFRA No. 42 [2019]) and subject to regulatory approval, the first tranche of preference shares and the second tranche of preference shares shall be mandatorily converted into ordinary A shares of the Bank at the conversion price agreed, partially or entirely. The initial conversion price of the preference shares issued by the Bank was RMB2.43 per share. In June 2018, the Bank has issued 25,189 million ordinary A shares to specific investors. The conversion price of the preference shares will be adjusted where certain events occur including bonus issues, rights issue, capitalization of reserves and new issuances of ordinary shares, subject to terms and formulas provided in the offering documents, to maintain the relative interests between preference shareholders and ordinary equity holders. Upon completion of the private placement of ordinary shares by the Bank, the mandatory conversion price of the first tranche of preference shares and the second tranche of preference shares issued by the Bank will be adjusted from RMB2.43 per share to RMB2.46 per share.

These preference shares are classified as equity instruments, and presented as equity in the condensed consolidated interim statement of financial position, and are qualified as Additional Tier-one Capital Instruments in accordance with the NFRA requirements.

The balance of the preference shares issued by the Bank, net of direct issuance expenses, was RMB79,899 million as at 30 June 2026 (31 December 2025: RMB79,899 million).

(Amounts in millions of Renminbi, unless otherwise stated)

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

(2) Perpetual bonds

Perpetual bonds	Notes	Interest rate	Issued price (RMB yuan)	Issued number of shares (millions)	Issued nominal value (millions)	Maturity date	Conversion	30 June 2026 (millions)	31 December 2025 (millions)
2021 undated additional tier 1 capital bonds (series 1)	(a)(i)	3.76% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	Not Applicable	40,000	40,000
2022 undated additional tier 1 capital bonds (series 1)	(a)(ii)	3.49% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	500	50,000	No maturity date	Not Applicable	50,000	50,000
2022 undated additional tier 1 capital bonds (series 2)	(a)(iii)	3.17% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	300	30,000	No maturity date	Not Applicable	30,000	30,000
2023 undated additional tier 1 capital bonds (series 1)	(b)(i)	3.21% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	Not Applicable	40,000	40,000
2024 undated additional tier 1 capital bonds (series 1)	(b)(ii)	2.73% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	Not Applicable	40,000	40,000
2024 undated additional tier 1 capital bonds (series 2)	(b)(iii)	2.46% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	600	60,000	No maturity date	Not Applicable	60,000	60,000
2024 undated additional tier 1 capital bonds (series 3)	(b)(iv)	2.29% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	Not Applicable	40,000	40,000
2025 undated additional tier 1 capital bonds (series 1)	(c)(i)	2.00% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	500	50,000	No maturity date	Not Applicable	50,000	50,000
2025 undated additional tier 1 capital bonds (series 2)	(c)(ii)	2.27% per annum for the first 5 years after issuance, and re-priced every 5 years as stated below	100	400	40,000	No maturity date	Not Applicable	40,000	40,000
Total								390,000	390,000

Perpetual bonds, as shown in the balance sheet, are capital bonds with no fixed maturity issued by the Bank.

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

(a) With the approval from the annual general meeting and regulatory authorities in 2021, the Bank was granted to issue undated additional tier 1 capital bonds of an amount no more than RMB120 billion.

(i) The Bank issued undated additional tier 1 capital bonds (series 1) with the amount of RMB40 billion in the national interbank bond market on 12 November 2021, and the issuance was completed on 16 November 2021. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 3.76%.

(ii) The Bank issued undated additional tier 1 capital bonds (series 1) with the amount of RMB50 billion in the national interbank bond market on 18 February 2022, and the issuance was completed on 22 February 2022. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 3.49%.

(iii) The Bank issued undated additional tier 1 capital bonds (series 2) with the amount of RMB30 billion in the national interbank bond market on 1 September 2022, and the issuance was completed on 5 September 2022. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 3.17%.

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

(b) With the approval from the annual general meeting and regulatory authorities in 2023, the Bank was granted to issue undated additional tier 1 capital bonds of an amount no more than RMB200 billion.

(i) The Bank issued undated additional tier 1 capital bonds (series 1) with the amount of RMB40 billion in the national interbank bond market on 24 August 2023, and the issuance was completed on 28 August 2023. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 3.21%.

(ii) The Bank issued undated additional tier 1 capital bonds (series 1) with the amount of RMB40 billion in the national interbank bond market on 13 March 2024, and the issuance was completed on 15 March 2024. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 2.73%.

(iii) The Bank issued undated additional tier 1 capital bonds (series 2) with the amount of RMB60 billion in the national interbank bond market on 3 June 2024, and the issuance was completed on 5 June 2024. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 2.46%.

(iv) The Bank issued undated additional tier 1 capital bonds (series 3) with the amount of RMB40 billion in the national interbank bond market on 26 November 2024, and the issuance was completed on 28 November 2024. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 2.29%.

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

(c) With the approval from the general meeting and regulatory authorities in 2025, the Bank was granted to issue capital instruments and total loss-absorbing capacity non-capital bonds of an amount no more than RMB520 billion or equivalent in foreign currencies.

(i) The Bank issued undated additional tier 1 capital bonds (series 1) with the amount of RMB50 billion in the national interbank bond market on 27 May 2025, and the issuance was completed on 29 May 2025. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 2.00%.

(ii) The Bank issued undated additional tier 1 capital bonds (series 2) with the amount of RMB40 billion in the national interbank bond market on 28 October 2025, and the issuance was completed on 30 October 2025. The denomination of the Bonds is RMB100 each. The Bonds do not have any step-up mechanism or any other incentive to redeem. The distribution rate of the Bonds will be adjusted at defined intervals and determined by a benchmark rate plus a fixed spread, with a distribution rate adjustment period every 5 years, and the annual coupon rate for the first five years is 2.27%.

36 OTHER EQUITY INSTRUMENTS (CONTINUED)

The duration of the Perpetual bonds is the same as the continuing operation of the Bank. Subject to the satisfaction of the redemption conditions and having obtained the prior recognition of the NFRA, the Bank may redeem the Bonds in whole or in part on each distribution payment date from the fifth anniversary since the issuance date of the Bonds. Upon the occurrence of a trigger event for write-downs, with the approval of the NFRA and without the need for the consent of the holders of the Bonds, the Bank has the right to write down all or part of the aggregate amount of the Bonds then issued and outstanding. The claims of the holders of the Bonds will be subordinated to the claims of depositors, general creditors and subordinated indebtedness that ranks senior to the Bonds; and shall rank in priority to all classes of shares held by shareholders and will rank pari passu with the claims in respect of any other additional tier 1 capital instruments of the Bank that rank pari passu with the Bonds.

The distributions on the Perpetual bonds are non-cumulative. The Bank shall have the right to cancel distributions on the Bonds in whole or in part and any such cancellation shall not constitute an event of default. The Bank may at its discretion use the proceeds from the cancelled distribution to meet other obligations as they fall due. But the Bank shall not make any distribution to ordinary shareholders until its decision to resume the distribution payments in whole to the holders of the Bonds.

The net proceeds from the issuance of the Perpetual bonds were used to replenish the Bank’s additional tier 1 capital.

The balance of the undated additional tier 1 capital bonds issued by the Bank, net of direct issuance expenses, was RMB389,988 million as at 30 June 2026 (31 December 2025: RMB389,988 million).

37 CAPITAL RESERVE

The capital reserve mainly represents the premium related to ordinary shares publicly issued by the Bank in 2010 and private placement of ordinary shares to the specific shareholders in 2018. Share premium was recorded in the capital reserve after deducting direct issuance expenses, which consisted primarily of underwriting fees and professional fees.

(Amounts in millions of Renminbi, unless otherwise stated)

38 OTHER COMPREHENSIVE INCOME

	Six months ended 30 June 2026		
	Gross carrying amount	*Tax effect*	*Net effect*
31 December 2025	92,368	(22,412)	69,956
Fair value changes on debt instruments at fair value through other comprehensive income:			
- Amount of losses recognized directly in other comprehensive income	16,130	(4,067)	12,063
- Amount removed from other comprehensive income and recognized in profit or loss	(4,257)	1,064	(3,193)
Loss allowance on debt instruments at fair value through other comprehensive income	(10,096)	2,531	(7,565)
Fair value changes on other equity investments at fair value through other comprehensive income:			
- Amount of gains recognized directly in other comprehensive income	(471)	112	(359)
- Transferred to retained earnings	21	-	21
Foreign currency translation reserve	(2,694)	-	(2,694)
Others	(1,957)	475	(1,482)
30 June 2026	89,044	(22,297)	66,747

	Year ended 31 December 2025		
	Gross carrying amount	*Tax effect*	*Net effect*
31 December 2024	107,903	(26,087)	81,816
Fair value changes on debt instruments at fair value through other comprehensive income:			
- Amount of gains recognized directly in other comprehensive income	(25,414)	6,428	(18,986)
- Amount removed from other comprehensive income and recognized in profit or loss	(5,609)	1,402	(4,207)
Loss allowance on debt instruments at fair value through other comprehensive income	11,240	(2,819)	8,421
Fair value changes on other equity investments at fair value through other comprehensive income:			
- Amount of gains recognized directly in other comprehensive income	4,286	(1,067)	3,219
- Transferred to retained earnings	(17)	-	(17)
Foreign currency translation reserve	(1,096)	-	(1,096)
Others	1,075	(269)	806
31 December 2025	92,368	(22,412)	69,956

(Amounts in millions of Renminbi, unless otherwise stated)

39 SURPLUS RESERVE

Under PRC Law, the Bank is required to transfer 10% of its net profit determined under the PRC GAAP to a non-distributable statutory surplus reserve. Appropriation to the statutory surplus reserve may cease when the balance of this reserve has reached 50% of share capital. In addition, certain subsidiaries and overseas branches also appropriated surplus reserves in accordance with local requirements.

Subject to the approval of the ordinary equity holders, the statutory surplus reserves can be used for replenishing accumulated losses or increasing the Bank's ordinary share capital. The statutory surplus reserves amount used to increase the ordinary share capital is limited to a level where the balance of the statutory surplus reserves after such capitalization is not less than 25% of the ordinary share capital.

40 GENERAL RESERVE

Pursuant to Caijin [2012] No. 20 "Requirements on Impairment Allowance for Financial Institutions" (the "Requirement") issued by the MOF, effective on 1 July 2012, in addition to impairment allowance, the Bank establishes a general reserve within ordinary equity holders' equity through the appropriation of profit to address unidentified potential losses. The general reserve should not be less than 1.5% of the aggregate amount of risk assets as defined by the Requirement. The general reserve includes regulatory reserve appropriated by the Bank's overseas branches pursuant to local regulatory requirements.

Pursuant to relevant PRC domestic regulatory requirements, some domestic subsidiaries of the Bank are required to appropriate certain amounts of their net profit as general reserves.

For the six months ended 30 June 2026, the Group transferred RMB 36,761 million (six months ended 30 June 2025: RMB37,201 million) to the general reserve pursuant to the regulatory requirements in the PRC and overseas jurisdictions. Of this amount, RMB 36,492 million (six months ended 30 June 2025: RMB37,268 million) related to the appropriation proposed for the year ended 31 December 2025 which was approved at the 2026 First Extraordinary General Meeting held on 23 April 2026.

41 CASH AND CASH EQUIVALENTS

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents include the following balances with an original maturity of three months or less:

	30 June 2026	*30 June 2025*
Cash	62,151	62,014
Balance with central banks	141,778	874,967
Deposits with banks and other financial institutions	155,972	208,505
Placements with and loans to banks and other financial institutions	206,206	109,007
Financial assets held under resale agreements	743,895	1,525,815
Total	1,310,002	2,780,308

42 OPERATING SEGMENTS

Operating segments are identified on the basis of internal organizational structure, management requirements and internal management reporting rules of the Group that are regularly reviewed by the Board and relevant management committees, which constitute the chief operating decision makers, for the purposes of allocating resources to segments and assessing their performance. The Group's chief operating decision makers review three different sets of financial information based on (i) geographical locations, (ii) business activities and (iii) County Area and Urban Area banking business.

The measurement of segment assets and liabilities, as well as segment revenue, expense and results are based on the Group's accounting policies. There is no difference between the accounting policies used in the preparation of the interim financial information and those used in preparing the operating segment information.

Transactions between segments are conducted under normal commercial terms and conditions. Internal charges and transfer pricing are determined with reference to market rates and have been reflected in the performance of each segment.

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

Geographical operating segments

The details of the geographical operating segments are as follows:

Head Office	
Yangtze River Delta:	Shanghai, Jiangsu, Zhejiang, Ningbo
Pearl River Delta:	Guangdong, Shenzhen, Fujian, Xiamen
Bohai Rim:	Beijing, Tianjin, Hebei, Shandong, Qingdao
Central China:	Shanxi, Hubei, Henan, Hunan, Jiangxi, Hainan, Anhui
Western China:	Chongqing, Sichuan, Guizhou, Yunnan, Shaanxi, Gansu, Qinghai, Ningxia, Xinjiang (including Xinjiang Production and Construction Corps Branch), Tibet, Inner Mongolia, Guangxi
Northeastern China:	Liaoning, Heilongjiang, Jilin, Dalian
Overseas and Others:	Subsidiaries and overseas branches

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

For the six months ended 30 June 2026	*Head Office*	*Yangtze River Delta*	*Pearl River Delta*	*Bohai Rim*	*Central China*	*Western China*	*Northeastern China*	*Overseas and Others*	*Eliminations*	*Consolidated total*
External interest income	228,155	92,593	55,430	49,089	67,372	86,453	11,021	22,906	-	613,019
External interest expense	(72,288)	(54,770)	(34,692)	(39,281)	(36,231)	(35,377)	(12,483)	(15,653)	-	(300,775)
Inter-segment net interest (expense)/income	(205,753)	46,519	31,581	46,428	36,427	29,812	15,822	(836)	-	-
Net interest (expense)/income	(49,886)	84,342	52,319	56,236	67,568	80,888	14,360	6,417	-	312,244
Fee and commission income	19,660	8,589	5,295	4,954	6,267	5,906	762	1,171	-	52,604
Fee and commission expense	(1,715)	(782)	(555)	(562)	(884)	(816)	(184)	(147)	-	(5,645)
Net fee and commission income	17,945	7,807	4,740	4,392	5,383	5,090	578	1,024	-	46,959
Net trading gain	641	85	26	35	40	43	93	7,413	-	8,376
Net gain/(loss) on financial investments	7,399	(520)	(522)	(39)	(449)	(750)	66	5,521	-	10,706
Net gain on derecognition of financial assets measured at amortized cost	25,500	-	-	-	-	-	-	-	-	25,500
Other operating income/(expense)	6,659	187	28	(38)	12	412	(8)	85	-	7,337
Operating income	8,258	91,901	56,591	60,586	72,554	85,683	15,089	20,460	-	411,122
Operating expenses	(9,553)	(19,787)	(13,500)	(15,558)	(19,900)	(26,350)	(7,022)	(7,052)	-	(118,722)
Credit impairment (loss)/reversal	(4,329)	(23,938)	(20,007)	(12,624)	(23,779)	(23,767)	(2,493)	317	-	(110,620)
Impairment (loss)/reversal on other assets	-	-	-	-	-	(6)	-	1	-	(5)
Operating (loss)/profit	(5,624)	48,176	23,084	32,404	28,875	35,560	5,574	13,726	-	181,775
Share of results of associates and joint ventures	106	-	-	-	-	-	-	(112)	-	(6)
(Loss)/profit before tax	(5,518)	48,176	23,084	32,404	28,875	35,560	5,574	13,614	-	181,769
Income tax expense										(33,707)
Profit for the period										148,062
Depreciation and amortization included in operating expenses	2,749	1,630	1,151	1,669	1,760	2,344	619	100	-	12,022
Capital expenditure	1,896	648	225	152	438	1,431	76	4,214	-	9,080

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

As at 30 June 2026	*Head Office*	*Yangtze River Delta*	*Pearl River Delta*	*Bohai Rim*	*Central China*	*Western China*	*Northeastern China*	*Overseas and Others*	*Eliminations*	*Consolidated total*
Segment assets	12,316,784	9,713,944	6,453,001	8,370,796	7,458,715	8,711,851	2,304,918	1,481,619	(5,904,643)	50,906,985
Including: Investment in associates and joint ventures	11,884	-	-	-	-	-	-	10,497	-	22,381
Unallocated assets										151,888
Total assets										51,058,873
Including: Non-current assets (1)	32,900	28,795	16,678	25,695	24,818	40,772	19,539	41,488	-	230,685
Segment liabilities	(9,077,296)	(9,739,993)	(6,505,245)	(8,367,572)	(7,485,309)	(8,758,431)	(2,306,623)	(1,386,635)	5,904,640	(47,722,464)
Unallocated liabilities										(1,569)
Total liabilities										(47,724,033)
Loan commitments and financial guarantee contracts	204,768	788,071	521,968	472,311	488,594	400,842	126,373	133,338	-	3,136,265

(1) Non-current assets include property and equipment, investment properties, right-of-use assets, land use rights, intangible assets and other long-term assets.

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

For the six months ended 30 June 2025	*Head Office*	*Yangtze River Delta*	*Pearl River Delta*	*Bohai Rim*	*Central China*	*Western China*	*Northeastern China*	*Overseas and Others*	*Eliminations*	*Consolidated total*
External interest income	208,630	93,934	56,825	49,400	64,789	85,671	10,661	28,095	-	598,005
External interest expense	(60,116)	(61,186)	(38,621)	(43,199)	(39,450)	(39,839)	(12,785)	(20,336)	-	(315,532)
Inter-segment net interest (expense)/income	(206,172)	47,653	32,784	46,134	36,030	29,161	14,647	(237)	-	-
Net interest (expense)/income	(57,658)	80,401	50,988	52,335	61,369	74,993	12,523	7,522	-	282,473
Fee and commission income	26,219	9,304	5,044	4,580	5,473	5,744	740	993	-	58,097
Fee and commission expense	(2,536)	(918)	(708)	(701)	(1,019)	(917)	(226)	369	-	(6,656)
Net fee and commission income	23,683	8,386	4,336	3,879	4,454	4,827	514	1,362	-	51,441
Net trading gain/(loss)	12,424	98	43	37	151	(42)	20	(5,173)	-	7,558
Net gain/(loss) on financial investments	3,216	(9)	(81)	1,524	(17)	(43)	(32)	1,311	-	5,869
Net gain on derecognition of financial assets measured at amortized cost	15,088	-	-	-	-	-	-	-	-	15,088
Other operating (expense)/income	(5,271)	256	266	169	107	601	65	11,171	-	7,364
Operating income	(8,518)	89,132	55,552	57,944	66,064	80,336	13,090	16,193	-	369,793
Operating expense	(8,105)	(18,728)	(13,314)	(14,458)	(19,173)	(25,763)	(6,445)	(5,739)	-	(111,725)
Credit impairment losses	(5,638)	(15,841)	(22,234)	(6,514)	(16,148)	(28,215)	(2,908)	(457)	-	(97,955)
Impairment losses on other assets	-	-	-	-	-	-	(14)	-	-	(14)
Operating (loss)/profit	(22,261)	54,563	20,004	36,972	30,743	26,358	3,723	9,997	-	160,099
Share of results of associates and joint ventures	121	-	-	-	-	-	-	320	-	441
(Loss)/profit before tax	(22,140)	54,563	20,004	36,972	30,743	26,358	3,723	10,317	-	160,540
Income tax expense										(20,597)
Profit for the period										139,943
Depreciation and amortization included in operating expenses	2,300	1,626	1,187	1,631	1,778	2,222	558	97	-	11,399
Capital expenditure	1,313	384	782	830	413	427	28	1,863	-	6,040

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

As at 31 December 2025	*Head Office*	*Yangtze River Delta*	*Pearl River Delta*	*Bohai Rim*	*Central China*	*Western China*	*Northeastern China*	*Overseas and Others*	*Eliminations*	*Consolidated total*
Segment assets	11,953,281	9,327,295	6,154,551	7,938,113	6,989,725	8,340,092	2,202,437	1,486,399	(5,776,327)	48,615,566
Including: Investment in associates and joint ventures	9,017	-	-	-	-	-	-	10,803	-	19,820
Unallocated assets										169,108
Total assets										48,784,674
Including: Non-current assets (1)	31,127	29,596	17,521	27,035	26,009	42,374	20,030	38,984	-	232,676
Segment liabilities	(8,684,113)	(9,386,770)	(6,225,322)	(7,956,686)	(7,038,694)	(8,412,183)	(2,210,113)	(1,401,508)	5,776,320	(45,539,069)
Unallocated liabilities										(2,234)
Total liabilities										(45,541,303)
Loan commitments and financial guarantee contracts	161,573	779,478	592,331	501,911	486,210	403,592	105,239	144,054	-	3,174,388

(1) Non-current assets include property and equipment, investment properties, right-of-use assets, land use rights, intangible assets and other long-term assets.

42 OPERATING SEGMENTS (CONTINUED)

Business operating segments

The details of the business operating segments are as follows:

Corporate banking

The corporate banking segment provides financial products and services to corporations, government agencies and financial institutions. The range of products and services includes corporate loans and advances, trade finance, corporate deposit, corporate wealth management services and other types of corporate intermediary services.

Personal banking

The personal banking segment provides financial products and services to individual customers. The range of products and services includes personal loans, personal deposit, card business, personal wealth management services and other types of personal intermediary services.

Treasury operations

The Group’s treasury operations conduct money market and repurchase transactions, debt instrument investments, precious metal transactions and derivative transactions for its own accounts or on behalf of customers.

Others

Others comprise components of the Group that are not attributable to any of the above segments, along with certain assets, liabilities, income or expenses of the Head Office that could not be allocated on a reasonable basis.

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

	Corporate banking	*Personal banking*	*Treasury operations*	*Others*	*Consolidated total*
For the six months ended 30 June 2026					
External interest income	235,447	143,379	229,657	4,536	613,019
External interest expense	(75,119)	(118,891)	(104,520)	(2,245)	(300,775)
Inter-segment net interest (expense)/income	(27,975)	153,674	(125,699)	-	-
Net interest income/(expense)	132,353	178,162	(562)	2,291	312,244
Fee and commission income	26,163	24,035	583	1,823	52,604
Fee and commission expense	(2,843)	(2,464)	(25)	(313)	(5,645)
Net fee and commission income	23,320	21,571	558	1,510	46,959
Net trading gain	44	4	5,445	2,883	8,376
Net (loss)/gain on financial investments	(1,657)	-	6,684	5,679	10,706
Net gain on derecognition of financial assets measured at amortized cost	-	-	25,500	-	25,500
Other operating income	506	451	1,541	4,839	7,337
Operating income	154,566	200,188	39,166	17,202	411,122
Operating expenses	(36,047)	(60,993)	(14,244)	(7,438)	(118,722)
Credit impairment losses	(39,437)	(69,988)	(791)	(404)	(110,620)
Impairment losses on other assets	(5)	-	-	-	(5)
Operating profit	79,077	69,207	24,131	9,360	181,775
Share of results of associates and joint ventures	-	-	-	(6)	(6)
Profit before tax	79,077	69,207	24,131	9,354	181,769
Income tax expense					(33,707)
Profit for the period					148,062
Depreciation and amortization included in operating expenses	3,288	6,601	1,963	170	12,022
Capital expenditure	1,076	2,789	1,001	4,214	9,080
As at 30 June 2026					
Segment assets	18,578,392	9,501,706	22,213,207	613,680	50,906,985
Including: Investment in associates and joint ventures	-	-	-	22,381	22,381
Unallocated assets					151,888
Total assets					51,058,873
Segment liabilities	(12,114,480)	(22,120,132)	(12,979,762)	(508,090)	(47,722,464)
Unallocated liabilities					(1,569)
Total liabilities					(47,724,033)
Loan commitments and financial guarantee contracts	2,129,983	1,006,282	-	-	3,136,265

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

For the six months ended 30 June 2025	*Corporate banking*	*Personal banking*	*Treasury operations*	*Others*	*Consolidated total*
External interest income	231,808	146,227	215,232	4,738	598,005
External interest expense	(89,297)	(133,903)	(89,731)	(2,601)	(315,532)
Inter-segment net interest (expense)/income	(27,434)	150,414	(122,980)	-	-
Net interest income	115,077	162,738	2,521	2,137	282,473
Fee and commission income	25,632	30,353	447	1,665	58,097
Fee and commission expense	(3,118)	(3,262)	(24)	(252)	(6,656)
Net fee and commission income	22,514	27,091	423	1,413	51,441
Net trading gain	-	-	7,387	171	7,558
Net (loss)/gain on financial investments	(328)	-	2,257	3,940	5,869
Net gain on derecognition of financial assets measured at amortized cost	-	-	15,088	-	15,088
Other operating income	797	452	1,727	4,388	7,364
Operating income	138,060	190,281	29,403	12,049	369,793
Operating expenses	(33,562)	(56,762)	(15,079)	(6,322)	(111,725)
Credit impairment losses	(27,529)	(65,014)	(5,382)	(30)	(97,955)
Impairment losses on other assets	(14)	-	-	-	(14)
Operating profit	76,955	68,505	8,942	5,697	160,099
Share of results of associates and joint ventures	-	-	-	441	441
Profit before tax	76,955	68,505	8,942	6,138	160,540
Income tax expense					(20,597)
Profit for the period					139,943
Depreciation and amortization included in operating expenses	2,964	5,981	2,299	155	11,399
Capital expenditure	878	2,252	1,047	1,863	6,040
As at 31 December 2025					
Segment assets	17,264,335	9,157,020	21,602,761	591,450	48,615,566
Including: Investment in associates and joint ventures	-	-	-	19,820	19,820
Unallocated assets					169,108
Total assets					48,784,674
Segment liabilities	(11,601,496)	(21,323,101)	(12,154,378)	(460,094)	(45,539,069)
Unallocated liabilities					(2,234)
Total liabilities					(45,541,303)
Loan commitments and financial guarantee contracts	2,205,653	968,735	-	-	3,174,388

42 OPERATING SEGMENTS (CONTINUED)

County Area and Urban Area segments

The Group's operating segments organized by County Area and Urban Area banking business are set out as follows:

County Area banking business

The Group's County Area banking business provides a broad range of financial products and services to customers in designated County Area, through its operating branches in the counties or county-level cities throughout the PRC. The products and services mainly comprise loans, deposits, bank cards, and other types of intermediary services.

Urban Area banking business

The Group's Urban Area banking business comprises all banking activities outside of the County Area banking business, overseas branches and subsidiaries.

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

	County Area banking business	*Urban Area banking business*	*Eliminations*	*Consolidated total*
For the six months ended 30 June 2026				
External interest income	161,947	451,072	-	613,019
External interest expense	(84,992)	(215,783)	-	(300,775)
Inter-segment net interest income/(expense)	99,833	(99,833)	-	-
Net interest income	176,788	135,456	-	312,244
Fee and commission income	20,826	31,778	-	52,604
Fee and commission expense	(2,450)	(3,195)	-	(5,645)
Net fee and commission income	18,376	28,583	-	46,959
Net trading gain	236	8,140	-	8,376
Net (loss)/gain on financial investments	(68)	10,774	-	10,706
Net gain on derecognition of financial assets measured at amortized cost	-	25,500	-	25,500
Other operating income	2,756	4,581	-	7,337
Operating income	198,088	213,034	-	411,122
Operating expenses	(53,491)	(65,231)	-	(118,722)
Credit impairment losses	(53,162)	(57,458)	-	(110,620)
Impairment losses on other assets	(4)	(1)	-	(5)
Operating profit	91,431	90,344	-	181,775
Share of results of associates and joint ventures	-	(6)	-	(6)
Profit before tax	91,431	90,338	-	181,769
Income tax expense				(33,707)
Profit for the period				148,062
Depreciation and amortization included in operating expenses	4,970	7,052	-	12,022
Capital expenditure	622	8,458	-	9,080
As at 30 June 2026				
Segment assets	16,719,969	34,286,075	(99,059)	50,906,985
Including: Investment in associates and joint ventures	-	22,381	-	22,381
Unallocated assets				151,888
Total assets				51,058,873
Segment liabilities	(15,538,183)	(32,283,340)	99,059	(47,722,464)
Unallocated liabilities				(1,569)
Total liabilities				(47,724,033)
Loan commitments and financial guarantee contracts	778,808	2,357,457	-	3,136,265

(Amounts in millions of Renminbi, unless otherwise stated)

42 OPERATING SEGMENTS (CONTINUED)

	County Area banking business	*Urban Area banking business*	*Eliminations*	*Consolidated total*
For the six months ended 30 June 2025				
External interest income	157,536	440,469	-	598,005
External interest expense	(95,451)	(220,081)	-	(315,532)
Inter-segment net interest income/(expense)	98,767	(98,767)	-	-
Net interest income	160,852	121,621	-	282,473
Fee and commission income	22,380	35,717	-	58,097
Fee and commission expense	(2,830)	(3,826)	-	(6,656)
Net fee and commission income	19,550	31,891	-	51,441
Net trading gain	304	7,254	-	7,558
Net gain on financial investments	70	5,799	-	5,869
Net gain on derecognition of financial assets measured at amortized cost	-	15,088	-	15,088
Other operating income	2,232	5,132	-	7,364
Operating income	183,008	186,785	-	369,793
Operating expenses	(50,427)	(61,298)	-	(111,725)
Credit impairment losses	(41,450)	(56,505)	-	(97,955)
Impairment losses on other assets	(13)	(1)	-	(14)
Operating profit	91,118	68,981	-	160,099
Share of results of associates and joint ventures	-	441	-	441
Profit before tax	91,118	69,422	-	160,540
Income tax expense				(20,597)
Profit for the period				139,943
Depreciation and amortization included in operating expenses	4,763	6,636	-	11,399
Capital expenditure	580	5,460	-	6,040
As at 31 December 2025				
Segment assets	16,086,086	32,590,222	(60,742)	48,615,566
Including: Investment in associates and joint ventures	-	19,820	-	19,820
Unallocated assets				169,108
Total assets				48,784,674
Segment liabilities	(14,963,532)	(30,636,279)	60,742	(45,539,069)
Unallocated liabilities				(2,234)
Total liabilities				(45,541,303)
Loan commitments and financial guarantee contracts	835,507	2,338,881	-	3,174,388

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS

(1) The Group and the MOF

As at 30 June 2026, the MOF directly owned 35.29% (31 December 2025: 35.29%) of the ordinary shares of the Bank.

The MOF is a Chinese government ministry, primarily responsible for managing state fiscal revenue and expenditures, and establishing and enforcing taxation policies. It reports to the Chinese State Council.

The Group enters into transactions with the MOF in its ordinary course of business under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Assets				
Treasury bonds and special government bond	5,831,255	32.66%	5,341,347	32.73%
Receivable from the MOF	356,258	2.00%	353,969	2.17%
Liabilities				
Due to customers	3,322	0.01%	4,020	0.01%
Other liabilities				
- Amount payable to the MOF	424	0.08%	322	0.06%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest income	57,107	9.32%	39,514	6.61%
Interest expense	(19)	0.01%	(56)	0.02%
Fee and commission income	870	1.65%	957	1.65%
Net trading gain	81	0.97%	37	0.49%

Interest rate ranges for transactions with the MOF during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	*%*
Treasury bonds and receivable from the MOF	0.13 - 9.00	0.00 - 9.00
Due to customers	0.05 - 0.35	0.0001 - 3.075

The Group's redemption commitment for treasury bonds underwriting is disclosed in Note 45 Contingent liabilities and commitments.

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(2) The Group and Huijin

Central Huijin Investment Ltd. ("Huijin") is a wholly state-owned company through state investment in accordance with the Company Law of the PRC, which is incorporated with authorized capital of RMB828,209 million in Beijing, PRC. The State Council has authorized Huijin to make equity investments in major state-owned financial institutions to preserve and increase the value of these state-owned financial assets. Huijin can exercise rights and shall assume obligations on major state-owned financial institutions as an investor on behalf of the state to the extent of its capital contribution. Huijin does not engage in other commercial activities nor intervene in the daily business operations of major state-owned financial institutions which are controlled by Huijin.

As at 30 June 2026, Huijin directly owned 40.14% (31 December 2025: 40.14%) of the ordinary shares of the Bank.

Transactions with Huijin

The Group enters into transactions with Huijin in its ordinary course of business. These balances and transactions are priced based on market prices and conducted under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Assets				
Loans and advances to customers	-	-	31,421	0.12%
Financial investments	64,651	0.36%	62,551	0.38%
Liabilities				
Due to customers	264,408	0.78%	70,027	0.21%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest income	848	0.14%	1,361	0.23%
Interest expense	(690)	0.23%	(229)	0.07%
Net trading gain	9	0.11%	11	0.15%

Interest rate ranges for transactions with Huijin during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	*%*
Loans and advances to customers	2.25	2.25 - 2.35
Financial investments	1.73 - 4.20	1.76 - 4.20
Due to customers	0.05 - 1.35	0.35 - 1.60

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with companies under Huijin

Huijin has equity interests in certain other banks and financial institutions under the direction of the Central Government. The Group enters into transactions with these banks and financial institutions in the ordinary course of business. These balances and transactions are priced based on market prices and conducted under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Assets				
Deposits with banks and other financial institutions	86,262	36.38%	174,652	38.23%
Placements with and loans to banks and other financial institutions	218,045	37.16%	229,520	41.85%
Derivative financial assets	4,776	10.07%	3,929	11.72%
Financial assets held under resale agreements	52,733	6.46%	155,298	9.92%
Loans and advances to customers	22,795	0.08%	56,676	0.22%
Financial investments	722,701	4.05%	894,197	5.48%
Liabilities				
Deposits from banks and other financial institutions	164,892	2.42%	204,087	3.38%
Placements from banks and other financial institutions	108,508	30.95%	112,465	31.99%
Derivative financial liabilities	1,941	8.42%	3,396	7.54%
Financial assets sold under repurchase agreements	2,039	0.18%	3,701	0.25%
Due to customers	2,969	0.01%	1,240	0.00%
Off-balance sheet items				
Letters of guarantee and guarantees	-	-	2,007	0.43%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest income	10,813	1.76%	9,697	1.62%
Interest expense	(2,893)	0.96%	(2,504)	0.79%
Net trading gain/(loss)	445	5.31%	(292)	N/A
Net gain on financial investments	1,117	10.43%	2,127	36.24%

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

Interest rate ranges for transactions with companies under Huijin during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	*%*
Deposits with banks and other financial institutions	-0.55 - 3.70	-0.45 - 3.25
Placements with and loans to banks and other financial institutions	0.80 - 20.00	0.56 - 5.73
Derivative financial assets	-0.20 - 5.00	-0.002 - 5.20
Financial assets held under resale agreements	1.37 - 1.59	1.40 - 2.35
Loans and advances to customers	0.97 - 4.90	0.00 - 5.00
Financial investments	0.00 - 5.75	0.00 - 6.15
Deposits from banks and other financial institutions	0.00 - 4.00	0.00 - 5.30
Placements from banks and other financial institutions	0.23 - 5.72	0.23 - 5.72
Derivative financial liabilities	1.43 - 5.38	0.02 - 5.20
Financial assets sold under repurchase agreements	1.50 - 1.53	1.81 - 4.45
Due to customers	0.00 - 3.62	0.00 - 3.25

(3) The Group and National Council for Social Security Fund of the People's Republic of China

As at 30 June 2026, the Bank's shares held by National Council for Social Security Fund of the People's Republic of China (the "SSF") accounted for 6.72% of the Bank's total share capital (31 December 2025: 6.72%). The Group enters into transactions with the SSF in the ordinary course of business. These balances and transactions are priced based on market prices and conducted under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Assets				
Financial assets held under resale agreements	15,674	1.92%	44,947	2.87%
Liabilities				
Due to customers	385,770	1.13%	192,292	0.59%
Equity				
Other equity instruments	1,250	0.27%	1,250	0.27%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest income	2	0.00%	5	0.00%
Interest expense	(5,249)	1.75%	(2,687)	0.85%

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

Interest rate ranges for transactions with SSF during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	%
Financial assets held under resale agreements	1.40 - 1.52	1.50 - 2.15
Due to customers	2.00 - 4.20	2.00 - 4.20
Other equity instruments	3.77	3.77

(4) The Group and other government related entities

Other than disclosed above, a significant portion of the Group's banking transactions are entered into with government authorities, agencies, affiliates and other State controlled entities. These transactions are entered into under normal commercial terms and conditions and mainly include provision of credit and guarantee, deposits, foreign exchange transactions, derivative transactions, agency services, underwriting and distribution of bonds issued by government agencies, purchase, sales and redemption of investment securities issued by government agencies.

Management considers that these transactions are activities conducted in the ordinary course of business, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and those entities are government related. The Group has also established pricing policies for products and services and such pricing policies do not depend on whether or not the customers are government authorities, agencies, affiliates and other State controlled entities.

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(5) The Bank and its subsidiaries

The Bank had the following balances and transactions with its subsidiaries in its ordinary course of business. These balances and transactions are priced based on market prices and conducted under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Assets				
Placements with and loans to banks and other financial institutions	83,730	14.27%	83,784	15.28%
Loans and advances to customers	5,207	0.02%	6,385	0.02%
Financial investments	811	0.00%	803	0.00%
Deposits with banks and other financial institutions	55	0.02%	55	0.01%
Other assets	6,263	1.65%	6,227	1.85%
Liabilities				
Deposits from banks and other financial institutions	12,855	0.19%	14,264	0.24%
Due to customers	2,021	0.01%	2,395	0.01%
Other liabilities	474	0.09%	575	0.10%
Off-balance sheet items				
Non-principal guaranteed wealth management products issued by the Group	89	0.00%	3,010	0.14%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest income	750	0.12%	751	0.13%
Fee and commission income	1,174	2.23%	1,215	2.09%
Other operating income	93	1.27%	93	1.26%
Interest expense	(101)	0.03%	(86)	0.03%
Fee and commission expense	(19)	0.34%	(531)	7.98%
Operating expense	(86)	0.07%	(51)	0.05%

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

Interest rate ranges for transactions with its subsidiaries during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	%
Placements with and loans to banks and other financial institutions	1.62 - 4.00	1.62 - 4.64
Loans and advances to customers	2.39 - 3.30	2.39 - 3.30
Financial investments	0.00 - 2.80	2.80
Deposits with banks and other financial institutions	1.40	0.02
Deposits from banks and other financial institutions	0.01 - 9.36	0.00 - 4.46
Due to customers	0.01 - 4.29	0.10 - 4.29

(6) The Group and its associates and joint ventures

The Group had the following balances and transactions with its associates and joint ventures in its ordinary course of business. These balances and transactions are priced based on market prices and conducted under normal commercial terms. Details of the major balances and transactions are as follows:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Liabilities				
Deposits from banks and other financial institutions	20	0.00%	66	0.00%
Due to customers	2,191	0.01%	1,712	0.01%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest expense	(5)	0.00%	0	0.00%

Interest rate ranges for transactions with its associates and joint ventures during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	%
Deposits from banks and other financial institutions	0.05 - 2.625	0.00 - 4.40
Due to customers	0.00 - 1.40	0.05

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(7) Key management personnel and related natural persons transactions

Key management personnel are those persons who have the authority and responsibility to plan, direct and control the activities of the Group. Key management personnel of the Group, their close relatives, and entities that are controlled, jointly controlled, or significantly influenced by either the key management personnel of the Group or their close relatives, are considered as related parties of the Group. The Group enters into banking transactions with above related parties in the normal course of business. As at 30 June 2026, the balance of loans and advances to the above related parties was RMB12.60 million (31 December 2025: RMB11.34 million).

The Bank issued loans and credit card business to related natural persons (as defined in the Administrative Measures on Information Disclosure of Listed Companies issued by the China Securities Regulatory Commission (the "CSRC")). As at 30 June 2026, the balance of such loans amounted to RMB12.64 million (31 December 2025: RMB11.35 million).

(8) The Group and the Annuity Scheme

The Group had the following balances and transactions with the Annuity Scheme set up by the Bank apart from the obligation for defined contribution to the Annuity Scheme:

	30 June 2026		*31 December 2025*	
	Balance	*Ratio to similar transactions*	*Balance*	*Ratio to similar transactions*
Liabilities				
Deposits from Annuity Scheme	306	0.00%	304	0.00%
Equity				
Other equity instruments	7,500	1.60%	7,500	1.60%

	Six months ended 30 June			
	2026		*2025*	
	Amount	*Ratio to similar transactions*	*Amount*	*Ratio to similar transactions*
Interest expense	(3)	0.00%	(14)	0.00%

Interest rate ranges for transactions with the Annuity Scheme during the period are as follows:

	Six months ended 30 June	
	2026	*2025*
	%	%
Deposits from Annuity Scheme	1.90	1.90 - 3.00
Other equity instruments	3.77 - 4.12	3.77 - 5.32

(Amounts in millions of Renminbi, unless otherwise stated)

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(9) Proportion of transactions with related parties other than key management personnel

Related party transactions with subsidiaries have been offset in the process of preparing interim financial information. When calculating the proportion of related party transactions, related party transactions do not include related party transactions with subsidiaries.

Transaction balance

	30 June 2026		*31 December 2025*	
	Related party transactions	*Proportion*	*Related party transactions*	*Proportion*
Deposits with banks and other financial institutions	86,262	36.38%	174,652	38.23%
Placements with and loans to banks and other financial institutions	218,045	37.16%	229,520	41.85%
Derivative financial assets	4,776	10.07%	3,929	11.72%
Financial assets held under resale agreements	68,407	8.38%	200,245	12.80%
Loans and advances to customers	22,795	0.08%	88,097	0.34%
Financial investments	6,974,865	39.06%	6,652,064	40.76%
Deposits from banks and other financial institutions	164,912	2.42%	204,153	3.38%
Placements from banks and other financial institutions	108,508	30.95%	112,465	31.99%
Derivative financial liabilities	1,941	8.42%	3,396	7.54%
Financial assets sold under repurchase agreements	2,039	0.18%	3,701	0.25%
Due to customers	658,966	1.94%	269,595	0.83%
Other liabilities	424	0.08%	322	0.06%
Other equity instruments	8,848	1.88%	8,750	1.86%
Letters of guarantee and guarantees	-	-	2,007	0.43%

Transaction amount

	Six months ended 30 June			
	2026		*2025*	
	Related party transactions	*Proportion*	*Related party transactions*	*Proportion*
Interest income	68,770	11.22%	50,577	8.46%
Interest expense	(8,859)	2.95%	(5,490)	1.73%
Net trading gain/(loss)	535	6.39%	(244)	N/A
Net gain on financial investments	1,117	10.43%	2,127	36.24%
Fee and commission income	870	1.65%	957	1.65%

44 STRUCTURED ENTITIES

(1) Consolidated structured entities

Structured entities consolidated by the Group include certain asset management plans, funds and securitization products issued, managed and/or invested by the Group. The Group controls these entities because the Group has power over, is exposed to, or has rights to, variable returns from its involvement with these entities and has the ability to use its power over these entities to affect the amount of the Group's returns.

44 STRUCTURED ENTITIES (CONTINUED)

(2) Unconsolidated structured entities

Unconsolidated structured entities sponsored and managed by the Group

Unconsolidated structured entities sponsored and managed by the Group mainly include non-principal guaranteed WMPs, which are not subject to any guarantee by the Group of the principal invested or interest to be paid. The WMPs invest in a range of assets, most typically money market instruments, debt securities and non-standardized debt assets. As the manager of these WMPs, the Group, on behalf of the investors in these WMPs, invests the funds raised from investors to the assets as described in the investment plan related to each WMP and distributes profits to investors based on product performance.

As at 30 June 2026, the total assets invested by these non-principal guaranteed WMPs amounted to RMB2,095,290 million (31 December 2025: RMB2,237,304 million) and the corresponding outstanding WMPs issued by the Group amounted to RMB1,992,031 million (31 December 2025: RMB2,151,298 million). For the six months ended 30 June 2026, the Group's interest in these WMPs included net fee and commission income of RMB2,925 million (six months ended 30 June 2025: RMB8,313 million). The Group enters into placements and repo transactions at market interest rates with these WMPs, and the outstanding balance of these transactions represented the Group's maximum exposure to the WMPs. These transactions did not occur for the six months ended 30 June 2026 and for the six months ended 30 June 2025. And there was no outstanding balance for the above-mentioned transactions at 30 June 2026 and 31 December 2025. The Group was under no obligation to enter into these transactions.

There were no contractual liquidity arrangements, guarantees or other commitments between the Group and any third parties that could increase the level of the Group's risk from WMPs disclosed above during the period ended 30 June 2026 and the year ended 31 December 2025. The Group was not required to absorb any losses incurred by WMPs.

In addition, other unconsolidated structured entities sponsored and managed by the Group included funds, asset management plans and asset-backed securities. As at 30 June 2026, the total assets of these products amounted to RMB338,490 million (31 December 2025: RMB315,668 million). For the six months ended 30 June 2026, the Group's interest in these products mainly included net fee and commission income of RMB515 million (six months ended 30 June 2025: RMB492 million).

Other unconsolidated structured entities held by the Group

The Group invests in other unconsolidated structured entities which are sponsored and managed by other entities for investment return, and records trading gains or losses and interest income therefrom. These unconsolidated structured entities primarily include asset management plans, WMPs, funds, trust plans, asset-backed securities and debt investment plans, etc. As at 30 June 2026, the related carrying amount of investments and the maximum exposure by the Group to these other unconsolidated structured entities was RMB73,337 million (31 December 2025: RMB72,734 million), included under the financial assets at fair value through profit or loss, debt instrument investments at amortized cost and other debt instrument and other equity investments at fair value through other comprehensive income categories in the condensed consolidated interim statement of financial position. The information on the size of total assets of these unconsolidated structured entities was not readily available in the public domain.

(Amounts in millions of Renminbi, unless otherwise stated)

45 CONTINGENT LIABILITIES AND COMMITMENTS

Legal proceedings and others

The Bank and its subsidiaries are involved as demandants/defendants in certain lawsuits arising from their normal business operations. As at 30 June 2026, provisions of RMB4,480 million were made by the Group (31 December 2025: RMB4,695 million) based on court judgments or advice of legal counsel, and included in Note 34 Other liabilities. Management of the Group believes that the final result of these lawsuits will not have a material impact on the financial position or operations of the Group.

Capital commitments

	30 June 2026	*31 December 2025*
Contracted but not provided for	26,079	27,838

Loan commitments and financial guarantee contracts

	30 June 2026	*31 December 2025*
Loan commitments		
- With an original maturity of less than 1 year	49,079	41,870
- With an original maturity of 1 year or above	160,113	184,215
Subtotal	209,192	226,085
Bank acceptances	1,188,279	1,289,183
Credit card commitments	998,012	956,266
Letters of guarantee and guarantees	505,337	462,464
Letters of credit	235,445	240,390
Total	3,136,265	3,174,388

Loan commitments and financial guarantee contracts include credit cards and general credit facility limits granted to customers. These general credit facilities may be drawn in the form of loans or through the issuance of letters of credit, letters of guarantee and guarantees or bank acceptances.

Credit risk-weighted assets for credit commitments

Credit risk-weighted assets for credit commitments are calculated in accordance with the "Rules on Capital Management of Commercial Banks" issued by the NFRA and are dependent on, among other factors, creditworthiness of counterparties and maturity characteristics of each type of contracts.

	30 June 2026	*31 December 2025*
Credit risk-weighted assets for credit commitments	1,714,160	1,723,953

(Amounts in millions of Renminbi, unless otherwise stated)

45 CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

Collateral

Assets as collateral

At the end of each reporting period, the carrying amounts of assets pledged as collateral under repurchase agreements are as follows:

	30 June 2026	*31 December 2025*
Debt securities	1,149,393	1,486,082
Bills	5,822	5,428
Total	1,155,215	1,491,510

As at 30 June 2026, the financial assets sold under repurchase agreements (Note 31 Financial assets sold under repurchase agreements) by the Group amounted to RMB1,133,475 million (31 December 2025: RMB1,453,842 million). Repurchase agreements are primarily due within 1 year from the effective dates of these agreements.

Financial assets sold under repurchase agreements included certain transactions under which the title of the pledged securities has been transferred to counterparties. These transactions have been disclosed in Note 46 Transferred financial assets.

In addition, debt securities and deposits with banks and other financial institutions pledged in accordance with regulatory requirements as collateral for derivative transactions or borrowings from central banks etc. by the Group as at 30 June 2026 amounted to RMB1,860,623 million in total (31 December 2025: RMB1,625,976 million).

Collateral accepted

The Group received debt securities and bills as collateral in connection with the securities lending transactions and the purchase of assets under resale agreements (Note 20 Financial assets held under resale agreements). As at 30 June 2026, the Group did not hold any collateral that can be resold or re-pledged (31 December 2025: the Group has accepted collateral that can be resold or re-pledged with a fair value of RMB4,187 million and the Group did not resell or re-pledge any of these collateral accepted).

Redemption commitment for treasury bonds

The Group is entrusted by the MOF to underwrite certain treasury bonds. The investors of these treasury bonds have a right to redeem the bonds at any time prior to maturity and the Group is committed to honor such redemption requests. The redemption price is calculated as the nominal value of the bond plus interest payable in accordance with the terms of the related early redemption arrangement.

As at 30 June 2026, the nominal value of treasury bonds the Group was obligated to redeem prior to maturity was RMB52,757 million (31 December 2025: RMB50,878 million). The original maturities of these bonds vary from 3 to 5 years. Management of the Group expects the amount of redemption before the maturity dates of these bonds will not be material.

45 CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

Commitment on securities underwriting

As at 30 June 2026, the Group did not have unexpired securities underwriting obligations (31 December 2025: Nil).

46 TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the normal course of business whereby it transfers recognized financial assets to third parties or to structured entities. In some cases these transfers may give rise to full or partial derecognition of the financial assets concerned. In other cases where the transferred assets do not qualify for derecognition as the Group retains substantially all the risks and rewards of these assets, the Group continues to recognize the transferred assets.

Securitization transactions

The Group enters into securitization transactions in the normal course of business by which it transfers loans to structured entities which issue asset-backed securities to investors. The Group assessed, among other factors, whether or not to derecognize the transferred assets by evaluating the extent to which it retains the risks and rewards of the assets and whether it has relinquished its control over these assets.

As at 30 June 2026, the balance of accumulative loans transferred by the Group before impairment allowance underlying the outstanding unexpired asset-backed securities was RMB157,702 million (31 December 2025: RMB139,366 million). RMB74,828 million of this balance (31 December 2025: RMB56,492 million) was in respect of non-performing loans and the Group concluded that these loans transferred were qualified for full derecognition. The remaining balance of RMB82,874 million (31 December 2025: RMB82,874 million) was in respect of performing loans and the Group concluded that it had continuing involvement in these assets. As at 30 June 2026, the Group continued to recognize assets of RMB5,267 million (31 December 2025: RMB6,266 million) under loans and advances to customers. The Group also recognized other assets and other liabilities of the same amount arising from such continuing involvement.

Transfer of non-performing loans

For the six months ended 30 June 2026, the Group transferred non-performing loans through disposal to third parties or issuing asset-backed securities, with gross loans balance of RMB26,249 million (six months ended 30 June 2025: RMB20,082 million). The Group concluded that these transferred assets were qualified for full derecognition.

Financial assets sold under repurchase agreements

The Group did not derecognize financial assets transferred as collateral in connection with repurchase agreements. As at 30 June 2026, the book value of the debt securities whereby legal title has been transferred to counterparties was RMB1,103,615 million (31 December 2025: RMB1,467,869 million), and these collateral pledged is disclosed in Note 45 Contingent liabilities and commitments - Collateral.

46 TRANSFERRED FINANCIAL ASSETS (CONTINUED)

Securities lending transactions

For debt securities lent to counterparties under securities lending agreements, the counterparties are allowed to sell or repledge these securities in the absence of default by the Group, but have an obligation to return the securities at the maturity of the contract. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognized them. As at 30 June 2026, the carrying amount of debt securities lent to counterparties was RMB20,740 million (31 December 2025: RMB22,390 million).

47 FINANCIAL RISK MANAGEMENT

Overview

The Group's primary risk management objective is to meet the requirements of stable operation from regulators, depositors and other stakeholders, as well as to maximize return for investors within an acceptable level of risk.

The Group has designed risk management policies, which address, among other things, the establishment of risk limits and controls to identify, analyze, monitor and report risks. Relevant and timely information used to conduct these risk management activities is provided through information systems maintained by the Group. The Group regularly reviews its risk management policies and systems to address changes in markets, products and emerging best practices.

The most significant types of risk to which the Group is exposed are credit risk, market risk and liquidity risk. Market risk includes foreign exchange rate risk, interest rate risk and other price risk.

Risk management framework

The Board of Directors of the Group is responsible for formulating the Group's risk appetite, reviewing and approving the Group's major risk management policies and procedures.

Senior Management of the Group is responsible for the implementation of risk management, including implementing risk appetite and risk management strategies, formulating risk management policies and procedures, and establishing a risk management organizational structure to manage the Group's major risks.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

47.1 Credit risk

Credit risk management

Credit risk represents the potential loss that may arise from a customer or counterparty's failure to meet its obligations when due. Credit risk can also arise from operational failures that result in an unauthorized or inappropriate loans and advances, commitment or investment. The Group's major credit risks arise from loans and advances, treasury operations and off-balance sheet related credit risk exposures.

The Group's credit risk management and governance structure comprise the Board of Directors and its Risk Management and Consumer Protection Committee, Senior Management and its Risk Management and Internal Control Committee, Credit Approval Committee and Asset Disposal Committee, Credit Management Department, Credit Approval Department and related front-office customer departments. The Group's credit risk management function operates under centralized management and authorization under a range of specified limits.

The Group performs standardized credit management procedures, including credit due diligence and proposal submission, credit underwriting review, loan disbursement, post-lending monitoring and non-performing loan management. The Group enhances its credit risk management by strictly complying with its credit management procedures; strengthening customer investigation, credit rating, lending approval and post-lending monitoring measures; enhancing risk mitigation effect of loans through collateral; accelerating disposal process of non-performing loans and continuously upgrading the credit management system.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include: (1) ceasing enforcement activity, and (2) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

During the reporting period, the Group continued to improve the comprehensive risk management system to ensure effective risk management. The Group strengthened credit risk management in key areas and asset quality control and accelerated the disposal of non-performing loans to ensure the stability of assets quality.

Apart from the credit risk exposures on credit-related assets, the credit risk arising from treasury operation business is managed by selecting counterparties with acceptable credit quality, balancing credit risk and return, referencing to both internal and external credit rating information where available and applying appropriate limits subject to different level of management authority, and timely reviewing and adjusting those limits in credit system. In addition, the Group also provides loan commitments and financial guarantee services to customers which may require the Group to make payments on behalf of customers upon their failure to perform under the terms of the related contract. Risks arising from loan commitments and financial guarantees are similar to those associated with loans and advances. These transactions are, therefore, subject to the same risk management policies and procedures.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Measurement of ECL

The Group applies the ECL model to calculate loss allowances for its debt financial instruments measured at amortized cost and FVOCI, as well as loan commitments and financial guarantee contracts.

Methods applied by the Group in assessing the expected credit losses of its financial assets include risk parameters model and the discounted cash flow ("DCF") model. Retail credit assets and Stage I and Stage II wholesale credit assets are assessed using risk parameters, while Stage III wholesale credit assets are subject to the discounted cash flow method.

The Group assesses ECL in light of forward-looking information and uses models and assumptions in calculating the expected credit losses. These models and assumptions relate to the future macroeconomic conditions and the borrowers' creditworthiness (e.g., the likelihood of default by customers and the corresponding losses). In assessing the expected credit risks in accordance with accounting standards, the Group uses the judgements, assumptions and estimates where appropriate, including:

- Portfolio segmentation of credit risk exposures
- Parameters for measuring ECL
- Criteria for significant increase in credit risk and default definition
- Definition of credit-impaired financial assets
- Forward-looking information
- Estimation of future cash flows for Stage III wholesale credit assets

Portfolio segmentation of credit risk exposures

For measurement of ECL, portfolio segmentation is based on similar credit risk characteristics. In performing the portfolio segmentation of credit assets, the Group considers product types, customer types, industry, customer size, risk mitigation method and market distribution. The Group retests and revises the rationality of portfolio segmentation of credit risk exposures every year.

Parameters for measuring ECL

According to whether there is a significant increase in credit risk and whether a financial asset has become credit-impaired, the Group recognizes an impairment allowance based on the expected credit loss for the next 12 months or the entire lifetime of the financial asset. The relevant parameters of ECL measurement include probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Group establishes its PD models, LGD models and EAD models based on the internal rating based system as currently used for its risk management purpose, in accordance with the requirements of IFRS 9, in light of quantitative analyzes of historical statistics (such as counterparty ratings, guarantee methods and collateral types, repayment methods, etc.) and forward-looking information.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

The parameters are defined as follows:

- PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months ("12 months PD"), or over the remaining lifetime ("Lifetime PD") of the obligation;

- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months ("12 months EAD") or over the remaining lifetime ("Lifetime EAD");

- LGD represents the Group's expectation of the extent of loss on defaulted exposure. It varies depending on the type of counterparty, method of recourse and priority, and the availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default.

Criteria for significant increase in credit risk ("SICR") and default definition

The Group assesses whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each reporting date. For the purpose of staging assessment of its financial assets, the Group thoroughly considers various reasonable and supportable information that may reflect whether or not there has been a significant change in their credit risk, including forward-looking information. Key factors considered include regulatory and operating environments, internal and external credit ratings, solvency, viability as a going concern, terms of loan contracts, repayment behaviors, among others. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Group compares the risk of default of financial instruments on the reporting date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments. The definition of default refers to the failure to pay the debt as agreed in the contract, or other violations of the debt contract and have a significant impact on the normal debt repayment.

The Group sets quantitative and qualitative criteria to determine whether the credit risk of a financial instrument has increased significantly since its initial recognition. The criteria include changes in its credit risk classification, changes in the borrower's PD, overdue status and other factors. In particular, when the credit risk classification changes from Normal upon initial recognition to Special Mention, there has been SICR. When the wholesale clients' PD rises to a certain level, there has been a SICR. Criteria to determine SICR varied based on the original PD upon initial recognition. If the borrower's original PD is relatively low (for example, lower than 3%), there has been SICR when the credit grade falls at least 5 notches. When retail clients' PD exceeds a certain level, there has been SICR. According to IFRS 9, a backstop is applied and the financial instrument is considered to have experienced SICR if the borrower is more than 30 days past due on its contractual payments.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The Group recognizes a financial instrument as having low credit risk if its internal rating is consistent with the globally accepted definition for low credit risk (e.g. external "investment grade" rating).

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Definition of credit-impaired financial assets

The criteria adopted by the Group to determine whether a credit impairment occurs under IFRS 9 are consistent with the internal credit risk management objectives for relevant financial instruments, in addition to consideration of quantitative and qualitative indicators. In assessing whether a borrower has become credit-impaired, the Group mainly considers the following factors:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event in relation to interest or principal payment;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties;
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses;
- The borrower is overdue for more than 90 days in any principal, advances, interest or investment in bonds due to the Group.

The credit impairment of a financial asset may be caused by the combined effect of multiple events rather than any single discrete event.

Forward-looking information

The assessment of whether there has been a significant increase in credit risk and the calculation of ECL both involve forward-looking information. Through the analysis of historical data, the Group identifies the forward-looking information that affects the credit risk and ECL of various portfolios. Forward-looking information includes Gross Domestic Product (GDP), Consumer Price Index (CPI) and Producer Price Index (PPI), etc.

The impact of these forward-looking information on the PDs and the LGDs varies from one portfolio to another. The Group comprehensively considers internal and external data, expert forecasts and statistical analysis to determine the correlation between these forward-looking information and the PDs and LGDs. The Group assesses and forecasts these forward-looking information at least every six months, calculates the best estimates for the future, and regularly reviews and assesses results.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

As at 30 June 2026, the Group has assessed and forecasted the relevant forward-looking information, of which the forecast value of GDP growth rate under each scenario is as follows: 5.00% under base scenario, 5.50% under upside scenario, and 4.50% under downside scenario.

Based on statistical analysis and expert judgements, the Group determines the weightings of multiple scenarios and the corresponding forward-looking information forecast under each scenario. The weighting of base scenario is greater than the aggregated weightings of the other two scenarios. At 30 June 2026, the weightings of the Group's base, upside and downside scenarios have not changed from 31 December 2025. The Group uses the weighted 12 months ECL (Stage I) or weighted lifetime ECL (Stage II and Stage III) to measure relevant impairment allowances. These weighted credit losses are calculated by multiplying the expected credit loss under each scenario by the assigned scenario weighting.

Estimation of future cash flows for Stage III wholesale credit assets

The Group measures the ECL for Stage III wholesale credit assets using DCF method. Under DCF method, the loss allowance is calculated based on the estimation of future cash flows. At each measurement date, the Group projects the future cash inflows of relevant assets under different scenarios to estimate the probability weighted cash flow of each future period. The cash flows are discounted and aggregated to get the present value of the assets' future cash flows.

Maximum exposure to credit risk

Maximum exposure to credit risk without taking account of any collateral held or other credit enhancements.

The maximum exposure to credit risk represents the worst credit risk exposure at the end of each reporting period, without taking account of any collateral held or other credit enhancements. The credit risk exposure to the Group at the end of each reporting period primarily arises from credit and treasury operations. In addition, off-balance sheet items such as loan commitments, credit card commitments, bank acceptances, letters of guarantee and guarantees and letters of credit also include credit risks.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

A summary of the maximum exposure to credit risk as at the end of the reporting period is as follows:

	30 June 2026	*31 December 2025*
Balances with central banks	2,730,784	2,737,809
Deposits with banks and other financial institutions	237,133	456,883
Placements with and loans to banks and other financial institutions	586,824	548,381
Derivative financial assets	47,449	33,515
Financial assets held under resale agreements	816,259	1,564,991
Loans and advances to customers	27,819,229	26,178,354
Financial investments		
Financial assets at fair value through profit or loss	352,253	387,460
Debt instrument investments at amortized cost	12,623,843	11,799,270
Other debt instrument investments at fair value through other comprehensive income	4,666,855	3,933,954
Other financial assets	323,739	268,936
Subtotal	50,204,368	47,909,553
Loan commitments and financial guarantee contracts	3,117,705	3,154,267
Total	53,322,073	51,063,820

The Group has implemented specific policies and credit enhancement practices to mitigate credit risk exposure to an acceptable level. The most typical practice is obtaining guarantee deposits, collateral and guarantees. The amount and type of acceptable collateral are determined through the assessment of credit risk of borrowers or counterparties. The Group implements guidelines on the acceptability of specific classes of collateral and evaluation parameters.

The main types of collateral obtained are as follows:

- Mortgage loans to retail customers are generally collateralized by mortgages over residential properties;
- Other personal lending and corporate loans and advances are primarily collateralized by charges over land and properties or other assets of the borrowers; and
- Financial assets held under resale agreements transactions are primarily collateralized by debt securities and bills, etc.

The Group monitors the market value of collateral periodically and requests for additional collateral in accordance with the underlying agreement when necessary.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Loans and advances to customers

The information below does not include accrued interests of loans and advances to customers.

(1) The composition of loans and advances to customers by geographical area is analyzed as follows:

	30 June 2026		*31 December 2025*	
	Amount	*% of total*	*Amount*	*% of total*
Corporate loans and advances				
Head Office	510,926	2.7	590,775	3.3
Yangtze River Delta	5,197,390	27.1	4,768,355	26.8
Pearl River Delta	2,678,541	14.0	2,480,290	13.9
Bohai Rim	2,578,079	13.4	2,354,496	13.2
Central China	3,171,920	16.5	2,844,075	16.0
Western China	4,072,564	21.2	3,832,433	21.5
Northeastern China	598,319	3.1	568,103	3.2
Overseas and Others	375,214	2.0	370,297	2.1
Subtotal	19,182,953	100.0	17,808,824	100.0
Personal loans				
Head Office	504,517	5.3	490,854	5.3
Yangtze River Delta	1,753,427	18.3	1,740,647	18.8
Pearl River Delta	1,720,088	17.9	1,706,191	18.4
Bohai Rim	1,298,726	13.6	1,262,695	13.6
Central China	1,764,646	18.4	1,677,617	18.1
Western China	2,208,743	23.0	2,091,333	22.5
Northeastern China	321,980	3.4	293,339	3.2
Overseas and Others	11,076	0.1	11,146	0.1
Subtotal	9,583,203	100.0	9,273,822	100.0
Gross loans and advances to customers	28,766,156		27,082,646	

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

(2) The composition of loans and advances to customers by industry is analyzed as follows:

	30 June 2026		*31 December 2025*	
	Amount	*% of total*	*Amount*	*% of total*
Corporate loans and advances				
Manufacturing	3,416,273	17.8	2,998,739	16.8
Transportation, logistics and postal services	3,357,880	17.5	3,254,445	18.3
Leasing and commercial services	2,944,112	15.4	2,614,324	14.7
Production and supply of power, heat, gas and water	1,893,980	9.9	1,841,254	10.4
Wholesale and retail	1,578,436	8.2	1,534,995	8.6
Finance	1,523,321	7.9	1,427,033	8.0
Water, environment and public utilities management	1,507,277	7.9	1,359,745	7.6
Real estate	936,336	4.9	920,295	5.2
Construction	698,088	3.6	628,175	3.5
Mining	346,435	1.8	341,972	1.9
Others	980,815	5.1	887,847	5.0
Subtotal	19,182,953	100.0	17,808,824	100.0
Personal loans				
Residential mortgage	4,728,180	49.3	4,816,356	51.9
Personal business	3,340,027	34.9	2,991,621	32.3
Personal consumption	698,985	7.3	615,477	6.6
Credit cards	815,849	8.5	850,087	9.2
Others	162	0.0	281	0.0
Subtotal	9,583,203	100.0	9,273,822	100.0
Gross loans and advances to customers	28,766,156		27,082,646	

(3) The composition of loans and advances to customers by contractual maturity and security type is analyzed as follows:

	30 June 2026			
	Less than 1 year	*1 - 5 years*	*Over 5 years*	*Total*
Unsecured loans	6,006,106	3,995,480	3,292,256	13,293,842
Guaranteed loans	1,305,966	683,652	2,045,006	4,034,624
Loans secured by mortgages	1,678,809	1,075,039	6,157,705	8,911,553
Pledged loans	276,232	133,886	2,116,019	2,526,137
Total	9,267,113	5,888,057	13,610,986	28,766,156

	31 December 2025			
	Less than 1 year	*1 - 5 years*	*Over 5 years*	*Total*
Unsecured loans	5,439,171	3,726,784	3,130,050	12,296,005
Guaranteed loans	992,506	574,896	1,896,953	3,464,355
Loans secured by mortgages	1,672,715	1,001,061	6,185,892	8,859,668
Pledged loans	250,428	144,616	2,067,574	2,462,618
Total	8,354,820	5,447,357	13,280,469	27,082,646

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

(4) Overdue loans (i)

	30 June 2026					
	Overdue 1 - 30 days	*Overdue 31 - 90 days*	*Overdue 91 to 360 days*	*Overdue 361 days to 3 years*	*Overdue over 3 years*	*Total*
Unsecured loans	13,460	22,042	56,035	27,829	5,542	124,908
Guaranteed loans	5,087	2,620	8,161	12,992	3,940	32,800
Loans secured by mortgages	22,316	27,893	59,679	66,984	10,186	187,058
Pledged loans	4,263	594	1,823	5,356	1,091	13,127
Total	45,126	53,149	125,698	113,161	20,759	357,893

	31 December 2025					
	Overdue 1 - 30 days	*Overdue 31 - 90 days*	*Overdue 91 to 360 days*	*Overdue 361 days to 3 years*	*Overdue over 3 years*	*Total*
Unsecured loans	13,611	17,013	47,513	18,190	5,293	101,620
Guaranteed loans	4,830	2,473	10,067	12,408	5,686	35,464
Loans secured by mortgages	22,135	30,505	63,301	67,185	9,571	192,697
Pledged loans	1,328	540	3,160	3,715	1,023	9,766
Total	41,904	50,531	124,041	101,498	21,573	339,547

(i) When either loan principal or interest is past due by one day (inclusive) in any period, the whole loan is classified as overdue loan.

(5) Credit quality of loans and advances to customers

Within the credit-impaired loans and advances, the portions covered and not covered by collateral held are as follows:

	30 June 2026	*31 December 2025*
Portion covered	212,263	217,881
Portion not covered	147,389	125,575
Total	359,652	343,456

(6) Modification of contractual cash flows

To maximize collections, the Group occasionally modifies the contractual terms of loans due to commercial negotiations or financial difficulties of borrowers. Such restructuring activities include extended payment term arrangements, repayment schedule modifications and changes to the interest settlement method. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The gross carrying amount of the financial asset is recalculated and the related gain or loss is recognized in profit and loss. The gross carrying amount of the financial asset is determined based on the present value of the renegotiated or modified contractual cash flows discounted at the financial asset's original effective interest rate.

The Group monitors the subsequent performance of modified assets. If the Group determines that the credit risk has significantly improved after modification, the impairment allowance of these assets will be measured on the basis of 12 months ECL instead of the lifetime ECL.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

(7) Rescheduled Loans

According to the Rules on Risk Classification of Financial Assets of Commercial Banks issued by the NFRA and the People's Bank of China, which came into force on 1 July 2023. Rescheduled loans refer to the loans provided by the Group in response to the financial difficulties of the borrower, aimed at facilitating the borrower in repaying debts, involving favourable adjustments to the loan contracts for the benefit the borrowers, or providing refinancing for the borrower's existing loans, including rollover or additional debt financing. Rescheduled loans and advances of the Group as at 30 June 2026 amounted to RMB128,318 million (31 December 2025: RMB133,966 million).

(8) Debt-for-equity swaps of bankruptcy reorganization

For the six months ended 30 June 2026, as a result of debt-for-equity swaps of bankruptcy reorganization, the Group recognized ordinary shares with a fair value of RMB97 million (six months ended 30 June 2025: RMB486 million). The loss associated with the debt-for-equity swaps of bankruptcy reorganization was not significant.

Debt instruments

Credit quality of debt instruments

(1) Analysis of the expected credit loss stages of debt instrument investments at amortized cost and other debt instrument investments at fair value through other comprehensive income were disclosed in Note 22.2 and Note 22.3, respectively.

(2) Debt instruments analyzed by credit rating

The Group adopts a credit rating approach to manage the credit risk of the debt instruments portfolio held. The Group classified the credit risk levels of financial assets measured by ECL into "Low" (credit risk in good condition), "Medium" (increased credit risk), and "High" (credit risk in severe condition), based on the quality of assets. The credit risk level is used for the purpose of the Group's internal credit risk management. "Low" refers to assets with good credit quality. There is no sufficient reason to doubt that the assets are not expected to fulfill its contractual obligation to repay or if there are any other behaviors breaching the debt contracts that would significantly impact the repayment of debt according to contract terms. "Medium" refers to assets facing obvious negative factors impacting its repayment capacity, but not yet have non-repayment behaviors. "High" refers to non-repayment according to the debt contract terms, or other behaviors breaching the debt contracts and having significant impact on the repayment of debt according to contract terms.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

The carrying amounts of debt instruments investments at amortized cost and other debt instrument investments at fair value through other comprehensive income analyzed by their credit rating as at the end of the reporting period are as follows (i):

		30 June 2026			
Credit grade	*Note*	*Low*	*Medium*	*High*	*Total*
Debt securities issued by:					
- Governments		13,110,441	-	-	13,110,441
- Public sector and quasi-governments		1,994,498	-	-	1,994,498
- Financial institutions		1,230,583	681	-	1,231,264
- Corporates	(ii)	480,947	105	-	481,052
Special government bond		95,128	-	-	95,128
Receivable from the MOF		356,258	-	-	356,258
Others		21,205	298	554	22,057
Total		17,289,060	1,084	554	17,290,698

		31 December 2025			
Credit grade	*Note*	*Low*	*Medium*	*High*	*Total*
Debt securities issued by					
- Governments		12,295,897	-	-	12,295,897
- Public sector and quasi-governments		1,629,287	-	-	1,629,287
- Financial institutions		993,686	672	-	994,358
- Corporates	(ii)	342,241	74	-	342,315
Special government bond		94,089	-	-	94,089
Receivable from the MOF		353,969	-	-	353,969
Others		22,459	297	553	23,309
Total		15,731,628	1,043	553	15,733,224

(i) The ratings above were internal ratings obtained from the Group, financial assets at fair value through profit or loss were not included in the credit grade table as at 30 June 2026 and 31 December 2025.

(ii) As at 30 June 2026, the ratings of super short-term commercial papers of the Group amounted to RMB76,155 million (31 December 2025: RMB42,614 million) included in corporate bonds above were based on issuer rating for this credit risk analysis.

47.2 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in meeting obligations that are settled by delivering cash or another financial asset.

The Group’s Assets and Liabilities Management Department manages its liquidity risk through:

- Optimizing asset and liability structure;
- Maintaining stability of deposit base;
- Making projections of future cash flows, and evaluating the appropriate liquid asset position;
- Maintaining an efficient internal funds transfer mechanism within the Group; and
- Performing stress testing on a regular basis.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Analysis of the remaining contractual maturity of financial assets and financial liabilities

The tables below summarize the maturity analysis of financial assets and financial liabilities by remaining contractual maturities based on the carrying amount at the end of each reporting period:

	30 June 2026								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Cash and balances with central banks	-	203,929	-	1,076	3,463	-	-	2,584,467	2,792,935
Deposits with banks and other financial institutions	-	152,028	39,421	23,633	17,967	4,084	-	-	237,133
Placements with and loans to banks and other financial institutions	-	-	248,371	114,000	171,355	48,298	4,800	-	586,824
Derivative financial assets	-	-	13,623	11,340	19,684	2,566	236	-	47,449
Financial assets held under resale agreements	3,872	-	745,726	22,585	44,076	-	-	-	816,259
Loans and advances to customers	67,713	-	1,230,652	2,134,914	8,491,177	5,708,096	10,186,677	-	27,819,229
Financial assets at fair value through profit or loss	2,605	119	3,733	9,495	69,099	68,897	221,075	153,788	528,811
Debt instrument investments at amortized cost	112	-	135,358	230,206	675,859	4,603,163	6,979,145	-	12,623,843
Other debt instrument and other equity investments at fair value through other comprehensive income	-	-	100,129	377,799	1,098,195	2,107,588	983,144	35,097	4,701,952
Other financial assets	3,773	305,709	2,966	548	4,862	94	5,787	-	323,739
Total financial assets	78,075	661,785	2,519,979	2,925,596	10,595,737	12,542,786	18,380,864	2,773,352	50,478,174

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	30 June 2026								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Borrowings from central banks	-	(31)	(132,125)	(267,288)	(858,106)	-	-	-	(1,257,550)
Deposits from banks and other financial institutions	-	(3,041,943)	(504,144)	(835,493)	(1,521,866)	(908,977)	-	-	(6,812,423)
Placements from banks and other financial institutions	-	-	(94,614)	(124,894)	(115,051)	(13,380)	(2,685)	-	(350,624)
Financial liabilities at fair value through profit or loss	-	(43,042)	-	-	-	(597)	-	-	(43,639)
Derivative financial liabilities	-	-	(5,974)	(5,783)	(9,318)	(1,904)	(63)	-	(23,042)
Financial assets sold under repurchase agreements	-	-	(354,072)	(458,490)	(320,913)	-	-	-	(1,133,475)
Due to customers	-	(13,969,288)	(1,159,271)	(2,150,840)	(7,849,350)	(8,910,752)	(11,392)	-	(34,050,893)
Debt securities issued	-	-	(177,959)	(701,630)	(1,473,123)	(352,012)	(820,494)	-	(3,525,218)
Other financial liabilities	-	(147,057)	(5,807)	(954)	(4,573)	(9,869)	(19,581)	-	(187,841)
Total financial liabilities	-	(17,201,361)	(2,433,966)	(4,545,372)	(12,152,300)	(10,197,491)	(854,215)	-	(47,384,705)
Net position	78,075	(16,539,576)	86,013	(1,619,776)	(1,556,563)	2,345,295	17,526,649	2,773,352	3,093,469

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Cash and balances with central banks	-	318,485	-	1,208	10,653	-	-	2,471,639	2,801,985
Deposits with banks and other financial institutions	-	193,720	23,626	61,670	170,146	7,721	-	-	456,883
Placements with and loans to banks and other financial institutions	-	-	209,620	97,667	206,981	29,365	4,748	-	548,381
Derivative financial assets	-	-	7,169	10,683	13,401	1,991	271	-	33,515
Financial assets held under resale agreements	3,872	-	1,515,007	22,194	23,918	-	-	-	1,564,991
Loans and advances to customers	58,586	-	1,092,425	2,221,847	6,501,634	5,700,447	10,603,415	-	26,178,354
Financial assets at fair value through profit or loss	2,464	364	8,371	16,592	85,681	87,825	206,627	149,070	556,994
Debt instrument investments at amortized cost	788	-	74,440	266,193	687,525	4,370,020	6,400,304	-	11,799,270
Other debt instrument and other equity investments at fair value through other comprehensive income	-	-	83,492	240,862	1,171,797	1,740,819	696,984	31,097	3,965,051
Other financial assets	5,001	251,480	1,170	573	4,226	306	6,180	-	268,936
Total financial assets	70,711	764,049	3,015,320	2,939,489	8,875,962	11,938,494	17,918,529	2,651,806	48,174,360

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Borrowings from central banks	-	(30)	(23,409)	(89,331)	(1,014,701)	-	-	-	(1,127,471)
Deposits from banks and other financial institutions	-	(2,375,648)	(457,292)	(833,075)	(1,524,652)	(846,357)	(735)	-	(6,037,759)
Placements from banks and other financial institutions	-	-	(101,082)	(134,215)	(105,235)	(8,322)	(2,707)	-	(351,561)
Financial liabilities at fair value through profit or loss	-	(32,906)	-	-	-	(603)	-	-	(33,509)
Derivative financial liabilities	-	-	(9,568)	(14,280)	(19,271)	(1,866)	(59)	-	(45,044)
Financial assets sold under repurchase agreements	-	-	(346,193)	(626,383)	(481,266)	-	-	-	(1,453,842)
Due to customers	-	(13,459,015)	(1,403,405)	(2,815,080)	(6,524,471)	(8,412,308)	(35,668)	-	(32,649,947)
Debt securities issued	-	-	(299,802)	(645,055)	(1,249,795)	(328,272)	(740,963)	-	(3,263,887)
Other financial liabilities	-	(178,955)	(1,799)	(1,030)	(4,418)	(10,393)	(20,824)	-	(217,419)
Total financial liabilities	-	(16,046,554)	(2,642,550)	(5,158,449)	(10,923,809)	(9,608,121)	(800,956)	-	(45,180,439)
Net position	70,711	(15,282,505)	372,770	(2,218,960)	(2,047,847)	2,330,373	17,117,573	2,651,806	2,993,921

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Analysis of the undiscounted contractual cash flows

Assets available to meet obligations related to the Group's liabilities and outstanding credit commitments primarily include cash and balances with central banks, deposits with banks and other financial institutions, placements with and loans to banks and other financial institutions, financial assets at fair value through profit or loss, and financial assets held under resale agreements. In the normal course of business, the majority of customer deposits repayable on demand or on maturity are expected to be retained. In addition, the Group is able to sell the other debt instrument and other equity investments at fair value through other comprehensive income to repay matured liabilities, if necessary.

The tables below present the undiscounted cash flows of non-derivative financial assets and financial liabilities by remaining contractual maturities at the end of each reporting period:

	30 June 2026								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Non-derivative financial assets									
Cash and balances with central banks	-	203,929	-	1,076	3,463	-	-	2,584,467	2,792,935
Deposits with banks and other financial institutions	-	152,740	39,428	23,986	18,300	4,376	-	-	238,830
Placements with and loans to banks and other financial institutions	-	-	249,576	114,741	173,941	52,650	4,954	-	595,862
Financial assets held under resale agreements	3,915	-	746,387	22,642	44,294	-	-	-	817,238
Loans and advances to customers	174,013	-	1,412,315	2,518,892	10,029,151	8,351,981	15,521,551	-	38,007,903
Financial assets at fair value through profit or loss	10,797	119	3,776	9,874	73,426	93,008	245,634	153,788	590,422
Debt instrument investments at amortized cost	1,218	-	137,126	247,330	852,630	5,568,606	8,153,291	-	14,960,201
Other debt instrument and other equity investments at fair value through other comprehensive income	-	-	100,485	381,891	1,148,554	2,257,338	1,154,113	35,097	5,077,478
Other financial assets	4,693	308,997	2,987	550	4,907	95	5,843	-	328,072
Total non-derivative financial assets	194,636	665,785	2,692,080	3,320,982	12,348,666	16,328,054	25,085,386	2,773,352	63,408,941

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	30 June 2026								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Non-derivative financial liabilities									
Borrowings from central banks	-	(31)	(132,275)	(268,116)	(867,137)	-	-	-	(1,267,559)
Deposits from banks and other financial institutions	-	(3,041,943)	(508,015)	(848,357)	(1,553,731)	(984,843)	-	-	(6,936,889)
Placements from banks and other financial institutions	-	-	(95,191)	(125,769)	(115,927)	(14,225)	(2,897)	-	(354,009)
Financial liabilities at fair value through profit or loss	-	(43,042)	-	-	-	(597)	-	-	(43,639)
Financial assets sold under repurchase agreements	-	-	(354,222)	(459,644)	(322,648)	-	-	-	(1,136,514)
Due to customers	-	(13,969,288)	(1,159,736)	(2,156,297)	(7,925,157)	(9,233,911)	(11,572)	-	(34,455,961)
Debt securities issued	-	-	(179,519)	(710,137)	(1,515,874)	(458,007)	(937,007)	-	(3,800,544)
Other financial liabilities	-	(147,057)	(5,807)	(956)	(4,615)	(10,237)	(19,733)	-	(188,405)
Total non-derivative financial liabilities	-	(17,201,361)	(2,434,765)	(4,569,276)	(12,305,089)	(10,701,820)	(971,209)	-	(48,183,520)
Net position	194,636	(16,535,576)	257,315	(1,248,294)	43,577	5,626,234	24,114,177	2,773,352	15,225,421

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Non-derivative financial assets									
Cash and balances with central banks	-	318,485	-	1,208	10,653	-	-	2,471,639	2,801,985
Deposits with banks and other financial institutions	-	194,236	23,735	61,936	171,951	8,086	-	-	459,944
Placements with and loans to banks and other financial institutions	-	-	210,785	98,198	208,351	33,374	5,011	-	555,719
Financial assets held under resale agreements	3,915	-	1,516,388	22,250	24,060	-	-	-	1,566,613
Loans and advances to customers	161,084	-	1,187,335	2,413,744	7,287,394	7,954,651	15,192,786	-	34,196,994
Financial assets at fair value through profit or loss	10,219	364	8,497	16,878	91,100	112,589	230,725	149,070	619,442
Debt instrument investments at amortized cost	1,905	-	75,653	281,828	862,432	5,305,693	7,552,601	-	14,080,112
Other debt instrument and other equity investments at fair value through other comprehensive income	-	-	83,706	244,773	1,215,001	1,870,086	831,878	31,097	4,276,541
Other financial assets	5,686	254,345	1,172	575	4,268	306	6,252	-	272,604
Total non-derivative financial assets	182,809	767,430	3,107,271	3,141,390	9,875,210	15,284,785	23,819,253	2,651,806	58,829,954

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025								
	Past due	*On demand*	*Less than 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Undated*	*Total*
Non-derivative financial liabilities									
Borrowings from central banks	-	(30)	(23,442)	(89,724)	(1,024,541)	-	-	-	(1,137,737)
Deposits from banks and other financial institutions	-	(2,375,648)	(460,938)	(841,203)	(1,556,571)	(928,531)	(755)	-	(6,163,646)
Placements from banks and other financial institutions	-	-	(101,679)	(134,957)	(106,143)	(9,098)	(2,950)	-	(354,827)
Financial liabilities at fair value through profit or loss	-	(32,906)	-	-	-	(603)	-	-	(33,509)
Financial assets sold under repurchase agreements	-	-	(346,333)	(627,871)	(483,944)	-	-	-	(1,458,148)
Due to customers	-	(13,459,015)	(1,404,598)	(2,823,633)	(6,592,666)	(8,732,013)	(38,916)	-	(33,050,841)
Debt securities issued	-	-	(302,394)	(655,041)	(1,291,915)	(428,693)	(854,403)	-	(3,532,446)
Other financial liabilities	-	(178,955)	(1,800)	(1,031)	(4,465)	(10,811)	(21,007)	-	(218,069)
Total non-derivative financial liabilities	-	(16,046,554)	(2,641,184)	(5,173,460)	(11,060,245)	(10,109,749)	(918,031)	-	(45,949,223)
Net position	182,809	(15,279,124)	466,087	(2,032,070)	(1,185,035)	5,175,036	22,901,222	2,651,806	12,880,731

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Derivative cash flows

Derivatives settled on a net basis

The tables below present the undiscounted contractual cash flows of the Group's net derivative positions based on their remaining contractual maturities:

	30 June 2026					
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Total*
Derivatives settled on a net basis	520	(593)	582	(41)	0	468

	31 December 2025					
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Total*
Derivatives settled on a net basis	(785)	(155)	689	(48)	-	(299)

Derivatives settled on a gross basis

The tables below present the undiscounted contractual cash flows of the Group's gross derivative positions based on their remaining contractual maturities:

	30 June 2026					
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Total*
Derivatives settled on a gross basis						
- Cash inflow	735,325	526,026	923,743	53,530	2,240	2,240,864
- Cash outflow	(728,194)	(519,878)	(913,893)	(52,792)	(2,043)	(2,216,800)
Total	7,131	6,148	9,850	738	197	24,064

	31 December 2025					
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Total*
Derivatives settled on a gross basis						
- Cash inflow	709,304	861,442	1,293,556	62,650	1,435	2,928,387
- Cash outflow	(710,917)	(864,921)	(1,300,174)	(62,462)	(1,191)	(2,939,665)
Total	(1,613)	(3,479)	(6,618)	188	244	(11,278)

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Off-balance sheet items

The off-balance sheet items of the Group primarily include loan commitments, bank acceptances, credit card commitments, letters of guarantee and guarantees and letters of credit. The tables below summarize the amounts of credit commitments by remaining maturity. Financial guarantees are also included below at notional amounts and based on the earliest contractual maturity date.

	30 June 2026			
	Less than 1 year	*1 - 5 years*	*Over 5 years*	*Total*
Loan commitments	28,686	89,934	90,572	209,192
Bank acceptances	1,188,279	-	-	1,188,279
Credit card commitments	998,012	-	-	998,012
Letters of guarantee and guarantees	264,242	220,820	20,275	505,337
Letters of credit	235,404	41	-	235,445
Total	2,714,623	310,795	110,847	3,136,265

	31 December 2025			
	Less than 1 year	*1 - 5 years*	*Over 5 years*	*Total*
Loan commitments	69,286	89,537	67,262	226,085
Bank acceptances	1,289,183	-	-	1,289,183
Credit card commitments	956,266	-	-	956,266
Letters of guarantee and guarantees	230,655	211,521	20,288	462,464
Letters of credit	225,103	15,287	-	240,390
Total	2,770,493	316,345	87,550	3,174,388

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

47.3 Market risk

Market risk represents the potential loss arising from changes in market rates of interest and foreign exchange, as well as commodity and equity prices. Market risk arises from both the Group's proprietary positions and customer driven transactions, in both cases related to on- and off-balance sheet activities.

The Group is primarily exposed to interest rate risk through corporate, personal banking and treasury operations. Interest rate risk is inherent in many of the Group's businesses and this situation is common among large banks. It fundamentally arises through mismatches between the maturity and re-pricing dates of interest-earning assets and interest-bearing liabilities.

Foreign exchange rate risk is the potential loss related to changes in foreign exchange rates affecting the transactions of foreign currency denominated assets and liabilities. The risk of loss results from movements in foreign currency exchange rates.

The Group is also exposed to commodity risk, primarily related to gold and other precious metals. The risk of loss results from movements in commodity price. The Group manages the risk related to gold price together with foreign exchange rate risk.

The Group has determined that the levels of market risk related to changes in equity prices and commodity prices other than gold, with respect to the related exposures in its trading and investment portfolios, are immaterial.

Segregation of Trading Book and Banking Book

In accordance with the requirements of the Rules on Capital Management of Commercial Banks (2023 No. 4 of the NFRA) issued by the NFRA, the Group manages market risk separately by segregation of trading book and banking book. The trading book is comprised of financial instruments, foreign currency and commodity positions held for trading or risk hedging. Any other positions are included in the banking book.

Market Risk Management for Trading Book

The Group manages market risk in the trading book through methodologies that include stress testing, Value at Risk (VaR), monitoring and management of established limits, sensitivity analysis, duration analysis and exposure analysis.

Based on changes in the external market and business operations, the Group formulates annual financial market business risk management strategy, and improve risk management and control for bond trading and precious metal, etc. Meanwhile, the Group establishes market risk exposure limits for the trading book, measuring and monitoring the risk limits through the market risk management system.

The Bank has adopted an historical simulation method, with a confidence level of 99% based on holding period of 1 day and historical data for 250 days to calculate the VaR of the trading book, which includes the Head Office, domestic branches and overseas branches. Based on the differences between domestic and overseas markets, the Bank selected applicable parameters for model and risk factors in order to reflect the actual market risk levels. The Bank verified the accuracy and reliability of market risk measurement models through data analysis, parallel modeling, and back-testing of the market risk measurement models.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

VaR Analysis for the Trading Book

Bank

		Six months ended 30 June 2026			
	Note	*At the end of the period*	*Average*	*Maximum*	*Minimum*
Interest rate risk		218	305	359	203
Exchange rate risk	(1)	746	514	973	234
Commodity risk		25	20	30	13
Overall VaR		747	553	952	353

		Six months ended 30 June 2025			
	Note	*At the end of the period*	*Average*	*Maximum*	*Minimum*
Interest rate risk		89	105	237	58
Exchange rate risk	(1)	433	417	667	273
Commodity risk		61	64	92	12
Overall VaR		475	435	685	281

(1) VaR related to gold is recognized as a component of foreign exchange rate risk.

The Bank calculates VaR for its trading book (excluding RMB foreign currency settlement contracts with customers under relevant regulations). The Bank conducts stress testing for its trading book quarterly. The specific areas subject to this testing include the major areas of exposure, such as bonds, interest rate derivatives, foreign exchange derivatives and precious metal. The stress testing uses a range of scenarios to assess the potential impact on profit and loss.

Market Risk Management for Banking Book

The Group manages market risk related to the banking book by consistently applying techniques across the Group that include exposure limit management, stress testing, scenario analysis and gap analysis.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest Rate Risk Management

Interest rate risk refers to the risk that the adverse changes in interest rate levels and maturity structures will cause the economic value of the banking book or overall income to suffer losses. The Group's book interest rate risk mainly comes from the mismatch of maturity or repricing periods of interest-sensitive assets and liabilities in the Group's book and the inconsistent changes in the benchmark interest rate on which assets and liabilities are based.

Since the People's Bank of China's Loan Prime Rate (LPR) reform, the Group has implemented relevant policies in accordance with regulatory requirements, promoted business system transformation, modified system loan contracts, improved internal and external interest rate pricing mechanisms, strengthened staff training for branches, comprehensively promoted LPR applications, and basically realized the entire system and the entire process of loan pricing application of LPR pricing. After the People's Bank of China reforms LPR, the connection between the benchmark interest rate on loans and the market interest rate will be closer, and the frequency and amplitude of volatility will increase relatively. To this end, the Group strengthened the monitoring and prejudgment of the external interest rate environment, adjusted internal and external pricing strategies in a timely manner, optimized the asset and liability product structure and maturity structure, and proactively adjusted the risk structure to reduce the economic value and overall impact of interest rate changes and the adverse impact of earnings. During the reporting period, the Group's interest rate risk level was generally stable, and all quota indicators were controlled within the scope of regulatory requirements and management objectives.

Foreign Exchange Rate Risk Management

Foreign exchange rate risk relates to the mismatch of foreign currency denominated assets and liabilities, and the potential loss related to changes in foreign exchange rates, which largely arises through operational activities.

The Group performs monitoring and sensitivity analysis of foreign exchange rate risk exposure, manages the mismatch of foreign currency denominated assets and liabilities to effectively manage foreign exchange rate risk exposure within acceptable limits.

Market Risk Exposure Limit Management

The types of the Group's market risk exposure limits are classified into quantity limits, stop-loss limits, risk limits, and sensitivity limits, etc., and categorized into directive limits and indicative limits by enforceability.

The Group is committed to continuous improvement of its market risk exposure limit management. The Group establishes exposure limits reflecting its risk appetite. Further, it regularly monitors, reports, refines, and implements improvements to the market risk exposure limit process.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

Foreign exchange rate risk

The Group primarily conducts its business activities in RMB, with certain transactions denominated in USD, HKD and, to a lesser extent, other currencies.

The composition of all financial assets and liabilities at the end of each reporting period analyzed by currency is as follows:

	30 June 2026				
	RMB	*USD (RMB equivalent)*	*HKD (RMB equivalent)*	*Other currencies (RMB equivalent)*	*Total*
Cash and balances with central banks	2,672,258	54,157	13,747	52,773	2,792,935
Deposits with banks and other financial institutions	109,533	51,573	4,242	71,785	237,133
Placements with and loans to banks and other financial institutions	257,706	251,526	59,444	18,148	586,824
Derivative financial assets	29,529	7,630	3,999	6,291	47,449
Financial assets held under resale agreements	814,210	2,049	-	-	816,259
Loans and advances to customers	27,428,609	276,392	43,121	71,107	27,819,229
Financial assets at fair value through profit or loss	516,318	10,970	652	871	528,811
Debt instrument investments at amortized cost	12,426,635	118,840	49,216	29,152	12,623,843
Other debt instrument and other equity investments at fair value through other comprehensive income	4,363,092	251,654	3,538	83,668	4,701,952
Other financial assets	315,459	4,887	1,795	1,598	323,739
Total financial assets	48,933,349	1,029,678	179,754	335,393	50,478,174
Borrowings from central banks	(1,257,548)	-	(2)	-	(1,257,550)
Deposits from banks and other financial institutions	(6,705,306)	(76,761)	(27,475)	(2,881)	(6,812,423)
Placements from banks and other financial institutions	(97,365)	(179,014)	(58,558)	(15,687)	(350,624)
Financial liabilities at fair value through profit or loss	(42,904)	(82)	(653)	-	(43,639)
Derivative financial liabilities	(16,302)	(1,187)	(2,720)	(2,833)	(23,042)
Financial assets sold under repurchase agreements	(1,102,005)	(18,707)	-	(12,763)	(1,133,475)
Due to customers	(33,206,915)	(360,063)	(297,990)	(185,925)	(34,050,893)
Debt securities issued	(3,206,319)	(262,988)	(20,562)	(35,349)	(3,525,218)
Other financial liabilities	(149,173)	(32,075)	(1,205)	(5,388)	(187,841)
Total financial liabilities	(45,783,837)	(930,877)	(409,165)	(260,826)	(47,384,705)
Net on-balance sheet position	3,149,512	98,801	(229,411)	74,567	3,093,469
Net notional amount of derivatives	37,380	40,262	241,585	(66,758)	252,469
Loan commitments and financial guarantee contracts	2,781,874	273,148	38,908	42,335	3,136,265

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025				
	RMB	*USD (RMB equivalent)*	*HKD (RMB equivalent)*	*Other currencies (RMB equivalent)*	*Total*
Cash and balances with central banks	2,671,166	68,452	12,450	49,917	2,801,985
Deposits with banks and other financial institutions	284,577	52,511	79,496	40,299	456,883
Placements with and loans to banks and other financial institutions	263,830	185,813	76,238	22,500	548,381
Derivative financial assets	20,689	10,236	1,706	884	33,515
Financial assets held under resale agreements	1,560,785	4,206	-	-	1,564,991
Loans and advances to customers	25,801,502	259,336	40,195	77,321	26,178,354
Financial assets at fair value through profit or loss	546,079	9,661	463	791	556,994
Debt instrument investments at amortized cost	11,652,599	99,225	28,474	18,972	11,799,270
Other debt instrument and other equity investments at fair value through other comprehensive income	3,619,673	266,627	2,769	75,982	3,965,051
Other financial assets	252,082	13,543	1,382	1,929	268,936
Total financial assets	46,672,982	969,610	243,173	288,595	48,174,360
Borrowings from central banks	(1,127,471)	-	-	-	(1,127,471)
Deposits from banks and other financial institutions	(5,941,868)	(69,100)	(24,496)	(2,295)	(6,037,759)
Placements from banks and other financial institutions	(92,172)	(201,610)	(33,828)	(23,951)	(351,561)
Financial liabilities at fair value through profit or loss	(32,712)	(112)	(685)	-	(33,509)
Derivative financial liabilities	(34,740)	(5,526)	(2,090)	(2,688)	(45,044)
Financial assets sold under repurchase agreements	(1,430,980)	(11,489)	-	(11,373)	(1,453,842)
Due to customers	(31,776,601)	(386,268)	(352,214)	(134,864)	(32,649,947)
Debt securities issued	(2,910,834)	(273,316)	(33,824)	(45,913)	(3,263,887)
Other financial liabilities	(173,143)	(40,724)	(1,653)	(1,899)	(217,419)
Total financial liabilities	(43,520,521)	(988,145)	(448,790)	(222,983)	(45,180,439)
Net on-balance sheet position	3,152,461	(18,535)	(205,617)	65,612	2,993,921
Net notional amount of derivatives	79,431	(17,120)	223,689	(70,755)	215,245
Loan commitments and financial guarantee contracts	2,843,450	265,670	20,694	44,574	3,174,388

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below indicates the potential effect on profit before tax and other comprehensive income arising from a 5% appreciation or depreciation of RMB spot and forward foreign exchange rates against a basket of all other currencies on the net positions of foreign currency monetary assets and liabilities and derivative instruments in the consolidated interim statement of financial position of the Group.

	30 June 2026		*31 December 2025*	
	Profit before tax	*Other comprehensive income*	*Profit before tax*	*Other comprehensive income*
5% appreciation	(7,524)	131	1,221	41
5% depreciation	7,524	(131)	(1,221)	(41)

The effect on profit before tax and other comprehensive income is calculated based on the assumption that the Group's foreign currency sensitive exposures and foreign currency derivative instruments net position at the end of each reporting period remain unchanged. The Group mitigates its foreign exchange rate risk through active management of its foreign currency exposures and the appropriate use of derivative instruments, based on management expectation of future foreign currency exchange rate movements. Such analysis does not take into account the correlation effect of changes in different foreign currencies, nor any further actions that could be taken by management to mitigate the effect of foreign exchange differences. Therefore, the sensitivity analysis above may differ from actual results occurring through changes in foreign exchange rates.

Interest rate risk

The Group's interest rate risk arises from the mismatches between contractual maturities or re-pricing dates of interest-generating assets and interest-bearing liabilities, as well as the inconsistent variations in the benchmark interest rate on which the assets and liabilities are based. The Group's interest-generating assets and interest-bearing liabilities are primarily denominated in RMB. The PBOC stipulated the benchmark interest rate for RMB deposits. The deposit interest rate floating ceiling was removed by the PBOC with effect from 24 December 2015 for commercial banks. Since 16 August 2019, the PBOC established LPR to replace RMB benchmark interest rates for loan as a pricing benchmark of new loan whereby financial institutions are in a position to price their loans based on commercial and market factors.

The Group manages its interest rate risk by:

- Strengthen the pre-judgment of the situation and analyze the macroeconomic factors that may affect the LPR interest rate, the benchmark deposit interest rate and the market interest rate;
- Strengthen strategy transmission and optimize the repricing term structure of interest-earning assets and interest-bearing liabilities;
- Implement limit management to control the impact of interest rate changes on the economic value and overall income of banking books within the limits.

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

The tables below summarize the contractual maturity or re-pricing date, whichever is earlier, of the Group's financial assets and financial liabilities at the end of each reporting period:

	30 June 2026						
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
Cash and balances with central banks	2,534,040	-	3,463	-	-	255,432	2,792,935
Deposits with banks and other financial institutions	185,597	23,071	17,355	3,963	-	7,147	237,133
Placements with and loans to banks and other financial institutions	312,361	105,190	148,179	17,041	765	3,288	586,824
Derivative financial assets	-	-	-	-	-	47,449	47,449
Financial assets held under resale agreements	745,588	22,537	44,015	-	-	4,119	816,259
Loans and advances to customers	4,301,298	5,727,609	16,511,431	1,015,712	204,575	58,604	27,819,229
Financial assets at fair value through profit or loss	6,842	21,699	65,445	54,443	188,196	192,186	528,811
Debt instrument investments at amortized cost	122,033	208,450	628,740	4,572,100	6,914,104	178,416	12,623,843
Other debt instrument and other equity investments at fair value through other comprehensive income	122,194	450,871	1,057,983	2,022,140	981,687	67,077	4,701,952
Other financial assets	-	-	-	-	-	323,739	323,739
Total financial assets	8,329,953	6,559,427	18,476,611	7,685,399	8,289,327	1,137,457	50,478,174

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	30 June 2026						
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
Borrowings from central banks	(130,027)	(263,597)	(854,308)	-	-	(9,618)	(1,257,550)
Deposits from banks and other financial institutions	(3,541,483)	(825,962)	(1,511,111)	(893,421)	-	(40,446)	(6,812,423)
Placements from banks and other financial institutions	(94,021)	(124,079)	(114,036)	(13,337)	(2,675)	(2,476)	(350,624)
Financial liabilities at fair value through profit or loss	-	-	-	(597)	-	(43,042)	(43,639)
Derivative financial liabilities	-	-	-	-	-	(23,042)	(23,042)
Financial assets sold under repurchase agreements	(352,325)	(456,998)	(320,252)	-	-	(3,900)	(1,133,475)
Due to customers	(15,086,239)	(2,099,271)	(7,676,645)	(8,761,624)	(11,370)	(415,744)	(34,050,893)
Debt securities issued	(214,225)	(753,011)	(1,436,146)	(286,749)	(820,494)	(14,593)	(3,525,218)
Other financial liabilities	-	-	-	-	-	(187,841)	(187,841)
Total financial liabilities	(19,418,320)	(4,522,918)	(11,912,498)	(9,955,728)	(834,539)	(740,702)	(47,384,705)
Interest rate gap	(11,088,367)	2,036,509	6,564,113	(2,270,329)	7,454,788	396,755	3,093,469

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025						
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
Cash and balances with central banks	2,584,418	-	10,653	-	-	206,914	2,801,985
Deposits with banks and other financial institutions	209,902	61,144	168,813	7,440	-	9,584	456,883
Placements with and loans to banks and other financial institutions	258,304	78,025	194,386	13,539	787	3,340	548,381
Derivative financial assets	-	-	-	-	-	33,515	33,515
Financial assets held under resale agreements	1,514,675	22,144	23,886	-	-	4,286	1,564,991
Loans and advances to customers	5,742,407	5,908,158	13,172,669	1,067,755	235,177	52,188	26,178,354
Financial assets at fair value through profit or loss	17,415	30,809	82,190	65,777	172,756	188,047	556,994
Debt instrument investments at amortized cost	66,641	248,918	634,308	4,340,694	6,337,289	171,420	11,799,270
Other debt instrument and other equity investments at fair value through other comprehensive income	103,514	307,282	1,144,188	1,651,453	696,482	62,132	3,965,051
Other financial assets	-	-	-	-	-	268,936	268,936
Total financial assets	10,497,276	6,656,480	15,431,093	7,146,658	7,442,491	1,000,362	48,174,360

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

	31 December 2025						
	Less than 1 month	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
Borrowings from central banks	(22,753)	(89,157)	(1,005,302)	-	-	(10,259)	(1,127,471)
Deposits from banks and other financial institutions	(2,828,555)	(827,817)	(1,512,213)	(828,558)	(734)	(39,882)	(6,037,759)
Placements from banks and other financial institutions	(100,569)	(133,396)	(104,282)	(8,315)	(2,699)	(2,300)	(351,561)
Financial liabilities at fair value through profit or loss	-	-	-	(603)	-	(32,906)	(33,509)
Derivative financial liabilities	-	-	-	-	-	(45,044)	(45,044)
Financial assets sold under repurchase agreements	(344,626)	(624,467)	(479,980)	-	-	(4,769)	(1,453,842)
Due to customers	(14,790,727)	(2,730,599)	(6,351,318)	(8,237,431)	(35,632)	(504,240)	(32,649,947)
Debt securities issued	(337,493)	(695,799)	(1,207,683)	(266,278)	(740,941)	(15,693)	(3,263,887)
Other financial liabilities	-	-	-	-	-	(217,419)	(217,419)
Total financial liabilities	(18,424,723)	(5,101,235)	(10,660,778)	(9,341,185)	(780,006)	(872,512)	(45,180,439)
Interest rate gap	(7,927,447)	1,555,245	4,770,315	(2,194,527)	6,662,485	127,850	2,993,921

(Amounts in millions of Renminbi, unless otherwise stated)

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following table illustrates the potential pre-tax impact, of a parallel upward or downward shift of 100 basis points in relevant interest rate curves on the Group's net interest income and other comprehensive income for the next twelve months from the reporting date, based on the Group's positions of interest-earning assets and interest-bearing liabilities at the end of each reporting period. This analysis assumes that interest rates of all maturities move by the same amount, and does not reflect the potential impact of unparalleled yield curve movements.

The sensitivity analysis on net interest income is based on reasonably possible changes in interest rates with the assumption that the structure of financial assets and financial liabilities held at the period end remains unchanged, and does not take changes in customer behavior, basis risk or any prepayment options on debt securities into consideration.

The sensitivity analysis on other comprehensive income reflects only the effect of changes in fair value of those financial instruments classified as other debt instrument investments and other equity investments at fair value through other comprehensive income held, whose fair value changes are recorded as an element of other comprehensive income.

	30 June 2026		*31 December 2025*	
	Net interest income	*Other comprehensive income*	*Net interest income*	*Other comprehensive income*
+100 basis points	(64,123)	(149,218)	(45,280)	(106,049)
- 100 basis points	64,123	149,218	45,280	106,049

The assumptions do not reflect actions that might be taken under the Group's capital and interest rate risk management policy to mitigate changes to the Group's interest rate risk. Therefore the above analysis may differ from the actual situation.

In addition, the presentation of interest rate sensitivity above is for illustration purposes only, showing the potential impact on net interest income and other comprehensive income of the Group under different parallel yield curve movements, relative to their position at period-end, excluding the derivative positions.

47.4 Country Risk

Country risk represents the risk due to changes and incidents occurring in the politics, economy and society of a specific country or region, which results in the debtors in that country or region incapable of or unwilling to pay their debts owed to the Bank or otherwise leads to business losses or other losses to the Bank in that country or region.

According to the regulatory requirements of NFRA, the Bank managed country risk through tools and approaches such as country risk rating, limit approval, exposure analysis and stress testing. Meanwhile, we made adequate, reasonable and prudent provision for country risk in accordance with regulatory requirements.

47 FINANCIAL RISK MANAGEMENT (CONTINUED)

47.5 Insurance risk

The Group engages in its insurance business primarily in Chinese mainland. Insurance risk refers to the financial impact resulting from the unexpected occurrence of insured events. These risks are actively managed by the Group through effective sales management, underwriting control, reinsurance management and claim management. Through effective sales management, the risk of mis-selling could be reduced and the accuracy of information used for underwriting is improved. Through underwriting control, risk of adverse selection could be reduced and moreover differential pricing policy based on the level of each kind of risk could be utilized. Through reinsurance, the Group's insurance capacity could be enhanced and targeted risks could be mitigated. Effective claims management is designed to ensure that insurance payments are controlled according to established criteria.

Uncertainty in the estimation of future benefit payments and premium receipts for long-term life insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality. The Group conducts experience analysis of mortality rate and surrender rate, in order to improve its risk assessment and as a basis for reasonable estimates.

48 CAPITAL MANAGEMENT

The Group's capital management objectives are as follows:

- maintain an adequate capital base to support the development of its business;
- support the Group's financial stability and profitable growth;
- allocate capital through an efficient and risk based approach to optimize risk-adjusted return to shareholders; and
- safeguard the long-term sustainability of the Group's franchise so that it can continue to provide sufficient shareholder returns and benefits for other stakeholders.

In April 2014, the NFRA officially approved the Group to adopt advanced capital management approach. Within the scope of the approval, the Internal Ratings-Based approach is adopted to Credit Risk-weighted Assets for both retail and non-retail risk exposures, and the Standardized approach for both Operational Risk-weighted Assets and Market Risk-weighted Assets. In January 2017, the NFRA has officially approved the Group to adopt the Internal Models approach to measure its Market Risk-weighted Assets for qualified risk exposures.

The Group calculates the capital adequacy ratio in accordance with "Rules on Capital Management of Commercial Banks" and its relevant provisions issued by the NFRA since 1 January 2024. Regulatory requirements for capital adequacy ratio of commercial banks includes, among other things, requirements for minimum capital, capital conservation buffer, additional capital surcharge for systemically important banks, countercyclical buffer and Pillar II capital as follows:

- minimum regulatory requirements for Common Equity Tier-one Capital Adequacy Ratio, Tier-one Capital Adequacy Ratio and Capital Adequacy Ratio are 5%, 6% and 8%, respectively;

(Amounts in millions of Renminbi, unless otherwise stated)

48 CAPITAL MANAGEMENT (CONTINUED)

- capital conservation buffer requires additional 2.5% of Common Equity Tier-one Capital Adequacy Ratio;
- additional capital surcharge for systemically important banks requires additional 1.5% of Common Equity Tier-one Capital Adequacy Ratio;
- should the regulators require countercyclical buffer under particular circumstances or regulators impose additional Pillar II capital requirements for specific banks, these requirements shall be met within the specified time limits.

Capital adequacy and the utilization of regulatory capital are closely monitored by the Group's management in accordance with the guidelines developed by the Basel Committee and relevant regulations promulgated by the NFRA. Required information related to capital levels and utilization is filed quarterly with the NFRA.

The Group's capital adequacy ratio calculated in accordance with the "Rules on Capital Management of Commercial Banks" issued by the NFRA as at reporting date is as follows:

	Notes	*30 June 2026*	*31 December 2025*
Common Equity Tier-one Capital Adequacy Ratio	(1)	10.80%	11.08%
Tier-one Capital Adequacy Ratio	(1)	12.59%	12.97%
Capital Adequacy Ratio	(1)	17.50%	17.93%
Common Equity Tier-one Capital	(2)	2,859,148	2,769,219
Deductible Items from Common Equity Tier-one Capital	(3)	(20,365)	(20,726)
Net Common Equity Tier-one Capital		2,838,783	2,748,493
Net Additional Tier-one Capital	(4)	470,000	469,775
Net Tier-one Capital		3,308,783	3,218,268
Net Tier-two Capital	(5)	1,291,793	1,230,422
Net Capital		4,600,576	4,448,690
Risk-weighted Assets	(6)	26,281,608	24,812,801

As of 30 June 2026, the Group's Common Equity Tier-one Capital Adequacy Ratio, Tier-one Capital Adequacy Ratio and Capital Adequacy Ratio all meet the requirements set forth in the Rules on Capital Management of Commercial Banks and other relevant regulations. For more information regarding capital, please refer to the Pillar 3 Disclosure Report for the First Half of 2026 published by the Bank on official website.

48 CAPITAL MANAGEMENT (CONTINUED)

Pursuant to the Rules on Capital Management of Commercial Banks:

(1) The scope of consolidation related to the calculation of the Group's Capital Adequacy Ratios includes Domestic Institutions, Overseas Institutions and affiliated financial subsidiaries specified in the Regulation.

The Common Equity Tier-one Capital Adequacy Ratio is calculated as Net Common Equity Tier-one Capital divided by Risk-weighted Assets. The Tier-one Capital Adequacy Ratio is calculated as Net Tier-one Capital divided by Risk-weighted Assets. The Capital Adequacy Ratio is calculated as Net Capital divided by Risk-weighted Assets.

(2) The Group's Common Equity Tier-one Capital includes: ordinary share capital, capital reserve (subject to regulatory limitations), surplus reserve, general reserve, retained earnings and cumulative comprehensive income.

(3) The Group's Deductible Items from Common Equity Tier-one Capital includes: Goodwill and other intangible assets (excluding land-use rights).

(4) The Group's Additional Tier-one Capital includes: Additional Tier-one capital instruments and related premium (to the extent allowed under the Regulation).

(5) The Group's Tier-two Capital includes: Tier-two capital instruments and related premium (to the extent allowed under the Regulation) and excessive allowance for impairment losses (to the extent allowed under the Regulation).

(6) Risk-weighted Assets include: credit risk-weighted assets, market risk-weighted assets, operational risk-weighted assets and risk-weighted assets for switch between trading book and banking book.

49 FAIR VALUE OF FINANCIAL INSTRUMENTS

The majority of the Group's assets and liabilities in the condensed consolidated interim statement of financial position are financial assets and financial liabilities. Fair value measurement of non-financial assets and non-financial liabilities does not have a material impact on the Group's financial position and operations, taken as a whole.

The Group does not have any financial assets or financial liabilities subject to non-recurring fair value measurements for the six months ended 30 June 2026 and the year ended 31 December 2025.

49.1 Valuation technique, input and process

The fair value of the Group's financial assets and financial liabilities are determined as follows:

- If traded in active markets, fair values of financial assets and financial liabilities with standard terms and conditions are determined with reference to quoted market bid prices and ask prices, respectively;

- If not traded in active markets, fair values of financial assets and financial liabilities are determined by using valuation techniques. These valuation techniques include the use of recent transaction prices of the same or similar instruments, discounted cash flow analysis and generally accepted pricing models.

The Group has established an independent valuation process for financial assets and financial liabilities. The Financial Accounting Department of head office establishes the valuation models for financial assets and financial liabilities of head office and its branches in China and independently implements the valuation on a regular basis; and the Risk Management Department is responsible for validating the valuation model, the Operations Department records the accounting for these items. Overseas branches and sub-branches designate departments or personnel that are independent from the front trading office to perform valuation in accordance with the local regulatory requirements and their own department settings.

The Board of Directors shall be responsible for establishing and improving the internal control system related to the valuation of financial instruments and approving valuation policies.

For the six months ended 30 June 2026, there were no significant changes in the valuation techniques or inputs used to determine fair value measurements.

49.2 Fair value hierarchy

The level in which fair value measurement is categorized is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in an active market for identical assets or liabilities;

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and

Level 3: fair value measurements are not based on observable market data.

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

49.3 Financial assets and financial liabilities not measured at fair value in the condensed consolidated interim statement of financial position

The tables below summarize the carrying amounts and fair values of those financial assets and financial liabilities not measured in the condensed consolidated interim statement of financial position at their fair value. Financial assets and financial liabilities for which the carrying amounts approximate fair value are not included in the table below, such as balances with central banks, deposits with banks and other financial institutions, placements with and loans to banks and other financial institutions, financial assets held under resale agreements, loans and advances to customers, receivable from the MOF, special government bond, borrowings from central banks, deposits and placements from banks and other financial institutions, financial assets sold under repurchase agreements, due to customers and certificates of deposit issued, interbank certificates of deposits issued and commercial papers issued.

	30 June 2026				
	Carrying amount	*Fair value*	*Level 1*	*Level 2*	*Level 3*
Financial assets					
Debt instrument investments at amortized cost (excluding receivable from the MOF and special government bond)	12,172,457	12,759,606	34,853	12,699,290	25,463
Financial liabilities					
Bonds issued	1,161,567	1,190,997	42,845	1,148,152	-

	31 December 2025				
	Carrying amount	*Fair value*	*Level 1*	*Level 2*	*Level 3*
Financial assets					
Debt instrument investments at amortized cost (excluding receivable from the MOF and special government bond)	11,351,212	11,861,471	36,582	11,789,111	35,778
Financial liabilities					
Bonds issued	1,069,894	1,086,185	39,251	1,046,934	-

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

49.4 Financial assets and financial liabilities measured at fair value in the condensed consolidated interim statement of financial position

The tables below summarize the fair values of the financial assets and financial liabilities measured in the condensed consolidated interim statement of financial position at their fair value:

	30 June 2026			
	Level 1	*Level 2*	*Level 3*	*Total*
Derivative financial assets				
- Exchange rate derivatives	-	22,659	-	22,659
- Interest rate derivatives	-	2,071	-	2,071
- Precious metal derivatives and others	-	22,719	-	22,719
Subtotal	-	47,449	-	47,449
Loans and advances to customers				
- Discounted bills and forfeiting	-	2,610,807	-	2,610,807
Subtotal	-	2,610,807	-	2,610,807
Financial investments				
Financial assets at fair value through profit or loss				
- Held for trading				
Bonds	1,104	113,988	-	115,092
Precious metal contracts	-	13,670	-	13,670
Equity	10,029	313	-	10,342
Fund and others	2,297	13,520	4,691	20,508
- Other financial assets at fair value through profit or loss				
Bonds	1,553	198,525	296	200,374
Equity	8,159	3,192	109,880	121,231
Fund and others	-	22,821	24,773	47,594
Subtotal	23,142	366,029	139,640	528,811
Other debt instruments and other equity investments at fair value through other comprehensive income				
- Debt instruments				
Bonds	163,563	4,497,870	-	4,661,433
Others	-	5,422	-	5,422
- Equity instruments	15,114	63	19,920	35,097
Subtotal	178,677	4,503,355	19,920	4,701,952
Total assets	201,819	7,527,640	159,560	7,889,019

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	30 June 2026			
	Level 1	*Level 2*	*Level 3*	*Total*
Financial liabilities at fair value through profit or loss				
Held for trading				
- Financial liabilities related to precious metals	-	(42,637)	-	(42,637)
Financial liabilities designated at fair value through profit or loss				
- Liabilities of the controlled structured entities	-	(359)	(597)	(956)
- Others	-	(46)	-	(46)
Subtotal	-	(43,042)	(597)	(43,639)
Derivative financial liabilities				
- Exchange rate derivatives	-	(20,775)	-	(20,775)
- Interest rate derivatives	-	(1,412)	-	(1,412)
- Precious metal derivatives and others	-	(855)	-	(855)
Subtotal	-	(23,042)	-	(23,042)
Due to customers				
Due to customers measured at fair value through profit or loss	-	(134,979)	-	(134,979)
Total liabilities	-	(201,063)	(597)	(201,660)

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	31 December 2025			
	Level 1	*Level 2*	*Level 3*	*Total*
Derivative financial assets				
- Exchange rate derivatives	-	31,257	-	31,257
- Interest rate derivatives	-	2,014	-	2,014
- Precious metal derivatives and others	-	244	-	244
Subtotal	-	33,515	-	33,515
Loans and advances to customers				
- Discounted bills and forfeiting	-	2,490,822	-	2,490,822
Subtotal	-	2,490,822	-	2,490,822
Financial investments				
Financial assets at fair value through profit or loss				
- Held for trading				
Bonds	1,264	156,473	-	157,737
Precious metal contracts	-	16,701	-	16,701
Equity	8,478	322	-	8,800
Fund and others	3,024	17,164	4,744	24,932
- Other financial assets at fair value through profit or loss				
Bonds	1,390	181,876	271	183,537
Equity	10,163	4,181	106,919	121,263
Fund and others	-	21,254	22,770	44,024
Subtotal	24,319	397,971	134,704	556,994
Other debt instruments and other equity investments at fair value through other comprehensive income				
- Debt instruments				
Bonds	180,886	3,747,633	-	3,928,519
Others	-	5,435	-	5,435
- Equity instruments	11,440	43	19,614	31,097
Subtotal	192,326	3,753,111	19,614	3,965,051
Total assets	216,645	6,675,419	154,318	7,046,382

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	31 December 2025			
	Level 1	*Level 2*	*Level 3*	*Total*
Financial liabilities at fair value through profit or loss				
Held for trading				
- Financial liabilities related to precious metals	-	(32,586)	-	(32,586)
Financial liabilities designated at fair value through profit or loss				
- Liabilities of the controlled structured entities	-	(320)	(603)	(923)
Subtotal	-	(32,906)	(603)	(33,509)
Derivative financial liabilities				
- Exchange rate derivatives	-	(23,078)	-	(23,078)
- Interest rate derivatives	-	(1,585)	-	(1,585)
- Precious metal derivatives and others	-	(20,381)	-	(20,381)
Subtotal	-	(45,044)	-	(45,044)
Due to customers				
Due to customers measured at fair value through profit or loss	-	(78,862)	-	(78,862)
Total liabilities	-	(156,812)	(603)	(157,415)

Substantially all financial instruments classified within Level 2 of the fair value hierarchy are debt investments, currency forwards, currency swaps, interest rate swaps, currency options, precious metal contracts, and due to customers at fair value. Fair value of debt investments denominated in RMB is determined based upon the valuation published by the China Central Depository & Clearing Co., Ltd. Fair value of debt investments denominated in foreign currencies is determined based upon the valuation results published by Bloomberg. The fair value of currency forwards, currency swaps, interest rate swaps, currency options and due to customers at fair value are calculated by applying discounted cash flow analysis or the Black Scholes Pricing Model. The fair value of precious metal contracts that are related to the Group's trading activities is determined with reference to the relevant observable market parameters. All significant inputs are observable in the market.

Level 3 financial assets of the Group mainly represented unlisted equity investments. As not all of the inputs needed to estimate the fair value of these assets and liabilities are observable, the Group classified these investment products within Level 3 of the fair value measurement hierarchy. The significant unobservable inputs related to these assets and liabilities are those parameters relating to credit risk, liquidity and discount rate. Management has made assumptions on unobservable inputs based on observed indicators of impairment, significant changes in yield, external credit ratings and comparable credit spreads, but the fair value of these underlying assets and liabilities could be different from those disclosed.

(Amounts in millions of Renminbi, unless otherwise stated)

49 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The reconciliation of Level 3 classified financial assets and financial liabilities presented at fair value in the condensed consolidated interim statement of financial position is as follows:

	Six months ended 30 June 2026		
	Financial assets at fair value through profit or loss	*Other debt instrument and other equity investments at fair value through other comprehensive income*	*Financial liabilities at fair value through profit or loss*
1 January 2026	134,704	19,614	(603)
Purchases	9,420	-	-
Settlements/disposals/transfer out of Level 3	(8,235)	-	-
Total gain recognized in			
- Profit or loss	3,751	-	6
- Other comprehensive income	-	306	-
30 June 2026	139,640	19,920	(597)
Change in unrealized profit or loss for the period included in profit or loss for assets/liabilities held at the end of the period	3,737	-	6

	2025		
	Financial assets at fair value through profit or loss	*Other debt instrument and other equity investments at fair value through other comprehensive income*	*Financial liabilities at fair value through profit or loss*
1 January 2025	123,898	4,423	(587)
Purchases	30,121	11,109	-
Settlements/disposals/transfer out of Level 3	(17,804)	-	-
Total (loss)/gain recognized in			
- Profit or loss	(1,511)	-	(16)
- Other comprehensive income	-	4,082	-
31 December 2025	134,704	19,614	(603)
Change in unrealized profit or loss for the year included in profit or loss for assets/liabilities held at the end of the year	(1,014)	-	-

In Level 3 of the fair value hierarchy, total gains or losses included in profit or loss for the period are presented in net gain on financial investments (Note 9) of the condensed consolidated interim income statement.

50 EVENTS AFTER THE REPORTING PERIOD

50.1 Distribution of dividend on preference shares

On 28 August 2026, the Board of Directors of the Bank considered and approved the Dividend Payment Scheme of the First Tranche of the Preference Shares. On 5 November 2026, the Bank will pay cash dividends of RMB1,648 million (tax inclusive) in aggregate, calculated at a coupon rate of 4.12%.

50.2 Undated additional tier 1 capital bonds issued

On 25 August 2026, the Bank completed the public issuance of the "Agricultural Bank of China Limited 2026 Undated Additional Tier 1 Capital Bonds (Series 1)" in the national interbank bond market. The total amount is RMB20 billion. The proceeds from this issuance of the Bonds will be used to replenish additional Tier 1 capital of the Bank.

50.3 Distribution payment of undated additional tier 1 capital bonds

The Bank paid coupon on Agricultural Bank of China Limited 2023 undated additional tier 1 capital bonds (Series 1) on 28 August 2026. With the amount issued of RMB40 billion and the annual coupon rate of 3.21%, the total coupon payment is RMB1,284 million.

Agricultural Bank of China Limited

(Incorporated in the People's Republic of China
with Limited Liability)

Unreviewed Supplementary Financial Information
For the six months ended 30 June 2026

Agricultural Bank of China Limited
Unreviewed Supplementary Financial Information
For the six months ended 30 June 2026
(Amounts in millions of Renminbi, unless otherwise stated)

According to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Banking (Disclosure) Rules, the Group discloses the following supplementary information:

1 LIQUIDITY COVERAGE RATIOS

	Three months ended	
	30 June 2026	*31 March 2026*
Average Liquidity Coverage Ratio	129.7%	132.2%

The liquidity coverage ratios were also in accordance with the Rules on Liquidity Risk Management of Commercial Banks issued by the NFRA and applicable calculation requirements, and based on the data determined under the PRC GAAP.

2 CURRENCY CONCENTRATIONS

	Equivalent in millions of RMB			
	USD	*HKD*	*Other*	*Total*
30 June 2026				
Spot assets	1,107,765	188,423	333,529	1,629,717
Spot liabilities	(1,050,548)	(411,835)	(260,871)	(1,723,254)
Forward purchases	1,434,884	432,805	252,645	2,120,334
Forward sales	(1,441,724)	(190,964)	(325,279)	(1,957,967)
Net options position	47,102	(256)	5,876	52,722
Net long position	97,479	18,173	5,900	121,552
Net structural position	(3,817)	1,558	(4,825)	(7,084)
31 December 2025				
Spot assets	1,074,203	246,050	291,986	1,612,239
Spot liabilities	(1,038,338)	(447,895)	(220,471)	(1,706,704)
Forward purchases	2,469,515	379,650	136,184	2,985,349
Forward sales	(2,525,522)	(154,859)	(240,750)	(2,921,131)
Net options position	(11,453)	(1,101)	555	(11,999)
Net (short)/long position	(31,595)	21,845	(32,496)	(42,246)
Net structural position	(3,784)	1,846	(4,781)	(6,719)

(Amounts in millions of Renminbi, unless otherwise stated)

3 OVERDUE AND RESCHEDULED ASSETS

(1) Gross carrying amount of overdue loans and advances to customers

	30 June 2026	*31 December 2025*
Overdue		
Within 3 months	98,275	92,435
Between 3 and 6 months	65,435	47,632
Between 6 and 12 months	60,263	76,409
Over 12 months	133,920	123,071
Total	357,893	339,547
Percentage of overdue loans and advances to customers in total loans		
Within 3 months	0.34%	0.34%
Between 3 and 6 months	0.23%	0.18%
Between 6 and 12 months	0.21%	0.28%
Over 12 months	0.46%	0.45%
Total	1.24%	1.25%

(2) Rescheduled loans and advances to customers

	30 June 2026	*31 December 2025*
Total rescheduled loans and advances to customers	128,318	133,966
Including: rescheduled loans and advances to customers overdue for not more than 3 months	2,656	4,316
Percentage of rescheduled loans and advances to customers overdue for not more than 3 months in total loans	0.01%	0.02%

(3) Gross carrying amount of overdue placements with and loans to banks and other financial institutions.

As at 30 June 2026 and 31 December 2025, the Group's gross carrying amounts of overdue placements with and loans to banks and other financial institutions were not significant.