中国建设银行
China Construction Bank
中國建設銀行股份有限公司

CHINA CONSTRUCTION BANK CORPORATION

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

(Stock Code: 00939)

INTERIM RESULTS ANNOUNCEMENT

For the Six Months Ended 30 June 2026

The board of directors (the "Board") of China Construction Bank Corporation (the "Bank") hereby announces the unaudited consolidated interim results of the Bank and its subsidiaries (the "Group") for the six months ended 30 June 2026 prepared in accordance with the applicable disclosure provisions of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and *International Accounting Standard No. 34 - Interim Financial Reporting*. The interim results have been reviewed by the audit committee and external auditors of the Bank.

The Board of Directors of
China Construction Bank Corporation

28 August 2026

As at the date of this announcement, the executive directors of the Bank are Mr. Zhang Jinliang, Mr. Zhang Yi, Mr. Sun Xiaokun and Mr. Ji Zhihong; the non-executive directors of the Bank are Ms. Xin Xiaodai, Ms. Li Lu, Ms. Li Li, Mr. Dou Hongquan, Ms. Cao Liqun and Mr. Shi Jian; and the independent non-executive directors of the Bank are Mr. William Coen, Mr. Leung Kam Chung, Antony, Lord Sassoon, Mr. Lin Zhijun, Mr. Zhang Weiguo and Mr. Yang Qiang.

IMPORTANT NOTICE

The Board, directors and senior management of the Bank warrant that the information in this half-year report is truthful, accurate and complete and contains no false records, misleading statements or material omissions, and they assume several and joint legal liability for such contents.

This half-year report and results announcement have been reviewed and approved at the Board meeting of the Bank held on 28 August 2026. A total of 16 directors of the Bank attended the meeting.

The Board proposes an interim cash dividend of RMB2.010 per ten shares (including tax) for 2026 to all ordinary shareholders, subject to approval by the shareholders' meeting. The Bank does not propose any capitalisation of capital reserve into share capital.

The Group's 2026 half-year financial statements prepared under PRC GAAP have been reviewed by Ernst & Young Hua Ming LLP, and the Group's 2026 half-year financial statements prepared under IFRS Accounting Standards have been reviewed by Ernst & Young.

Mr. Zhang Jinliang, chairman and executive director of the Bank, Mr. Zhang Yi, vice chairman, executive director, and president of the Bank, and Mr. Yin Pengfei, head of finance & accounting department, hereby warrant the truthfulness, accuracy and completeness of the financial statements in this half-year report.

We have included in this report certain forward-looking statements with respect to our financial position, operating results and business development. These statements are based on current plans, estimates and projections. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements do not constitute a substantive commitment to investors. Please be fully aware of the risks and understand the differences between plans, projections and commitments.

The main risks faced by the Group are credit risk, market risk, interest rate risk in the banking book, operational risk, liquidity risk, reputational risk, country risk, IT risk and strategic risk. We take proactive measures to manage various risks effectively. For more information, please refer to "Management Discussion and Analysis - Risk Management".

This report is prepared in both Chinese and English. In the case of discrepancy between the two versions, the Chinese version shall prevail.

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DEFINITIONS

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

Abbreviations of organisations

State Council	State Council of the People's Republic of China
PBOC	The People's Bank of China
NFRA	National Financial Regulatory Administration
Former CBIRC	Former China Banking and Insurance Regulatory Commission, predecessor of the NFRA
CSRC	China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Huijin	Central Huijin Investment Ltd.
MOF	Ministry of Finance of the People's Republic of China
China Great Wall AMC	China Great Wall Asset Management Co. Ltd.
State Grid	State Grid Corporation of China
Yangtze Power	China Yangtze Power Co., Limited
Baowu Steel Group	China Baowu Steel Group Corporation Limited
Bank	China Construction Bank Corporation
Group or CCB	China Construction Bank Corporation and its subsidiaries
Board	Board of directors
CCB Asia	China Construction Bank (Asia) Corporation Limited
CCB Consulting	CCB Engineering Consulting Co., Ltd.
CCB Consumer Finance	CCB Consumer Finance Co., Ltd.
CCB Europe	China Construction Bank (Europe) S.A.
CCB Financial Leasing	CCB Financial Leasing Co., Ltd.
CCB FinTech	CCB FinTech Co., Ltd.
CCB Futures	CCB Futures Co., Ltd.
CCB Housing	CCB Housing Services Co., Ltd.
CCB Housing Rental	CCB Housing Rental Private Fund Management Co., Ltd.
CCB Housing Rental Fund	CCB Housing Rental Fund (Limited Partnership)
CCB Indonesia	PT Bank China Construction Bank Indonesia Tbk
CCB International	CCB International (Holdings) Limited
CCB Investment	CCB Financial Asset Investment Co., Ltd.
CCB Life	CCB Life Insurance Co., Ltd.
CCB Malaysia	China Construction Bank (Malaysia) Berhad

CCB New Zealand	China Construction Bank (New Zealand) Limited
CCB Pension	CCB Pension Management Co., Ltd.
CCB Principal Asset Management	CCB Principal Asset Management Co., Ltd.
CCB Private Equity	CCB Private Equity Investment Management Co., Ltd.
CCB P&C Insurance	CCB Property & Casualty Insurance Co., Ltd.
CCB Russia	China Construction Bank (Russia) Limited
CCB Trust	CCB Trust Co., Ltd.
CCB Wealth Management	CCB Wealth Management Co., Ltd.
Sino-German Bausparkasse	Sino-German Bausparkasse Co., Ltd.

Others

New quality productive forces	New quality productive forces represent an advanced form of productivity characterised by innovation-driven development, breaking away from traditional economic growth models and conventional productivity development paths. They embody high technology, high efficiency, and high quality, aligning with the new development philosophy. Emerging from revolutionary technological breakthroughs, innovative allocation of production factors, and deep industrial transformation and upgrading, new quality productive forces fundamentally entail the elevation of labourers, means of labour, and objects of labour through optimised combinations. Their core hallmark is the substantial improvement in total factor productivity, with innovation as their defining feature, high quality as their critical attribute, and advanced productivity as their essential nature
Two Key Tasks	Implementation of major national strategies and enhancement of security capacity in key areas
Two Renewals	The new round of large-scale equipment renewal and trade-ins of consumer goods
Six Networks	Water network, new-type power grid, computing power network, next-generation communication network, urban underground pipeline network, and logistics network
“Five Priorities” in finance	Technology finance, green finance, inclusive finance, pension finance and digital finance
Three Capabilities	Capabilities in serving national construction, preventing financial risks, and participating in international competition
RCEP	Regional Comprehensive Economic Partnership
Four Integrations	Integration of Commercial and Investment Banking Business, Integration of Corporate and Personal Finance Business, Integration of Renminbi and Foreign Currencies Business, and Integration of Group-wide Operations

Three lines of defence	The first line of defence refers to business operation and management departments, the second line of defence refers to risk management department and internal control & compliance department, and the third line of defence refers to internal audit department
CCB Huidongni	An integrated ecological service platform built by the Bank for inclusive finance customers by using the Internet, big data, artificial intelligence (AI) and biometric technologies
Yunong Loan	A loan product package provided by the Bank for proprietors, farmers mainly, which includes "Yunong Quick Loan" and "Yunong Loan"
Listing Rules of Hong Kong Stock Exchange	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
PRC GAAP	*Accounting Standards for Business Enterprises* and other relevant requirements promulgated by the MOF on 15 February 2006 and afterwards
IFRS Accounting Standards	International Financial Reporting Standards as issued by the International Accounting Standards Board
New Insurance Contracts Standard	*IFRS 17 Insurance Contracts* issued by International Accounting Standards Board, which came into effect on 1 January 2023
New Financial Instruments Standard	*IFRS 9 Financial Instruments* issued by International Accounting Standards Board, which came into effect on 1 January 2018
AML	Anti-money laundering
ESG	Environmental, Social and Governance
WMPs	Wealth management products

1 FINANCIAL SUMMARY

The financial information set forth in this half-year report is prepared on a consolidated basis in accordance with the IFRS Accounting Standards and expressed in RMB unless otherwise stated.

(Expressed in millions of RMB unless otherwise stated)	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**	**Change (%)**	**Six months ended 30 June 2024**
For the period				
Operating income	**426,333**	385,905	10.48	374,831
Net interest income	**310,958**	286,709	8.46	296,059
Net fee and commission income	**64,289**	65,218	(1.42)	62,696
Operating expenses	**(98,960)**	(95,503)	3.62	(94,388)
Credit impairment losses	**(130,028)**	(107,652)	20.79	(87,654)
Other impairment losses	**(2)**	(10)	(80.00)	17
Profit before tax	**197,980**	182,441	8.52	193,012
Net profit	**171,677**	162,638	5.56	165,039
Net profit attributable to equity shareholders of the Bank	**169,564**	162,076	4.62	164,326
Net cash from operating activities	**350,683**	1,256,614	(72.09)	290,805
Per share (In RMB)				
Basic and diluted earnings per share[1]	**0.65**	0.65	-	0.66
Profitability indicators (%)			**Change** +/(-)	
Annualised return on average assets[2]	**0.74**	0.77	(0.03)	0.84
Annualised return on average equity[1]	**9.52**	10.08	(0.56)	10.82
Net interest margin	**1.37**	1.40	(0.03)	1.54
Net fee and commission income to operating income	**15.08**	16.90	(1.82)	16.73
Cost-to-income ratio[3]	**22.17**	23.72	(1.55)	24.15

1. Calculated in accordance with *Accounting Standard for Business Enterprises No. 34 – Earnings per Share* and the *Rule No.9 on the Preparation of Information Disclosure of Companies Issuing Public Securities - Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revision 2010)* issued by the CSRC.
2. Calculated by dividing net profit by the average of total assets at the beginning and end of the period and then annualising the quotient.
3. Operating expenses (after deduction of taxes and surcharges) divided by operating income.

(Expressed in millions of RMB unless otherwise stated)	**30 June 2026**	**31 December 2025**	**Change (%)**	**31 December 2024**
At the end of the period				
Total assets	**47,328,244**	45,631,818	3.72	40,571,149
Gross loans and advances to customers	**29,342,776**	27,772,827	5.65	25,843,294
Corporate loans and advances	**17,600,576**	16,469,961	6.86	15,184,655
Personal loans and advances	**9,188,235**	9,159,182	0.32	8,977,310
Discounted bills	**2,498,034**	2,092,713	19.37	1,631,752
Accrued interest	**55,931**	50,971	9.73	49,577
Total liabilities	**43,494,418**	41,945,741	3.69	37,227,184
Deposits from customers	**31,818,419**	30,835,574	3.19	28,713,870
Corporate deposits	**12,470,128**	12,146,314	2.67	11,779,973
Personal deposits	**18,984,192**	18,234,284	4.11	16,458,599
Accrued interest	**364,099**	454,976	(19.97)	475,298
Total equity	**3,833,826**	3,686,077	4.01	3,343,965
Total equity attributable to equity shareholders of the Bank	**3,810,182**	3,663,411	4.01	3,322,127
Share capital	**261,600**	261,600	-	250,011
Common Equity Tier 1 capital[1]	**3,579,066**	3,464,852	3.30	3,165,549
Additional Tier 1 capital[1]	**228,988**	198,931	15.11	158,875
Tier 2 capital[1]	**1,071,937**	999,643	7.23	978,839
Total capital[1]	**4,879,991**	4,663,426	4.64	4,303,263
Risk-weighted assets[1]	**25,132,550**	23,685,171	6.11	21,854,590
Per share (In RMB)				
Net assets per share attributable to ordinary shareholders of the Bank	**13.69**	13.24	3.40	12.65
Capital adequacy indicators (%)			**Change** +/(-)	
Common Equity Tier 1 ratio[1]	**14.24**	14.63	(0.39)	14.48
Tier 1 ratio[1]	**15.15**	15.47	(0.32)	15.21
Total capital ratio[1]	**19.42**	19.69	(0.27)	19.69
Total equity to total assets	**8.10**	8.08	0.02	8.24
Asset quality indicators (%)			**Change** +/(-)	
Non-performing loan (NPL) ratio	**1.29**	1.31	(0.02)	1.34
Allowances to NPLs[2]	**238.69**	233.15	5.54	233.60
Allowances to total loans[2]	**3.09**	3.06	0.03	3.12

1. Measured in accordance with the relevant rules of the *Rules on Capital Management of Commercial Banks* since 2024.
2. Allowances for impairment losses on loans include the allowances for impairment losses on discounted bills measured at fair value through other comprehensive income, and both total loans and NPLs do not include the accrued interest.

2 CORPORATE INFORMATION

Legal name and abbreviation in Chinese	中國建設銀行股份有限公司 (abbreviated as "中國建設銀行")
Legal name and abbreviation in English	CHINA CONSTRUCTION BANK CORPORATION (abbreviated as "CCB")
Legal representative	Zhang Jinliang
Authorised representatives	Zhang Yi Bo Yingen
Secretary to the Board	Ji Zhihong
Contact address	No. 25, Financial Street, Xicheng District, Beijing
Joint company secretaries	Bo Yingen and Chiu Ming King
Principal place of business in Hong Kong	28/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong
Registered address and office address	No. 25, Financial Street, Xicheng District, Beijing Postcode: 100033 Telephone: 86-10-67597114
Websites	www.ccb.cn www.ccb.com
Hotline for customer service and complaints	95533
Contact information for investors	Telephone: 86-10-66215533 Facsimile: 86-10-66218888 Email: ir@ccb.com
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 the SSE for publishing the half-year report prepared in accordance with PRC GAAP	www.sse.com.cn
Website of the "HKEXnews" of Hong Kong Exchanges and Clearing Limited for publishing the half-year report prepared in accordance with IFRS Accounting Standards	www.hkexnews.hk
Place where copies of this half-year report are kept	Board of Directors Office of the Bank

Listing stock exchanges, stock abbreviations and stock codes	A-share: Shanghai Stock Exchange Stock abbreviation: 建設銀行 Stock code: 601939 H-share: The Stock Exchange of Hong Kong Limited Stock abbreviation: CCB Stock code: 00939 Domestic preference share: Shanghai Stock Exchange Stock abbreviation: 建行優1 Stock code: 360030
Certified public accountants	Domestic auditor: Ernst & Young Hua Ming LLP Address: 17/F, Ernst & Young Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing Signatory CPAs: Jiang Changzheng, Gu Jun and Li Linlin International auditor: Ernst & Young Address: 27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong Signatory accountant: Leung Shing Kit
Legal advisor as to PRC laws	Commerce & Finance Law Offices Address: 12-15/F, China World Office 2, No.1 Jianguomenwai Avenue, Beijing
Legal advisor as to Hong Kong laws	Clifford Chance Address: 27/F, Jardine House, One Connaught Place, Central, Hong Kong
A-share registrar	China Securities Depository and Clearing Corporation Limited, Shanghai Branch Address: No. 188 Yanggaonan Road, Pudong New District, Shanghai
H-share registrar	Computershare Hong Kong Investor Services Limited Address: Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Sponsors for continuous supervision and guidance	CITIC Securities Company Limited Address: CITIC Securities Tower, No.48 Liangmaqiao Road, Chaoyang District, Beijing Signatory sponsor representatives: Zhou Yu and Shi Guoping Period of continuous supervision and guidance: from 25 June 2025 to 31 December 2026 Guotai Haitong Securities Co., Ltd. Address: No. 618, Shangcheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, PRC Signatory sponsor representatives: Sun Lin and Ji Guanheng Period of continuous supervision and guidance: from 25 June 2025 to 31 December 2026

3 MANAGEMENT DISCUSSION AND ANALYSIS

3.1 FINANCIAL REVIEW

In the first half of 2026, global economic growth decelerated amid frequent geopolitical conflicts and economic and trade frictions. These headwinds contributed to a rise in overall inflation and a divergence in economic performance across major economies. Market expectations for monetary policy rate hikes intensified. In this context, China's economy maintained momentum towards new growth drivers and optimised structure, demonstrating strong stability and certainty amid the complex and challenging international environment. In the first half of 2026, China's GDP reached RMB69.6 trillion, a year-on-year increase of 4.7% at constant prices[1]. China's economy saw fast growth in production and supply, mild rise in prices, good momentum in foreign trade growth, robust development of new growth drivers, and stable financial market operations. Nevertheless, China's economy still faced difficulties and challenges such as an imbalance between strong supply and weak demand, structural divergence, and external shocks.

China implemented more proactive and effective macro policies. The fiscal policies were more proactive, underpinned by faster pace of budget allocation, and coordinated use of instruments such as government bonds, interest subsidies, and special funds, continuously boosting investment and consumption. A coordinated fiscal-financial policy package to stimulate domestic demand was rolled out. Monetary policies remained moderately accommodative, driving reasonable growth in financial aggregates, keeping overall social financing costs at a low level, liquidity adequate, and RMB exchange rate fluctuating in a two-way manner. Regulatory policies were further improved, and coordinated efforts were made to prevent risks, strengthen supervision, and promote high-quality development. Regulators steadily pressed ahead with the reform and risk mitigation of small and medium-sized financial institutions, effectively prevented and resolved risks in key areas, and made notable progress in addressing disorderly competition, contributing to high-quality development of the industry. In the first half of 2026, China's banking industry witnessed a steady growth in size, with overall stable asset quality. Banks continued to optimise the mix of resource allocation and enhance financial services for major strategies, key areas and weak links.

With a vast and solid customer base, a dedicated and resilient workforce, a strong tradition of reform and innovation, a comprehensive, proactive, intelligent, and agile risk control system, and secure and reliable FinTech support, CCB has always grown in tandem with China's economic development. Adapting to the shifts in economic development models, industrial structures, and social financing patterns during the 15th Five-Year Plan period, CCB expedited the adjustment of its business structure and the transformation of its development model. Guided by the fundamental principle of enhancing its "Three Capabilities", CCB implemented coordination and synergy across the group by pressing ahead with "Four Integrations", and unswervingly promoted intensive high-quality development. In the first half of 2026, the Group maintained reasonable growth in assets and liabilities, enhanced the quality and efficiency in serving the real economy. Operating performance was robust and solid. The operating income rose by 10.48%, and net profit rose by 5.56% over the first half of 2025, maintaining a steady and positive growth trend. The NPL ratio remained stable with a slight decline, and its risk mitigation capacity remained adequate. Core indicators remained balanced and while maintaining strength. The annualised return on average assets, annualised return on average equity, net interest margin, cost-to-income ratio, and total capital ratio were 0.74%, 9.52%, 1.37%, 22.17%, and 19.42%, respectively.

[1] The data come from the National Bureau of Statistics.

3.1.1 Statement of Comprehensive Income Analysis

In the first half of 2026, the Group's net profit was RMB171,677 million, of which net profit attributable to equity shareholders of the Bank was RMB169,564 million, an increase of 5.56% and 4.62% respectively over the first half of 2025. Key factors affecting the Group's profitability are as follows: net interest income increased by 8.46% over the first half of 2025 due to factors such as the growth in business scale and the stabilisation of net interest margin; net non-interest income increased by 16.31% over the first half of 2025, due to the improvement of comprehensive financial service capabilities and capture of market opportunities.

The following table sets forth the composition of the Group's statement of comprehensive income and the changes during the respective periods.

(In millions of RMB, except percentages)	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**	**Change (%)**
Net interest income	**310,958**	286,709	8.46
Net non-interest income	**115,375**	99,196	16.31
– Net fee and commission income	**64,289**	65,218	(1.42)
Operating income	**426,333**	385,905	10.48
Operating expenses	**(98,960)**	(95,503)	3.62
Credit impairment losses	**(130,028)**	(107,652)	20.79
Other impairment losses	**(2)**	(10)	(80.00)
Share of profits/(losses) of associates and joint ventures	**637**	(299)	N/A
Profit before tax	**197,980**	182,441	8.52
Income tax expense	**(26,303)**	(19,803)	32.82
Net profit	**171,677**	162,638	5.56
Net profit attributable to equity shareholders of the Bank	**169,564**	162,076	4.62

Net Interest Income

In the first half of 2026, the Group's net interest income amounted to RMB310,958 million, an increase of RMB24,249 million, or 8.46% over the first half of 2025. Net interest income accounted for 72.94% of operating income.

The following table sets forth the Group's average balances of assets and liabilities, related interest income or expense, and annualised average yields or costs during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	Interest income/ Interest expense	Annualised average yield/cost (%)	Average balance	Interest income/ Interest expense	Annualised average yield/cost (%)
Assets						
Gross loans and advances to customers	**28,644,137**	**380,404**	**2.68**	26,728,734	392,176	2.96
Financial investments	**12,584,590**	**160,513**	**2.57**	10,463,974	150,146	2.89
Deposits with central banks	**2,627,171**	**20,585**	**1.58**	2,621,175	21,257	1.64
Deposits and placements with banks and non-bank financial institutions	**1,127,604**	**9,707**	**1.74**	925,318	9,652	2.10
Financial assets held under resale agreements	**809,872**	**5,715**	**1.42**	705,223	6,026	1.72
Total interest-earning assets	**45,793,374**	**576,924**	**2.54**	41,444,424	579,257	2.82
Total allowances for impairment losses	**(884,353)**			(843,502)		
Non-interest-earning assets	**2,449,548**			2,068,998		
Total assets	**47,358,569**	**576,924**		42,669,920	579,257	
Liabilities						
Deposits from customers	**31,036,110**	**170,074**	**1.11**	28,954,271	201,123	1.40
Deposits and placements from banks and non-bank financial institutions	**5,295,744**	**44,488**	**1.69**	3,842,269	38,062	2.00
Debt securities issued	**2,499,100**	**27,880**	**2.25**	2,712,689	34,180	2.54
Borrowings from central banks	**1,434,135**	**12,206**	**1.72**	937,287	10,222	2.20
Financial assets sold under repurchase agreements	**1,501,403**	**11,318**	**1.52**	997,751	8,961	1.81
Total interest-bearing liabilities	**41,766,492**	**265,966**	**1.28**	37,444,267	292,548	1.58
Non-interest-bearing liabilities	**1,800,031**			1,802,976		
Total liabilities	**43,566,523**	**265,966**		39,247,243	292,548	
Net interest income		**310,958**			286,709	
Net interest spread			**1.26**			1.24
Net interest margin			**1.37**			1.40

In the first half of 2026, the Group paid close attention to market changes, and continued to deepen the refined and coordinated management of assets and liabilities, striving to maintain its net interest margin at a reasonable level. Due to interest rate cuts in prior period, and proactive measures such as improving the composition of assets and liabilities and strengthening pricing management, the decline in the cost of interest-bearing liabilities exceeded that in the yield on interest-earning assets. Net interest margin was 1.37%.

The following table sets forth the effects of the movement of average balances and average interest rates of the Group's assets and liabilities on the change in interest income and expense in the first half of 2026 as compared with the first half of 2025.

(In millions of RMB)	Volume factor [1]	Interest rate factor [1]	Change in interest income/expense
Assets			
Gross loans and advances to customers	26,919	(38,691)	(11,772)
Financial investments	28,180	(17,813)	10,367
Deposits with central banks	51	(723)	(672)
Deposits and placements with banks and non-bank financial institutions	1,883	(1,828)	55
Financial assets held under resale agreements	822	(1,133)	(311)
Change in interest income	57,855	(60,188)	(2,333)
Liabilities			
Deposits from customers	13,458	(44,507)	(31,049)
Deposits and placements from banks and non-bank financial institutions	12,938	(6,512)	6,426
Debt securities issued	(2,571)	(3,729)	(6,300)
Borrowings from central banks	4,566	(2,582)	1,984
Financial assets sold under repurchase agreements	3,967	(1,610)	2,357
Change in interest expense	32,358	(58,940)	(26,582)
Change in net interest income	25,497	(1,248)	24,249

1. Changes caused by both average balances and average interest rates were allocated to the volume factor and interest rate factor respectively based on the respective proportions of absolute values of volume factor and interest rate factor.

Net interest income increased by RMB24,249 million over the first half of 2025. The movement of average balances of assets and liabilities pushed up net interest income by RMB25,497 million, while the movements of average yields and costs pushed down net interest income by RMB1,248 million.

Interest Income

In the first half of 2026, the Group's interest income amounted to RMB576,924 million, a decrease of RMB2,333 million, or 0.40% from the first half of 2025. Interest income from loans and advances to customers, interest income from financial investments, interest income from deposits with central banks, interest income from deposits and placements with banks and non-bank financial institutions, and interest income from financial assets held under resale agreements accounted for 65.94%, 27.82%, 3.57%, 1.68% and 0.99% of the total, respectively.

The following table sets forth the average balance, interest income and annualised average yield of each component of the Group's loans and advances to customers during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	Interest income	Annualised average yield (%)	Average balance	Interest income	Annualised average yield (%)
Domestic loans and advances of the Bank	**27,738,173**	**358,187**	**2.60**	25,812,078	369,028	2.88
By business type						
Corporate loans and advances	**16,528,873**	**212,687**	**2.59**	15,201,845	215,227	2.86
Personal loans and advances	**9,057,546**	**136,681**	**3.04**	8,959,534	146,248	3.29
Discounted bills	**2,151,754**	**8,819**	**0.83**	1,650,699	7,553	0.92
By term structure						
Short-term loans	**7,834,118**	**80,388**	**2.07**	7,286,001	88,030	2.44
Medium to long-term loans	**19,904,055**	**277,799**	**2.81**	18,526,077	280,998	3.06
Overseas operations and subsidiaries	**905,964**	**22,217**	**4.95**	916,656	23,148	5.09
Gross loans and advances to customers	**28,644,137**	**380,404**	**2.68**	26,728,734	392,176	2.96

Interest income from loans and advances to customers was RMB380,404 million, a decrease of RMB11,772 million, or 3.00% from the first half of 2025, mainly due to the 28 basis points drop in the annualised average yield of loans and advances to customers from the first half of 2025.

Interest income from financial investments amounted to RMB160,513 million, an increase of RMB10,367 million, or 6.90% over the first half of 2025, mainly due to the 20.27% increase in the average balance of financial investments over the first half of 2025.

Interest income from deposits with central banks was RMB20,585 million, a decrease of RMB672 million, or 3.16% from the first half of 2025, mainly due to the six basis points drop in the annualised average yield of deposits with central banks from the first half of 2025.

Interest income from deposits and placements with banks and non-bank financial institutions amounted to RMB9,707 million, an increase of RMB55 million, or 0.57% over the first half of 2025, mainly due to the 21.86% increase in the average balance of deposits and placements with banks and non-bank financial institutions over the first half of 2025.

Interest income from financial assets held under resale agreements was RMB5,715 million, a decrease of RMB311 million, or 5.16% from the first half of 2025, mainly due to the 30 basis points drop in the annualised average yield of financial assets held under resale agreements from the first half of 2025.

Interest Expense

In the first half of 2026, the Group's interest expense was RMB265,966 million, a decrease of RMB26,582 million, or 9.09% from the first half of 2025. Specifically, interest expense on deposits from customers accounted for 63.95%, interest expense on deposits and placements from banks and non-bank financial institutions accounted for 16.73%, interest expense on debt securities issued accounted for 10.48%, interest expense on borrowings from central banks accounted for 4.59%, and interest expense on financial assets sold under repurchase agreements accounted for 4.25%.

The following table sets forth the average balance, interest expense and annualised average cost of each component of the Group's deposits from customers during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Average balance	**Interest expense**	**Annualised average cost (%)**	**Average balance**	**Interest expense**	**Annualised average cost (%)**
Domestic deposits from customers	**30,465,292**	**162,797**	**1.08**	28,376,546	192,243	1.37
Corporate deposits	**12,015,381**	**59,406**	**1.00**	11,452,375	73,945	1.30
Demand deposits	**6,332,756**	**13,406**	**0.43**	6,113,344	18,709	0.62
Time deposits	**5,682,625**	**46,000**	**1.63**	5,339,031	55,236	2.09
Personal deposits	**18,449,911**	**103,391**	**1.13**	16,924,171	118,298	1.41
Demand deposits	**6,191,600**	**1,656**	**0.05**	5,832,854	2,180	0.08
Time deposits	**12,258,311**	**101,735**	**1.67**	11,091,317	116,118	2.11
Overseas operations and subsidiaries	**570,818**	**7,277**	**2.57**	577,725	8,880	3.10
Total deposits from customers	**31,036,110**	**170,074**	**1.11**	28,954,271	201,123	1.40

Interest expense on deposits from customers was RMB170,074 million, a decrease of RMB31,049 million, or 15.44% from the first half of 2025, mainly due to the 29 basis points drop in the annualised average cost of deposits from customers from the first half of 2025.

Interest expense on deposits and placements from banks and non-bank financial institutions was RMB44,488 million, an increase of RMB6,426 million or 16.88% over the first half of 2025, mainly due to the 37.83% increase in the average balance of deposits and placements from banks and non-bank financial institutions over the first half of 2025.

Interest expense on debt securities issued was RMB27,880 million, a decrease of RMB6,300 million or 18.43% from the first half of 2025, mainly due to the 7.87% decrease in the average balance of debt securities issued and the 29 basis points drop in the annualised average cost from the first half of 2025.

Interest expense on borrowings from central banks was RMB12,206 million, an increase of RMB1,984 million or 19.41% over the first half of 2025, mainly due to the 53.01% increase in the average balance of borrowings from central banks over the first half of 2025.

Interest expense on financial assets sold under repurchase agreements amounted to RMB11,318 million, an increase of RMB2,357 million, or 26.30% over the first half of 2025, mainly due to the 50.48% increase in the average balance of financial assets sold under repurchase agreements over the first half of 2025.

Net Non-Interest Income

The following table sets forth the composition and change of the Group's net non-interest income during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Fee and commission income	**70,604**	71,450	(1.18)
Fee and commission expense	**(6,315)**	(6,232)	1.33
Net fee and commission income	**64,289**	65,218	(1.42)
Other net non-interest income	**51,086**	33,978	50.35
Total net non-interest income	**115,375**	99,196	16.31

In the first half of 2026, the Group's net non-interest income reached RMB115,375 million, an increase of RMB16,179 million, or 16.31% over the first half of 2025. Net non-interest income accounted for 27.06% of operating income.

Net Fee and Commission Income

The following table sets forth the composition and change of the Group's net fee and commission income during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Fee and commission income	**70,604**	71,450	(1.18)
Settlement and clearing fees	**20,263**	19,870	1.98
Commission on trust and fiduciary activities	**12,107**	11,722	3.28
Agency service fees	**11,209**	9,441	18.73
Bank card fees	**10,251**	10,184	0.66
Consultancy and advisory fees	**6,492**	7,285	(10.89)
Income from asset management business	**3,388**	6,076	(44.24)
Others	**6,894**	6,872	0.32
Fee and commission expense	**(6,315)**	(6,232)	1.33
Net fee and commission income	**64,289**	65,218	(1.42)

In the first half of 2026, the Group's net fee and commission income was RMB64,289 million, a decrease of RMB929 million, or 1.42% from the first half of 2025. The ratio of net fee and commission income to operating income was 15.08%.

Specifically, agency service fees amounted to RMB11,209 million, an increase of RMB1,768 million, or 18.73% over the first half of 2025, mainly due to the rapid growth of income from agency fund and wealth management businesses buoyed by ongoing improvement of quality and expansion of the scope of wealth management services. Consultancy and advisory fees totalled RMB6,492 million, a decrease of RMB793 million, or 10.89% from the first half of 2025, mainly due to lower customer demand in certain industries as compared to the first half of 2025. Income from asset management business was RMB3,388 million, a decrease of RMB2,688 million, or 44.24%, mainly due to the high base in the first half of 2025.

Other Net Non-Interest Income

The following table sets forth the composition and change of the Group's other net non-interest income during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Net gain arising from investment securities	**20,167**	11,691	72.50
Net gain on derecognition of financial assets measured at amortised cost	**18,321**	9,400	94.90
Net trading gain	**3,608**	1,854	94.61
Dividend income	**2,006**	2,648	(24.24)
Other operating income, net	**6,984**	8,385	(16.71)
Total other net non-interest income	**51,086**	33,978	50.35

In the first half of 2026, the Group's other net non-interest income was RMB51,086 million, an increase of RMB17,108 million, or 50.35% over the first half of 2025. Specifically, net gain arising from investment securities was RMB20,167 million, an increase of RMB8,476 million over the first half of 2025, mainly due to the increase in gains on revaluation and trading of equity investments on the back of market fluctuations and asset composition changes. Net gain on derecognition of financial assets measured at amortised cost was RMB18,321 million, an increase of RMB8,921 million over the first half of 2025, mainly due to the increase in income from disposal of bond investments measured at amortised cost. Net trading gain was RMB3,608 million, an increase of RMB1,754 million over the first half of 2025, mainly due to the increase in investment income from trading debt securities driven by market fluctuations and asset composition changes. Dividend income was RMB2,006 million, a decrease of RMB642 million from the first half of 2025. Other net operating income was RMB6,984 million, a decrease of RMB1,401 million from the first half of 2025, mainly due to the decrease in gains related to foreign exchange business and net income from other businesses of certain subsidiaries dragged by business changes and market fluctuations.

Operating Expenses

The following table sets forth the composition and change of the Group's operating expenses during respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Staff costs	**60,377**	57,788	4.48
Premises and equipment expenses	**13,536**	14,498	(6.64)
Taxes and surcharges	**4,443**	3,984	11.52
Others	**20,604**	19,233	7.13
Total operating expenses	**98,960**	95,503	3.62
Cost-to-income ratio (%)	**22.17**	23.72	(1.55)

In the first half of 2026, the Group continued to reinforce total cost management and improve expense efficiency. Cost-to-income ratio was 22.17%, a drop of 1.55 percentage points from the first half of 2025, staying at a sound level. Operating expenses were RMB98,960 million, an increase of RMB3,457 million, or 3.62% over the first half of 2025. Specifically, staff costs were RMB60,377 million, an increase of RMB2,589 million, or 4.48% over the first half of 2025.

Premises and equipment expenses were RMB13,536 million, a decrease of RMB962 million, or 6.64% from the first half of 2025, mainly due to the decrease in depreciation charges. Taxes and surcharges were RMB4,443 million, an increase of RMB459 million, or 11.52% over the first half of 2025. Other operating expenses were RMB20,604 million, an increase of RMB1,371 million, or 7.13% over the first half of 2025, mainly due to the increase in technology and marketing expenses.

Credit Impairment Losses

The following table sets forth the composition and change of the Group's credit impairment losses during respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Loans and advances to customers	**125,344**	115,061	8.94
Financial investments	**3,983**	(1,294)	N/A
Financial assets measured at amortised cost	**2,994**	(2,077)	N/A
Financial assets measured at fair value through other comprehensive income	**989**	783	26.31
Off-balance sheet credit business	**(1,245)**	(1,669)	(25.40)
Others	**1,946**	(4,446)	N/A
Credit impairment losses	**130,028**	107,652	20.79

In the first half of 2026, the Group's credit impairment losses were RMB130,028 million, an increase of RMB22,376 million, or 20.79% over the first half of 2025. This was mainly because impairment losses on loans and advances to customers increased by RMB10,283 million over the first half of 2025. Impairment losses on financial investments increased by RMB5,277 million over the first half of 2025. Specifically, impairment losses on financial assets measured at amortised cost increased by RMB5,071 million over the first half of 2025, and impairment losses on financial assets measured at fair value through other comprehensive income increased by RMB206 million over the first half of 2025. Reversal from impairment losses on off-balance sheet credit business decreased by RMB424 million from the first half of 2025. Other credit impairment losses increased by RMB6,392 million over the first half of 2025.

Other Impairment Losses

In the first half of 2026, the Group's other impairment losses were RMB2 million, a decrease of RMB8 million from the first half of 2025.

Income Tax Expense

In the first half of 2026, the Group's income tax expense was RMB26,303 million, an increase of RMB6,500 million over the first half of 2025. The effective income tax rate was 13.29%, lower than the statutory rate of 25%. This was mainly because the Group continued to increase its investment in the PRC treasury bonds and local government bonds, and the interest income from the relevant bonds was tax-exempt as stipulated by the tax law.

Analysis by Region

The following table sets forth the distribution of the Group's operating income by region during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Amount	**% of total**	**Amount**	**% of total**
Yangtze River Delta	**71,595**	**16.79**	63,854	16.55
Pearl River Delta	**52,145**	**12.23**	49,088	12.72
Bohai Rim	**71,779**	**16.84**	59,144	15.32
Central	**62,307**	**14.62**	54,349	14.08
Western	**64,095**	**15.03**	56,494	14.64
Northeastern	**14,501**	**3.40**	13,227	3.43
Head office	**71,660**	**16.81**	76,485	19.82
Overseas	**18,251**	**4.28**	13,264	3.44
Operating income	**426,333**	**100.00**	385,905	100.00

The following table sets forth the distribution of the Group's profit before tax by region during the respective periods.

(In millions of RMB, except percentages)	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Amount	**% of total**	**Amount**	**% of total**
Yangtze River Delta	**31,056**	**15.69**	33,048	18.11
Pearl River Delta	**21,293**	**10.76**	18,203	9.98
Bohai Rim	**37,834**	**19.11**	26,559	14.56
Central	**23,733**	**11.99**	13,768	7.54
Western	**16,067**	**8.11**	16,305	8.94
Northeastern	**3,013**	**1.52**	7,720	4.23
Head office	**49,461**	**24.98**	57,646	31.60
Overseas	**15,523**	**7.84**	9,192	5.04
Profit before tax	**197,980**	**100.00**	182,441	100.00

3.1.2 Statement of Financial Position Analysis

Assets

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

(In millions of RMB, except percentages)	30 June 2026		31 December 2025		31 December 2024	
	Amount	% of total	Amount	% of total	Amount	% of total
Gross loans and advances to customers	**29,342,776**	**62.00**	27,772,827	60.86	25,843,294	63.70
Allowances for impairment losses at amortised cost	**(902,666)**	**(1.91)**	(846,037)	(1.85)	(802,894)	(1.98)
Net loans and advances to customers	**28,440,110**	**60.09**	26,926,790	59.01	25,040,400	61.72
Financial investments	**13,990,922**	**29.56**	12,897,352	28.26	10,683,963	26.33
Cash and deposits with central banks	**2,624,659**	**5.55**	3,054,199	6.69	2,571,361	6.34
Deposits and placements with banks and non-bank financial institutions	**1,016,826**	**2.15**	1,010,445	2.22	827,407	2.04
Financial assets held under resale agreements	**247,776**	**0.52**	856,818	1.88	622,559	1.53
Others[1]	**1,007,951**	**2.13**	886,214	1.94	825,459	2.04
Total assets	**47,328,244**	**100.00**	45,631,818	100.00	40,571,149	100.00

1. These comprise precious metals, positive fair value of derivatives, long-term equity investments, fixed assets, construction in progress, land use rights, intangible assets, goodwill, deferred tax assets and other assets.

At the end of June 2026, the Group's total assets stood at RMB47.33 trillion, an increase of RMB1.70 trillion, or 3.72% over the end of 2025. The Group actively promoted high-quality development of the real economy, maintained stable and coordinated growth of assets and liabilities, and continued to optimise the allocation of major asset classes. Net loans and advances to customers increased by RMB1.51 trillion, or 5.62% over the end of 2025 as the Group increased credit supply to key areas such as the "Five Priorities" in finance and new quality productive forces. Financial investments increased by RMB1.09 trillion, or 8.48% over the end of 2025 as the Group supported implementation of proactive fiscal policies, increased subscription to government bonds such as treasury bonds and local government bonds, and facilitated coordinated and efficient allocation of debentures. Cash and deposits with central banks decreased by RMB429,540 million from the end of 2025. Deposits and placements with banks and non-bank financial institutions slightly increased by RMB6,381 million over the end of 2025. Financial assets held under resale agreements decreased by RMB609,042 million from the end of 2025. Accordingly, in the Group's total assets, the proportion of net loans and advances to customers increased by 1.08 percentage points to 60.09%, that of financial investments increased by 1.30 percentage points to 29.56%, that of cash and deposits with central banks decreased by 1.14 percentage points to 5.55%, that of deposits and placements with banks and non-bank financial institutions decreased by 0.07 percentage points to 2.15%, and that of financial assets held under resale agreements decreased by 1.36 percentage points to 0.52%.

Loans and Advances to Customers

The following table sets forth the composition of the Group's loans and advances to customers as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Corporate loans and advances	**17,600,576**	**59.99**	16,469,961	59.30
Short-term loans	**4,942,563**	**16.85**	4,515,101	16.26
Medium to long-term loans	**12,658,013**	**43.14**	11,954,860	43.04
Personal loans and advances	**9,188,235**	**31.31**	9,159,182	32.98
Residential mortgages	**5,919,225**	**20.17**	6,054,134	21.80
Personal business loans	**1,454,668**	**4.96**	1,315,605	4.74
Credit card loans	**934,714**	**3.18**	1,012,246	3.64
Personal consumer loans	**806,809**	**2.75**	704,099	2.54
Other personal loans	**72,819**	**0.25**	73,098	0.26
Discounted bills	**2,498,034**	**8.51**	2,092,713	7.54
Accrued interest	**55,931**	**0.19**	50,971	0.18
Gross loans and advances to customers	**29,342,776**	**100.00**	27,772,827	100.00

At the end of June 2026, the Group's gross loans and advances to customers stood at RMB29.34 trillion, an increase of RMB1.57 trillion, or 5.65% over the end of 2025.

The Group's corporate loans and advances totalled RMB17.60 trillion, an increase of RMB1.13 trillion, or 6.86% over the end of 2025. Specifically, short-term loans were RMB4.94 trillion, and medium to long-term loans were RMB12.66 trillion. For more details, please refer to "Business Review – Corporate Finance Business – Corporate Credit Business" in this report.

The Group's personal loans and advances reached RMB9.19 trillion, an increase of RMB29,053 million, or 0.32% over the end of 2025. Specifically, residential mortgages were RMB5.92 trillion, a decrease of RMB134,909 million, or 2.23% from the end of 2025; personal business loans amounted to RMB1.45 trillion, an increase of RMB139,063 million, or 10.57% over the end of 2025; credit card loans were RMB934,714 million, a decrease of RMB77,532 million, or 7.66% from the end of 2025; personal consumer loans amounted to RMB806,809 million, an increase of RMB102,710 million, or 14.59% over the end of 2025. For more details, please refer to "Business Review – Personal Finance Business – Personal Credit Business" in this report.

The Group's discounted bills amounted to RMB2.50 trillion, an increase of RMB405,321 million, or 19.37% over the end of 2025.

Distribution of loans and advances by region

The following table sets forth the distribution of the Group's loans and advances by region as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Yangtze River Delta	6,131,793	20.90	5,772,902	20.79
Pearl River Delta	4,554,316	15.52	4,303,152	15.49
Bohai Rim	4,934,947	16.82	4,696,417	16.91
Central	5,086,184	17.33	4,727,097	17.02
Western	5,585,414	19.04	5,273,064	18.99
Northeastern	1,168,199	3.98	1,105,191	3.98
Head office	1,076,783	3.67	1,101,691	3.97
Overseas	749,209	2.55	742,342	2.67
Accrued interest	55,931	0.19	50,971	0.18
Gross loans and advances to customers	29,342,776	100.00	27,772,827	100.00

Distribution of loans and advances by type of collateral

The following table sets forth the distribution of the Group's loans and advances by type of collateral as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Credit loans	14,309,467	48.77	13,224,073	47.62
Guaranteed loans	4,111,937	14.01	3,653,253	13.15
Mortgage loans	9,072,866	30.92	9,125,558	32.86
Pledged loans	1,792,575	6.11	1,718,972	6.19
Accrued interest	55,931	0.19	50,971	0.18
Gross loans and advances to customers	29,342,776	100.00	27,772,827	100.00

Allowances for impairment losses on loans and advances to customers

The following table sets forth the movements of the Group's allowances for impairment losses on loans and advances to customers measured at amortised cost during the respective periods.

	Six months ended 30 June 2026			
(In millions of RMB)	Stage 1	Stage 2	Stage 3	Total
1 January 2026	**328,800**	**239,445**	**277,792**	**846,037**
Transfers:				
Transfers in/(out) to Stage 1	**15,067**	**(14,129)**	**(938)**	**-**
Transfers in/(out) to Stage 2	**(6,231)**	**9,430**	**(3,199)**	**-**
Transfers in/(out) to Stage 3	**(2,518)**	**(24,466)**	**26,984**	**-**
Newly originated or purchased financial assets	**113,533**	**-**	**-**	**113,533**
Transfer out/repayment	**(80,787)**	**(13,656)**	**(55,054)**	**(149,497)**
Remeasurements	**4,130**	**49,664**	**63,913**	**117,707**
Write-offs	**-**	**-**	**(31,993)**	**(31,993)**
Recoveries of loans and advances written off	**-**	**-**	**6,879**	**6,879**
30 June 2026	**371,994**	**246,288**	**284,384**	**902,666**

The Group made provisions for impairment losses on loans in line with factors such as macro-economy and credit asset quality as required by the New Financial Instruments Standard. At the end of June 2026, allowances for impairment losses on loans and advances to customers measured at amortised cost were RMB902,666 million. In addition, allowances for impairment losses on discounted bills at fair value through other comprehensive income were RMB1,900 million. The Group's allowances to NPLs and allowances to total loans were 238.69% and 3.09%, respectively.

The Group adopts a "three-stage" model for impairment based on changes in credit risk since initial recognition or by determining whether the financial instruments are credit-impaired, to estimate the expected credit losses (ECL). For stage 1, financial instruments with no significant increase in credit risk since initial recognition, impairment losses are measured as ECL for the next 12 months. For stage 2, financial instruments with significant increase in credit risk since initial recognition, but not yet credit-impaired, impairment losses are measured as lifetime ECL. For stage 3, financial instruments that are credit impaired on the balance sheet date, impairment losses are measured as lifetime ECL. The Group adhered to substantive risk judgement and sufficiently considered all reasonable and supportable information when assessing whether the credit risk of a financial instrument has increased significantly since initial recognition. The measurement of ECL requires consideration of forward-looking information. The Group developed specific scenarios for ECL measurement by reference to forecast of authoritative institutions at home and abroad and leveraging the capability of internal experts. The Group calculated ECL as the weighted average of the products of probability of default (PD), loss given default (LGD) and exposure at default (EAD) under the optimistic, baseline and pessimistic scenarios, having considered the discount factor. Please refer to Note "Loans and advances to customers" to the financial statements for details of allowances for impairment losses on loans and advances to customers.

Financial Investments

The following table sets forth the composition of the Group's financial investments by measurement as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	**% of total**	**Amount**	**% of total**
Financial assets measured at fair value through profit or loss	**920,388**	**6.58**	874,994	6.78
Financial assets measured at amortised cost	**8,593,174**	**61.42**	7,739,652	60.01
Financial assets measured at fair value through other comprehensive income	**4,477,360**	**32.00**	4,282,706	33.21
Financial investments	**13,990,922**	**100.00**	12,897,352	100.00

For further details on financial instruments measured at fair value, please refer to Note "Risk management – Fair value of financial instruments" to the financial statements.

The following table sets forth the composition of the Group's financial investments by nature as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	**% of total**	**Amount**	**% of total**
Debt securities	**13,455,533**	**96.17**	12,430,645	96.38
Equity instruments, funds and others	**535,389**	**3.83**	466,707	3.62
Financial investments	**13,990,922**	**100.00**	12,897,352	100.00

At the end of June 2026, the Group's financial investments totalled RMB13.99 trillion, an increase of RMB1.09 trillion, or 8.48% over the end of 2025. Specifically, debt securities increased by RMB1.02 trillion, or 8.24%, and accounted for 96.17% of total financial investments, down 0.21 percentage points from the end of 2025; equity instruments, funds and others increased by RMB68,682 million, and accounted for 3.83% of total financial investments, up 0.21 percentage points over the end of 2025.

Debt securities

The following table sets forth the composition of the Group's debt instruments by currency as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	**% of total**	**Amount**	**% of total**
RMB	**12,721,369**	**94.54**	11,839,548	95.25
USD	**436,066**	**3.24**	316,454	2.55
HKD	**90,953**	**0.68**	119,922	0.96
Other foreign currencies	**207,145**	**1.54**	154,721	1.24
Debt securities	**13,455,533**	**100.00**	12,430,645	100.00

At the end of June 2026, total investments in Renminbi denominated debt securities were RMB12.72 trillion, an increase of RMB881,821 million, or 7.45% over the end of 2025. Total investments in foreign currency denominated debt securities were RMB734,164 million, an increase of RMB143,067 million, or 24.20% over the end of 2025.

The following table sets forth the composition of the Group's debt instruments by issuer as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Government	**11,050,174**	**82.12**	9,979,286	80.28
Banks and non-bank financial institutions	**963,919**	**7.16**	1,019,464	8.20
Policy banks	**757,296**	**5.63**	810,635	6.52
Enterprises	**657,380**	**4.89**	551,041	4.43
Central banks	**26,764**	**0.20**	70,219	0.57
Debt securities	**13,455,533**	**100.00**	12,430,645	100.00

At the end of June 2026, government bonds held by the Group amounted to RMB11.05 trillion, an increase of RMB1.07 trillion, or 10.73% over the end of 2025. Financial debt securities were RMB1.72 trillion, a decrease of RMB108,884 million or 5.95% from the end of 2025. Specifically, financial debt securities issued by banks and non-bank financial institutions were RMB963,919 million, and financial debt securities issued by policy banks were RMB757,296 million, accounting for 56.00% and 44.00% of financial debt securities, respectively.

The following table sets forth the top ten financial debt securities held by the Group by par value at the end of the reporting period.

(In millions of RMB, except percentages)	Par value	Annual interest rate (%)	Maturity date	Allowances for impairment losses[1]
Policy bank bond issued in 2025	**20,178**	**1.69**	**2030-08-07**	**-**
Policy bank bond issued in 2019	**18,928**	**3.75**	**2029-01-25**	**-**
Policy bank bond issued in 2020	**16,450**	**3.74**	**2030-11-16**	**-**
Policy bank bond issued in 2019	**16,120**	**3.86**	**2029-05-20**	**-**
Commercial bank bond issued in 2025	**15,000**	**1.85**	**2028-02-28**	**-**
Policy bank bond issued in 2021	**13,431**	**3.48**	**2028-02-04**	**-**
Policy bank bond issued in 2019	**13,130**	**3.48**	**2029-01-08**	**-**
Policy bank bond issued in 2021	**12,670**	**3.52**	**2031-05-24**	**-**
Policy bank bond issued in 2026	**11,962**	**1.69**	**2031-03-11**	**-**
Policy bank bond issued in 2020	**11,490**	**3.79**	**2030-10-26**	**-**

1. Excluding Stage 1 allowances for impairment losses made in accordance with the ECL model.

Repossessed Assets

As part of its effort to recover impaired loans and advances to customers, the Group may take over the ownership of underlying assets, through legal actions or voluntary transfer from borrowers, guarantors or third parties, as compensation for losses on loans and advances and interest receivable. At the end of June 2026, the Group's repossessed assets were RMB856 million, and impairment allowances for repossessed assets were RMB702 million. Please refer to Note "Other assets" to the financial statements for details.

Liabilities

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

(In millions of RMB, except percentages)	30 June 2026		31 December 2025		31 December 2024	
	Amount	% of total	Amount	% of total	Amount	% of total
Deposits from customers	**31,818,419**	**73.15**	30,835,574	73.51	28,713,870	77.13
Deposits and placements from banks and non-bank financial institutions	**4,774,177**	**10.98**	4,787,174	11.41	3,315,766	8.91
Debt securities issued	**2,835,183**	**6.52**	2,593,524	6.18	2,386,595	6.41
Borrowings from central banks	**1,477,901**	**3.40**	1,096,307	2.62	942,594	2.53
Financial assets sold under repurchase agreements	**1,450,984**	**3.34**	1,490,932	3.56	739,918	1.99
Others[1]	**1,137,754**	**2.61**	1,142,230	2.72	1,128,441	3.03
Total liabilities	**43,494,418**	**100.00**	41,945,741	100.00	37,227,184	100.00

1. These comprise financial liabilities measured at fair value through profit or loss, negative fair value of derivatives, accrued staff costs, taxes payable, provisions, deferred tax liabilities and other liabilities.

The Group continued to attract low-cost funds, diversified funding sources, and optimised composition of liabilities to enhance its liability quality management. At the end of June 2026, the Group's total liabilities were RMB43.49 trillion, an increase of RMB1.55 trillion, or 3.69% over the end of 2025, largely matching the growth of assets. Specifically, deposits from customers were RMB31.82 trillion, an increase of RMB982,845 million, or 3.19% over the end of 2025. Deposits and placements from banks and non-bank financial institutions were RMB4.77 trillion, a decrease of RMB12,997 million, or 0.27% from the end of 2025. Debt securities issued were RMB2.84 trillion, an increase of RMB241,659 million, or 9.32% over the end of 2025, mainly due to expanded issuance of diversified financing instruments such as interbank certificates of deposits and financial debt securities to diversify portfolios of liabilities. Borrowings from central banks were RMB1.48 trillion, an increase of RMB381,594 million, or 34.81% over the end of 2025, mainly due to the increase in medium-term lending facilities and structured monetary policy tools. Financial assets sold under repurchase agreements were RMB1.45 trillion, a decrease of RMB39,948 million from the end of 2025. Accordingly, in the Group's total liabilities, the proportion of deposits from customers fell by 0.36 percentage points to 73.15% over the end of 2025, that of deposits and placements from banks and non-bank financial institutions dropped by 0.43 percentage points to 10.98%, that of debt securities issued rose by 0.34 percentage points to 6.52%, that of borrowings from central banks rose by 0.78 percentage points to 3.40%, and that of financial assets sold under repurchase agreements dropped by 0.22 percentage points to 3.34%.

Deposits from Customers

The following table sets forth the Group's deposits from customers by product type as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Corporate deposits	**12,470,128**	**39.19**	12,146,314	39.39
Demand deposits	**6,552,727**	**20.59**	6,524,221	21.16
Time deposits	**5,917,401**	**18.60**	5,622,093	18.23
Personal deposits	**18,984,192**	**59.66**	18,234,284	59.13
Demand deposits	**6,316,400**	**19.85**	6,278,481	20.36
Time deposits	**12,667,792**	**39.81**	11,955,803	38.77
Accrued interest	**364,099**	**1.15**	454,976	1.48
Total deposits from customers	**31,818,419**	**100.00**	30,835,574	100.00

The Group deepened systematic and networked customer acquisition and deposit growth, and enhanced the capability to stabilise and increase deposits, promoting high-quality development of liability business. At the end of June 2026, the Group's personal deposits stood at RMB18.98 trillion, an increase of RMB749,908 million, or 4.11% over the end of 2025, and accounted for 59.66% of total deposits from customers, up 0.53 percentage points, continuously delivering greater contributions; the Group's corporate deposits were RMB12.47 trillion, an increase of RMB323,814 million, or 2.67% over the end of 2025. The Group's demand deposits amounted to RMB12.87 trillion, an increase of RMB66,425 million, or 0.52% over the end of 2025, and accounted for 40.44% of total deposits from customers; the Group's time deposits amounted to RMB18.59 trillion, an increase of RMB1.01 trillion, or 5.73% over the end of 2025, and accounted for 58.41% of total deposits from customers.

Distribution of deposits from customers by region

The following table sets forth the distribution of the Group's deposits from customers by region as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**5,689,688**	**17.88**	5,563,983	18.04
Pearl River Delta	**4,290,543**	**13.49**	4,291,231	13.92
Bohai Rim	**6,199,081**	**19.48**	5,852,260	18.98
Central	**6,185,293**	**19.44**	5,908,669	19.16
Western	**6,284,122**	**19.75**	6,096,389	19.77
Northeastern	**2,234,318**	**7.02**	2,134,904	6.92
Head office	**17,305**	**0.05**	14,912	0.05
Overseas	**553,970**	**1.74**	518,250	1.68
Accrued interest	**364,099**	**1.15**	454,976	1.48
Deposits from customers	**31,818,419**	**100.00**	30,835,574	100.00

Total Equity

The following table sets forth the composition of the Group's total equity as at the dates indicated.

(In millions of RMB)	30 June 2026	31 December 2025
Share capital	**261,600**	261,600
Other equity instruments	**229,977**	199,977
Preference shares	**59,977**	59,977
Perpetual bonds	**170,000**	140,000
Capital reserve	**229,317**	229,113
Other comprehensive income	**21,691**	20,566
Surplus reserve	**434,687**	434,687
General reserve	**587,285**	587,051
Retained earnings	**2,045,625**	1,930,417
Total equity attributable to equity shareholders of the Bank	**3,810,182**	3,663,411
Non-controlling interests	**23,644**	22,666
Total equity	**3,833,826**	3,686,077

At the end of June 2026, the Group's total equity was RMB3.83 trillion, an increase of RMB147,749 million, or 4.01% over the end of 2025, mainly due to the increase of RMB115,208 million in retained earnings over the end of 2025.

Off-balance Sheet Items

The Group's off-balance sheet items include agency investment and financing services, intermediary services, derivatives, commitments and contingent liabilities. Agency investment and financing services mainly include asset management products and entrusted loans. For details of entrusted loans, please refer to Note "Entrusted lending business" to the financial statements. Intermediary services mainly include assets under custody and agency services. Derivatives mainly include interest rate contracts, exchange rate contracts, precious metals and commodity contracts. For details on the nominal amounts and fair value of derivatives, please refer to Note "Derivatives and hedge accounting" to the financial statements. Commitments and contingent liabilities mainly include credit commitments, capital commitments, government bond redemption obligations, and outstanding litigations and disputes. Specifically, credit commitments were the largest component, including undrawn loan facilities which were approved and contracted, unused credit card limits, financial guarantees, and letters of credit. At the end of June 2026, the balance of credit commitments was RMB4.31 trillion, an increase of RMB112,911 million, or 2.69% over the end of 2025. Please refer to Note "Commitments and contingent liabilities" to the financial statements for details.

The Group continued to adhere to the philosophy of prudent and compliant operations, firmly upholding the bottom line of compliance in development and resolutely implementing regulatory requirements. In accordance with the three principles of "full management coverage, categorised management and risk-based approach", the Group improved the management rules and processes of off-balance sheet business, enhanced the management capabilities of off-balance sheet business, and cemented the foundation for business development. It continuously strengthened the synergy of on- and off-balance sheet products to satisfy the comprehensive financial service demands of customers, staying committed to serving the real economy. The Group implemented categorised management according to the development and risk characteristics of off-balance sheet business, and tilted resources towards capital-light and high-return products. It continued to promote product structure optimisation and enhance intensive management of capital, and created value through services to drive high-quality and sustainable development of its off-balance sheet business.

Analysis by Region

The following table sets forth the distribution of the Group's assets by region as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**8,132,208**	**17.18**	7,730,010	16.94
Pearl River Delta	**5,683,884**	**12.01**	5,475,521	12.00
Bohai Rim	**9,643,923**	**20.38**	8,946,032	19.60
Central	**6,546,159**	**13.83**	6,241,522	13.68
Western	**6,639,294**	**14.03**	6,417,098	14.06
Northeastern	**2,280,341**	**4.82**	2,190,314	4.80
Head office	**16,934,175**	**35.78**	16,776,777	36.77
Overseas	**1,912,978**	**4.04**	1,881,841	4.12
Elimination and others	**(10,444,718)**	**(22.07)**	(10,027,297)	(21.97)
Total assets	**47,328,244**	**100.00**	45,631,818	100.00

3.1.3 Analysis on Cash Flow Statements

Cash from Operating Activities

Net cash from operating activities was RMB350,683 million, a decrease of RMB905,931 million from the first half of 2025, mainly due to the large decrease in net increase in deposits from customers and from banks and non-bank financial institutions.

Cash Used in Investing Activities

Net cash used in investing activities was RMB877,437 million, an increase of RMB46,248 million over the first half of 2025, mainly due to the large increase in purchase of investment securities.

Cash from Financing Activities

Net cash from financing activities was RMB78,137 million, a decrease of RMB4,329 million from the first half of 2025, mainly due to the large decrease in cash proceeds from issue of shares.

3.1.4 Other Financial Information

Significant Accounting Policies and Accounting Estimates

Please refer to Note "Basis of preparation and significant accounting policies" to the financial statements for details of the Group's significant accounting estimates and judgements.

Differences between the Financial Statements Prepared under PRC GAAP and Those Prepared Under IFRS Accounting Standards

There is no difference in net profit for the six months ended 30 June 2026 or total equity as at 30 June 2026 between the Group's consolidated financial statements prepared under PRC GAAP and those prepared under IFRS Accounting Standards.

3.2 BUSINESS REVIEW

The Group's major business segments are corporate finance business, personal finance business, treasury and asset management business, and others including overseas commercial banking business.

The following table sets forth the operating income and profit before tax of each major business segment for the periods indicated.

	Six months ended 30 June 2026			
	Operating income		Profit before tax	
(In millions of RMB)	Amount	% of total	Amount	% of total
Corporate finance business	178,654	41.90	75,123	37.95
Personal finance business	177,453	41.62	67,222	33.95
Treasury and asset management business	57,956	13.60	48,207	24.35
Others	12,270	2.88	7,428	3.75
Total	426,333	100.00	197,980	100.00

In the first half of 2026, operating income of the Group's corporate finance business reached RMB178,654 million, and profit before tax totalled RMB75,123 million, accounting for 37.95% of the Group's profit before tax. Operating income of personal finance business reached RMB177,453 million, and profit before tax totalled RMB67,222 million, accounting for 33.95% of the Group's profit before tax. Operating income of treasury and asset management business totalled RMB57,956 million, and profit before tax totalled RMB48,207 million, accounting for 24.35% of the Group's profit before tax. Operating income of others totalled RMB12,270 million, and profit before tax totalled RMB7,428 million.

Special Column: Progress in the "Five Priorities" in finance

Technology Finance

The Group anchored its aim to becoming a leading bank in technology finance, made significant efforts in technology finance, and deeply embedded financial services into the entire value chain of integrated development of sci-tech innovation and industrial innovation. These efforts contributed to expediting the development of new quality productive forces and achieving greater self-reliance and strength in science and technology. Focusing on the pain points and bottlenecks in the integrated development of sci-tech innovation and industrial innovation, the Group built a five-pronged technology finance system encompassing customer services, business processes, products and channels, organisational structure, and performance evaluation, thereby advancing the high-quality development of its technology finance initiatives. Leveraging a five-tier specialised organisational structure comprising head office, tier-one branches, tier-two branches in key cities, featured sub-branches (outlets), and subsidiaries, the Group established a direct service system for technology finance customers. It developed exclusive service plans to effectively meet the financing needs of sci-tech innovation entities across different development stages. The Group innovatively launched products and services such as the "Sci-Tech Innovation Loan", and continuously diversified its technology finance product matrix. It iteratively optimised its "Shanjian Technology" intelligent tool for sci-tech innovation, promoted the integrated application of various evaluation tools, and built a scientific and comprehensive evaluation system for sci-tech innovation. The Group continued to increase financial support for the development of the three international sci-tech innovation centres in Beijing (the Beijing-Tianjin-Hebei region), Shanghai (the Yangtze River Delta region), and the Guangdong-Hong Kong-Macau Greater Bay

Area. It strengthened parent-subsidiary synergy at the group level, fully utilised comprehensive financial service instruments including equity, loans, bonds, insurance, and leasing, and systematically advanced a full-chain, full-cycle approach to "investing early, investing in small enterprises, investing for the long term, and investing in hard tech", so as to build a sustainable sci-tech innovation ecosystem. In the first half of 2026, the Bank underwrote 85 series of sci-tech innovation bonds, with a total underwriting volume of RMB48,774 million. It carried out equity investment business with focus on key areas and links of the modern industrial system, and continuously strengthened financing service supply for emerging industries and future industries.

Green Finance

The Group upheld the vision of "becoming a world-leading sustainability bank", actively responded to national strategic deployment for building a Beautiful China, consistently integrated the concept of green and low-carbon transition into operation management, strategic development and corporate culture, and created a diversified service system covering green credit, green bonds, green funds and green investment, to further implement the priority of green finance. At the end of June 2026, the Bank's green loans amounted to RMB6.53 trillion, an increase of RMB536,205 million, or 8.95% over the beginning of 2026. Focusing on the investment and financing needs of green and low-carbon transition, the Group innovated diversified green financing channels. In the first half of 2026, the Bank underwrote 34 series of green non-financial bonds, with an underwriting volume of RMB15,481 million. The Bank issued US$1 billion and RMB3 billion offshore green bonds. It continued to consolidate the responsible investment system of its proprietary bond investment portfolio and channelled more funds into key areas conducive to green and sustainable development of the real economy and high-quality issuers with better ESG performance. The average external ESG rating of issuers within the investment portfolios continued to exceed market average. The balance of green leasing assets of CCB Financial Leasing was RMB43,069 million, accounting for 59.56% of its general leasing business. CCB Investment continued to invest in green industries, and implemented green investment projects of RMB48,394 million on a cumulative basis. CCB Principal Asset Management made a total of RMB32,466 million of equity investment in multiple industries such as clean energy, energy conservation and environmental protection, clean production, infrastructure green upgrading, ecological environment, and green services. CCB Life's investment in green assets amounted to RMB12,154 million.

Inclusive Finance

Adhering to high-quality development standards, the Group focused on the needs of customer segments such as small and micro businesses and individual business owners, continued to improve its inclusive finance service model and enhance the quality and effectiveness of services for small and micro businesses, and diligently advanced the priority of inclusive finance.

The Group steadily expanded the coverage of inclusive finance services. It consistently implemented the financing coordination mechanism to support small and micro businesses and conducted the "visiting thousands of customers" campaign. At the end of June 2026, the Bank's inclusive loans granted to small and micro businesses amounted to RMB4.09 trillion, an increase of RMB264,019 million or 6.89% over the end of 2025. The number of loan borrowers increased by 132.7 thousand over the end of 2025 to 3.82 million. In the first half of 2026, the interest rate of inclusive loans newly granted to small and micro businesses was 2.96%. It fully leveraged digital tools, adhered to differentiated policies for different customer groups, built a comprehensive, proactive, and intelligent risk management system, and maintained stable credit asset quality.

The Group promoted deep integration of online and offline services. It continued to update "CCB

Huidongni" platform to provide inclusive finance customers with integrated ecological services, covering credit financing, comprehensive financial solutions and business management. By the end of June 2026, "CCB Huidongni" platform had attracted 589 million visits and 49.49 million downloads, serving 16.46 million corporate customers, and led to services for 3.34 million corporate settlement customers, 1.59 million agency tax payment customers and 637.1 thousand payroll disbursement customers cumulatively. The Bank built an extensive, professional and efficient offline inclusive finance service network, with nearly 14 thousand outlets providing inclusive finance services, and over 2,900 featured inclusive finance outlets.

The Group continued to update its product and service offerings. It continuously optimised products such as the "unsecured quick loans", "secured quick loans", and "Shanyingdai", and innovated "Shanjiandai" product, to enhance product adaptability and user satisfaction. It increased efforts in serving small and micro sci-tech enterprises, with the balance of exclusive loans including "Shanxindai" and "Shankedai" reaching nearly RMB220 billion with a growth rate of over 29%. It intensified financial supply for rural households, improved the "Yunong" comprehensive service system and saw the balance of "Yunong Loans" exceed RMB380 billion, with a growth rate of over 13%. The balance of supply chain inclusive loans amounted to RMB223,022 million, an increase of RMB8,973 million over the end of 2025, serving 141.8 thousand inclusive customers along the supply chains. The "Cross-border Quick Loan" series of products cumulatively provided financing support of RMB53,752 million for small and micro foreign trade enterprises.

Pension Finance

The Group effectively advanced pension finance, and expedited the development of a systematic and featured pension finance system.

In terms of supporting government elderly-care initiatives, the Group intensified efforts to expand its services for social security, medical insurance, long-term care insurance, and various pension subsidy funds, and enhanced its capacity to attract policy-based pension funds. The Group piloted the establishment of pension service stations to promote annuity and personal pension policies, and launched value-added pension trust services to satisfy the special care needs of the elderly.

In terms of corporate pension, the Group continued to improve the quality and efficiency of services for its customer groups. At the end of June 2026, the number of corporate pension customers reached 11 thousand, an increase of 33% over the end of 2025, and the amount of corporate pension funds grew by 8%. The Group solidified its edge in the enterprise annuity business. Pillar 2 assets managed by CCB Pension amounted to RMB800,733 million, an increase of 10.70% over the end of 2025. Pension assets under custody of the Bank amounted to RMB2.29 trillion, an increase of 10.84% over the end of 2025.

In terms of personal pension, the Group optimised the "Jianyang'an – Nine Privileges for Senior Customers" personal pension service system to cover customers' pension needs from preparation for retirement, retirement transition, to post-retirement period. Based on the fundamental role of social security cards in public services, the Group vigorously expanded its social security card business. The Group also promoted the high-quality development of personal pension business, with the contribution amount growing steadily. It incorporated savings treasury bonds (book-entry) into the scope of investable products for personal pension. Pension Y-share[1] of CCB Principal Asset Management totalled RMB1,260 million, ranking top in the industry.

In terms of supporting the silver economy, the Group refined its diversified financing and investment methods, and optimised loans for elderly care service projects and loans to elderly care

[1] Fund products purchased by investors through personal pension accounts.

businesses. CCB Financial Leasing completed the first finance lease of elderly care equipment. CCB Housing Rental actively expanded investment in senior living real estate. With more financing and investment methods, the Group's service for the pension industry continued to expand.

In terms of pension ecosystem, the Group set up an "Aging Well Lifestyle" section in the CCB Lifestyle and mobile banking Apps. In collaboration with business partners, the Group offered a portfolio of financial products, and non-financial services covering elderly care, healthcare, learning, recreation, and integrated services, to boost the consumption of senior citizens. The pension finance featured outlets were further integrated with the home and community-based elderly care micro-ecosystem. By prioritising the development of flagship outlets, the Group continued to enhance its "specialised services for the senior customers".

Digital Finance

The Group strengthened its top-level design for digital finance, formulated the 2026 action plan for digital finance, supported the high-quality development of digital economy, constantly enhanced technological support capabilities, and sped up digital and intelligent transformation.

The Group strengthened AI applications and pressed ahead with the development of an intelligent data system. By leveraging digital and intelligent technologies, it expedited the comprehensive and systematic optimisation of front, middle, and back offices, enhanced AI agent platform functions, and steadily advanced the implementation of AI technology applications. By the end of June 2026, the generative AI had covered over 600 application scenarios of the Group, fully applying to core business areas such as smart marketing, smart customer service, smart investment advisory service, smart operations, smart risk control, and smart management. The Group established a unified customer view to enhance customer insight capabilities, and continuously elevated the value of data assets.

The Group focused on the development and operation of online platforms, continued to refine the mobile banking user journey, and reinforced online user connectivity and engagement. The Bank's online personal users reached 592 million, with the user coverage rate up by 0.6 percentage points over the end of 2025. The Bank rolled out the new version of personal mobile banking across the board, constantly enhanced the platform's financial product capabilities, and boosted the growth of online customers conducting financial transactions. The Bank outperformed its peers in terms of the number of users conducting financial transactions via mobile banking, which reached 164 million in the first half of 2026. The Bank deepened e-CNY applications, with the number of e-CNY consumption transactions reaching 85.35 million and the consumption amount reaching RMB7,048 million in the first half of 2026, up by 13.91% and 14.68%, respectively, over the first half of 2025.

3.2.1 Corporate Finance Business

Aiming at improving the quality and efficiency of serving the real economy, the Group continued to strengthen the "Four Integrations" and strived to provide customers with comprehensive financial solutions. It diligently advanced the "Five Priorities" in finance, actively supported the development of new quality productive forces, and facilitated the modernisation of industrial systems. The Group implemented the national strategies for major regions, fully supported the 109 major engineering projects under the 15th Five-Year Plan with financial services, and actively seized policy opportunities from the "Two Key Tasks" and "Two Renewals", to meet the reasonable financing needs of the real economy. It also enhanced digital and intelligent operating capabilities for corporate customers and promoted the intensive high-quality development of corporate finance business.

Customer Operation

Adhering to a market-oriented and customer-centred approach, the Bank focused on key industry sectors under the 15th Five-Year Plan, conducted tiered and categorised in-depth customer management, and leveraged its integrated and comprehensive business services to achieve high-quality bulk customer expansion and acquisition. It systematically enhanced its comprehensive service capabilities and built differentiated competitive advantages. At the end of June 2026, the number of the Bank's domestic corporate customers[1] reached 14.16 million, an increase of 792.9 thousand over the end of 2025 on a comparable basis. The Bank had 18.91 million corporate RMB settlement accounts, an increase of 1.02 million over the end of 2025.

Corporate Credit Business

Committed to serving the real economy, the Bank actively allocated high-quality financial resources to key areas of economic and social development, and effectively enhanced the adaptability and effectiveness of credit services. At the end of June 2026, domestic corporate loans and advances of the Bank were RMB16.82 trillion, an increase of RMB1.13 trillion or 7.19% over the end of 2025, with an NPL ratio of 1.46%. Loans to private enterprises amounted to RMB7.36 trillion, an increase of RMB633,285 million or 9.42% over the end of 2025. Focusing on the new-type industrialisation strategy, the Bank strengthened financial supply, optimised its service system, and vigorously pressed ahead with the "Shanjian Intelligent Manufacturing" comprehensive financial services to support the new industrialisation. At the end of June 2026, loans for manufacturing amounted to RMB4.15 trillion, an increase of RMB631,186 million or 17.95% over the end of 2025. The Bank provided 129.3 thousand enterprises along 5,548 core enterprise industrial chains with a total of RMB659,509 million digital supply chain financing support on a cumulative basis in the first half of 2026.

The Bank actively implemented national strategies for major regions and coordinated regional development. At the end of June 2026, the increase in RMB corporate loans in the Beijing-Tianjin-Hebei region, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area, and the Chengdu-Chongqing Economic Circle exceeded RMB830 billion, while that in Northeastern, Central and Western regions exceeded RMB630 billion.

Institutional Business

The Bank closely aligned its institutional business with the fiscal fund flows and enhanced its integrated operating capacity for government customers on all fronts. It focused on key areas such as fiscal revenue and expenditure, people's livelihood, and public services, and proactively integrated into the new paradigm of high-quality economic and social development. The quality

[1] Calculated in accordance with the latest management metrics.

and efficiency of fiscal customer services improved, with the Bank rated "Excellent" in all three comprehensive evaluations by the MOF, covering national treasury centralised payment, non-tax revenue collection, and national treasury special account agency banking. The "Caihuiguan" fiscal fund supervision platform assisted 661 government agencies in improving the efficiency of fiscal fund utilisation and fiscal resource allocation. The Bank assisted with the development of China's medical insurance convenient payment system by innovating service models including facial recognition, mobile, unified QR code, and credit payments, thereby providing high-quality, efficient, and convenient financial services to medical insurance departments at all levels, participating entities, medical institutions, and insured citizens.

Investment Banking Business

The Bank continued to deepen its integrated operation model of commercial banking and investment banking, and took multiple measures to enhance the quality and efficiency of serving the real economy. In terms of bond underwriting, the Bank focused on high-quality development. In the first half of 2026, the Bank underwrote the issuance of 453 series of debt financing instruments for non-financial enterprises, with an underwriting volume of RMB268,678 million. In terms of equity business, the Bank focused on innovation. Leveraging its subsidiaries with equity investment qualifications such as CCB Private Equity, CCB Trust, and CCB Investment, it served more than 2,000 sci-tech enterprises through investment in target enterprises or target funds. The Bank's merger and acquisition (M&A) loans grew steadily to actively support the transformation and upgrading of the real economy and sci-tech innovation. At the end of June 2026, the Bank's M&A loans amounted to RMB287,936 million, an increase of RMB21,408 million or 8.03% over the end of 2025. In terms of financial advisory service, the Bank continued to strengthen its asset origination capabilities, diversified investment and financing matchmaking scenarios, and upgraded its "FITS® e Intelligent" matchmaking section to acquire high-value customers. In the first half of 2026, the Bank completed various investment and financing matchmaking advisory businesses with the amount exceeding RMB70 billion.

Asset-backed Securitisation Business

The Bank actively leveraged securitisation to meet customers' diverse financing needs. It acted as the lead underwriting bank for the inaugural consumer-themed Quasi-REITs in the interbank market, served as the sole underwriter for the Quasi-REITs backed by multi-asset commercial properties, and underwrote a number of sci-tech innovation and green asset-backed notes (ABNs), supporting local state-owned enterprises in unlocking value from their assets. The Bank prudently carried out credit asset securitisation business. It issued two micro and small enterprise loan asset-backed securities and nine non-performing loan asset-backed securities, with an aggregate issuance size of RMB22,583 million and RMB 6,098 million respectively, in the first half of 2026.

International Business

The Bank steadily enhanced its capability to participate in international competition, and actively contributed to high-quality development and high-level opening-up. At the end of June 2026, the credit balance of international business[1] was RMB2.03 trillion, an increase of RMB399,660 million or 24.57% over the end of 2025 on a comparable basis. The Bank continued to press ahead with RMB internationalisation, with cross-border RMB settlement volume reaching RMB4.25 trillion in the first half of 2026. The "Cross-border Quick Loan" series of products cumulatively provided financing support of RMB53,752 million for small and micro foreign trade enterprises. The Bank adhered to the philosophy of "Financing Service + Intelligent Support", and the loan balance to the "Belt and Road" countries and regions reached RMB73,806 million with integrated

[1] According to the latest management metrics, the scope of international business credit balance now has been expanded to include project financing, on-lending, and international syndicated loans.

use of products including cross-border project financing, and cross-border M&A loans.

Settlement and Cash Management Business

The Bank continued to cement the corporate customer and account foundation, enhance the capabilities of its settlement and cash management products, and improve the customer experience for cash management services.

The Bank constantly optimised its corporate account service processes, innovated online modification methods for key corporate account elements, and expanded online channels for account modifications. The self-service bank statement function was further enhanced to allow enrolment via electronic channels including corporate online banking platform, offering customers greater digital access to the service. The Bank improved its domestic cash management product and service offerings, and proactively tailored the specialised "Zhangbutong" ledger management services to address the categorised fund management needs of institutional customers in the judicial and law enforcement, education and other sectors, optimising user experience. It enhanced cash management service capabilities of its overseas operations, optimised product functions such as SWIFT cash management and cross-border cash pooling, and built a globally integrated cash management service network. The Bank launched the "Treasury Cloud" global payment platform, which integrated functions such as global account management, cross-border payment and settlement, and financial exchange trading, to meet the needs of Chinese enterprises expanding overseas for lightweight, agile, and integrated global treasury management. For the bank-side corporate treasury solutions, the Bank continued to expand the suite of host-to-host interfaces to deliver an efficient and seamless connectivity experience. For the customer-side corporate treasury solutions, it stepped up product innovation and marketing efforts, and won the *The Asian Banker's* "Best Treasury Management Technology Initiative in China 2026". The Bank deepened the integrated operation of corporate and personal banking, and leveraged the advantages of its agency collection and bill payment products to effectively raise the efficiency of fund collection for various corporate and retail customers. It further expanded the application and promotion of disbursement products across wider scenarios, effectively meeting the fund distribution needs of various corporate customers. At the end of June 2026, the Bank had 232.8 thousand corporate customers signed up for migrant workers' payroll services, and made 20.09 million payments with an amount of RMB164,813 million, benefiting 9.87 million migrant workers in the first half of 2026. The Bank continued to improve both the quantity and the quality of payment and settlement products. It constantly pressed ahead with differentiated marketing approaches for different customer segments to effectively meet their settlement needs with products including electronic commercial drafts and corporate settlement cards.

3.2.2 Personal Finance Business

The Group consistently practiced the principle of "financial services for the people", anchored itself to the theme of high-quality development, and proactively adapted to customer needs. Capitalising on AI advancements and in line with the trend of diversified allocation of household wealth, the Group actively boosted consumption and continued to enhance its digital, intelligent, specialised, and collaborative operation system. It fostered primary relationships with personal customers in terms of settlement, investment, and financing in order to build itself into the primary bank for retail customers.

Customer Operation

Adhering to the "customer-centred" business philosophy, the Bank continued to improve its "tiered, grouped and graded" management system for personal customers, to strengthen comprehensive outreach and precise solution for all personal customers. At the end of June 2026, the number of the Bank's domestic personal customers reached 791 million, and the personal financial assets under management by the Bank totalled RMB24.05 trillion, an increase of RMB1.04 trillion over the end of 2025; the Bank's domestic personal deposits reached RMB18.75 trillion, an increase of RMB729,947 million over the end of 2025.

The Bank expanded its tiered management system to accelerate the delivery of inclusive finance services to all customers. For mass customers, the Bank advanced intensive online operations, deepened the integration of business, data, and technology, and coordinated seamless service across online and offline channels. By building a customer operation model integrating service and sales, the Bank expanded the scope of proactive customer operations. For high-potential customers, the Bank expanded direct online engagement through private domain, and continued to strengthen mid-office capabilities in terms of customer insight and operational support, to meet customers' comprehensive financial needs. For high-value customers, the Bank continued to strengthen the team development, refined management, and digital and intelligent capabilities of the account managers. Focusing on the wealth management service journeys for personal customers, the Bank diversified asset allocation and deepened customer engagement to elevate the quality and efficiency of in-depth services. For private banking customers, the Bank enhanced the tiered operation framework and upgraded customer services to improve its professional leadership in asset allocation, family advisory services, and entrepreneur services.

The Bank strengthened its grouped collaborative services to improve its integrated comprehensive services. The Bank strengthened the collaboration between corporate and personal businesses. It increased efforts to acquire customers in terms of agency payroll service, social security cards, merchants, entrepreneurs, provident fund service, and agency payment service, while continuously upgrading systems and platforms and enhancing collaboration mechanisms for higher comprehensive service capabilities. The Bank reinforced the synergy between assets and liabilities. It delivered tiered services for mortgage borrowers and inclusive finance customers, and expanded the coverage of its wealth management services. The Bank strengthened the collaboration of domestic and overseas operations. Leveraging CCB Asia's edges, the Bank satisfied customer needs such as cross-border payment and settlement and global asset allocation while adhering to compliance. It strengthened regional collaboration. In addition to expanding its footprint in county areas, the Bank integrated regional marketing services with focus on areas including the Beijing-Tianjin-Hebei region, the Yangtze River Delta, the Pearl River Delta, and the Chengdu-Chongqing Economic Circle.

The Bank optimised its graded benefits experience to solidify existing customer relationships. It continued to promote and operate the "CCB Long Points" brand with more premium benefits. Leveraging the "Wealth Membership" graded service system for personal customers, the Bank continuously rewarded its customers, providing them with a steady and lasting benefits experience.

The Bank upgraded the digital and intelligent management tools to enhance customer service efficiency. It systematically advanced the application of AI agents in personal customer service scenarios, and launched the personal AI assistant as an AI-native application which enabled efficient integration of customer operation workflows under the "conversational banking" model. Focusing on three core scenarios including customer insights, wealth management, and conversational assistance, the Bank developed high-quality and reusable business skills, and continued to elevate the intelligence and automation of the tools, facilitating account managers to deliver more precise insight, more professional services, and faster responses.

Personal Credit Business

The Bank adhered to the principle of balanced development of "volume, pricing and risk". At the end of June 2026, the Bank's domestic personal loans and advances amounted to RMB9.07 trillion, an increase of RMB21,252 million or 0.23% over the end of 2025. The Bank's asset quality of personal loans remained stable, with the overall risks under control.

In terms of residential mortgage business, the Bank proactively followed national policies and regulatory requirements, and contributed to the stable and healthy development of the real estate market by fully satisfying residents’ demand for first homes and better housing with high-quality services and efficient processes. At the end of June 2026, the Bank’s domestic residential mortgages reached RMB5.86 trillion. The Bank’s capacity to support residential mortgages continued to improve.

In terms of personal business loans, the Bank focused on serving the real economy, and actively expanded personal business customers such as individual businesses, and small and micro business owners. It innovated and refined its product and service offerings, optimised and promoted core products such as “unsecured quick loans for personal business” and “secured quick loans for personal business”, and actively implemented interest subsidy policies for loans granted to business entities in the service industry. The Bank accelerated the expansion of personal business loans at the county level, and achieved rapid growth in “Yunong Loans”, with a loan growth rate over 13%.

In terms of personal consumer loan business, the Bank actively implemented national policy deployments to boost consumption, and continuously expanded the coverage of its consumer finance services. In order to support residents’ diverse consumption financing needs, it continued to increase supply of consumer credit, optimise and enhance product and service offerings, and fortify the foundation for risk prevention and control. At the end of June 2026, the Bank’s domestic personal consumer loans amounted to RMB781,773 million, an increase of RMB98,599 million or 14.43% over the end of 2025.

In terms of credit card loan business, the Bank adhered to national strategic guidance of expanding domestic demand. It actively collaborated with government departments to effectively channel policy benefits such as “fiscal interest subsidies” and “Trade-ins” programmes. The Bank increased its support for consumption of new energy vehicles, continued to advance the cooperation of the head office with headquarters of mainstream automotive brands, and facilitated the energy transition in the auto consumption market. At the end of June 2026, the Bank’s domestic credit card loans totalled RMB931,854 million, staying top among peers.

Personal Payments

Centred on retail customers’ account and settlement needs, the Bank focused on fund collection and payment and high-frequency usage scenarios to enhance account service capabilities. It rolled out promotional campaigns for diverse scenarios including public transit, cultural and tourism ticketing, and supermarkets and convenience stores, effectively stimulating consumer transactions. At the end of June 2026, the Bank had 1,499 million personal settlement accounts, and issued 1,272 million debit cards. In the first half of 2026, the consumer spending volume of debit cards reached RMB11.85 trillion, and the number of transactions reached 30,276 million.

In terms of merchant businesses, the Bank actively implemented national policies to boost consumption, and facilitated the integrated operation of corporate and personal businesses to build a comprehensive service system for chain merchant groups. At the end of June 2026, the Bank had 6.17 million card acquiring merchants, with a card acquiring transaction volume of RMB1.79 trillion in the first half of 2026.

In terms of credit card business, the Bank focused on building its product system. To address the diverse needs of key customer segments, including young customers, car owners, and cross-border users, the Bank continued to diversify its product offerings by innovatively launching new products such as Long Card Ant Treasure Co-branded Credit Card, Long Card JD Co-branded

Credit Card, Long Card Diamond Credit Card (Amex Edition), and Long Card FIFA World Cup Credit Card (USA/Canada/Mexico Edition). It expanded instalment solutions for vehicle purchasing and home renovation. The Bank focused on the bill instalment and merchant instalment programmes, and channelled "fiscal interest subsidies" and "Trade-ins" policy benefits to its customers, unlocking consumption potentials. Capitalising on the upgrade of service consumption, it carried out diversified marketing activities, and built the "Explore China with Benefits" cultural and tourism consumption brand, to drive consumer engagement and transaction growth. At the end of June 2026, the cumulative number of credit card customers and credit cards issued reached 100 million and 124 million respectively. The transaction volume of credit cards totalled RMB1.16 trillion in the first half of 2026.

Wealth Management

Aligning with the trend of diversified allocation of household wealth, the Bank persistently deepened its wealth management strategy. Under the professional guidance of its Wealth Management Investment Decision-making Committee and Agency Services Committee, the Bank continued to refine its wealth management service system and enhance service awareness and efficiency to meet the needs for wealth growth of personal customers. At the end of June 2026, the Bank's investment and wealth management size amounted to RMB5.30 trillion. The number of wealth management customers increased by 5.57 million over the end of 2025. The Bank strengthened its wealth investment research capabilities. Focusing on global asset allocation and industry strategies, it enhanced the capability of niche market research to empower the frontline professionals, and diversified customer-facing research scenarios by publishing *CCB Wealth Weekly*. The Bank enhanced its product supply capabilities. It put in place an open WMP shelf, actively introducing and customising high-quality products across the market. It launched the "Long Ying" mutual fund series, pressing ahead with the allocation of steady investment products. It innovated WMPs for key customers such as agency payroll service customers, and improved personalised service experience. Furthermore, the Bank refined its asset allocation framework by upgrading asset allocation system tools with investment portfolios as the core, and enhanced its closed-loop service model of "professional allocation – quality product selection – customer matching", fully unlocking the professional value of wealth management.

Private Banking

The Bank focused on building professional capabilities, and upgraded its operating model so as to comprehensively enhance customer experience and operating quality and efficiency of private banking. The number of private banking customers and their assets under management maintained double-digit growth. Focusing on customers' core needs across the "individual – family – enterprise – society" spectrum, the Bank comprehensively expanded and deepened "professional service, quality service, and trust-based service". It continued to outperform its peers in terms of agency sales of private funds and family advisory services, and the size of family advisory services exceeded RMB200 billion. It launched an upgraded comprehensive service for entrepreneurs, optimised the spatial layout and service efficiency of entrepreneur studios, and proactively fostered new integrated operation of corporate and personal businesses to better serve entrepreneurs. It developed a digital-intelligent AI agent for private banking services, and expedited the transformation of its digital and intelligent private banking operation system. The Bank strengthened the development of its professional teams, and reinforced risk and compliance management, to safeguard the stable operation of various businesses.

Entrusted Housing Finance Business

Aligning with the reform direction of the housing provident fund system, the Bank delivered comprehensive financial services to housing provident fund centres, contributing employers, and individual contributors, to support housing consumption and meet people's housing needs. In collaboration with housing provident fund centres, the Bank expanded the coverage of its housing provident fund contribution services for the employers and flexible workers, enhanced the convenience of withdrawals, and strengthened its one-stop service and cross-regional processing capabilities for housing provident fund loans, raising the overall service quality and efficiency. At the end of June 2026, the housing fund deposits of the Bank were RMB1.86 trillion, and the residential provident fund loans stood at RMB3.01 trillion.

3.2.3 Treasury and Asset Management Business

Adhering to the market-oriented and specialised development direction, the Group fully integrated its treasury and asset management business into the customer and product service system, and enhanced the quality and efficiency of its capital market services. It delivered high-quality services to support national strategies, and continued to enhance the value creation and sustainable development capabilities of financial market business. Capitalising on the opportunity of development of Shanghai and Hong Kong international financial centres, the Group strongly supported the construction of the Shanghai Gold Exchange International Board and the Hong Kong Gold Trading Centre markets. It established a comprehensive financial service system covering full lifecycle and multi-scenario needs of financial institution customers, further enhancing its capability of integrated comprehensive operation. In addition, it strengthened high-quality asset management product offerings to provide customers with diversified investment and financing solutions. Building on the positioning of custody as a key financial infrastructure, the Group pressed ahead with enhancing the quality and efficiency of its professional custody service system.

Financial Market Business

In terms of financial market business, the Bank adhered to the concept of high-quality development, and persevered in seeking progress while maintaining stability. It continued to enhance its capability of value creation and sustainable development, and effectively controlled various risks while steadily advancing its business development.

Money Market Business

The Bank utilised a combination of money market tools to ensure ample liquidity. It fulfilled its responsibilities as a large bank by actively carrying out open market operations, and participating in the implementation of new tools including overnight reverse repos. The Bank continued to provide liquidity support to small and medium-sized financial institutions, and further expanded the scope of counterparties. The Bank also carried out repurchase transactions with non-bank financial institutions under the PBOC swap facilities. Its transaction volume ranked top in the RMB money market. The Bank controlled the pace of its issuance of negotiable certificates of deposits so as to effectively supplement stable managed liabilities. At the end of June 2026, the balance of interbank certificates of deposits issued by the Bank was RMB1.42 trillion.

Bond Business

The Bank strongly supported the implementation of proactive fiscal policies and the financing needs of the real economy. In the first half of 2026, the Bank proactively increased investment in bond assets in response to new demands arising from changes in social financing patterns. Through bond investments the Bank actively served key sectors such as sci-tech innovation, green and low-carbon development, and private economy, enhancing its capability to serve the real economy. In the first half of 2026, the Bank actively responded to complex market changes by strengthening proactive management of bond portfolios and optimising the pace of investment, so as to enhance the foresightedness and flexibility of its investment strategies. The Bank's total investments in RMB-denominated bonds in the primary market amounted to RMB1.70 trillion, ranking top in the market.

The Bank proactively expanded over-the-counter (OTC) bond business, supported reforms in the multi-tiered bond market, empowered small and medium-sized bond investors, and continuously enhanced the functions of China-UK OTC bond product. At the end of June 2026, the balance of corporate customers' OTC bonds under custody increased by 40.99% over the end of 2025.

Financial Market Trading Business

The Bank actively promoted the concept of exchange rate risk neutrality, and enhanced the long-term mechanism for exchange risk management services. The Bank launched promotional campaigns relating to exchange rate risk hedging in light of characteristics of regional economy and operating profiles of foreign-related enterprises. It fully implemented one-on-one specialised consulting at premises of micro, small and medium-sized enterprises. At the end of June 2026, the Bank's "We Trade" businesses had cumulatively served 2,245 small and micro businesses, with a transaction volume of US$2.03 billion in the first half of 2026. The Bank continued to optimise its online channel of treasury business to facilitate customer transactions. It also provided comprehensive solutions to meet customers' fund management needs, and enhanced customer trading service capabilities. In the first half of 2026, the number of the Bank's active trading customers continued to increase, and the customer-related foreign exchange sale and purchase volume increased by 41.44% year on year.

Precious Metals and Commodities Business

The Bank actively participated in the internationalisation of the gold market, and strongly supported the construction of the Shanghai Gold Exchange International Board and the Hong Kong Gold Trading Centre markets. The Bank improved its gold trading system, and strengthened its active trading. It deepened its business along the whole chain of gold industry, vigorously developed corporate gold leasing and derivatives trading, and prudently expanded its gold accumulation business to satisfy customers' asset allocation needs. At the end of June 2026, the Bank's domestic precious metal assets and placements with banks and non-bank financial institutions amounted to RMB343,418 million. In addition, through parent-subsidiary synergy, the Bank served key customers leading in the resource-based and manufacturing sectors, and provided price risk management tools for businesses and farmers. In the first half of 2026, the Bank helped with hedging of agricultural products of RMB5,347 million on a cumulative basis.

Asset Management Business

The Group focused on serving direct financing and diverse wealth management needs, and continued to advance its integrated operation. On the customer side, the Group focused on corporate customers' wealth management demand, continuously refined its collaborative marketing mechanism, strengthened direct operation and management, and provided tailor-made solutions for key customers. On the asset side, the Group constantly improved the quality and efficiency of its asset management business in serving the real economy, and focused on increasing investment support in areas such as sci-tech innovation, and green development. On the product side, the Group continued to enhance its asset management product lines, and strengthened the supply of high-quality products. At the end of June 2026, the Group's asset management business size reached RMB7.35 trillion, of which the size of discretionary mandate was RMB5.42 trillion. For more data on the asset management sizes of the subsidiaries, please refer to "Integrated Operation Subsidiaries".

Financial Institutional Business

The Bank continued to foster a robust interbank ecosystem, deepened the graded, tiered and categorised management of financial institution customers, established a comprehensive financial service system covering full lifecycle and multi-scenario needs of financial institution customers, and enhanced its capability of integrated comprehensive operation for financial institution customers. The Bank refined its services for financial market infrastructure customers, honoured with 24 awards including "Excellent Clearing Member" by the Shanghai Clearing House. The Bank continued to press ahead with the integrated operation of bills, and improved the capabilities of the bill business to serve the real economy and generate value by consolidating customer base and strengthening active trading. The interbank service platform "Shanjiantongxing" built diversified ecosystem scenarios for financial institution customers. Through "single-point access, integrated services, and one-stop contracting", it enhanced online comprehensive service capabilities and fostered an interbank ecosystem. By the end of June 2026, the platform had attracted more than 3.45 million visits, and 2,266 registered users, and granted RMB13.31 trillion on a cumulative basis. The total number of securities customers for the third-party security custody services of trading settlement funds exceeded 100 million, with the amount of funds under custody reaching RMB884,558 million. The total number of securities customers and the total amount of trading settlement funds remained top among peers.

Asset Custody Services

The Bank continued to build itself into a leading custodian, while actively serving the real economy. It took custody of the first public REITs for commercial real estate, social security sci-tech innovation fund, provincial sci-tech innovation fund of funds, and multiple sci-tech industry funds. The Bank actively responded to the national strategy of pension finance with the number of its enterprise annuity custody customers up by 1,079, and won bids for 19 single enterprise annuity plans. It enhanced the "SMART Custody" platform, delivering a customer data service system integrating operation, trading, and investment. It reinforced internal control and risk management, and persisted in safe operation. As a result, the compliance standard of its custody business rose continuously.

At the end of June 2026, in accordance with related standards specified in the *Administrative Measures for the Supervision of Commercial Banks' Custody Business (Trial)*, assets under custody of the Bank's domestic entities amounted to RMB24.45 trillion. Specifically, mutual fund, insurance, WMP, trust, and pension assets under custody were RMB4.86 trillion, RMB8.70 trillion, RMB2.28 trillion, RMB3.51 trillion and RMB2.29 trillion, respectively.

3.2.4 Overseas Commercial Banking Business

At the end of June 2026, the Group's overseas commercial banking institutions (including 20 tier-one branches and six subsidiaries), covering 28 countries and regions across six continents, saw stable asset growth and continuous improvement in operating quality and efficiency. The Group steadily pressed ahead with the integration of RMB and foreign currencies, continued to deepen the regional coordinated development, and constantly enhanced its comprehensive service capabilities. With stable credit asset quality and continuous enhancement in compliance management, the overall risk indicators remained under control. The overseas commercial banking institutions enhanced their operating performance steadily, achieving a net profit of RMB9,513 million in the first half of 2026.

Overseas Branches of the Bank

The Bank had 20 tier-one overseas branches, i.e. Hong Kong Branch, Singapore Branch, Frankfurt Branch, Johannesburg Branch, Tokyo Branch, Seoul Branch, London Branch, New York Branch, Ho Chi Minh City Branch, Sydney Branch, DIFC Branch, Taipei Branch, Luxembourg Branch, Macau Branch, New Zealand Branch, Toronto Branch, Zurich Branch, Chile Branch, Labuan

Branch, and Astana Branch. In the first half of 2026, the overseas branches of the Bank saw steady growth in assets with stable improvement in operating income and profitability, and achieved a net profit of RMB3,936 million.

CCB Asia

China Construction Bank (Asia) Corporation Limited is a licensed bank registered in Hong Kong with an issued and fully paid capital of HK$6,511 million and RMB17.6 billion. CCB Asia is the Group's full-service integrated commercial banking platform in Hong Kong, with its service scope centred on the Guangdong-Hong Kong-Macau Greater Bay Area, focusing on expanding businesses in the Chinese mainland and members of RCEP, while extending to parts of the Middle East and Central Asia. CCB Asia has traditional advantages in providing professional financial services such as overseas syndicated loans and structured finance, and has rich experience in corporate finance business, including international settlement, trade finance, financial market trading, financial advisory, green finance and trust agency services. Its targeted customers include local Blue-Chip and large Red-Chip companies, large Chinese enterprises, multinational corporations and premium local customers. CCB Asia has 28 outlets, and is also the Group's service platform for retail and small and medium-sized enterprises in Hong Kong. At the end of June 2026, total assets of CCB Asia amounted to RMB533,952 million, and shareholders' equity was RMB94,971 million; net profit in the first half of 2026 was RMB5,272 million.

CCB Russia

China Construction Bank (Russia) Limited, established in Russia in 2013, is a wholly-owned subsidiary of the Bank, with a registered capital of RUB4.2 billion. CCB Russia holds a comprehensive banking license issued by the Central Bank of Russia. It is mainly engaged in corporate deposits and loans, international settlement and trade finance. At the end of June 2026, total assets of CCB Russia amounted to RMB12,016 million, and shareholders' equity was RMB1,486 million; net profit in the first half of 2026 was RMB136 million.

CCB Europe

China Construction Bank (Europe) S.A., established in Luxembourg in 2013, is a wholly-owned subsidiary of the Bank, with a registered capital of EUR550 million. CCB Europe has established branches in Paris, Amsterdam, Barcelona, Milan, Warsaw and Hungary. CCB Europe mainly provides services to large and medium-sized enterprises in Europe as well as European multinational enterprises in China. It is mainly engaged in corporate deposits and loans, international settlement, and cross-border financial market trading. At the end of June 2026, total assets of CCB Europe amounted to RMB26,406 million, and shareholders' equity was RMB4,132 million; net profit in the first half of 2026 was RMB31 million.

CCB New Zealand

China Construction Bank (New Zealand) Limited, established in New Zealand in 2014, is a wholly-owned subsidiary of the Bank, with a registered capital of NZD199 million. CCB New Zealand holds a wholesale and retail banking license, and offers all-round and high-quality financial services, including corporate loans, retail deposits and loans, trade finance, financial markets, and settlement and clearing. At the end of June 2026, total assets of CCB New Zealand amounted to RMB11,977 million, and shareholders' equity was RMB1,452 million; net profit in the first half of 2026 was RMB48 million.

CCB Indonesia

PT Bank China Construction Bank Indonesia Tbk is a multi-licensed commercial bank listed on the Indonesia Stock Exchange. CCB Indonesia has 70 branches and sub-branches in Indonesia.

The Bank completed the acquisition of 60% equity in PT Bank Windu Kentjana International Tbk in 2016 and renamed it PT Bank China Construction Bank Indonesia Tbk in 2017. CCB Indonesia has a registered capital of IDR3.79 trillion. Seizing strategic opportunities including the Belt and Road Initiative, CCB Indonesia delves into the financial needs of Chinese enterprises expanding overseas, and provides in-depth services to local Indonesian companies, with focus on corporate banking, trade finance, infrastructure finance, and foreign exchange settlement. At the end of June 2026, total assets of CCB Indonesia amounted to RMB14,889 million, and shareholders' equity was RMB2,761 million; net profit in the first half of 2026 was RMB63 million.

CCB Malaysia

China Construction Bank (Malaysia) Berhad, established in Malaysia in 2016, is a wholly-owned subsidiary of the Bank, with a registered capital of MYR822.6 million. As a licensed commercial bank, CCB Malaysia provides various financial services, including global credit granting for large local infrastructure projects in Malaysia, and project finance, trade finance, clearing in multiple currencies and cross-border financial market trading for enterprises engaging in Sino-Malaysian bilateral trade. At the end of June 2026, total assets of CCB Malaysia amounted to RMB19,542 million, and shareholders' equity was RMB1,748 million; net profit in the first half of 2026 was RMB27 million.

3.2.5 Integrated Operation Subsidiaries

The Group has 17 tier-one integrated operation subsidiaries under direct management of the head office in various business segments, including corporate finance, personal finance, treasury and asset management, and others. Actively aligning with the positioning of "strategic coordination, sound risk control, and commercial sustainability", the integrated operation subsidiaries focused on their main responsibilities and primary businesses, optimised supply of products and services, kept improving their comprehensive customer service capabilities as well as the quality and efficiency of serving the real economy. They achieved steady business growth and robust development on the whole. At the end of June 2026, total assets of the integrated operation subsidiaries were RMB908,140 million, and net profit in the first half of 2026 reached RMB18,200 million.

Corporate Finance Business Segment

CCB Financial Leasing

CCB Financial Leasing Co., Ltd., established in 2007, is a wholly-owned subsidiary of the Bank, with a registered capital of RMB11.0 billion. It is mainly engaged in finance leasing, transfer and purchase of finance lease assets, and fixed-income investment. CCB Financial Leasing focused on its main responsibilities and primary businesses, and gave play to its asset-based financing features. It actively explored business innovation and effectively promoted the transformation of the company, so as to constantly improve the quality and efficiency of serving the real economy. At the end of June 2026, total assets of CCB Financial Leasing amounted to RMB184,466 million, and shareholders' equity was RMB34,512 million; net profit in the first half of 2026 was RMB2,409 million.

CCB P&C Insurance

CCB Property & Casualty Insurance Co., Ltd. was established in 2016 with a registered capital of RMB1.0 billion. CCB Life, Ningxia Communications Investment Group Co., Ltd. and Yinchuan Tonglian Capital Investment and Operation Group Co., Ltd. hold 90.20%, 4.90% and 4.90% of its shares, respectively. It is mainly engaged in motor vehicle insurance, insurance for business and household property as well as construction and engineering, liability insurance, hull and cargo insurance, short-term health and accidental injury insurance, and reinsurance of the above-mentioned offerings. CCB P&C Insurance witnessed steady business development. Under the new financial instruments standard and new insurance contracts standard, at the end of June 2026, total assets of CCB P&C Insurance reached RMB1,489 million, and shareholders' equity was RMB501 million; net profit in the first half of 2026 was RMB25 million.

CCB Consulting

CCB Engineering Consulting Co., Ltd. is a wholly-owned subsidiary acquired by CCB International Capital Management (Tianjin) Co., Ltd. in 2016, with a registered capital of RMB51 million. The previous name, CCB Cost Consulting Co., Ltd., was changed to the present one in 2018. CCB International (China) Co., Ltd., a wholly-owned subsidiary of CCB International, holds 100% shares of CCB International Capital Management (Tianjin) Co., Ltd. CCB Consulting is mainly engaged in cost consulting, whole-process engineering consulting, project management, investment consulting, and bidding agency services. Building on its traditional competitive edge in cost consulting, CCB Consulting expanded product lines, optimised its offerings, and strove to build core competitiveness of "financial consulting + engineering consulting". At the end of June 2026, total assets of CCB Consulting amounted to RMB1,464 million, and shareholders' equity was RMB486 million; net profit in the first half of 2026 was RMB42 million.

CCB Investment

CCB Financial Asset Investment Co., Ltd., a wholly-owned subsidiary of the Bank, was established in 2017 with a registered capital of RMB27 billion. It is mainly engaged in debt-to-equity swaps and relevant supporting businesses. CCB Investment focused on its main responsibilities and primary businesses of market-oriented debt-to-equity swaps, and helped enterprises to control leverage, deepen reforms, and enhance quality and efficiency, so as to promote economic transformation and upgrading and optimise industrial structures. It also actively and steadily advanced equity investment pilot business to facilitate the growth of sci-tech enterprises and cultivate new quality productive forces. At the end of June 2026, total assets of CCB Investment amounted to RMB132,369 million, and shareholders' equity was RMB53,963 million; net profit in the first half of 2026 was RMB7,129 million.

CCB Private Equity

CCB Private Equity Investment Management Co., Ltd. was established in 2019 with a registered capital of RMB100 million. CCB Life Insurance Asset Management Company Limited holds 100% of its shares. CCB Life and CCB International (China) Co., Ltd. (a wholly-owned subsidiary of CCB International) hold 80.10% and 19.90% shares of CCB Life Insurance Asset Management Company Limited, respectively. CCB Private Equity is mainly engaged in private equity investment and management of national strategic emerging industry development funds and other private equity funds. At the end of June 2026, assets managed by CCB Private Equity reached RMB21,296 million, total assets of CCB Private Equity amounted to RMB288 million, and shareholders' equity was RMB120 million; net profit in the first half of 2026 was RMB23 million.

CCB International

CCB International (Holdings) Limited, a wholly-owned subsidiary of the Bank in Hong Kong, was established in 2004 with a registered capital of US$601 million. Through its subsidiaries it offers investment banking related services, including sponsoring and underwriting of public offerings, corporate mergers and acquisitions and restructuring, direct investment, asset management, securities brokerage and market research. CCB International leverages its strengths in cross-border financial market services to provide customers with a full spectrum of investment and financing services across the entire value chain of investment banking. At the end of June

2026, total assets of CCB International amounted to RMB82,399 million, and shareholders' equity was RMB10,849 million; net profit in the first half of 2026 was RMB2,808 million.[1]

Personal Finance Business Segment

Sino-German Bausparkasse

Sino-German Bausparkasse Co., Ltd. was established in 2004 with a registered capital of RMB2.0 billion. The Bank and Bausparkasse Schwaebisch Hall AG hold 75.10% and 24.90% of its shares, respectively. As a specialised commercial bank committed to serving the housing finance sector, Sino-German Bausparkasse is mainly engaged in housing savings deposits and loans, residential mortgages, and government-subsidised real estate development loans supported by state policies. Sino-German Bausparkasse achieved steady business development, and the sales of housing savings products reached RMB27,052 million in the first half of 2026. At the end of June 2026, total assets of Sino-German Bausparkasse amounted to RMB41,086 million, and shareholders' equity was RMB3,159 million; net profit in the first half of 2026 was RMB11 million.

CCB Life

CCB Life Insurance Co., Ltd. is a life insurance subsidiary invested and controlled by the Bank in 2011 with a registered capital of RMB7,120 million. The Bank, KGI Life Insurance Co., Ltd., the National Council for Social Security Fund, Shanghai Jin Jiang International Investment and Management Company Limited, Shanghai China-Sunlight Investment Co., Ltd., and China Jianyin Investment Limited hold 51%, 19.90%, 16.14%, 4.90%, 4.85% and 3.21% of its shares, respectively. It is mainly engaged in personal insurance such as life, health, accidental injury insurance and reinsurance of the above-mentioned offerings. CCB Life deepened business transformation and continued to optimise its business structure. Under the New Financial Instruments Standard and New Insurance Contracts Standard, at the end of June 2026, total assets of CCB Life were RMB358,618 million, and shareholders' equity was RMB7,923 million; net profit in the first half of 2026 was RMB3,179 million.[2]

CCB Housing

CCB Housing Services Co., Ltd. was established in 2018 with a registered capital of RMB1,196 million. CCB Dingteng (Shanghai) Investment Management Co., Ltd. and Shanghai Aijian Trust Co., Ltd. hold 75.25% and 24.75% of its shares, respectively. CCB International Innovative Investment Limited, a wholly-owned subsidiary established in Hong Kong by CCB International, holds 100% shares of CCB Dingteng (Shanghai) Investment Management Co., Ltd. CCB Housing is mainly engaged in housing rental business. CCB Housing continuously optimised its housing rental ecosystem, further cooperated with the parent bank to serve customers, and met people's housing needs with its "CCB Home" platform. At the end of June 2026, total assets of CCB Housing were RMB9,133 million, and shareholders' equity was RMB312 million; net profit in the first half of 2026 was RMB20 million.

CCB Consumer Finance

CCB Consumer Finance Co., Ltd. was established in 2023 with a registered capital of RMB7.2 billion. The Bank, Beijing State-owned Assets Management Co., Ltd. and Wangfujing Group Co., Ltd. hold 83.33%, 11.11% and 5.56% of its shares, respectively. CCB Consumer Finance is mainly engaged in personal petty consumer loans. CCB Consumer Finance focused on its specialised function for consumer credit, enhanced the effectiveness of inclusive finance services, and supported the expansion of domestic demand and consumption promotion. At the end of June 2026,

[1] The data for CCB International includes CCB FinTech, CCB Housing and CCB Consulting.
[2] The data for CCB Life includes CCB P&C Insurance and CCB Private Equity.

total assets of CCB Consumer Finance were RMB17,968 million, and shareholders' equity was RMB7,209 million; net profit in the first half of 2026 was RMB37 million.

Treasury and Asset Management Business Segment

CCB Principal Asset Management

CCB Principal Asset Management Co., Ltd. was established in 2005 with a registered capital of RMB200 million. The Bank, Principal Financial Services, Inc. and China Huadian Industry-Finance Holdings Company Limited hold 65%, 25% and 10% of its shares, respectively. It is engaged in the raising and selling of funds, and asset management. CCB Principal Asset Management stayed committed to prudent operation, and continued to enhance its professional capabilities and quality and efficiency of services. At the end of June 2026, assets managed by CCB Principal Asset Management reached RMB1.44 trillion, total assets of CCB Principal Asset Management amounted to RMB11,843 million, and shareholders' equity was RMB9,977 million; net profit in the first half of 2026 was RMB517 million.

CCB Trust

CCB Trust Co., Ltd. is a trust subsidiary invested and controlled by the Bank in 2009 with a registered capital of RMB10.5 billion. The Bank and Hefei Xingtai Financial Holding (Group) Co., Ltd. hold 67% and 33% of its shares, respectively. CCB Trust was primarily engaged in trust and proprietary businesses, seeing steady development of each business segment. At the end of June 2026, total assets managed by CCB Trust were RMB2.87 trillion, of which the securities market business amounted to RMB1.53 trillion. Risk disposal service trust, family trust and credit asset securitisation business all maintained top position in the industry, the total size of which exceeded RMB670 billion; total assets of CCB Trust were RMB51,173 million and shareholders' equity was RMB29,621 million; net profit in the first half of 2026 was RMB884 million.[1]

CCB Futures

CCB Futures Co., Ltd. is a futures subsidiary invested and controlled by the Bank in 2014 with a registered capital of RMB1.0 billion. CCB Trust and Shanghai Liangyou (Group) Co., Ltd. hold 80% and 20% of its shares, respectively. It is mainly engaged in commodity futures brokerage, financial futures brokerage, asset management and futures investment advisory business, etc. CCB Trading Company Limited, a wholly-owned subsidiary of CCB Futures, is engaged in risk management operations, such as warehouse receipt service, basis trading, over-the-counter derivatives business, and general trade business. CCB Futures gave full play to its professional strength, and maintained steady development in all business lines. At the end of June 2026, total assets of CCB Futures were RMB17,626 million, and shareholders' equity was RMB1,328 million; net profit in the first half of 2026 was RMB44 million.

CCB Pension

CCB Pension Management Co., Ltd. was established in 2015 with a registered capital of RMB2.3 billion. The Bank, Principal Financial Services, Inc. and the National Council for Social Security Fund hold 70%, 17.647% and 12.353% of its shares, respectively. It is mainly engaged in investment and management of national social security funds, businesses related to management of enterprise annuity funds, entrusted management of pension funds, and pension advisory service for the above-mentioned asset management activities. CCB Pension maintained steady business development. At the end of June 2026, assets managed by CCB Pension reached RMB827,468 million, total assets of CCB Pension amounted to RMB4,975 million, and shareholders' equity

[1] The data for CCB Trust includes CCB Housing Rental and CCB Futures.

was RMB4,002 million; net profit in the first half of 2026 was RMB220 million.

CCB Wealth Management

CCB Wealth Management Co., Ltd., a wholly-owned subsidiary of the Bank, was established in 2019 with a registered capital of RMB15 billion. It is mainly engaged in the offering of WMPs, investment and management of entrusted properties, and wealth management advisory and consulting services to the customers. CCB Wealth Management invested RMB560 million and RMB1.0 billion in BlackRock CCB Wealth Management Co., Ltd. and Guomin Pension & Insurance Co., Ltd., with shareholdings of 40% and 8.79%, respectively. CCB Wealth Management achieved coordinated development in quality, efficiency and scale on the basis of sound and compliant operation. At the end of June 2026, the size of WMPs of CCB Wealth Management amounted to RMB1.66 trillion, total assets of CCB Wealth Management were RMB23,243 million, and shareholders' equity was RMB22,496 million; net profit in the first half of 2026 was RMB1,006 million.

CCB Housing Rental

CCB Housing Rental Private Fund Management Co., Ltd., a wholly-owned subsidiary of CCB Trust, was established in 2022 with a registered capital of RMB100 million. It is mainly engaged in private equity investment fund management and venture capital fund management services. CCB Housing Rental is the general partner of CCB Housing Rental Fund, and serves as its fund manager and managing partner as well. Through innovation of financial instruments, CCB Housing Rental assisted in exploring the new pattern of real estate development to encourage rentals as well as purchases. At the end of June 2026, assets managed by CCB Housing Rental reached RMB13,072 million, total assets of CCB Housing Rental amounted to RMB167 million, and shareholders' equity was RMB133 million; net profit in the first half of 2026 was RMB9 million.

Other Business Segment

CCB FinTech

CCB FinTech Co., Ltd. was established in 2018 with a registered capital of RMB1,730 million. CCB Tenghui (Shanghai) Private Equity Fund Management Co., Ltd., China Central Depository & Clearing Co., Ltd., Shanghai Lianyin Venture Capital Co., Ltd., and China Development Bank Capital Co., Ltd. hold 92.50%, 2.50%, 2.50% and 2.50% of its shares, respectively. CCB International (China) Co., Ltd., a wholly-owned subsidiary of CCB International, holds 100% shares of CCB Tenghui (Shanghai) Private Equity Fund Management Co., Ltd. CCB FinTech took serving the Group as its main responsibility and primary business, and was engaged in software research and development (R&D) of the Group, responsible for the R&D quality and efficiency. It accelerated the digital and intelligent transformation of the Group by advancing the scaling up of AI applications. At the end of June 2026, total assets of CCB FinTech were RMB6,318 million, and shareholders' equity was RMB1,472 million; net profit in the first half of 2026 was RMB41 million.

3.2.6 FinTech and Channel Operation

The Group strengthened its integrated IT management, consolidated FinTech support, and focused on the scenario construction and deep application of AI. It deepened the integration of business, data, and technology, changed business processes and service models, improved operational efficiency and user experience, and accelerated the digital and intelligent transformation. The Group established a data management system adapted to the requirements of its integrated comprehensive operation, and consolidated the data foundation to facilitate AI application. It optimised the pattern of channel development, expanded intelligent scenario application for centralised operations, and improved full-channel service capabilities with focus on customers' experience. The Group continued to strengthen the traffic value operation of online platforms, and improved the service capabilities and functional experience of its products.

FinTech

The Group sped up the construction of AI applications, consolidated digital infrastructure, safeguarded the bottom lines of production safety and cybersecurity, and continued to improve the quality and efficiency of technology R&D supply, providing strong sci-tech support for high-quality business development.

The Group systematically advanced the "AI+" initiative, and officially released a three-year "AI+" development plan, providing top-level design and strategic guidance for AI development across the group. Adhering to value creation orientation, it continued to advance the construction of application scenarios and the deep integration of business, data, and technology. It accelerated the phased advancement of AI applications from key breakthroughs, exemplary leadership to deeper application and scaled empowerment. At the end of June 2026, the Group's generative AI covered more than 600 application scenarios in business areas such as intelligent marketing, intelligent customer service, intelligent investment advisory service, intelligent operation, intelligent risk control, and intelligent management. Focusing on marketing support, technology R&D, and daily office work, the Group actively promoted the construction of AI-native agent applications, and initially formed a full spectrum of AI application scenarios. The Group continued to consolidate foundational AI capabilities, and built a full-lifecycle management system covering the introduction, evaluation, training, deployment, monitoring, and exit of models. It constructed a model service system equipped with general-purpose, reasoning, and multi-modal capabilities, effectively supporting the stable and efficient operation of key business scenarios such as wealth management and risk control. It expedited the deployment of intelligent R&D capabilities, and provided R&D personnel with full-process intelligent assistance with requirement analysis, code generation, code review, and test case generation. The Group comprehensively promoted the construction of the knowledge management system. Focusing on business scenarios, the Group built an enterprise-level knowledge base covering "general knowledge + domain knowledge". The Group strictly implemented regulatory guidelines on secure AI applications. It continued to strengthen the AI security control framework, published the *AI Application R&D Process Specification*, and routinely conducted security vulnerability screenings, and risk alert and responses, effectively safeguarding the safety, reliability, and controllability of AI applications.

The Group advanced the upgrading of technical capabilities and improvement of application efficiency of the big data platform. It constructed the frame of AI agent dedicated to big data application R&D, and supported the intelligent development of real-time data processing. The Group enhanced the big data technology foundation to facilitate efficient data synchronisation across heterogeneous databases in terms of multi-dimensional analysis and full-text search for efficient flow of massive data. The Group advanced the construction of digital infrastructure. With "CCB Cloud" it continued to build the new computing power system integrating intelligent and general-purpose computing power, and steadily expanded its intelligent computing power.

The Group continued to reinforce the construction of its integrated cybersecurity management system. It organised group-wide vulnerability screenings and rectifications, penetration testing, internal cybersecurity attack and defence drills, and anti-blackmail emergency drills. It also promoted the adoption of unified cybersecurity tools to reinforce the Group's cybersecurity defence network. The Group deepened the construction of trustworthy financial security architecture. It conducted analysis and research on the security of post-quantum cryptography algorithms, and explored the application of AI technologies in code security scan, security alert analysis, and security penetration testing, to elevate its cybersecurity capabilities.

In terms of technology R&D, the Group continued to improve effectiveness of value delivery and enhance its agile response capabilities. In the first half of 2026, the Group responded to 10.7 thousand business demands, and put 64.9 thousand business demands items into production. The R&D efficiency rose by 11%. The Group completed the construction and the launch of key projects including the sci-tech innovation intelligent selection tool, overseas promotion of full-process financial market investment and trading, the upgrading of personal AI assistant for account managers, intelligent data application system, upgrading of AML list monitoring engine, and deployment of cross-border service zone of CCB Asia mobile banking. By the end of June 2026, the Group had been granted 5,505 FinTech patents, an increase of 658 over the end of 2025, including 4,199 invention patents.

Entities and Outlets

The Group provided its customers with convenient and high-quality banking services through its widespread branches and sub-branches, self-service facilities, specialised service entities and e-banking service platforms. At the end of June 2026, the Group had a total of 14,599 operating entities. The Bank had 14,066 operating entities, including 14,032 domestic entities, i.e. the head office, two branch-level specialised entities, 37 tier-one branches, 363 tier-two branches, 13,618 sub-branches and 11 outlets under the sub-branches, and 34 overseas operations. The Bank's 23 major subsidiaries (including 17 integrated operation subsidiaries and six overseas banking subsidiaries) had a total of 533 entities, including 408 domestic entities and 125 overseas entities. For addresses of domestic tier-one branches, overseas branches, and subsidiaries, please refer to the 2025 annual report of the Bank.

The following table sets forth the distribution of the Group's operating entities by region as at the dates indicated.

	30 June 2026		31 December 2025	
	Number of entities	**% of total**	**Number of entities**	**% of total**
Domestic operations of the Bank	**14,032**	**96.12**	**14,045**	**96.11**
Yangtze River Delta	**2,213**	**15.16**	**2,217**	**15.17**
Pearl River Delta	**1,769**	**12.12**	**1,776**	**12.15**
Bohai Rim	**2,372**	**16.25**	**2,373**	**16.24**
Central	**3,437**	**23.54**	**3,430**	**23.47**
Western	**2,914**	**19.96**	**2,915**	**19.95**
Northeastern	**1,323**	**9.06**	**1,330**	**9.10**
Head office	**4**	**0.03**	**4**	**0.03**
Overseas operations of the Bank	**34**	**0.23**	**34**	**0.23**
Subsidiaries	**533**	**3.65**	**535**	**3.66**
– Domestic	**408**	**2.79**	**409**	**2.80**
– Overseas	**125**	**0.86**	**126**	**0.86**
Total	**14,599**	**100.00**	**14,614**	**100.00**

With the total number of its business outlets staying stable, the Bank focused on optimising its outlet layout to enhance the effectiveness of its outlet operations. It supported channel construction in key regions, including the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macau Greater Bay Area. The number of outlets in key regions accounted for 35.13% of the total domestic outlets. In addition, the Bank increased its county-level outlets, and 62.50% of the newly established outlets were located in counties. The Bank deployed 73.3 thousand self-service facilities across its self-service channels, in which 32.19% were located in counties. It opened 13.7 thousand "Workers' Harbours" to the public, delivering convenient and people-benefiting services to the public.

Adhering to the "customer-centred" service concept, the Group continued to accelerate the application of intelligent technologies, and developed an enterprise-level service and operation system featuring omni-channel integration. It continued to optimise business processing procedures by tackling issues affecting customer and employee experience. It vigorously promoted the digital, online and intelligent transformation of counter business, and provided customers with "one-stop" and "one-click" services, greatly saving business processing time. The Group actively deployed service functions across online channels, expanded remote video services, and provided customers with coordinated seamless online and offline experiences. It further expanded the scope of centralised operations, elevated the level of centralisation, and leveraged AI to substantially enhance processing efficiency, empowering efficiency improvement across the group.

Online Channels

The Bank expedited online channel development, pressed ahead with the integrated operations of personal mobile banking and CCB Lifestyle, supported the special action to boost consumption, and continuously enhanced the user experience of convenient services. In terms of personal mobile banking, the Bank focused on improving financial service capabilities and user experience, strengthened the online operation of wealth management and credit business, and facilitated the growth of customers' online assets. In terms of "CCB Lifestyle", the Bank enhanced its capabilities of consumption finance and daily scenario services, and promoted scenarios such as "Smart Canteen" and government-issued consumption coupons to improve the quality and efficiency of platform services. At the end of June 2026, the Bank had 592 million online personal users, of which the users of mobile banking and CCB Lifestyle totalled 556 million. The Bank outperformed its peers in terms of the number of users conducting financial transactions via mobile banking, which reached 164 million in the first half of 2026. The card-linked fast payment users reached 502 million.

Mobile Banking

The Bank rolled out a new version of personal mobile banking across the board, refined high-frequency business workflows on the platform to address users' financial needs to "manage, borrow, or save money". It upgraded functions such as Asset Overview and Return Centre, enhancing the comprehensiveness and convenience of account management. Targeting young customers and merchants, the Bank launched functions including "Fast Saving" and "Huizhongbao", and expanded credit products in retail, inclusive finance, and agricultural areas. It optimised the login authentication system, streamlined security verification processes, and effectively balanced user experience with security and risk control capabilities. At the end of June 2026, the number of personal mobile banking customers with assets in their accounts totalled 447 million, an increase of 1.35% over the end of 2025, and the number of active customers of personal mobile banking with assets over RMB10 thousand increased by 15.02% over the end of June 2025.

CCB Lifestyle

Leveraging the ecosystem scenarios of the CCB Lifestyle platform, the Bank stepped up its efforts in customer management across various scenarios and supported the development of consumer finance. It actively facilitated the distribution of local governments' "trade-in" consumption coupons to stimulate consumer spending and empower the real economy. At the end of June 2026, the CCB Lifestyle platform recorded 189 million registered users, an increase of 8.97 million over the end of 2025. In the first half of 2026, the platform cumulatively facilitated the distribution of government consumption coupons totalling RMB1,923 million across 146 cities, driving consumer spending of RMB24,249 million. The platform had a total of 399.2 thousand merchant stores on board, an increase of 12.9 thousand stores in the first half of 2026. The "Smart Canteen" service cumulatively covered 15.4 thousand corporate users, an increase of over 1,800 in the first half of 2026.

Online Banking

In terms of personal online banking, the Bank continued to enhance user experience around core financial services and high-frequency basic functions, launched exclusive savings bond product for personal pensions, and added a query function for transaction details within the past 15 years. It improved investment risk assessment and alerts, optimised transfer records and statement printing, and expanded e-receipt application scenarios. In terms of corporate online banking, the Bank enhanced user experience, and launched a dedicated pension finance zone covering featured services such as enterprise annuities, payroll and welfare trusts, equity incentive plans, and supplementary medical insurance, delivering one-stop services for pension customers. At the end of June 2026, the number of personal online banking users was 438 million, an increase of 0.82% over the end of 2025. The number of corporate online banking users was 17.64 million, an increase of 5.53% over the end of 2025. The Bank upgraded the overseas online corporate banking functions, achieving coverage of all of its overseas operations, and the number of overseas online corporate customers increased by 15.99% over the end of 2025.

Online Payment

The Bank adhered to the philosophy of "payment for the people and payment for the people's convenience", leveraged the online reach advantages of online payment, and continued to elevate payment service standards through digital operations and product innovation. In the first half of 2026, CCB made 32,358 million online payment transactions, an increase of 2.70% over the first half of 2025, with an amount of RMB10.45 trillion, maintaining a leading position among its peers in the market share of payment institutions such as Alipay, Meituan and Pinduoduo.

Remote Intelligent Banking

The Bank adhered to a "customer-centred" approach, constantly expedited digital and intelligent transformation, and upgraded its remote comprehensive financial service system characterised by multimedia interconnection, multi-scenario penetration, and multi-functional reach, thereby delivering smarter and more convenient service experiences to domestic and overseas customers across the group. The Bank promoted bank-wide integrated operations and fully realised the centralised, unified management of all inbound call services. The "CCB Customer Service" platform innovatively launched scenario-based functions such as credit repair and family-oriented services. Digital avatars were deployed 28 times cumulatively and integrated into eight internal channels and 20 exhibitions. Video banking delivered 30 face-to-face services tailored for corporate, county-level, and special-needs customers. Services including savings card PIN reset, emergency payment limit increases and unblocking, and witnessed agency operations were rolled out bank-wide, significantly speeding up the resolution of customer pain point of "physical branch visit required". The Bank pressed ahead with a new model integrating service and sales, scaled up the deployment of AI capabilities, and developed silicon-based relationship managers alongside a retail AI middle platform. It established a unified knowledge base for the retail banking segment, constructed a marketing data pathway linking remote banking with bank-wide systems, and initially achieved two-way referral of enterprise-level marketing leads between remote banking channels and branch networks. The Bank promoted the systematic resolution of customer issues, effectively enhancing the integrated problem-solving capabilities of the remote banking channel in coordination with the broader bank network. In the first half of 2026, the Bank provided all-channel services to 172 million customers, with the satisfaction rate of customer service hotline reaching 99.96%, and the number of followers of the "CCB Customer Service" new media matrix exceeded 59 million.

E-CNY

Under the unified coordination of the PBOC, the Bank steadily advanced the research, development, and application of e-CNY. The Bank enhanced the product and service capabilities of e-CNY wallets, enabling credit card repayments and purchases of special funds and WMPs using personal e-CNY wallets. Class I wallets supported enrolment in CTS services, and corporate wallets were enabled to purchase gold accumulation products and OTC bonds. The Bank pressed ahead with scenario application innovation for e-CNY, expanding the use of e-CNY to multiple scenarios in areas such as batch payments, smart settlement, fund supervision, prepaid consumption, and cross-border settlement. It also completed China's first e-CNY cross-bank multi-party debt clearing transaction. The Bank achieved new progress in cross-border e-CNY applications, supporting customers in conducting cross-border transactions via the Project mBridge using e-CNY wallets, corporate settlement accounts, Hainan FTP's EF accounts, and FTZ's FT accounts. The transaction volume of Project mBridge exceeded RMB50 billion in the first half of 2026. As direct participants CCB Asia and the Bank's Singapore Branch were connected to the Cross-Border e-CNY Transaction Service (CBETS) platform. The Bank also implemented the China-Laos e-CNY cross-border payment scheme featuring domestic issuance for overseas use, enabling customers to use domestic e-CNY wallets for purchases at local merchants in Laos. At the end of June 2026, the number of the Bank's e-CNY personal wallets and e-CNY corporate parent wallets reached 84.91 million and 5.5 million, respectively. E-CNY consumption transactions reached 85.35 million, with a total consumption amount of RMB7,048 million in the first half of 2026, maintaining an industry-leading position.

3.3 RISK MANAGEMENT

In the first half of 2026, the Group adhered to bottom-line thinking and continued to refine a comprehensive, proactive, intelligent, and agile risk control system. It deepened look-through management of overseas operations and subsidiaries, effectively enhanced the quality and efficiency of integrated group-wide risk management. The Group's management in relation to global and domestic systemically important banks (SIBs) fully complied with regulatory requirements. The Group steadily advanced asset quality management, focusing on risk identification, prevention and control in key areas. It strengthened coordinated efforts in non-performing assets disposal, ensuring the stability of overall asset quality. The Group pressed ahead with the expansion and core upgrade of intelligent risk control capabilities, expediting the development of an intelligent platform for comprehensive risk management. It developed AI agents for customer risk identification and business risk analysis, embedded intelligent risk control tools into business processes, and enhanced the foresightedness, proactiveness, and effectiveness of risk management.

The Board fulfils its risk management responsibilities pursuant to the Articles of Association of the Bank and regulatory requirements. The Board and its risk management committee develop risk management strategies, supervise the implementation, assess the Group's overall risk profile, regularly review the statements of risk appetite and transmit the risk appetite through relevant policies. Senior management and its risk and internal control management committee are responsible for implementing risk strategies developed by the Board and organising comprehensive risk management work across the group.

3.3.1 Credit Risk Management

The Group remained committed to robust credit risk management, deepening structural and trend-based analysis and assessment of credit risks to strengthen its capacity to prevent financial risks.

The Group proactively managed credit risk. It continued to optimise the composition of its credit assets, focusing on supporting high-quality development of the real economy and diligently advancing the "Five Priorities" in finance, while increasing support for major national strategies, key areas and weak links. It strengthened integrated group-wide credit risk prevention and control, strictly managed key links across the entire process, prudently pressed ahead with the prevention and resolution of risks in key areas, and sped up the development of centralised risk control models for inclusive finance and retail credit. The Group strictly implemented the *Rules on Risk Classification of Financial Assets of Commercial Banks*. It followed the principle of substantive risk judgement, and conducted risk classification in an accurate and compliant manner in line with the three-step procedure of "initial classification, identification and approval". It adhered to the high-quality implementation of the ECL approach, timely made adequate loss provisions, and maintained strong risk mitigation capacity.

The Group enhanced its risk measurement capabilities. It optimised customer credit rating models to support objective and accurate risk assessments. It rolled out the "Shanjian Technology" intelligent assessment tool for sci-tech innovation, enabling better identification of high-quality sci-tech enterprises. It continued to advance the iterative upgrading of risk control models for both inclusive finance and retail credit, updated scorecard tools, innovated in the development and application of integrated models, and diversified its risk measurement toolkit.

The Group optimised the comprehensive financing approval and management mechanism. It incorporated both credit and non-credit investment and financing businesses conducted in its financing services for corporate customers, such as credit, trading, and investment, into a unified and comprehensive financing approval and management framework, clarified the management mechanism, strengthened collaborative checks and balances, and advanced differentiated management of investment and trading business. It gave full play to the role of professional empowerment, risk control and collaborative services of the second line of defence. Adhering to the principles of adapting to local conditions and aligning authority with responsibility, the Group established tiered approval mechanisms in a steady and orderly manner at certain tier-one branches demonstrating strong management capabilities and substantial market demands, thereby effectively supporting national strategies and the Group's high-quality business development. Focusing on the 15th Five-Year Plan, the Group dynamically adjusted approval authorisation by effectively establishing an approval framework tailored to the risk profiles of county-level business, sci-tech enterprises, micro, small and medium-sized enterprise customers, financial institution customers, and overseas customers. Through these efforts, the Group enhanced the quality and efficiency of approval for customers in key areas, and improved the capabilities to serve the real economy.

The Group strengthened its special assets resolution. It maintained sound risk resolution and disposal capabilities. With the effective management and timely disposal of non-performing assets, the Group sped up the flow of credit funds, and provided solid support for the bank-wide strategy implementation, operation management and control, structural adjustment and profitability enhancement.

Distribution of Loans by Five-category Classification

The following table sets forth the distribution of the Group's loans by five-category classification under which NPLs include substandard, doubtful and loss as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of total	Amount	% of total
Normal	28,388,545	96.94	26,867,143	96.92
Special mention	519,324	1.77	490,731	1.77
Substandard	122,720	0.42	103,874	0.38
Doubtful	64,950	0.22	73,426	0.26
Loss	191,306	0.65	186,682	0.67
Gross loans and advances excluding accrued interest	29,286,845	100.00	27,721,856	100.00
NPLs	378,976		363,982	
NPL ratio		1.29		1.31

The Group adhered to the substantive risk judgement, strictly implemented relevant provisions on risk classification, and accurately reflected the level of risks. At the end of June 2026, the balance of the Group's NPLs was RMB378,976 million, an increase of RMB14,994 million over the end of 2025. The NPL ratio was 1.29%, a decrease of 0.02 percentage points from the end of 2025. Special mention loans accounted for 1.77% of gross loans and advances excluding accrued interest, flat with the end of 2025.

Distribution of Loans and NPLs by Product Type

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

(In millions of RMB, except percentages)	30 June 2026			31 December 2025		
	Loans and advances	NPLs	NPL ratio (%)	Loans and advances	NPLs	NPL ratio (%)
Domestic loans and advances of the Bank	**28,388,653**	**363,350**	**1.28**	26,834,069	348,391	1.30
Corporate loans and advances	**16,818,870**	**244,747**	**1.46**	15,690,859	240,384	1.53
Short-term loans	**4,658,100**	**72,078**	**1.55**	4,235,650	74,583	1.76
Medium to long-term loans	**12,160,770**	**172,669**	**1.42**	11,455,209	165,801	1.45
Personal loans and advances	**9,071,749**	**118,603**	**1.31**	9,050,497	108,007	1.19
Residential mortgages	**5,857,813**	**57,560**	**0.98**	5,991,328	53,269	0.89
Personal business loans	**1,454,668**	**25,911**	**1.78**	1,315,605	20,773	1.58
Credit card loans	**931,854**	**23,643**	**2.54**	1,009,100	23,860	2.36
Personal consumer loans	**781,773**	**8,729**	**1.12**	683,174	7,321	1.07
Other personal loans	**45,641**	**2,760**	**6.05**	51,290	2,784	5.43
Discounted bills	**2,498,034**	**-**	**-**	2,092,713	-	-
Overseas operations and subsidiaries	**898,192**	**15,626**	**1.74**	887,787	15,591	1.76
Gross loans and advances excluding accrued interest	**29,286,845**	**378,976**	**1.29**	27,721,856	363,982	1.31

Distribution of Loans and NPLs by Region

The following table sets forth the distribution of the Group's loans and NPLs by region as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026			31 December 2025		
	Loans and advances	NPLs	NPL ratio (%)	Loans and advances	NPLs	NPL ratio (%)
Yangtze River Delta	**6,131,793**	**51,093**	**0.83**	5,772,902	48,550	0.84
Pearl River Delta	**4,554,316**	**83,802**	**1.84**	4,303,152	86,633	2.01
Bohai Rim	**4,934,947**	**60,522**	**1.23**	4,696,417	56,441	1.20
Central	**5,086,184**	**60,934**	**1.20**	4,727,097	57,045	1.21
Western	**5,585,414**	**67,678**	**1.21**	5,273,064	60,585	1.15
Northeastern	**1,168,199**	**23,093**	**1.98**	1,105,191	22,517	2.04
Head office	**1,076,783**	**23,693**	**2.20**	1,101,691	23,912	2.17
Overseas	**749,209**	**8,161**	**1.09**	742,342	8,299	1.12
Gross loans and advances excluding accrued interest	**29,286,845**	**378,976**	**1.29**	27,721,856	363,982	1.31

Distribution of Loans and NPLs by the Industry in which Customers Operate

The following table sets forth the distribution of the Group's loans and NPLs by the industry in which customers operate as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026				31 December 2025			
	Loans and advances	% of total	NPLs	NPL ratio (%)	Loans and advances	% of total	NPLs	NPL ratio (%)
Domestic loans and advances of the Bank	**28,388,653**	**96.93**	**363,350**	**1.28**	26,834,069	96.80	348,391	1.30
Corporate loans and advances	**16,818,870**	**57.43**	**244,747**	**1.46**	15,690,859	56.60	240,384	1.53
Leasing and commercial services	**3,027,308**	**10.34**	**43,807**	**1.45**	2,831,419	10.21	44,575	1.57
Manufacturing	**2,761,100**	**9.43**	**36,593**	**1.33**	2,416,735	8.72	34,899	1.44
Transportation, storage and postal services	**2,701,209**	**9.22**	**12,010**	**0.44**	2,587,380	9.33	14,991	0.58
Production and supply of electric power, heat, gas and water	**1,813,904**	**6.19**	**12,119**	**0.67**	1,755,960	6.34	12,087	0.69
Wholesale and retail trade	**1,700,839**	**5.81**	**35,730**	**2.10**	1,485,794	5.36	33,114	2.23
Real estate	**901,831**	**3.08**	**44,479**	**4.93**	905,583	3.27	44,635	4.93
Construction	**893,325**	**3.05**	**26,712**	**2.99**	800,737	2.89	24,435	3.05
Water, environment and public utility management	**906,031**	**3.09**	**10,148**	**1.12**	814,281	2.94	8,307	1.02
Finance	**411,272**	**1.41**	**160**	**0.04**	552,689	1.99	166	0.03
Mining	**425,876**	**1.45**	**1,976**	**0.46**	383,385	1.38	5,061	1.32
Others[1]	**1,276,175**	**4.36**	**21,013**	**1.65**	1,156,896	4.17	18,114	1.57
Personal Loans and advances	**9,071,749**	**30.97**	**118,603**	**1.31**	9,050,497	32.65	108,007	1.19
Discounted bills	**2,498,034**	**8.53**	**-**	**-**	2,092,713	7.55	-	-
Overseas operations and subsidiaries	**898,192**	**3.07**	**15,626**	**1.74**	887,787	3.20	15,591	1.76
Gross loans and advances excluding accrued interest	**29,286,845**	**100.00**	**378,976**	**1.29**	27,721,856	100.00	363,982	1.31

1. These mainly comprise industries such as information transmission, software and information technology services, scientific research and technological service, agriculture, forestry, animal husbandry, fishing, health and social work, and education.

The Group continued to improve quality and efficiency in serving the real economy, made great efforts to promote the optimisation and adjustment of credit structure, and enhanced risk prevention and control in key areas. The NPL ratios for industries such as manufacturing, transportation, storage and postal services declined.

Restructured Loans and Advances to Customers

The following table sets forth the Group's restructured loans and advances to customers as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of gross loans and advances excluding accrued interest	Amount	% of gross loans and advances excluding accrued interest
Restructured loans and advances to customers	**139,860**	**0.48**	126,375	0.46

1. The classification of restructured loans and advances to customers was in compliance with the standard of the *Rules on Risk Classification of Financial Assets of Commercial Banks.*

At the end of June 2026, the balance of restructured loans and advances to customers was RMB139,860 million, an increase of RMB13,485 million over the end of 2025; their proportion in gross loans and advances excluding accrued interest was 0.48%.

Overdue Loans and Advances to Customers

The following table sets forth the Group's overdue loans and advances to customers by overdue period as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2026		31 December 2025	
	Amount	% of gross loans and advances excluding accrued interest	Amount	% of gross loans and advances excluding accrued interest
Overdue within three months	**111,698**	**0.38**	91,072	0.33
Overdue between three months and six months	**62,198**	**0.22**	49,786	0.18
Overdue between six months and one year	**67,595**	**0.23**	64,680	0.23
Overdue between one year and three years	**117,450**	**0.40**	119,545	0.43
Overdue for over three years	**47,225**	**0.16**	42,731	0.16
Total overdue loans and advances to customers	**406,166**	**1.39**	367,814	1.33

At the end of June 2026, the balance of overdue loans and advances to customers was RMB406,166 million, an increase of RMB38,352 million over the end of 2025; their proportion in gross loans and advances excluding accrued interest was 1.39%.

Migration Rate of Loans

(%)	30 June 2026	31 December 2025	31 December 2024
Migration rate of normal loans	**1.35**	1.17	1.07
Migration rate of special mention loans	**28.62**	14.98	11.69
Migration rate of substandard loans	**88.06**	50.73	44.56
Migration rate of doubtful loans	**99.08**	57.47	34.38

1. The migration rate of loans was calculated on a consolidated basis according to the definition of the indicators revised in 2022 by the former CBIRC.

Large Exposures Management

The Group strictly complied with regulatory requirements and systematically conducted the identification, measurement, monitoring, and reporting of large exposures. It continued to improve the collaborative management mechanism for risk exposures across the group, reinforced the monitoring and management of limit compliance, and cemented the foundation of the Group's large exposure management framework.

Concentration of Loans

At the end of June 2026, the Group's gross loans to the largest single borrower accounted for 4.12% of total capital, while those to the top ten customers accounted for 12.40% of total capital.

(%)	30 June 2026	31 December 2025	31 December 2024
Proportion of loans to the largest single customer	4.12	4.14	4.15
Proportion of loans to top ten customers	12.40	13.40	15.22

The Group's top ten single borrowers as at the date indicated are as follows.

(In millions of RMB, except percentages)	Industry	30 June 2026 Amount	30 June 2026 % of total loans and advances excluding accrued interest
Customer A	Transportation, storage and postal services	200,895	0.69
Customer B	Production and supply of electric power, heat, gas and water	72,254	0.25
Customer C	Leasing and commercial services	58,972	0.20
Customer D	Transportation, storage and postal services	54,430	0.18
Customer E	Transportation, storage and postal services	38,227	0.13
Customer F	Production and supply of electric power, heat, gas and water	37,500	0.13
Customer G	Transportation, storage and postal services	37,497	0.13
Customer H	Transportation, storage and postal services	37,420	0.13
Customer I	Transportation, storage and postal services	34,349	0.12
Customer J	Finance	33,552	0.11
Total		605,096	2.07

For details of capital measurement of credit risks, please refer to the *Half-Year Capital Management Pillar III Report 2026* published on the websites of the SSE (www.sse.com.cn), the "HKEXnews" of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk), and the Bank (www.ccb.cn, www.ccb.com).

3.3.2 Market Risk Management

In the first half of 2026, the Group continued to reinforce its market risk management. It formulated the annual risk policy and risk limit plan for investment and trading business, while monitoring and reporting on limit compliance. It further promoted digital monitoring and risk screening for trading business, driving multi-dimensional upgrades of digital surveillance tools. In response to heightened fluctuation in global financial markets, the Group also intensified impact analysis on investment portfolios.

Value at Risk Analysis on Trading Book

The Bank performs value at risk (VaR) analysis on its trading portfolio to measure and monitor the potential losses that could occur on risk positions taken, due to movements in market interest rates, foreign exchange rates and other market prices. The Bank calculates the VaRs of its Renminbi and foreign currency trading portfolios on a daily basis (at a confidence level of 99% and with a holding period of one trading day).

The VaR analysis on the Bank's trading book as at the dates indicated and during respective periods is as follows.

	Six months ended 30 June 2026				Six months ended 30 June 2025			
(In millions of RMB)	30 June	Average	Maximum	Minimum	30 June	Average	Maximum	Minimum
VaR of trading portfolio	**383**	**285**	**576**	**170**	328	309	363	241
Of which: Interest rate risk	**98**	**87**	**116**	**65**	202	124	213	73
Foreign exchange risk	**392**	**272**	**565**	**145**	281	309	363	246
Commodity risk	**22**	**26**	**36**	**14**	1	1	2	-

Stress Testing of Market Risk

The Bank uses stress testing over single factor scenario, multi-factor scenario and historical scenario, to effectively supplement VaR analysis on trading books. Stress testing of market risk reveals weak links in the investment and trading business under extreme scenarios by quantitatively analysing the impact of changes in interest rates, foreign exchange rates and other market prices on the asset prices and profit and loss of the Bank, thus enhancing the Bank's ability to respond to extreme risk events. The stress testing results showed that losses from market risk were generally controllable.

Exchange Rate Risk Management

The Group is exposed to exchange rate risk primarily because of currency mismatch of the assets and liabilities it holds in currencies other than Renminbi and the positions it takes as a market maker in financial markets. The Group manages exchange rate risk by controlling foreign exchange risk exposures, primarily controlling and mitigating such risk by matching its assets with liabilities, setting limits, and hedging.

In the first half of 2026, the Group adhered to a prudent and sound exchange rate risk management strategy, closely monitored global macroeconomic conditions and foreign exchange market fluctuations, and adopted prudent measures to address market uncertainties. It further reinforced its daily monitoring and management of foreign exchange exposures, constantly improved mechanisms for identification and assessment of exchange rate risk, and effectively enhanced quality and efficiency of exchange rate risk management. During the reporting period, the Group's exchange rate risk indicators met regulatory requirements.

Currency Concentrations

The Group's currency concentrations as at the dates indicated are set out below.

(In millions of RMB)	30 June 2026				31 December 2025			
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	**1,180,245**	**363,861**	**551,176**	**2,095,282**	1,046,547	355,121	501,900	1,903,568
Spot liabilities	**(1,001,877)**	**(570,694)**	**(345,769)**	**(1,918,340)**	(1,047,201)	(607,080)	(325,064)	(1,979,345)
Forward purchases	**1,996,127**	**533,095**	**496,992**	**3,026,214**	3,388,012	544,604	354,980	4,287,596
Forward sales	**(2,188,376)**	**(273,309)**	**(672,547)**	**(3,134,232)**	(3,395,800)	(252,624)	(504,594)	(4,153,018)
Net options position	**(294)**	**(131)**	**(36)**	**(461)**	(4,132)	(6)	(207)	(4,345)
Net(short) /long position	**(14,175)**	**52,822**	**29,816**	**68,463**	(12,574)	40,015	27,015	54,456

At the end of June 2026, the Group's net exposure to exchange rate risk was RMB68,463 million, an increase of RMB14,007 million over the end of 2025, mainly due to the rise in HKD net exposure.

For details of capital measurement of market risks, please refer to the relevant sections of the Bank's *Half-Year Capital Management Pillar III Report 2026*.

3.3.3 Management of Interest Rate Risk in the Banking Book

Interest rate risk in the banking book refers to the risk of loss in the economic value and overall earnings of a banking book as a result of adverse movements in interest rates, term structure and other interest-related factors, mainly including gap risk, basis risk, and option risk. The Group continues to strengthen the identification, measurement, monitoring, and control of interest rate risk in the banking book. In accordance with regulatory requirements, it formulates and improves the management framework, measurement rules, and monitoring and control policies related to interest rate risk in the banking book. It also annually reviews its risk appetite and hierarchical limits to ensure alignment between its interest rate risk levels and the Bank's overall risk appetite.

The Group implements robust and prudent interest rate risk management strategy, seeks to achieve a balance between interest rate risk and profitability, and minimises the adverse impact of interest rate changes on net interest income and economic value. The Group employs a range of methods to measure and analyse interest rate risk in the banking book, including repricing gap analysis, sensitivity analysis of net interest income and economic value, duration analysis, stress testing, and economic capital analysis. It actively uses assets and liabilities volume and pricing measures, prudently employs interest rate derivative hedging instruments, and performs interest rate risk management and evaluation by applying plan and performance appraisal and internal capital assessment to effectively control the interest rate risk level of business lines, overseas operations and subsidiaries, so that the interest rate risk in the banking book is kept within a reasonable range.

In the first half of 2026, the Group closely monitored domestic and international macroeconomic conditions and changes in interest rate policies, strengthened interest rate risk management, and proactively addressed market pressures and management challenges. It closely tracked changes in interest rates of domestic deposits, loans and bonds, and strengthened monitoring and management of the term structure of assets and liabilities. It proactively optimised interest rate risk limit management requirements for overseas operations to enhance the Group's proactive risk management capabilities. Furthermore, it continued to optimise internal and external pricing management strategies, and prudently assessed interest rate risks associated with new products. During the reporting period, the results of stress testing indicated that the Group's interest rate risk indicators were reasonable, and the level of interest rate risk was under control.

Interest Rate Sensitivity Gap Analysis

The analysis of interest rate sensitivity gaps of the Group's assets and liabilities by the next expected repricing dates or maturity dates (whichever is earlier) as at the dates indicated is set out below.

(In millions of RMB)	Non-interest-bearing	Less than three months	Between three months and one year	Between one year and five years	More than five years	Total
Interest rate sensitivity gap as at 30 June 2026	**628,008**	**(8,086,547)**	**7,964,845**	**(2,355,801)**	**5,683,321**	**3,833,826**
Accumulated interest rate sensitivity gap as at 30 June 2026		**(8,086,547)**	**(121,702)**	**(2,477,503)**	**3,205,818**	
Interest rate sensitivity gap as at 31 December 2025	446,580	(4,344,916)	4,799,380	(2,808,508)	5,593,541	3,686,077
Accumulated interest rate sensitivity gap as at 31 December 2025		(4,344,916)	454,464	(2,354,044)	3,239,497	

At the end of June 2026, the repricing gap of the Group's assets and liabilities with maturities less than one year was negative RMB121,702 million, narrowing by RMB576,166 million compared with the end of 2025, mainly due to the growth of borrowings from the PBOC and deposits with maturities less than one year. The positive gap of assets and liabilities with maturities more than one year was RMB3.33 trillion, an increase of RMB542,487 million over the end of 2025, mainly due to the growth of long-term bond investments.

Sensitivity Analysis

Net interest income sensitivity analysis refers to the impact of interest rate changes on net interest income generated by financial assets and financial liabilities held at the end of the period that are to be repriced within the next year. Equity sensitivity analysis refers to the impact on equity of net change in fair value resulting from the revaluation of fixed-rate financial assets measured at fair value through other comprehensive income held at the end of the period due to changes in interest rates.

The net interest income and equity sensitivity analysis is based on two scenarios. The first assumes that all yield curves rise or fall by 100 basis points in a parallel way, while the interest rates for deposits at the PBOC remain constant; the second assumes that the interest rates for deposits at the PBOC and the demand deposits remain constant, while all the other yield curves rise or fall by 100 basis points in a parallel way.

The changes in net interest income and equity of the Group under different scenarios are set out below as at the dates indicated.

		Impact on net interest income		Impact on equity	
(In millions of RMB)		**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025
Rise by 100 basis points	Interest rates for deposits at the PBOC being constant	**(80,086)**	(61,732)	**(173,993)**	(170,372)
	Interest rates for deposits at the PBOC and demand deposits being constant	**77,098**	91,958		
Fall by 100 basis points	Interest rates for deposits at the PBOC being constant	**80,086**	61,732	**193,862**	190,344
	Interest rates for deposits at the PBOC and demand deposits being constant	**(77,098)**	(91,958)		

3.3.4 Operational Risk Management

The Group has established and improved its operational risk governance framework, with the Board assuming the ultimate responsibility for operational risk management and senior management responsible for the implementation of operational risk management. The “three lines of defence” for operational risk management comprise business and management departments, operational risk management departments, and audit departments, which jointly enhance the identification and control of operational risks.

The Group has established and improved an operational risk management system tailored to its business nature, size, complexity and risk profile, formulated operational risk management policies, and strengthened the coordinated control of “three lines of defence”. Guided by operational risk appetite. empowered by operational risk management tools and supported by operational risk culture, staffing, incentives and disciplines, and IT systems, the Group continuously conducts the identification and assessment, control and mitigation, monitoring and reporting, and capital measurement of operational risks in business, products and management activities. It also periodically reviews and optimises the operational risk management system. In addition, it systematically embeds internal control requirements into the development of policies, processes, and systems related to operation management, implementing internal control measures across business operations, products, and management activities to effectively prevent and control operational risks and reduce losses.

In the first half of 2026, the Group strictly complied with regulatory requirements, constantly strengthened its operational risk management system, and systematically pressed ahead with preparatory work for the regulatory assessment and validation pursuant to the new standardised approach for operational risk. By leveraging the guiding role of operational risk appetite, the Group significantly enhanced the digital and intelligent capabilities of its management tools, reviewed key risk indicators, and consolidated the foundation of its operational risk management. Furthermore, the Group enhanced its business continuity management, having completed a new round of business impact analysis to identify important business operations and focus on key management priorities. It optimised contingency planning, coordinated comprehensive drills, and strengthened business-technology collaboration. Moreover, the Group refined business continuity initiatives for overseas operations, so as to enhance the ability to respond to operational risk exposures.

Anti-Money Laundering

The Group strictly implemented new AML regulatory requirements, and revised and improved its internal control policies on AML. It continued to optimise its enterprise-level customer due diligence mechanism, and steadily enhanced the intelligence capabilities of suspicious transaction monitoring models to support collaborative risk prevention and control. These efforts enhanced risk identification and prevention capabilities, effectively enabling AML measures to play a key role in preventing and curbing money laundering and related crimes.

For details of capital measurement of operational risks, please refer to the relevant sections of the Bank’s *Half-Year Capital Management Pillar III Report 2026*.

3.3.5 Liquidity Risk Management

In the first half of 2026, the Group adhered to a prudent and sound liquidity management strategy, ensuring the stable operation of the Group's liquidity. It proactively addressed changes in internal and external funding conditions, reasonably managed the total amount and structure of funding sources and utilisation, and effectively identified, measured, monitored and reported liquidity risk. It optimised the structure of funding sources, maintained adequate liquidity reserves, constantly strengthened coordinated liquidity management across the group, and promoted the upgrading of liquidity risk management mechanisms and systems to ensure the security of the Group's payment and settlement operations.

Stress Testing of Liquidity Risk

The Group conducts quarterly liquidity risk stress testing in order to gauge its risk tolerance in different stress scenarios. The results of stress testing showed that under different stress scenarios, the Group's liquidity risk was under control.

Analysis of Liquidity Risk

The Group adopts liquidity indicator analysis, remaining maturity analysis and undiscounted cash flow analysis to measure its liquidity risk.

The following table sets forth the liquidity ratio and loan-to-deposit ratio of the Group as at the dates indicated.

(%)		Regulatory threshold	30 June 2026	31 December 2025	31 December 2024
Liquidity ratio[1]	Renminbi	≥25	**84.22**	85.15	76.55
	Foreign currency	≥25	**102.38**	92.67	72.07
Loan-to-deposit ratio[2]	Renminbi		**91.30**	89.30	89.28

1. Calculated by dividing current assets by current liabilities in accordance with the requirements of the former CBIRC.
2. Calculated on the basis of domestic legal person in accordance with the requirements of the former CBIRC.

The following table sets forth the liquidity coverage ratio and net stable funding ratio (NSFR) of the Group as at the dates indicated.

	Second quarter 2026	First quarter 2026	Fourth quarter 2025
Liquidity coverage ratio (%)[1]	**126.58**	138.12	135.47
	30 June 2026	**31 March 2026**	**31 December 2025**
NSFR (%)	**129.50**	128.81	132.10

1. Calculated in accordance with the applicable regulatory requirements, definitions and accounting standards for the period. All figures represent simple arithmetic means of the values for every calendar day in the quarter.

At the end of June 2026, the Group's Renminbi and foreign currency liquidity ratios were 84.22% and 102.38% respectively, and the loan-to-deposit ratio was 91.30%. The average daily liquidity coverage ratio for the second quarter of 2026 was 126.58%. The Group's NSFR was 129.50% at the end of June 2026. All the liquidity indicators above met regulatory requirements. For detailed information on liquidity coverage ratio and NSFR, please refer to the *Half-Year Capital Management Pillar III Report 2026* published on the websites of the SSE (www.sse.com.cn), the "HKEXnews" of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk), and the Bank (www.ccb.cn, www.ccb.com).

The gap analysis of the Group's assets and liabilities by remaining maturity as at the dates indicated is set out below.

(In millions of RMB)	Indefinite	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
Net gaps as at 30 June 2026	**3,203,545**	**(14,504,595)**	**(1,065,660)**	**(1,332,268)**	**(539,542)**	**4,019,991**	**14,052,355**	**3,833,826**
Net gaps as at 31 December 2025	3,000,307	(13,538,670)	(717,374)	(1,275,079)	(780,613)	3,285,393	13,712,113	3,686,077

The Group regularly monitored the maturity gaps between its assets and liabilities for various businesses in order to assess its liquidity risk profile within different maturity ranges. At the end of June 2026, the cumulative maturity gap of the Group was RMB3.83 trillion. The Group enjoys low turnover rate of demand deposits and steady growth of deposits, and is expected to maintain a steady source of funding and a sound liquidity position in future, with liquidity risk under control.

3.3.6 Reputational Risk Management

Reputational risk refers to the risk arising from actions of an institution, its personnel, or external events, which lead to negative assessments by stakeholders, the general public, media, etc., towards the Group or its branches and subsidiaries, thereby damaging its brand value, adversely affecting its normal operations, and even impacting market stability and social stability. It is an integral component of the comprehensive risk management system of banks.

The Group strictly complies with regulatory requirements and constantly strengthens the role of corporate governance in managing reputational risk. The Board assumes the ultimate responsibility for reputational risk management. It is responsible for determining the reputational risk management strategy and overall objectives, staying informed of the reputational risk profile, and overseeing senior management in carrying out reputational risk management. Senior management assumes the management responsibility for reputational risk. It is responsible for establishing and improving the reputational risk management system, refining working mechanisms, formulating contingency plans and resolution procedures for reputational risk related to significant matters, and arranging and advancing the handling of reputational incidents.

In the first half of 2026, the Group upheld the principles of forward-looking, comprehensive, proactive, and effective reputational risk management. It continued to improve its mechanism development, coordinated the advancement of integrated group-wide reputational risk prevention and control, and intensified its foundational management to strengthen source-level risk prevention and resolution. The Group focused on enhancing monitoring and response capabilities to properly manage sensitive public opinions. During the reporting period, the Group steadily improved its reputational risk management practices. As such, its reputational risk remained stable and controllable.

3.3.7 Country Risk Management

In strict compliance with regulatory requirements, the Group incorporates country risk management into its comprehensive risk management system, establishing a management framework commensurate with its strategic objectives and size of risk exposures. The Board assumes the ultimate responsibility for monitoring the effectiveness of country risk management, and senior management is responsible for carrying out country risk management policies approved by the Board. The Group manages country risk by comprehensively applying tools including evaluation and rating, risk limit, data aggregation, stress testing, monitoring and early alert, and emergency responses.

In the first half of 2026, the Group continued to improve its country risk management in light of business development needs and changes in the global landscape. It optimised the country risk management system, reviewed country risk ratings, closely monitored country risk exposure, and strengthened country risk early warning and emergency response mechanism. The Group's country risk exposure was mainly concentrated in countries or regions with low or relatively low country risk, and the overall country risk was maintained at a reasonable level.

3.3.8 IT Risk Management

The Group has established and improved an IT risk management governance structure characterised by reasonable and well-defined division of responsibilities, appropriate authorisation, mutual checks and balances, and clear reporting lines. The Board regularly listens to, and reviews reports on IT risk management, and supervises and checks IT risk management work performed by senior management. Senior management organises and implements the identification, monitoring, and control of IT risk, as authorised by the Board. The Group has developed IT risk management rules. In accordance with regulatory requirements and its IT risk appetite, it adopts appropriate management strategies for domains such as information system development, testing, and maintenance, business continuity plan, and emergency responses, so as to enhance the security and stability of its IT systems.

The Group annually engages an independent third-party accounting firm to provide assurance on IT services provided by the head office to overseas operations. The firm has issued the 2025 Service Organisation Control assurance report, System and Organisation Controls (SOC2) report, assessment report on IT controls related to personal information protection, and data centre threat and vulnerability assessment report, among others. The Group also continued to advance the 2026 assurance engagement to ensure the continuous and effective operation of controls.

The Group annually engages qualified third-party assessment agencies to conduct annual assessments on filing systems at or above Grade III for cybersecurity classified protection, in compliance with financial industry cybersecurity classified protection standards and commercial cryptography application standards for information systems. Core banking transaction processing systems, among others, successfully passed the 2025 classified protection assessment and commercial cryptography application security assessment.

In the first half of 2026, the Group continued to perform IT risk monitoring, reporting, control and mitigation, and promoted early identification, early warning, early detection and early resolution of IT risks. During the reporting period, the Group's IT risk indicators met regulatory requirements and risk appetite, with risks under control.

3.3.9 Strategic Risk Management

The Group strictly complied with relevant laws, regulations, and regulatory requirements on strategic risk management, adhered to the principle of coordinating development and security, and pressed ahead with the compiling of strategic planning in accordance with established strategic plans and risk management policies. It clarified the division of responsibilities for strategic risk management, timely identified and provided early warnings on changes and impacts of internal and external risk factors during strategic decision-making and execution, and enhanced risk forecasting capabilities, so as to fortify the "three lines of defence" for risk prevention and control. During the reporting period, the Group's strategic risk remained under control.

3.3.10 Emerging Risk Management

The Group closely monitored and analysed the evolving trends of emerging risks, constantly improved management mechanisms and system tools, and enhanced the effectiveness of identifying and proactively managing emerging risks such as model risk, data risk, fraud risk, ESG risk, and new product risk.

In terms of model risk management, the Group continued to improve its model risk management system and conducted model validation, review, and ex-post evaluation. It reviewed risk control rules for online businesses and strengthened sensitive information protection mechanisms for online business models. The Group continued to advance the development of a group-wide professional team for risk measurement, established corresponding management mechanisms, and strengthened personnel training and team building. Additionally, it initiated the construction of Phase II of the enterprise-level model risk monitoring platform and enhanced the functions of the enterprise-level model risk management platform.

In terms of data risk management, the Group persistently improved its data risk management and control mechanisms, and intensified data security controls in key areas. It elevated the automation level of assessments for critical scenarios such as outbound data transmission and launch of new products, strengthened end-to-end data security management in third-party cooperation, and conducted regular data security awareness training for all employees to firmly uphold the bottom line of compliance. The Group also reinforced integrated group-wide data quality management, improved the data mechanism of demand coordination, monitoring and operation, empowered data quality management with AI technologies, and constantly carried out data quality control and enhancement initiatives.

In terms of fraud risk management, the Group strictly implemented regulatory requirements and tracked changes in external fraud risks. It continued to optimise and improve the fraud risk management system, iteratively refined fraud risk identification tools and systems, actively promoted the application of AI technologies, deepened collaboration among the three lines of defence, and enhanced proactive fraud risk prevention and control capabilities.

In terms of ESG risk management, the Group actively improved its ESG risk management system in accordance with regulatory requirements. It expanded internal and external data sources related to ESG risk and further improved the accuracy and coverage of ESG risk management for investment and financing businesses. The Group constantly developed an ESG risk classification management system for customers of investment and financing businesses, optimised system management logic, implemented automated alerts and automated system controls for high-risk scenarios, and enhanced the timeliness of systematic controls.

In terms of new product risk management, the Group continued to reinforce end-to-end risk management for new products, and improved the new product risk assessment framework. It optimised compliance review mechanisms and processes, and constantly improved product-level AML risk management. The Group upgraded risk assessment system functions, embedded risk management requirements into the entire new product innovation process, promoted the standardisation of risk management at overseas operations, and facilitated the rollout and application of assessment mechanisms and systems across major overseas operations.

3.3.11 Consolidated Management

In the first half of 2026, the Bank continued to enhance consolidated management, reinforced various aspects of the Group's consolidated management, including corporate governance, risk management and capital management, prevented cross-border and cross-industry business risks, and promoted the high-quality development of subsidiaries.

The Bank continued to appropriately define the scope of consolidated management in accordance with regulatory requirements and proactively implemented regulatory requirements on consolidated management and internal risk segregation requirements within the Group. It strengthened business collaboration and top-level design to enhance the Group's comprehensive service efficiency. The Bank continued to improve corporate governance effectiveness at subsidiaries to ensure the thorough implementation of the Group's management requirements. It reinforced comprehensive risk management at subsidiaries, stepped up its efforts in refining their risk management systems, and enhanced the look-through and effective risk management and control of key business areas. It also cemented the foundation of capital management, and enhanced monitoring and management of capital adequacy of subsidiaries, to push the subsidiaries to constantly meet industry regulatory requirements on capital indicators and maintain a reasonable buffer. The Bank established differentiated concentration risk control targets, dynamically monitored their execution, and elevated concentration risk management standards. It continued to enforce strict constraints on internal transaction limit utilisation and intensified internal transaction controls. It drove improvements in data governance at subsidiaries and consolidated the integrated group-wide data governance capabilities. Furthermore, the Bank pressed ahead with group-wide IT integration and increased its support for subsidiaries' sci-tech development.

3.3.12 Internal Audit

The Group's internal audit is committed to evaluating and supervising the improvement of risk management, control and governance processes, promoting value creation, and improving business operation. The internal auditors work in a relatively independent manner and are managed vertically. The department is accountable to and reports to the Board and its audit committee, and also reports to senior management. In addition to the audit department at the head office, the Bank has 29 audit offices at tier-one branches and an overseas audit centre in Hong Kong.

In the first half of 2026, the audit procedures covered businesses such as loans to large and medium-sized enterprises, special assets resolution, inclusive finance, personal loans, finance and accounting management, liabilities, payment and settlement, key compliance matters, related party transactions, wealth custody, and FinTech, and covered subsidiaries and overseas operations on a cyclical basis. Through performing study and analysis on the underlying causes of identified issues, the Group continued to expand the breadth and depth of audit supervision, strengthened systematic and fundamental rectification, and constantly upgraded management mechanisms, business processes and internal management, so as to effectively promote the sound development of the Group's operation and management.

3.4 CAPITAL MANAGEMENT

The Group adheres to a robust and prudent capital management strategy and attaches importance to both internal capital accumulation and external capital replenishment. It deeply promotes intensive capital transformation by continuing to strengthen capital constraint and incentives to enhance the efficiency of capital use, retains adequate capital and sound structure, and provides a solid capital foundation for serving the high-quality development of the real economy and implementing the strategic planning of the Bank.

In the first half of 2026, the Group maintained a robust and prudent capital management strategy, continued to promote intensive capital transformation and refined management, improved the regulatory capital constraint and transmission mechanisms, and carried out external capital replenishment in an orderly manner on the basis of supplementing capital through retained earnings. It issued the undated capital bonds of RMB30.0 billion, Tier 2 capital bonds of RMB60.0 billion, and non-capital total loss-absorbing capacity (TLAC) bonds of RMB60.0 billion. The Group effectively advanced refined and intensive capital management, and achieved reasonable growth in risk-weighted assets. The Group maintained all capital adequacy ratios above regulatory requirements with ample buffers retained, and continued to achieve compliance with TLAC standards.

3.4.1 Capital Adequacy Ratios

According to regulatory requirements, the Group has calculated and disclosed capital adequacy ratios in accordance with the *Rules on Capital Management of Commercial Banks* since 2024. The scope of calculation includes all domestic and overseas branches and sub-branches, and financial subsidiaries (excluding insurance companies). Based on the approval to implement the advanced capital measurement approach in 2014, the former CBIRC granted approval for the Group to expand the implementation scope of the approach in April 2020. The Group calculates capital adequacy ratios with both advanced approach and other approaches and complies with relevant requirements for capital floors.

At the end of June 2026, the Group's total capital ratio, Tier 1 ratio and Common Equity Tier 1 ratio, which were calculated in accordance with the *Rules on Capital Management of Commercial Banks*, were 19.42%, 15.15% and 14.24%, respectively, all in compliance with regulatory requirements.

The following table sets forth the Group's capital adequacy ratios as at the dates indicated.

(In millions of RMB, except percentages)	**30 June 2026**	**31 December 2025**
Common Equity Tier 1 capital	**3,579,066**	3,464,852
Tier 1 capital	**3,808,054**	3,663,783
Total capital	**4,879,991**	4,663,426
Risk-weighted assets	**25,132,550**	23,685,171
Common Equity Tier 1 ratio (%)	**14.24**	14.63
Tier 1 ratio (%)	**15.15**	15.47
Total capital ratio (%)	**19.42**	19.69

1. Please refer to Note "Risk management – Capital management" to the financial statements for details of composition of capital.
2. For detailed information on capital adequacy ratios and risk-weighted assets, please refer to the *Capital Management Pillar III Half-Year Report 2026* published by the Bank.

For further details on undated capital bonds and Tier 2 capital bonds issued by the Group, please refer to Notes "Other equity instruments" and "Debt securities issued" to the financial statements, respectively.

3.4.2 Leverage Ratio

According to regulatory requirements, the Group has calculated the leverage ratio in accordance with the *Rules on Capital Management of Commercial Banks* since 2024. The leverage ratio refers to the ratio of Tier 1 capital to on- and off-balance sheet assets after adjustments. At the end of June 2026, the Group's leverage ratio was 7.63%, meeting regulatory requirements.

The following table sets forth the Group's leverage ratio as at the dates indicated.

(In millions of RMB, except percentages)	**30 June 2026**	**31 December 2025**
Leverage ratio (%)	**7.63**	7.62
Tier 1 capital	**3,808,054**	3,663,783
On- and off-balance sheet assets after adjustments	**49,916,418**	48,093,733

1. For detailed information on leverage ratio, please refer to the *Capital Management Pillar III Half-Year Report 2026* published by the Bank.

3.5 PROSPECTS

Looking ahead to the second half of 2026, with the IMF's recent downgrade of global economic growth projections, uncertainties persist regarding the economic performance, inflation trajectories, and monetary policy adjustments of major economies. China's economy has maintained overall stability, and achieved innovative and high-standard growth with new progress in high-quality development, despite difficulties and challenges. China will implement more proactive fiscal policies and moderately accommodative monetary policies, strengthen counter-cyclical adjustments, and intensify efforts to expand domestic demand and optimise supply, so as to promote new, better and sounder sustained economic development and make a strong start to the 15th Five-Year Plan.

The banking industry in China is facing both opportunities and challenges. The promulgation and implementation of the national outline of the 15th Five-Year Plan and related special plans, the enhanced effectiveness of macroeconomic policies, the rapid growth of new growth drivers, and the continued deepening of financial reform and high-standard opening-up provide favourable conditions for the Group to enhance its services for Chinese modernisation and support the high-quality development of the real economy. Meanwhile, as the external environment is becoming more complex and volatile, the operating environment for the banking sector remains intricate. The Group will maintain a clear understanding of the situation and proactively take effective measures to respond to the changes.

In the second half of 2026, the Group will firmly establish and practise a proper view of operation, performance, and risk, closely align with national strategic guidance and fulfil the mission and responsibilities of a leading bank. It will continue to enhance the precision, accessibility, and suitability of its financial services, driving its own intensive high-quality development while serving the high-quality development of the economy and society. The Group will focus on the following tasks in operations and management: **Firstly, the Group will proactively serve national strategies.** The Group will support the expansion of domestic demand by delivering robust financial services for the planning and development of the "Two Key Tasks", "Two Renewals", and "Six Networks" (i.e., water network, new-type power grid, computing power network, new-generation communication network, urban underground pipeline network, and logistics network) initiatives, actively carrying out the special consumer finance action, and optimising financial services for the private economy. It will expand financial services in urban and county-level areas to better support the integrated development of urban and rural areas. To serve industrial upgrading, the Group will increase financial support for advanced manufacturing and modern infrastructure, so as to facilitate the transition of economic growth drivers and boost the development of emerging pillar industries and the transformation and upgrade of traditional sectors in a coordinated manner. In supporting high-standard opening-up, the Group will improve its global customer service capabilities and provide high-quality support for the Belt and Road Initiative, by enhancing integrated domestic and foreign currency operations across domestic and overseas markets, in order to deliver robust financial support for fostering a new development paradigm. **Secondly, the Group will effectively advance the "Five Priorities" in finance.** The Group will deeply engage in technology finance, and empower self-reliance and strength in science and technology. It will optimise its market layout for technology finance, build an "investment-led commercial banking, and integrated commercial banking and investment banking" model, and create a technology finance service system that aligns with sci-tech innovation. It will step up its efforts in green finance to support low-carbon transition by focusing on new energy systems, green transportation, beautiful cities and countryside, and ecological conservation, refining support pathways, and deepening comprehensive services. The Group will enhance inclusive finance and serve micro and small businesses and people's livelihood. It will continuously diversify its inclusive finance offerings, comprehensively strengthen financial services for private, micro and small enterprises, rural revitalisation, and key livelihood sectors, and enhance its sustainable development capabilities. It will strengthen pension finance to support the silver economy by implementing the proactive national strategy in response to population aging, advancing a full-chain layout covering pension reserves, pension industry cultivation, and pension service supply and consumption, to better meet increasingly diverse pension finance needs. Furthermore, the Group will refine digital finance to enhance service efficiency. It will proactively align with digital economy trends, deeply implement the "AI+" initiative, and strengthen digital and intelligent operational capabilities, so as to improve the quality and efficiency of financial services in key sectors. **Thirdly, the Group will expedite the transformation of its development model.** The Group will adapt to the shifts in economic development models, industrial structures, and social financing patterns during the 15th Five-Year Plan period, consolidate and expand its strengths in traditional distinctive areas, and reinforce the weak areas, in five aspects including business deployment, financing methods, customer structure, development space, and service models. It will strengthen coordination and synergy across the group by pressing ahead with the integration of commercial and investment banking, the integration of corporate and personal banking, the integration of Renminbi and foreign currency businesses, and the integration of group-wide operations, enhance the integration of internal resources within the Group and the synergy of external ecosystems, build a financial service system that covers the full lifecycle and all-scenario needs of customers, and improve the quality and efficiency of serving customers and promoting economic and social development. **Fourthly, the Group will firmly adhere to the bottom line of risk and compliance.** The Group will effectively enhance its capacity to prevent financial risks, strengthen accountability for risk prevention and control, and continue to improve the comprehensive, proactive, intelligent, and agile risk control system to actively respond to changes in risk landscape in a forward-looking manner. It will focus on asset quality control and management, and closely monitor key areas to effectively identify and mitigate potential risks. The Group will comprehensively and effectively refine fundamental management, strengthen centralised risk prevention and control, enhance "offline + online" collaborative risk control capabilities, improve compliance management system, and continue to cement the foundation for prudent operations.

4 CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

4.1 CORPORATE GOVERNANCE

During the reporting period, the Bank fully complied with the code provisions as set out in Part 2 of the Appendix C1 *Corporate Governance Code* to the Listing Rules of Hong Kong Stock Exchange, and substantially adopted the best practices therein.

4.1.1 Profiles of Directors and Senior Management

Particulars of Directors and Senior Management

Directors of the Bank

The Bank's Board consists of 16 directors, including four executive directors, namely Mr. Zhang Jinliang, Mr. Zhang Yi, Mr. Sun Xiaokun and Mr. Ji Zhihong; six non-executive directors, namely Ms. Xin Xiaodai, Ms. Li Lu, Ms. Li Li, Mr. Dou Hongquan, Ms. Cao Liqun and Mr. Shi Jian; and six independent non-executive directors, namely Mr. William Coen, Mr. Leung Kam Chung, Antony, Lord Sassoon, Mr. Lin Zhijun, Mr. Zhang Weiguo and Mr. Yang Qiang.

Senior Management of the Bank

The Bank's senior management consists of six members, namely Mr. Zhang Yi, Mr. Ji Zhihong, Mr. Li Jianjiang, Ms. Han Jing, Mr. Lei Ming and Mr. Tang Shuo.

Changes in Directors and Senior Management

Directors of the Bank

Upon election at the first extraordinary shareholders' meeting of 2026 of the Bank and approval of the NFRA, Mr. Sun Xiaokun began to serve as executive director of the Bank from June 2026. Upon election at the 2025 annual shareholders' meeting of the Bank, Mr. Ji Zhihong continued to serve as executive director of the Bank, Lord Sassoon continued to serve as independent non-executive director of the Bank, and Ms. Cao Liqun began to serve as non-executive director of the Bank from June 2026. Upon election at the second extraordinary shareholders' meeting of 2025 of the Bank and approval of the NFRA, Mr. Shi Jian began to serve as non-executive director of the Bank from January 2026. Upon election at the 2025 annual shareholders' meeting of the Bank and approval of the NFRA, Mr. Yang Qiang began to serve as independent non-executive director of the Bank from August 2026. Due to expiration of term of office, Ms. Liu Fang ceased to serve as non-executive director of the Bank from June 2026.

Senior Management of the Bank

Upon appointment of the Board of the Bank, Mr. Zhang Yi began to concurrently serve as chief compliance officer of the Bank from February 2026. Upon appointment of the Board of the Bank and approval of the NFRA, Mr. Tang Shuo began to serve as executive vice president of the Bank from January 2026.

By reason of age, Mr. Sheng Liurong ceased to serve as chief financial officer of the Bank from March 2026.

Changes in Personal Information of Directors and Senior Management

Mr. Leung Kam Chung, Antony, independent non-executive director of the Bank, began to serve as trustee of Board of Trustees of Westlake University from April 2026.

Ms. Han Jing, executive vice president of the Bank, began to concurrently serve as vice president of the Payment & Clearing Association of China from April 2026.

Directors' Securities Transactions

In relation to securities transactions by directors of the Bank, the Bank has adopted the *Model Code for Securities Transactions by Directors of Listed Issuers* as set out in the Appendix C3 to the Listing Rules of Hong Kong Stock Exchange. All directors complied with the provisions of the above code during the reporting period.

4.1.2 Employees

The following table sets forth the distribution of the Group's employees by region as at the dates indicated.

	30 June 2026		31 December 2025	
	Number of employees	% of total	Number of employees	% of total
Domestic operations of the Bank	**351,059**	**94.01**	355,802	94.05
Yangtze River Delta	**53,796**	**14.41**	54,390	14.38
Pearl River Delta	**44,875**	**12.02**	45,396	12.00
Bohai Rim	**58,840**	**15.75**	59,357	15.69
Central	**70,608**	**18.91**	71,519	18.90
Western	**75,515**	**20.22**	76,871	20.32
Northeastern	**32,258**	**8.64**	32,886	8.69
Head office[1]	**15,167**	**4.06**	15,383	4.07
Overseas operations of the Bank	**1,355**	**0.36**	1,338	0.35
Subsidiaries	**21,016**	**5.63**	21,204	5.60
- Domestic	**16,422**	**4.40**	16,684	4.41
- Overseas	**4,594**	**1.23**	4,520	1.19
Total	**373,430**	**100.00**	378,344	100.00

1. Including employees of the head office, credit card centre, CCB learning centre (IICCB) and institutions directly under the head office.

At the end of June 2026, the Group had 373,430 employees, a decrease of 1.30% from the end of 2025. The number of employees with academic qualifications of bachelor's degree or above was 315,971 or 84.61% of total. Besides, there were 3,170 workers dispatched from labour leasing companies, a decrease of 2.04% from the end of 2025. In addition, the Group had 140,613 retired employees.

Staff Development and Training

Leveraging the dual career paths of the managerial and professional and technical job tracks, the Bank systematically developed comprehensive career development pathways for its employees and established a competitive, merit-based selection mechanism based on performance and capabilities, thereby encouraging employees to deepen their expertise in their respective fields and continuously enhance their core competencies and professional qualities.

The Bank continued to strengthen the overall planning of staff training and built a training system covering the entire cycle of career development of employees, supporting human capital development through high-quality training. It integrated high-quality internal and external training resources and focused its training on enhancing the "Three Capabilities", delivering the "Five Priorities" in finance, and advancing the "Four Integrations", among other areas, with a view to improving employees' overall competence and duty performance. The Bank strengthened the development of professional talent in areas including direct financing, international business, risk management and artificial intelligence, and provided systematic and practice-oriented training to support the development of professional talent. It continued to develop the "CCB Learning" online learning platform, enabling various high-quality training resources to reach frontline employees and achieve full staff coverage.

In the first half of 2026, 366.0 thousand participants took part in on-site and online training sessions (including learning through online platforms) and the proportion of those who participated in training sessions reached 97.83% of all staff members. In addition, the Bank organised 125.4 thousand individuals to participate in professional and technical grade examinations.

Staff Remuneration Policies

There were no material changes to the information on the Bank's staff remuneration policies as disclosed in the Bank's 2025 annual report.

Progress of Implementation of Employee Stock Incentive Plan

The Bank implemented the first phase of the employee stock incentive plan in July 2007. For details, please refer to the announcement published by the Bank on 6 July 2007. The Bank had not added new participants or implemented a new phase of stock incentive plan ever since. In the future, the Bank will pay close attention to regulatory policies and industry trends and explore innovative incentives as appropriate.

4.1.3 Formulation and Implementation of Profit Distribution Policy

The Bank may distribute dividends in the form of cash, shares or a combination of cash and shares. Unless under special circumstances, the Bank shall distribute dividends in cash if it gains profit and has positive accumulative undistributed profits in the period. The cash dividends distributed by the Bank in a year shall be no less than 10% of the Group's net profit attributable to equity shareholders of the Bank for the same year. When adjusting the profit distribution policy, the Board shall conduct a specific discussion to elaborate on the causes for adjustments and prepare a written report. Independent non-executive directors shall express their views, and the matter shall be approved in the form of a special resolution by the shareholders' meeting. The Bank shall provide the shareholders with online voting channels when discussing and approving the adjustments to the profit distribution policy, listen to the opinions of minority shareholders, and respond to the concerns of minority shareholders in a timely manner.

The formulation and implementation of the Bank's profit distribution policy conform to the provisions of the Articles of Association and the requirements of the resolutions of the shareholders' meeting. The Bank has sound decision-making procedures and mechanisms as well as clear and definite standard and ratio for dividend distribution. Independent non-executive directors conduct due diligence and fulfil their duties in the decision-making process of the profit distribution plan. Minority shareholders may fully express their opinions and appeals, and their legitimate rights and interests are fully protected.

Upon approval of the 2025 annual shareholders' meeting, the Bank distributed a final cash dividend of RMB2.029 per ten shares (including tax) for 2025, totalling approximately RMB53,079 million, to all ordinary shareholders whose names appeared on the register of members after the closing of the stock market on 10 July 2026. After taking into consideration an interim cash dividend of RMB1.858 per ten shares (including tax) distributed in 2025, the cash dividend per ten shares (including tax) for 2025 was RMB3.887, with cash dividends for the year totalling approximately RMB101,684 million, representing 30.0% of the Group's net profit attributable to equity shareholders of the Bank for 2025.

The Board of the Bank proposed an interim cash dividend of RMB2.010 per ten shares (including tax) for 2026, totalling approximately RMB52,582 million, or 31.0% of the Group's net profit attributable to equity shareholders of the Bank for the first half of 2026, to all ordinary shareholders. The Bank will propose to convene an extraordinary shareholders' meeting in the second half of 2026 to consider and approve the interim profit distribution plan for 2026, and it will distribute cash dividends within two months following the approval. A currency election will be arranged for the distribution of interim H-share cash dividend. Holders of H-shares (excluding holders under Hong Kong Stock Connect) may choose to receive the full cash dividend in RMB or HKD (HKSCC Nominees Limited may elect to receive part or all of the cash dividend). Upon the interim profit distribution plan for 2026 being approved by the shareholders' meeting, the Bank will send a Dividend Currency Election Form to holders of H-shares in due course. Holders of H-shares will receive interim H-share cash dividend in HKD by default, unless they complete the Dividend Currency Election Form and elect to receive interim H-share cash dividend in RMB. For details including the date of record, period for closure of register of members, specific payment date, taxation and tax reduction and exemption in relation to the 2026 interim cash dividend distribution, please refer to the Bank's upcoming announcements.

4.1.4 Implementation Progress of the Action Plan for Quality Improvement, Efficiency Enhancement, and Return Maximisation

In the first half of 2026, the Bank resolutely implemented the decisions and plans of the CPC Central Committee and the State Council as well as regulatory requirements, firmly established and practised a correct view of official performance, persevered in seeking progress while maintaining stability, improved the quality and efficiency, and achieved steady and positive growth in its principal businesses. The Bank actively promoted high-quality development of the real economy. Assets and liabilities maintained steady growth, while support for key areas of the real economy was further strengthened. The proportion of loans to key areas such as the "Five Priorities" in finance increased steadily, and service quality and efficiency continued to improve. The Bank also supported the implementation of a more proactive fiscal policy by increasing investments in treasury bonds and local government bonds. In addition, the Bank focused on strengthening the foundation for deposit growth and continued to consolidate the basis for business development, providing strong support for asset growth. Key performance indicators remained balanced and well-coordinated, operating results were in line with expectations, value creation capabilities continued to improve, and the foundation for enhancing valuation was further strengthened.

The Bank has always highly valued investor returns, maintaining consistent and stable dividends. Since its listing, the Bank has distributed cumulative dividends exceeding RMB1.4 trillion, with dividends exceeding RMB100 billion in each of the past three years. The Bank has successfully completed the distribution of its 2025 final dividend, and will proceed in an orderly manner with the payment of its 2026 interim dividend with the dividend payout ratio rising to 31.0% from 30.0% in 2025, and continue to offer H-share shareholders the option to receive dividends in RMB.

The Bank strictly complied with laws, regulations and regulatory requirements and fulfilled its information disclosure obligations in accordance with laws and regulations, ensuring that significant matters were disclosed truthfully, accurately, completely and promptly. It continued to strengthen voluntary disclosures and enhance the effectiveness and transparency of information disclosure. The Bank systematically reviewed the drafting and review processes for information disclosure documents, further optimising its information disclosure systems and mechanisms and consolidating the foundation for its work. The Bank continued to strengthen investor relations management, deepen communication and exchanges with the capital market, and respond to market concerns in a timely manner, comprehensively demonstrating its achievements in intensive high-quality development, and continuously consolidating and improving its positive image in the capital market.

4.2 ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

For details of the Bank's performance on fulfilling corporate social responsibilities and ESG, please refer to the *2026 Semi-annual Sustainable Finance Report* released by the Bank.

Green Finance

For details of green finance, please refer to "Management Discussion and Analysis – Business Review" in this report.

Green Operation

Adhering to the concept of green development, the Bank continued to strengthen its green operation management.

The Bank advocated green office practices. It coordinated equipment renewal and renovation with energy efficiency enhancement, promoting the implementation of energy-saving, water-saving, emission reduction and waste reduction measures. It vigorously implemented paperless office operations, upgraded its carbon emission management system, and enhanced its technological capability for carbon management. Based on the completion of carbon neutrality for 75 office buildings in 2025, the Bank carried out carbon neutrality pilot programmes for 195 office buildings through the integrated use of technological energy conservation, management-based energy savings, clean energy substitution and carbon offsets. In the first half of 2026, the pilot buildings entered the electricity trading market as scheduled and used green electricity.

The Bank promoted green procurement. It incorporated green and environmental protection requirements throughout the entire procurement process, and implemented green procurement requirements in supplier recommendation, product testing and evaluation, supplier evaluation and contract signing. Under the same conditions, it prioritised the purchase of goods with green and environmental protection credentials. Among goods with green credentials, the Bank gave preference to suppliers with more green credentials and higher-degree green material.

The Bank promoted the construction of green outlets by focusing on building green outlets that feature green and low-carbon, environmental protection and energy conservation, human touch and intelligent operation. By the end of June 2026, the Bank had cumulatively opened 2,702 green outlets.

The Bank promoted the green transformation of its data centres. Focusing on key areas including IT efficiency improvement, air-conditioning energy conservation, electrical renovation and the introduction of green electricity, the Bank refined green management and control measures throughout the full life cycle, and established a bank-wide coordinated system for the green transformation of data centres. In the first half of 2026, with a focus on green and intensive development, the Bank implemented a number of key quality improvement projects and launched special actions to enhance efficiency, effectively reducing energy consumption through energy-saving upgrades of hardware equipment, renovation of existing server rooms and expansion of cloud resource supply.

Consolidating and Expanding the Achievements in Poverty Elimination with Targeted Assistance

The Bank established a normalised mechanism for financial support, continued to increase its credit support, assisted the all-round rural revitalisation, and prevented people from returning to, or falling back into poverty. It diligently implemented targeted assistance programmes in Ankang, Shaanxi Province, successfully achieving all assistance tasks in a high standard. At the end of June 2026, the balance of loans in areas lifted out of poverty amounted to RMB1.41 trillion, an increase of RMB83,757 million or 6.31% over the end of 2025; the balance of loans in key counties for national rural revitalisation amounted to RMB176,143 million, an increase of RMB5,590 million or 3.28% over the end of 2025.

Financial Services for Rural Revitalisation

The Bank provided high-quality financial services to promote integrated development of urban and rural areas and boost all-around rural revitalisation. At the end of June 2026, the number of agriculture-related loan borrowers was 3.98 million, an increase of 51.1 thousand over the end of 2025. Agriculture-related loans totalled RMB3.89 trillion, an increase of RMB183,902 million, or 4.96% over the end of 2025. The weighted average interest rate of agriculture-related loans granted in the first half of 2026 was 2.88%.

The Bank promoted the high-quality development of counties with financial services based on local conditions. At the end of June 2026, the Bank's loans in counties amounted to RMB6.57 trillion, an increase of RMB473,650 million or 7.77% from the end of 2025. Specifically, personal loans in counties were RMB2.35 trillion, an increase of RMB35,703 million or 1.54% over the end of 2025; corporate loans in counties amounted to RMB4.22 trillion, an increase of RMB437,947 million or 11.58% over the end of 2025.

For agriculture-related enterprises and various organisations, the Bank actively promoted the "Rural Revitalisation Loan" product packages, and provided targeted services for key links and core customers for food security by promoting products such as "Quick Loan for Cooperatives", "Agri-Product Cold Chain Logistics Loan", and "Agricultural Facility Loan".

The Bank created an agriculture-related service model featuring "ecosystems + industrial and supply chains + industrial and business clusters" to cover the agricultural industry ecosystem across all scenarios, customer segments, and value chains. It worked around the "Yunong Market" business clusters and seed industry chain, so as to achieve full financial service coverage for agriculture-related entities including agricultural wholesale and retail markets, seed enterprises, and farmers, and help with industrial development in rural areas and increase farmers' income and wealth.

Protection of Consumers' Rights and Interests

The Bank adhered to a people-centred value orientation and strictly followed regulatory requirements. It improved the integrated group-wide consumer protection management mechanism, refined its management system, and enhanced digital and intelligent management capabilities, so as to effectively safeguard the legitimate rights and interests of consumers.

The Bank continued to deepen the integration of consumer protection with business processes. It took consumer protection review as a key measure for full-process management and control of consumer protection work. Across stages including product and service design and development, pricing management, agreement formulation, product agency sales, marketing and advertisement, and focusing on key areas such as marketing and advertisement standards, appropriateness management, personal information protection, and fee and pricing management, the Bank reviewed products or services in advance from consumers' perspective. This effectively leveraged the “prevention in advance” role of consumer protection review and strengthened the first line of defence for the protection of consumers’ rights and interests. In the first half of 2026, the Bank completed a total of 243.3 thousand cases of consumer protection review, representing an increase of 12.43% over the first half of 2025.

The Bank actively conducted financial knowledge popularisation and education activities. Taking into account local characteristics and regional features, it carried out differentiated financial knowledge education to enhance the inclusiveness and effectiveness of financial education and expand its coverage. The Bank organised “15 March” consumer rights protection education publicity events under the theme of “Cleaning Financial Cyberspace, Safeguarding Reassuring Consumption”, organising a total of 74 thousand events and reaching 760 million consumer touchpoints.

The Bank enhanced the refined management of complaints. It continued to reinforce accountability in complaint management, strictly implementing the “first-point-of-contact accountability system”. It also established a categorised and tiered complaint management system, optimised and improved the disclosure of complaint acceptance channels, and strengthened full-process management and control of consumer protection, front-end monitoring of complaint issues and complaints governance at source. The Bank promoted its efforts in locating the sources of problems reflected in customer complaints, and enhanced customer service experience.

Public Welfare and Charity

The Bank is fully committed to fulfilling its social responsibility as a large state-owned bank, actively mobilises employees to participate in public welfare, engages customers to devote themselves to public welfare, and partners with organisations to carry out public welfare, integrating public welfare concept into financial services. Fully leveraging its financial expertise, the Bank organises various public welfare activities and voluntary services, brings warmth to millions of households with sincere services, and continues to pass on the positive spirit and energy to society.

The Bank formulates the group-wide donation plan at the beginning of each year, giving priority to the financial demands for consolidating the achievements in poverty alleviation and advancing rural revitalisation. For other public welfare needs of the head office and branches, the Bank makes a comprehensive assessment of national strategies, urgent needs of society, etc., to ensure that resources are allocated to the areas where they are most urgently needed.

In the first half of 2026, the Bank prioritised targeted assistance areas, adhered to the combination of industry-driven development and talent cultivation, and effectively supported rural construction and integrated urban-rural development. It continued to support long-term public welfare projects such as the “Building the Future - CCB Sponsorship Programme for the Development of Poverty-stricken High School Students”, CCB Hope Primary Schools, the “Healthy Mother Express”, and the San Jiang Yuan Ecological Conservation Project. Branches actively responded and jointly carried out distinctive activities, including “Red Gate Public Welfare Station ·Pioneer Leadership Initiative” of Beijing Branch, “Currency Culture Classroom” of Henan Branch, and “Soma Flowers Blossom: Encountering the Future with CCB” public welfare student assistance programme of Sichuan Branch.

5 MAJOR ISSUES

Performance of Undertakings

In September 2004, Huijin made a commitment of "non-competition within the industry", i.e., as long as Huijin continues to hold any shares of the Bank, or is deemed as a controlling shareholder or a related party of a controlling shareholder of the Bank in accordance with related laws of the People's Republic of China or listing rules of the Bank's listing venues, Huijin would not engage in or participate in any competing commercial banking businesses, including but not limited to granting loans, taking deposits, providing settlement, fund custody, bank card and currency exchange services. However, Huijin may still engage in or participate in competing businesses through investing in other commercial banks. Accordingly, Huijin committed that it would: (1) fairly treat its investments in commercial banks and would not abuse its shareholder position in the Bank or the information it obtained through its shareholder position in the Bank to make decisions detrimental to the Bank but beneficial to other commercial banks; and (2) exercise its shareholder's rights for the best interests of the Bank.

On 6 April 2016, in accordance with relevant rules of the CSRC, in order to ensure the effective fulfilment of the measures to make up for the immediate return diluted by the issuance of preference shares of the Bank, Huijin undertook not to intervene with the operation and management of the Bank and not to misappropriate the interests of the Bank.

On 30 March 2025, in accordance with relevant rules of the CSRC, in order to ensure the effective fulfilment of the measures to make up for the immediate return diluted by the issuance of A-shares to specific target by the Bank, Huijin undertook not to intervene with the operation and management of the Bank and not to misappropriate the interests of the Bank.

On 30 March 2025, based on the Share Subscription Agreement with Conditions that the Bank executed with the MOF, the MOF warranted that the A-shares issued to specific target and subscribed by the MOF shall be subject to a lock-up period of five years from the date of acquisition of the equity. If the lock-up period for shares subscribed by the MOF and the transfer of shares upon expiration are otherwise regulated by the relevant regulatory authorities, such provisions shall prevail. During the lock-up period, the shares derived from the shares subscribed by the MOF under the issuance due to activities by the Bank, such as bonus issue and capitalisation of capital reserve, shall also comply with the aforementioned arrangement for lock-up period. Upon expiration of the lock-up period, the transfer of the shares subscribed by the MOF will be implemented in accordance with the *Company Law* and other relevant laws, regulations, as well as relevant regulations of the NFRA, the CSRC, and the SSE.

As of 30 June 2026, Huijin and the MOF had not breached any of the above undertakings.

Misappropriation of Funds for Non-operational Purposes

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

Illegal Guarantees

During the reporting period, the Bank did not enter into any guarantee contract in violation of relevant regulations.

Material Litigations and Arbitrations

During the reporting period, the Bank was not subject to any material litigation or arbitration. For overall information of outstanding litigations and disputes, please refer to Note "Commitments and contingent liabilities - Outstanding litigations and disputes" to the financial statements.

Purchase, Sale and Redemption of Shares

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

Penalties

During the reporting period, the Bank was not subject to any investigations in accordance with laws for any suspected crimes. Neither the controlling shareholder, actual controller, directors, nor the senior executives of the Bank were subject to coercive measures in accordance with laws for any suspected crimes, or were detained by disciplinary inspection and supervision authorities for suspected serious violations of disciplines and laws or for duty-related crimes and were unable to fulfil duties due to such reasons. Neither the Bank, the controlling shareholder, actual controller, directors, nor the senior executives of the Bank were subject to criminal penalties, investigations or administrative penalties by the CSRC for suspected violations of laws and regulations, material administrative punishments by other competent authorities, or administrative supervision measures by the CSRC or disciplinary actions by the stock exchanges. Neither the directors, nor the senior executives of the Bank were subject to coercive measures by other relevant authorities for suspected violations of laws and regulations and were unable to fulfil duties due to such reason.

Integrity

During the reporting period, the Bank and its controlling shareholder had no unperformed obligations rendered by valid legal documents of the courts, or significant outstanding matured debts.

Material Related Party Transactions

According to regulatory requirements including the *Measures for the Administration for Related Party Transactions of Banking and Insurance Institutions*, where a bank and the same related party have long-term and ongoing related party transactions that require repeated execution of transaction agreements, including transactions for the provision of services, insurance business transactions and other related party transactions recognised by regulatory authorities, they may enter into a unified transaction agreement. Related party transactions conducted under such agreement are not required to be reviewed, reported or disclosed on a transaction-by-transaction basis. The execution of the agreement shall be subject to internal review, reporting and information disclosure in accordance with the requirements applicable to material related party transactions. On 31 March and 10 April 2026, the Bank entered into unified transaction agreements with CCB Financial Leasing Co., Ltd. and CCB Shipping and Aviation Leasing Corporation Limited, respectively, to govern credit-related related party transactions between the Bank and each of them. The above two agreements are valid for three years, commencing on 15 April 2026 and expiring on 14 April 2029, with estimated transaction caps equivalent to RMB655.4 billion and RMB258.7 billion, respectively. The agreements were considered and approved at the meeting of the Board of the Bank held on 27 March 2026, reported to the NFRA, and announced on the Bank’s website. Going forward, the Bank will monitor, report and make regular disclosures of related party transactions under the agreements in accordance with regulatory requirements. Save as disclosed above, the Bank did not have any other material related party transactions during the reporting period.

Material Contracts and Their Performance

During the reporting period, the Bank did not enter into any material arrangement for custody, contracting or leasing of other companies' assets, or allow its assets to be subject to such arrangements by other companies.

The guarantee business is a routine off-balance sheet service in the ordinary course of the Bank's business. The Bank does not have any material guarantee that is required to be disclosed except for the financial guarantee services within its business scope as approved by the regulators.

During the reporting period, the Bank did not enter into any other material contract that was required to be disclosed.

Major Events

For major events during the reporting period, please refer to announcements disclosed by the Bank on the websites of the SSE, "HKEXnews" of Hong Kong Exchanges and Clearing Limited and the Bank.

Other Shareholding or Share Participations

In April 2026, the Bank completed the first payment of the third contribution of RMB2,795 million to China Integrated Circuit Industry Investment Fund Phase III Co., Ltd.

Review of Half-Year Report

The Group's 2026 half-year financial statements prepared under PRC GAAP have been reviewed by Ernst & Young Hua Ming LLP, and the Group's 2026 half-year financial statements prepared under IFRS Accounting Standards have been reviewed by Ernst & Young.

The Group's 2026 half-year report has been approved by the Board, and the financial statements and relevant financial information in the report have been reviewed by the audit committee of the Board of the Bank.

6 CHANGES IN SHARE CAPITAL AND PARTICULARS OF SHAREHOLDERS

6.1 CHANGES IN ORDINARY SHARES

Unit: share

	1 January 2026		Change during the reporting period +/(-)					30 June 2026	
	Number of shares	Percentage (%)	Issuance of additional shares	Bonus issue	Shares converted from capital reserve	Others	Sub-total	Number of shares	Percentage (%)
I. Shares subject to selling restrictions									
1. Shares held by the State[1]	11,589,403,973	4.43	-	-	-	-	-	11,589,403,973	4.43
II. Shares not subject to selling restrictions									
1. RMB ordinary shares	9,593,657,606	3.67	-	-	-	-	-	9,593,657,606	3.67
2. Overseas listed foreign investment shares	95,231,418,499	36.40	-	-	-	-	-	95,231,418,499	36.40
3. Others[2]	145,185,901,381	55.50	-	-	-	-	-	145,185,901,381	55.50
III. Total number of shares	261,600,381,459	100.00	-	-	-	-	-	261,600,381,459	100.00

1. The lock-up period for the A-shares issued to the MOF by the Bank is five years from the date of equity acquisition on 24 June 2025.
2. H-shares of the Bank not subject to selling restrictions held by the promoters of the Bank, i.e., Huijin, State Grid, Yangtze Power and Baowu Steel Group.

6.2 NUMBER OF ORDINARY SHAREHOLDERS AND PARTICULARS OF SHAREHOLDING

At the end of the reporting period, the Bank had a total of 292,731 ordinary shareholders, of whom 257,897 were holders of A-shares and 34,834 were holders of H-shares.

Unit: share

Total number of ordinary shareholders	292,731 (Total number of registered holders of A-shares and H-shares as at 30 June 2026)

Particulars of shareholding of top ten ordinary shareholders (excluding shares on loan through refinancing)

Name of ordinary shareholder	Nature of shareholder	Shareholding percentage (%)	Changes during the reporting period	Total number of shares held	Number of shares subject to selling restrictions held
Huijin	State	54.51	-	142,590,494,651 (H-shares)	-
		0.10	-	267,392,944 (A-shares)	-
HKSCC Nominees Limited[1]	Overseas legal person	32.86	1,679,259	85,953,826,041 (H-shares)	-
MOF[2]	State	4.43	-	11,589,403,973 (A-shares)	11,589,403,973
China Great Wall AMC	State-owned legal person	3.01	-	7,865,000,000 (H-shares)	-
China Securities Finance Corporation Limited	State-owned legal person	0.84	-	2,189,259,672 (A-shares)	-
State Grid[3]	State-owned legal person	0.62	-	1,611,413,730 (H-shares)	-
Reca Investment Limited	Overseas legal person	0.33	-	856,000,000 (H-shares)	-
Yangtze Power	State-owned legal person	0.25	-	648,993,000 (H-shares)	-
Hong Kong Securities Clearing Company Ltd.[4]	Overseas legal person	0.24	5,898,477	628,582,239 (A-shares)	-
China Life Insurance Company Limited - Traditional - Ordinary insurance product - 005L-CT001SH	Others	0.21	442,545,362	542,588,282 (A-shares)	-

1. The number of shares held by HKSCC Nominees Limited at the end of the period represents the total number of H-shares of the Bank it held as a nominee on behalf of all institutional and individual investors registered with it as at 30 June 2026. As at 30 June 2026, State Grid, Yangtze Power, and Baowu Steel Group held 1,611,413,730 H-shares, 648,993,000 H-shares and 335,000,000 H-shares of the Bank respectively, and China Great Wall AMC beneficially held 7,865,000,000 H-shares of the Bank, all of which were held under the name of HKSCC Nominees Limited. Save the aforesaid H-shares of the Bank, 85,953,826,041 H-shares of the Bank were held under the name of HKSCC Nominees Limited, which included the H-shares

of the Bank held by Ping An Asset Management Co., Ltd. as an investment manager on behalf of several customers, as well as those held by Ping An Insurance (Group) Company of China, Ltd. through its controlled enterprises.

2. The Bank attracted strategic investment from the MOF through issuance of A-shares to specific target. As at 30 June 2026, the MOF held 11,589,403,973 A-shares of the Bank. The lock-up period is five years from the date of equity acquisition as at 24 June 2025.
3. As at 30 June 2026, the holdings of H-shares of the Bank by State Grid through its subsidiaries were as follows: State Grid International Development Co., Ltd. held 296,131,000 shares, and State Grid International Development Limited held 1,315,282,730 shares.
4. The number of shares held by Hong Kong Securities Clearing Company Ltd. at the end of the period represents the total number of A-shares of the Bank (shares of northbound trading) it held as a nominee designated by and on behalf of Hong Kong and overseas investors.
5. Huijin holds 66.70% equity interest in China Securities Finance Corporation Limited and 94.34% equity interest in China Great Wall AMC. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Ltd. Apart from the aforesaid equity interest relationships, the Bank is not aware of any connected relation or concerted action among the aforesaid shareholders. Huijin exercises the contributor's rights and obligations in key state-owned financial institutions on behalf of the State, and it does not engage in any other commercial business activities, nor does it interfere with daily operations of the key state-owned financial institutions of which it is the controlling shareholder.
6. As at 30 June 2026, none of the top ten shareholders of the Bank were involved in margin trading, short selling or refinancing of funds or securities, except that the status of HKSCC Nominees Limited was unknown.
7. None of the aforesaid shares were pledged, marked or frozen except that the status of the shares held under the name of HKSCC Nominees Limited was unknown.

Unit: share

Particulars of shareholding of top ten ordinary shareholders not subject to selling restrictions (excluding shares on loan through refinancing)	Number of ordinary shares held not subject to selling restrictions
Huijin	142,590,494,651 (H-shares)
	267,392,944 (A-shares)
HKSCC Nominees Limited	85,953,826,041 (H-shares)
China Great Wall AMC	7,865,000,000 (H-shares)
China Securities Finance Corporation Limited	2,189,259,672 (A-shares)
State Grid	1,611,413,730 (H-shares)
Reca Investment Limited	856,000,000 (H-shares)
Yangtze Power	648,993,000 (H-shares)
Hong Kong Securities Clearing Company Ltd.	628,582,239 (A-shares)
China Life Insurance Company Limited - Traditional - Ordinary insurance product - 005L - CT001SH	542,588,282 (A-shares)
Central Huijin Asset Management Ltd	496,639,800 (A-shares)

1. Huijin holds 100% equity interest in Central Huijin Asset Management Ltd., 66.70% equity interest in China Securities Finance Corporation Limited, and 94.34% equity interest in China Great Wall AMC. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Ltd. Apart from the aforesaid equity interest relationships, the Bank is not aware of any connected relation or concerted action among the aforesaid shareholders. Huijin exercises the contributor's rights and obligations in key state-owned financial institutions on behalf of the State, and it does not engage in any other commercial business activities, nor does it interfere with daily operations of the key state-owned financial institutions of which it is the controlling shareholder.
2. As at 30 June 2026, none of the top ten shareholders not subject to selling restrictions of the Bank were involved in margin trading, short selling or refinancing of funds or securities, except that the status of HKSCC Nominees Limited was unknown.

Trading Schedule for Shares Subject to Selling Restrictions

Unit: share

Date	Number of new tradable shares upon the expiry of the lock-up period	Remaining number of shares subject to selling restrictions	Remaining number of shares not subject to selling restrictions	Note
24 June 2030	11,589,403,973	-	261,600,381,459	Shares held by the MOF

Number of Shares Held by the Shareholder Subject to Selling Restrictions and the Selling Restrictions

Unit: share

Name of shareholder subject to selling restrictions	Number of shares held subject to selling restrictions	Tradable Date	Number of new tradable shares	Selling restrictions
MOF	11,589,403,973	24 June 2030	-	Five years from the date of equity acquisition

6.3 CHANGES IN CONTROLLING SHAREHOLDER AND ACTUAL CONTROLLING PARTY

During the reporting period, there was no change in controlling shareholder or actual controlling party of the Bank.

6.4 INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2026, the interests and short positions of substantial shareholders and other persons in the shares and underlying shares of the Bank as recorded in the register required to be kept under Section 336 of the *Securities and Futures Ordinance* (SFO) of Hong Kong were as follows:

Name	Type of shares	Title	Number of shares	Nature of rights and interests	% of A-shares issued	% of H-shares issued	% of total ordinary shares issued
Huijin[1]	A-shares	Beneficial owner	267,392,944	Long position	1.26	-	0.10
		Interest of controlled corporations	2,685,899,472	Long position	12.68	-	1.03
MOF[2]	A-shares	Beneficial owner	11,589,403,973	Long position	54.71	-	4.43
Huijin[3]	H-shares	Beneficial owner	142,590,494,651	Long position	-	59.31	54.51
		Interest of controlled corporations	7,865,000,000	Long position	-	3.27	3.01

1. On 27 June 2025, Huijin declared its interests to the Hong Kong Stock Exchange. It disclosed that it held interests of 2,953,292,416 A-shares of the Bank, accounting for 13.94% of the A-shares issued (21,183,061,579 shares) and 1.13% of the ordinary shares issued (261,600,381,459 shares), in which 267,392,944 A-shares were directly held by Huijin, 496,639,800 A-shares were held by Central Huijin Asset Management Ltd., a wholly-owned subsidiary of Huijin, and 2,189,259,672 A-shares were held by China Securities Finance Corporation Limited, a controlled entity of Huijin. As at 30 June 2026, according to the A-share register of shareholders of the Bank, Huijin directly held 267,392,944 A-shares of the Bank, Central Huijin Asset Management Ltd. directly held 496,639,800 A-shares of the Bank, and China Securities Finance Corporation Limited directly held 2,189,259,672 A-shares of the Bank.
2. On 26 June 2025, the MOF declared its interests to the Hong Kong Stock Exchange. It disclosed that it held interests of 11,589,403,973 A-shares of the Bank, accounting for 54.71% of the A-shares issued (21,183,061,579 shares) and 4.43% of the ordinary shares issued (261,600,381,459 shares). As at 30 June 2026, according to the A-share register of shareholders of the Bank, the MOF directly held 11,589,403,973 A-shares of the Bank.
3. On 1 August 2025, Huijin declared its interests to the Hong Kong Stock Exchange. It disclosed that it held interests of 150,455,494,651 H-shares of the Bank, accounting for 62.58% of the H-shares issued (240,417,319,880 shares) and 57.52% of the ordinary shares issued (261,600,381,459 shares), in which 142,590,494,651 H-shares were directly held by Huijin, and 7,865,000,000 H-shares were held by China Great Wall AMC, a controlled corporation of Huijin. As at 30 June 2026, according to the H-share register of shareholders of the Bank, Huijin directly held 142,590,494,651 H-shares of the Bank, and China Great Wall AMC beneficially held 7,865,000,000 H-shares of the Bank.

6.5 DIRECTORS' INTERESTS AND SHORT POSITIONS

During the reporting period, there was no change in the shareholdings of directors of the Bank. As at 30 June 2026, Mr. Zhang Yi indirectly held 9,848 H-shares of the Bank by participating in the employee stock incentive plan of the Bank before he assumed his current positions. Save as disclosed above, none of the directors of the Bank had any interests or short positions in the shares, underlying shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Bank and Hong Kong Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions therein that they should be deemed to have pursuant to such provisions of the SFO), to be recorded in the register kept under Section 352 of the SFO, or to be notified to the Bank and 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 Listing Rules of Hong Kong Stock Exchange.

6.6 DETAILS OF PREFERENCE SHARES

At the end of the reporting period, the Bank had 26 preference shareholders, all of whom were domestic preference shareholders, and there was no restoration of voting rights. The particulars of shareholding of the top ten preference shareholders of the Bank were as follows.

Unit: share

Name of preference shareholder	Nature of shareholder	Shareholding percentage (%)	Changes during the reporting period	Total number of shares held
China Fund Management Co., Ltd.	Others	14.08	-	84,494,878
Jiangsu International Trust Corporation Limited	Others	9.86	5,037,000	59,137,000
Everbright Securities Asset Management Co., Ltd.	Others	9.68	-	58,100,000
Hwabao Trust Co., Ltd.	Others	9.62	-13,910,000	57,720,000
China Mobile Communications Group Co., Ltd.	State-owned legal person	8.33	-	50,000,000
China Life Insurance Company Limited	Others	8.33	-	50,000,000
Ping An Life Insurance Company of China, Ltd.	Others	8.28	-	49,660,000
Chongqing International Trust Inc.	Others	4.53	8,873,000	27,203,000
Postal Savings Bank of China Co., Ltd.	Others	4.17	-	25,000,000
China Credit Trust Company Limited	Others	3.97	-	23,800,000

1. None of the aforesaid preference shares were pledged, marked or frozen.
2. The Bank is not aware of any connected relation or concerted action among the aforesaid preference shareholders, or between the aforesaid preference shareholders and the top ten ordinary shareholders.

In accordance with *Accounting Standards for Business Enterprises No. 22: Recognition and Measurement of Financial Instruments*, *Accounting Standards for Business Enterprises No. 37: Presentation of Financial Instruments* and *Rules on Distinguishing Financial Liabilities and Equity Instruments and Relevant Accounting Treatments* promulgated by the MOF, as well as *IFRS 9 Financial Instruments* and *International Accounting Standard 32 Financial Instruments: Presentation* formulated by the International Accounting Standards Board, the existing preference shares issued by the Bank meet the requirements of equity instruments in their terms and conditions, and are treated as equity instruments.

The Bank had not issued preference shares in the past three years. During the reporting period, the Bank had no redemption or conversion of preference shares.

APPENDIX: INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION

Report on Review of Interim Financial Information

To the Board of Directors of China Construction Bank Corporation
(Established in the People's Republic of China with limited liability)

Introduction

We have reviewed the accompanying interim condensed financial information set out on pages 1 to 197, which comprises the consolidated statement of financial position of China Construction Bank Corporation (the "Bank") and its subsidiaries (the "Group") as at 30 June 2026 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and condensed explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Bank are responsible for the preparation and presentation of interim condensed financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim condensed financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

Conclusion

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

Ernst & Young
Certified Public Accountants

Hong Kong
28 August 2026

China Construction Bank Corporation
Consolidated statement of comprehensive income
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Interest income		576,924	579,257
Interest expense		(265,966)	(292,548)
Net interest income	3	310,958	286,709
Fee and commission income		70,604	71,450
Fee and commission expense		(6,315)	(6,232)
Net fee and commission income	4	64,289	65,218
Net trading gain	5	3,608	1,854
Dividend income	6	2,006	2,648
Net gain arising from investment securities	7	20,167	11,691
Net gain on derecognition of financial assets measured at amortised cost	8	18,321	9,400
Other operating income, net:			
- Other operating income		17,312	17,707
- Other operating expense		(10,328)	(9,322)
Other operating income, net	9	6,984	8,385
Operating income		426,333	385,905
Operating expenses	10	(98,960)	(95,503)
		327,373	290,402
Credit impairment losses	11	(130,028)	(107,652)
Other impairment losses	12	(2)	(10)
Share of profits/(losses) of associates and joint ventures		637	(299)
Profit before tax		197,980	182,441
Income tax expense	13	(26,303)	(19,803)
Net profit		171,677	162,638

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of comprehensive income (continued)
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Other comprehensive income:		
(1) Other comprehensive income that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	144	79
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	(3,438)	671
Other comprehensive income under the equity method that cannot be reclassified to profit or loss	(95)	-
Others	4	2
Subtotal	(3,385)	752
(2) Other comprehensive income that may be reclassified subsequently to profit or loss		
Fair value changes of debt instruments measured at fair value through other comprehensive income	15,024	(6,626)
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	235	951
Reclassification adjustments included in profit or loss due to disposals	(1,484)	(7,802)
Net loss on cash flow hedges	(280)	(264)
Exchange difference on translating foreign operations	(8,318)	73
Others	(1,707)	(1,844)
Subtotal	3,470	(15,512)
Other comprehensive income for the period, net of tax	85	(14,760)

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of comprehensive income (continued)
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
Total comprehensive income for the period		171,762	147,878
Net profit attributable to:			
Equity shareholders of the Bank		169,564	162,076
Non-controlling interests		2,113	562
		171,677	162,638
Total comprehensive income attributable to:			
Equity shareholders of the Bank		170,648	147,537
Non-controlling interests		1,114	341
		171,762	147,878
Basic and diluted earnings per share (in RMB yuan)	14	0.65	0.65

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position
As at 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Assets:			
Cash and deposits with central banks	15	2,624,659	3,054,199
Deposits with banks and non-bank financial institutions	16	203,006	190,622
Precious metals		198,854	190,225
Placements with banks and non-bank financial institutions	17	813,820	819,823
Positive fair value of derivatives	18	74,843	49,300
Financial assets held under resale agreements	19	247,776	856,818
Loans and advances to customers	20	28,440,110	26,926,790
Financial investments	21		
Financial assets measured at fair value through profit or loss		920,388	874,994
Financial assets measured at amortised cost		8,593,174	7,739,652
Financial assets measured at fair value through other comprehensive income		4,477,360	4,282,706
Long-term equity investments	22	25,739	27,781
Fixed assets	24	168,727	165,235
Construction in progress	25	2,965	6,002
Land use rights	26	11,228	11,548
Intangible assets	27	4,808	5,611
Goodwill	28	2,321	2,416
Deferred tax assets	29	145,190	139,747
Other assets	30	373,276	288,349
Total assets		47,328,244	45,631,818

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position (continued)
As at 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Liabilities:			
Borrowings from central banks	32	1,477,901	1,096,307
Deposits from banks and non-bank financial institutions	33	4,291,973	4,287,217
Placements from banks and non-bank financial institutions	34	482,204	499,957
Financial liabilities measured at fair value through profit or loss	35	343,945	324,230
Negative fair value of derivatives	18	45,388	89,804
Financial assets sold under repurchase agreements	36	1,450,984	1,490,932
Deposits from customers	37	31,818,419	30,835,574
Accrued staff costs	38	65,773	70,004
Taxes payable	39	28,634	30,896
Provisions	40	24,563	25,806
Debt securities issued	41	2,835,183	2,593,524
Deferred tax liabilities	29	3,278	2,576
Other liabilities	42	626,173	598,914
Total liabilities		43,494,418	41,945,741

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position (continued)
As at 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Equity:			
Share capital	43	261,600	261,600
Other equity instruments	44		
Preference shares		59,977	59,977
Perpetual bonds		170,000	140,000
Capital reserve	45	229,317	229,113
Other comprehensive income	46	21,691	20,566
Surplus reserve	47	434,687	434,687
General reserve	48	587,285	587,051
Retained earnings	49	2,045,625	1,930,417
Total equity attributable to equity shareholders of the Bank		3,810,182	3,663,411
Non-controlling interests		23,644	22,666
Total equity		3,833,826	3,686,077
Total liabilities and equity		47,328,244	45,631,818

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

Zhang Jinliang	Zhang Yi	Yin Pengfei
Chairman and executive director	*Vice chairman, executive director and president*	*Person in charge of finance& accounting department*

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of changes in equity
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	(Unaudited)									
	Attributable to equity shareholders of the Bank									
		Other equity instruments								
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total equity
As at 1 January 2026	261,600	59,977	140,000	229,113	20,566	434,687	587,051	1,930,417	22,666	3,686,077
Movements during the period	-	-	30,000	204	1,125	-	234	115,208	978	147,749
(1) Total comprehensive income for the period	-	-	-	-	1,084	-	-	169,564	1,114	171,762
(2) Changes in share capital										
i Capital injection by shareholders	-	-	-	-	-	-	-	-	9	9
ii Capital injection by other equity instruments holders	-	-	30,000	(2)	-	-	-	-	-	29,998
iii Decrease in subsidiaries	-	-	-	-	-	-	-	-	(4)	(4)
(3) Profit distribution										
i Appropriation to general reserve	-	-	-	-	-	-	234	(234)	-	-
ii Dividends to ordinary shareholders	-	-	-	-	-	-	-	(53,079)	-	(53,079)
iii Dividends to other equity instruments holders	-	-	-	-	-	-	-	(796)	-	(796)
iv Dividends to non-controlling interests holders	-	-	-	-	-	-	-	-	(141)	(141)
(4) Internal transfer within owner's equity										
i Other comprehensive income transferred to retained earnings	-	-	-	-	41	-	-	(41)	-	-
ii Others	-	-	-	206	-	-	-	(206)	-	-
As at 30 June 2026	261,600	59,977	170,000	229,317	21,691	434,687	587,285	2,045,625	23,644	3,833,826

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of changes in equity (continued)
For the six months ended 30 June 2025
(Expressed in millions of RMB, unless otherwise stated)

	(Unaudited)									
	Attributable to equity shareholders of the Bank									
		Other equity instruments								
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total equity
As at 1 January 2025	250,011	59,977	100,000	135,736	57,901	402,196	534,591	1,781,715	21,838	3,343,965
Movements during the period	11,589	-	40,000	93,377	(14,592)	-	841	109,956	(277)	240,894
(1) Total comprehensive income for the period	-	-	-	-	(14,539)	-	-	162,076	341	147,878
(2) Changes in share capital										
i Capital injection by shareholders	11,589	-	-	93,380	-	-	-	-	14	104,983
ii Capital injection by other equity instruments holders	-	-	40,000	(3)	-	-	-	-	-	39,997
iii Increase in subsidiaries	-	-	-	-	-	-	-	-	11	11
iv Decrease in subsidiaries	-	-	-	-	-	-	-	-	(498)	(498)
(3) Profit distribution										
i Appropriation to general reserve	-	-	-	-	-	-	671	(671)	-	-
ii Dividends to ordinary shareholders	-	-	-	-	-	-	-	(51,502)	-	(51,502)
iii Dividends to non-controlling interests holders	-	-	-	-	-	-	-	-	(145)	(145)
(4) Internal transfer within owner’s equity										
i Other comprehensive income transferred to retained earnings	-	-	-	-	(53)	-	-	53	-	-
(5) Others	-	-	-	-	-	-	170	-	-	170
As at 30 June 2025	261,600	59,977	140,000	229,113	43,309	402,196	535,432	1,891,671	21,561	3,584,859

The notes on pages 14 to 197 form part of these financial statements.

(Expressed in millions of RMB, unless otherwise stated)

(Audited)

	Attributable to equity shareholders of the Bank									
		Other equity instruments								
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total equity
As at 1 January 2025	250,011	59,977	100,000	135,736	57,901	402,196	534,591	1,781,715	21,838	3,343,965
Movements during the year	11,589	-	40,000	93,377	(37,335)	32,491	52,460	148,702	828	342,112
(1) Total comprehensive income for the year	-	-	-	-	(37,231)	-	-	338,906	1,334	303,009
(2) Changes in share capital										
i Capital injection by shareholders	11,589	-	-	93,380	-	-	-	-	59	105,028
ii Capital injection by other equity instruments holders	-	-	40,000	(3)	-	-	-	-	-	39,997
iii Increase in subsidiaries	-	-	-	-	-	-	-	-	141	141
iv Decrease in subsidiaries	-	-	-	-	-	-	-	-	(485)	(485)
(3) Profit distribution										
i Appropriation to surplus reserve	-	-	-	-	-	32,491	-	(32,491)	-	-
ii Appropriation to general reserve	-	-	-	-	-	-	52,290	(52,290)	-	-
iii Dividends to ordinary shareholders	-	-	-	-	-	-	-	(100,107)	-	(100,107)
iv Dividends to other equity instruments holders	-	-	-	-	-	-	-	(5,420)	-	(5,420)
v Dividends to non-controlling interests holders	-	-	-	-	-	-	-	-	(221)	(221)
(4) Internal transfer within owner's equity										
i Other comprehensive income transferred to retained earnings	-	-	-	-	(104)	-	-	104	-	-
(5) Others	-	-	-	-	-	-	170	-	-	170
As at 31 December 2025	261,600	59,977	140,000	229,113	20,566	434,687	587,051	1,930,417	22,666	3,686,077

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of cash flows
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Note	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
Cash flows from operating activities:			
Profit before tax		197,980	182,441
Adjustments for:			
-Credit impairment losses	11	130,028	107,652
-Other impairment losses	12	2	10
-Depreciation and amortisation		13,729	14,768
-Interest income from impaired financial assets		(1,739)	(1,213)
-Revaluation (gain)/loss on financial instruments measured at fair value through profit or loss		(12,897)	2,618
-Share of (profits)/losses of associates and joint ventures		(637)	299
-Dividend income	6	(2,006)	(2,648)
-Unrealised foreign exchange (gain)/loss		(6,087)	14,690
-Interest expense on bonds issued		14,204	15,438
-Interest income from investment securities and net income from disposal		(180,664)	(161,806)
-Net gain on disposal of fixed assets and other long-term assets		(485)	(137)
		151,428	172,112

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of cash flows (continued)
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
***Cash flows from operating activities:* (continued)**		
Changes in operating assets:		
Net (increase)/decrease in deposits with central banks and with banks and non-bank financial institutions	(56,557)	80,914
Net decrease/(increase) in placements with banks and non-bank financial institutions	19,553	(104,086)
Net decrease/(increase) in financial assets held under resale agreements	608,415	(649,391)
Net increase in loans and advances to customers	(1,661,313)	(1,666,880)
Net increase in financial assets held for trading purposes	(1,385)	(117,817)
Net increase in other operating assets	(111,771)	(105,580)
	(1,203,058)	(2,562,840)
Changes in operating liabilities:		
Net increase in borrowings from central banks	380,620	254,779
Net increase in deposits from customers and from banks and non-bank financial institutions	1,111,025	2,745,970
Net (decrease)/increase in placements from banks and non-bank financial institutions	(9,430)	47,186
Net increase/(decrease) in financial liabilities measured at fair value through profit or loss	20,148	(21,630)
Net (decrease)/increase in financial assets sold under repurchase agreements	(39,470)	297,476
Net increase in certificates of deposit issued	139,370	477,729
Income tax paid	(30,836)	(42,375)
Net decrease in other operating liabilities	(169,114)	(111,793)
	1,402,313	3,647,342
Net cash from operating activities	350,683	1,256,614

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of cash flows (continued)
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Cash flows from investing activities:		
Proceeds from sales and redemption of financial investments	2,336,620	1,758,997
Interest and dividends received	169,911	150,323
Proceeds from disposal of subsidiaries, associates and joint ventures	1,001	293
Proceeds from disposal of fixed assets and other long-term assets	2,366	794
Purchase of investment securities	(3,378,326)	(2,733,734)
Acquisition of subsidiaries, associates and joint ventures	(257)	(2,611)
Purchase of fixed assets and other long-term assets	(8,752)	(5,251)
Net cash used in investing activities	(877,437)	(831,189)
Cash flows from financing activities:		
Issue of shares	-	104,969
Issue of bonds	133,177	90,590
Proceeds from issuance of other equity instruments	29,998	39,997
Cash received from subsidiaries' capital injection by non-controlling interests holders	9	25
Dividends paid	(47,732)	(100,820)
Repayment of borrowings	(24,239)	(38,887)
Interest paid on bonds issued	(9,704)	(9,747)
Cash payment for other financing activities	(3,372)	(3,661)
Net cash from financing activities	78,137	82,466

The notes on pages 14 to 197 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of cash flows (continued)
For the six months ended 30 June 2026
(Expressed in millions of RMB, unless otherwise stated)

		Six months ended 30 June	
	Note	2026 (Unaudited)	2025 (Unaudited)
Effect of exchange rate changes on cash and cash equivalents		(5,753)	(4,396)
Net (decrease)/increase in cash and cash equivalents		(454,370)	503,495
Cash and cash equivalents as at 1 January	50	1,061,844	569,448
Cash and cash equivalents as at 30 June	50	607,474	1,072,943
Cash flows from operating activities include:			
Interest received, excluding interest income from investment securities		411,161	427,707
Interest paid, excluding interest expense on bonds issued		(339,187)	(292,176)

The notes on pages 14 to 197 form part of these financial statements.

1 Company information

The history of China Construction Bank Corporation (the "Bank") dates back to 1954, which was previously known as the People's Construction Bank of China when it was established. It was responsible for the management and distribution of government funds for construction and infrastructure related projects under the state economic plan. The People's Construction Bank of China gradually evolved into a comprehensive commercial bank following the takeover of the Bank's function of granting policy loans by China Development Bank in 1994. In 1996, the People's Construction Bank of China changed its name to China Construction Bank. On 17 September 2004, China Construction Bank Corporation was established in the People's Republic of China (the "PRC") as a result of a separation procedure undertaken by its predecessor, China Construction Bank (the "former CCB"). In October 2005 and September 2007, the Bank's H shares and A shares were listed on The Stock Exchange of Hong Kong Limited (Stock Code: 00939) and the Shanghai Stock Exchange (Stock Code: 601939), successively. As at 30 June 2026, the Bank issued the total ordinary share capital of RMB261,600 million, with a par value of RMB1.00 per share.

The Bank obtained its finance permit No.B0004H111000001 from the China Banking and Insurance Regulatory Commission ("CBIRC") (In 2023, the regulator was renamed the National Financial Regulatory Administration, hereinafter referred to as the "NFRA") of the PRC. The Bank obtained its unified social credit code No.911100001000044477 from the Beijing Municipal Administration for Market Regulation. The registered office of the Bank is located at No.25, Finance Street, Xicheng District, Beijing.

The principal activities of the Bank and its subsidiaries (collectively the "Group") are the provision of corporate finance business, personal finance business, treasury and asset management business and others. The Group mainly operates in the Chinese mainland and also has a number of overseas branches and subsidiaries. For the purpose of these financial statements, the Chinese mainland refers to the PRC excluding the Hong Kong Special Administrative Region of the PRC ("Hong Kong"), the Macau Special Administrative Region of the PRC ("Macau") and Taiwan. Overseas refers to countries and regions other than the Chinese mainland.

The Bank is mainly regulated by the NFRA, an institution directly under the State Council of the PRC (the "State Council"). The overseas financial institutions of the Bank are required to comply with the regulatory requirements of their respective local jurisdictions. Central Huijin Investment Ltd. ("Huijin"), a wholly-owned subsidiary of China Investment Corporation ("CIC"), exercises the contributor's rights and obligations in key state-owned financial institutions up to its contribution amount on behalf of the State.

2 Basis of preparation and significant accounting policies

(1) Basis of preparation

The interim financial statements have been prepared in accordance with *International Accounting Standard* ("IAS") 34 *Interim Financial Reporting* and all applicable disclosure provisions of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*.

The unaudited interim financial statements contain selected explanatory notes, which provide explanations of events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the financial statements for the year ended 31 December 2025. The selected notes do not include all of the information and disclosures required for a full set of financial statements prepared in accordance with IFRS Accounting Standards, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

(2) Use of estimates and assumptions

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results in the future may differ from those reported as a result of the use of estimates and assumptions about future conditions.

2 Basis of preparation and significant accounting policies (continued)

(3) Consolidation

The interim financial statements comprise the Bank and its subsidiaries.

The financial results and performance of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Necessary adjustments on the accounting period and accounting policies of subsidiaries are made to comply with those of the Bank. Intragroup balances and transactions, and any profits or losses arising from intragroup transactions are eliminated in full in preparing the consolidated financial statements.

(4) Changes in significant accounting policies

The Group has adopted the following amendments for the current interim period.

(1)	Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
(2)	*Annual Improvements to IFRS Accounting Standards – Volume 11*	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The adoption of the above amendments does not have a significant impact on the Group's consolidated financial statements.

Except for the matters described above, significant accounting policies adopted by the Group for its interim financial statements are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

2 Basis of preparation and significant accounting policies (continued)

(5) Taxation

The Group's main applicable taxes and tax rates are as follows:

Value added tax ("VAT")
The Value-Added Tax Law of the People's Republic of China and the Regulation on Implementation of the Value-Added Tax Law of the People's Republic of China became effective from 1 January 2026. The predominant VAT rate applicable to the Bank and its subsidiaries in the Chinese mainland is 6%.

City construction tax
City construction tax is calculated as 1% to 7% of VAT.

Education surcharge
Education surcharge is calculated as 3% of VAT.

Local education surcharge
Local education surcharge is calculated as 2% of VAT.

Income tax
The predominant income tax rate applicable to the Bank and its subsidiaries in the Chinese mainland is 25%. Taxation on overseas operations is primarily charged at the relevant local rates.

(6) Interim financial statements

The interim financial statements have been reviewed by the Audit Committee of the Bank, and were approved by the Board of Directors of the Bank on 28 August 2026. The interim financial statements have also been reviewed by the Bank's auditors, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial statements is derived from those financial statements. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 March 2026.

(Expressed in millions of RMB, unless otherwise stated)

3 Net interest income

	Six months ended 30 June	
	2026	2025
Interest income arising from:		
Deposits with central banks	20,585	21,257
Deposits with banks and non-bank financial institutions	1,714	1,578
Placements with banks and non-bank financial institutions	7,993	8,074
Financial assets held under resale agreements	5,715	6,026
Financial investments	160,513	150,146
Loans and advances to customers		
-Corporate loans and advances	232,379	236,256
-Personal loans and advances	139,206	148,367
-Discounted bills	8,819	7,553
Total	576,924	579,257
Interest expense arising from:		
Borrowings from central banks	(12,206)	(10,222)
Deposits from banks and non-bank financial institutions	(36,485)	(28,649)
Placements from banks and non-bank financial institutions	(8,003)	(9,413)
Financial assets sold under repurchase agreements	(11,318)	(8,961)
Debt securities issued	(27,880)	(34,180)
Deposits from customers		
-Corporate deposits	(64,027)	(79,622)
-Personal deposits	(106,047)	(121,501)
Total	(265,966)	(292,548)
Net interest income	310,958	286,709

(Expressed in millions of RMB, unless otherwise stated)

3 Net interest income (continued)

(1) Interest income from impaired financial assets is listed as follows:

	Six months ended 30 June	
	2026	2025
Impaired loans and advances	1,723	1,182
Other impaired financial assets	16	31
Total	1,739	1,213

(2) Interest expense on financial liabilities with maturity over five years mainly represented the interest expense on debt securities issued.

4 Net fee and commission income

	Six months ended 30 June	
	2026	2025
Fee and commission income		
Settlement and clearing fees	20,263	19,870
Commission on trust and fiduciary activities	12,107	11,722
Agency service fees	11,209	9,441
Bank card fees	10,251	10,184
Consultancy and advisory fees	6,492	7,285
Income from asset management business	3,388	6,076
Others	6,894	6,872
Total	70,604	71,450
Fee and commission expense		
Bank card transaction fees	(3,244)	(3,105)
Inter-bank transaction fees	(462)	(460)
Others	(2,609)	(2,667)
Total	(6,315)	(6,232)
Net fee and commission income	64,289	65,218

(Expressed in millions of RMB, unless otherwise stated)

5 Net trading gain

	Six months ended 30 June	
	2026	2025
Debt securities	3,310	1,583
Derivatives	704	305
Equity investments	(311)	(81)
Others	(95)	47
Total	3,608	1,854

6 Dividend income

	Six months ended 30 June	
	2026	2025
Dividend income from equity investments measured at fair value through profit or loss	1,456	2,181
Dividend income from equity investments measured at fair value through other comprehensive income	550	467
Total	2,006	2,648

(Expressed in millions of RMB, unless otherwise stated)

7 Net gain arising from investment securities

	Six months ended 30 June	
	2026	2025
Net loss related to financial liabilities designated as measured at fair value through profit or loss	(2,488)	(1,920)
Net gain related to other financial assets and liabilities measured at fair value through profit or loss	18,742	2,694
Net gain related to financial assets measured at fair value through other comprehensive income	2,150	10,020
Others	1,763	897
Total	20,167	11,691

8 Net gain on derecognition of financial assets measured at amortised cost

For the six months ended 30 June 2026, net gain on derecognition of financial assets measured at amortised cost consisted mainly of gain from Group’s disposal of bond investments (For the six months ended 30 June 2025, net gain on derecognition of financial assets measured at amortised cost consisted mainly of gain from Group’s disposal of bond investments).

(Expressed in millions of RMB, unless otherwise stated)

9 Other operating income, net

	Six months ended 30 June	
	2026	2025
Other operating income		
Foreign exchange gains	7,734	8,342
Rental income	4,265	4,173
Insurance related income	2,774	2,784
Others	2,539	2,408
Total	17,312	17,707

	Six months ended 30 June	
	2026	2025
Other operating expense		
Insurance related costs	6,083	4,878
Others	4,245	4,444
Total	10,328	9,322

Foreign exchange gains or losses include gains and losses in connection with the translation of foreign currency denominated monetary assets and liabilities, and net realised and unrealised gains and losses on foreign exchange derivatives (including those foreign exchange swaps, foreign exchange options and cross currency swaps entered into in order to economically hedge positions in foreign currency assets).

(Expressed in millions of RMB, unless otherwise stated)

10 Operating expenses

	Six months ended 30 June	
	2026	2025
Staff costs		
- Salaries, bonuses, allowances and subsidies	37,858	37,121
- Defined contribution plans	8,655	8,458
- Housing funds	4,130	4,116
- Union running costs and employee education costs	1,104	1,147
- Compensation to employees for termination of employment relationship	8	9
- Others	8,622	6,937
	60,377	57,788
Premises and equipment expenses		
- Depreciation charges	9,426	10,398
- Rent and property management expenses	1,568	1,628
- Utilities	814	845
- Maintenance	695	682
- Others	1,033	945
	13,536	14,498
Taxes and surcharges	4,443	3,984
Amortisation expenses	1,554	1,618
Other general and administrative expenses	19,050	17,615
Total	98,960	95,503

For the six months ended 30 June 2026, the Group's operating expenses related to actual research and development activities amounted to RMB2,540 million (for the six months ended 30 June 2025: RMB2,006 million).

(Expressed in millions of RMB, unless otherwise stated)

11 Credit impairment losses

	Six months ended 30 June 2026	2025
Loans and advances to customers	125,344	115,061
Financial investments		
-Financial assets measured at amortised cost	2,994	(2,077)
-Financial assets measured at fair value through other comprehensive income	989	783
Off-balance sheet credit business	(1,245)	(1,669)
Others	1,946	(4,446)
Total	130,028	107,652

12 Other impairment losses

	Six months ended 30 June 2026	2025
Other impairment losses	2	10

(Expressed in millions of RMB, unless otherwise stated)

13 Income tax expense

(1) Income tax expense

	Six months ended 30 June	
	2026	2025
Current tax	33,984	35,095
- The Chinese mainland	32,333	33,172
- Hong Kong	985	893
- Other countries and regions	666	1,030
Deferred tax	(7,681)	(15,292)
Total	26,303	19,803

The provisions for income taxes for the Chinese mainland and Hong Kong are calculated at 25% and 16.5% of the estimated taxable income from the Chinese mainland and Hong Kong operations, respectively. Taxation for other overseas operations is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

(Expressed in millions of RMB, unless otherwise stated)

13 Income tax expense (continued)

(2) Reconciliation between income tax expense and accounting profit

		Six months ended 30 June	
	Note	2026	2025
Profit before tax		197,980	182,441
Income tax calculated at the 25% statutory tax rate		49,495	45,610
Effects of different applicable rates of tax prevailing in other countries/regions		(1,203)	(673)
Non-deductible expenses and others	(a)	11,958	6,281
Non-taxable income	(b)	(33,947)	(31,415)
Income tax expense		26,303	19,803

(a) Non-deductible expenses primarily include non-deductible losses resulting from write-offs and impairment losses.

(b) Non-taxable income primarily includes interest income from PRC government bonds and local government bonds.

Before 30 June 2026, Pillar Two legislations were enacted in certain jurisdictions where the Group has operations and became effective successively from 1 January 2024. The aggregate top-up tax amount associated with Pillar Two model rules was not material to the Group's financial statements for the six months ended 30 June 2026.

14 Earnings per share

Basic earnings per share for the six months ended 30 June 2026 and 2025 have been computed by dividing the net profit attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during those periods.

For the purpose of calculating basic earnings per share, dividends on other equity instruments declared in respect of the period should be deducted from the net profit attributable to equity shareholders of the Bank.

The conversion feature of preference shares is considered to be contingently issuable ordinary shares. The triggering events of conversion did not occur for the six months ended 30 June 2026 and 2025, therefore the conversion feature of preference shares had no effect on the basic and diluted earnings per share calculations.

	Six months ended 30 June	
	2026	2025
Net profit attributable to equity shareholders of the Bank	169,564	162,076
Less: Net profit for the period attributable to other equity instruments holders of the Bank	(796)	-
Net profit attributable to ordinary shareholders of the Bank	168,768	162,076
Weighted average number of ordinary shares (in millions of shares)	261,600	250,523
Basic earnings per share attributable to ordinary shareholders of the Bank (in RMB yuan)	0.65	0.65
Diluted earnings per share attributable to ordinary shareholders of the Bank (in RMB yuan)	0.65	0.65

(Expressed in millions of RMB, unless otherwise stated)

15 Cash and deposits with central banks

	Note	30 June 2026	31 December 2025
Cash		46,589	48,588
Deposits with central banks			
- Statutory deposit reserves	(1)	2,292,205	2,218,453
- Surplus deposit reserves	(2)	226,448	734,336
- Fiscal deposits and others		58,333	51,639
Accrued interest		1,084	1,183
Total		2,624,659	3,054,199

(1) The Group places statutory deposit reserves with the People's Bank of China ("PBOC") and overseas central banks where it has operations. The statutory deposit reserves are not available for use in the Group's daily business.

As at the end of the reporting period, the Bank's statutory deposit reserves rates in the Chinese mainland were as follows:

	30 June 2026	31 December 2025
Reserve rate for RMB deposits	7.50%	7.50%
Reserve rate for foreign currency deposits	4.00%	4.00%

The statutory RMB deposit reserve rates applicable to domestic subsidiaries of the Group are determined by the PBOC.

The amounts of statutory deposit reserves placed with the central banks of overseas countries and regions are determined by local jurisdictions.

(2) The surplus deposit reserves maintained with the PBOC is mainly for the purpose of clearing.

(Expressed in millions of RMB, unless otherwise stated)

16 Deposits with banks and non-bank financial institutions

(1) Analysed by type of counterparties

	30 June 2026	31 December 2025
Banks	172,515	155,662
Non-bank financial institutions	30,092	34,253
Accrued interest	464	762
Gross balances	203,071	190,677
Allowances for impairment losses (Note 31)	(65)	(55)
Net balances	203,006	190,622

(2) Analysed by geographical sectors

	30 June 2026	31 December 2025
The Chinese mainland	163,734	158,772
Overseas	38,873	31,143
Accrued interest	464	762
Gross balances	203,071	190,677
Allowances for impairment losses (Note 31)	(65)	(55)
Net balances	203,006	190,622

As at 30 June 2026 and 31 December 2025, all of the Group’s deposits with banks and non-bank financial institutions were designated as Stage 1. For the six months ended 30 June 2026 and for the year ended 31 December 2025, neither the book values nor the impairment allowances had any migrations between stages.

(Expressed in millions of RMB, unless otherwise stated)

17 Placements with banks and non-bank financial institutions

(1) Analysed by type of counterparties

	30 June 2026	31 December 2025
Banks	455,283	372,074
Non-bank financial institutions	354,904	443,777
Accrued interest	3,981	4,232
Gross balances	814,168	820,083
Allowances for impairment losses (Note 31)	(348)	(260)
Net balances	813,820	819,823

(2) Analysed by geographical sectors

	30 June 2026	31 December 2025
The Chinese mainland	577,401	670,850
Overseas	232,786	145,001
Accrued interest	3,981	4,232
Gross balances	814,168	820,083
Allowances for impairment losses (Note 31)	(348)	(260)
Net balances	813,820	819,823

As at 30 June 2026 and 31 December 2025, all of the Group’s placements with banks and non-bank financial institutions were designated as Stage 1. For the six months ended 30 June 2026 and for the year ended 31 December 2025, neither the book values nor the impairment allowances had any migrations between stages.

(Expressed in millions of RMB, unless otherwise stated)

18 Derivatives and hedge accounting

(1) Analysed by type of contracts

	Note	30 June 2026			31 December 2025		
		Notional amounts	Assets	Liabilities	Notional amounts	Assets	Liabilities
Interest rate contracts		3,723,945	11,183	9,744	2,946,134	9,689	8,396
Exchange rate contracts		4,189,611	34,435	30,344	6,233,284	36,664	33,358
Other contracts	(a)	276,303	29,225	5,300	330,223	2,947	48,050
Total		8,189,859	74,843	45,388	9,509,641	49,300	89,804

(a) Other contracts mainly consist of precious metals and commodity contracts.

(2) Hedge accounting

The following designated hedging instruments are included in the derivatives disclosed above:

	Note	30 June 2026			31 December 2025		
		Notional amounts	Assets	Liabilities	Notional amounts	Assets	Liabilities
Fair value hedges	(a)						
Interest rate swaps		53,323	489	111	52,303	424	125
Cross currency swaps		12,775	487	43	13,478	321	54
Cash flow hedges	(b)						
Foreign exchange swaps		4,776	118	13	6,146	42	14
Cross currency swaps		1,493	97	-	1,537	65	-
Interest rate swaps		8,396	23	60	9,784	5	14
Total		80,763	1,214	227	83,248	857	207

(Expressed in millions of RMB, unless otherwise stated)

18 Derivatives and hedge accounting (continued)

(2) Hedge accounting (continued)

(a) Fair value hedges

The Group uses interest rate swaps and cross currency swaps to hedge against changes in fair value of loans and advances to customers, debt securities, placements from banks and non-bank financial institutions, financial assets sold under repurchase agreements, and deposits from customers.

Net gains/(losses) on fair value hedges are as follows:

	Six months ended 30 June	
	2026	2025
Hedging instruments	255	(516)
Hedged items	(255)	485

The gain and loss arising from the ineffective portion of fair value hedges was immaterial for the six months ended 30 June 2026 and 2025.

(b) Cash flow hedges

The Group uses foreign exchange swaps, cross currency swaps and interest rate swaps to hedge against exposures to cash flow variability primarily from foreign exchange and interest rate risks on deposits with banks and non-bank financial institutions, placements with banks and non-bank financial institutions, debt securities, debt securities issued and unrecognised firm commitment. The maturities of hedging instruments and hedged items are predominantly within five years.

For the six months ended 30 June 2026, the Group’s net loss from the cash flow hedges of RMB280 million was recognised in other comprehensive income (for the six months ended 30 June 2025: net loss from cash flow hedges of RMB264 million), and the gain and loss arising from the ineffective portion of cash flow hedges was immaterial.

(Expressed in millions of RMB, unless otherwise stated)

19 Financial assets held under resale agreements

Financial assets held under resale agreements analysed by underlying assets are shown as follows:

	30 June 2026	31 December 2025
Debt securities		
- Government bonds	127,055	405,394
- Debt securities issued by policy banks, banks and non-bank financial institutions	120,558	438,618
- Enterprise bonds	101	-
Subtotal	247,714	844,012
Discounted bills	-	12,692
Accrued interest	66	136
Total	247,780	856,840
Allowances for impairment losses (Note 31)	(4)	(22)
Net balances	247,776	856,818

As at 30 June 2026 and 31 December 2025, all of the Group's financial assets held under resale agreements were designated as Stage 1. For the six months ended 30 June 2026 and for the year ended 31 December 2025, neither the book values nor the impairment allowances had any migrations between stages.

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers

(1) Analysed by measurement

	Note	30 June 2026	31 December 2025
Gross loans and advances to customers measured at amortised cost		26,788,811	25,629,143
Less: allowances for impairment losses		(902,666)	(846,037)
Net loans and advances to customers measured at amortised cost	(a)	25,886,145	24,783,106
Loans and advances to customers measured at fair value through other comprehensive income	(b)	2,498,034	2,092,713
Accrued interest		55,931	50,971
Total		28,440,110	26,926,790

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

(1) Analysed by measurement (continued)

(a) Loans and advances to customers measured at amortised cost

	30 June 2026	31 December 2025
Corporate loans and advances		
- Loans	17,508,558	16,370,983
- Finance leases	92,018	98,978
	17,600,576	16,469,961
Personal loans and advances		
- Residential mortgages	5,919,225	6,054,134
- Personal business loans	1,454,668	1,315,605
- Credit card loans	934,714	1,012,246
- Personal consumer loans	806,809	704,099
- Other personal loans	72,819	73,098
	9,188,235	9,159,182
Gross loans and advances to customers measured at amortised cost	26,788,811	25,629,143
Stage 1 - allowances for impairment losses	(371,994)	(328,800)
Stage 2 - allowances for impairment losses	(246,288)	(239,445)
Stage 3 - allowances for impairment losses	(284,384)	(277,792)
Allowances for impairment losses at amortised cost (Note 31)	(902,666)	(846,037)
Net loans and advances to customers measured at amortised cost	25,886,145	24,783,106

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

(1) Analysed by measurement (continued)

(b) Loans and advances to customers measured at fair value through other comprehensive income

	30 June 2026	31 December 2025
Discounted bills	2,498,034	2,092,713

(2) Analysed by assessment method of expected credit losses

	30 June 2026			
	Stage 1	Stage 2	Stage 3	Total
Gross loans and advances to customers measured at amortised cost	25,502,500	907,335	378,976	26,788,811
Less: allowances for impairment losses	(371,994)	(246,288)	(284,384)	(902,666)
Carrying amount of loans and advances to customers measured at amortised cost	25,130,506	661,047	94,592	25,886,145
Provision percentage for loans and advances to customers measured at amortised cost	1.46%	27.14%	75.04%	3.37%
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	2,497,811	223	-	2,498,034
Allowances for impairment losses on loans and advances to customers measured at fair value through other comprehensive income	(1,895)	(5)	-	(1,900)

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

(2) Analysed by assessment method of expected credit losses (continued)

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross loans and advances to customers measured at amortised cost	24,406,012	859,149	363,982	25,629,143
Less: allowances for impairment losses	(328,800)	(239,445)	(277,792)	(846,037)
Carrying amount of loans and advances to customers measured at amortised cost	24,077,212	619,704	86,190	24,783,106
Provision percentage for loans and advances to customers measured at amortised cost	1.35%	27.87%	76.32%	3.30%
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	2,092,660	53	-	2,092,713
Allowances for impairment losses on loans and advances to customers measured at fair value through other comprehensive income	(2,564)	(11)	-	(2,575)

The Group measures ECL of loans and advances using risk parameter modelling approach that incorporates relevant parameters such as Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"). Specifically, for Stage 3 corporate loans and advances not managed on a portfolio basis, as well as Stage 3 discounted bills, the Group calculates LGD using the discounted cash flow method on expected recoverable cash flows. The Group may also calculate LGD for other loans and advances using the discounted cash flow method on expected recoverable cash flows based on actual circumstances.

The segmentation of the loans mentioned above is defined in Note 57(1).

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

(3) Movements of allowances for impairment losses

		Six months ended 30 June 2026			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2026		328,800	239,445	277,792	846,037
Transfers:					
Transfers in/(out) to Stage 1		15,067	(14,129)	(938)	-
Transfers in/(out) to Stage 2		(6,231)	9,430	(3,199)	-
Transfers in/(out) to Stage 3		(2,518)	(24,466)	26,984	-
Newly originated or purchased financial assets		113,533	-	-	113,533
Transfer out/repayment	(a)	(80,787)	(13,656)	(55,054)	(149,497)
Remeasurements	(b)	4,130	49,664	63,913	117,707
Write-offs		-	-	(31,993)	(31,993)
Recoveries of loans and advances written off		-	-	6,879	6,879
As at 30 June 2026		371,994	246,288	284,384	902,666

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

(3) Movements of allowances for impairment losses (continued)

		2025			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2025		328,369	219,912	254,613	802,894
Transfers:					
Transfers in/(out) to Stage 1		22,161	(21,130)	(1,031)	-
Transfers in/(out) to Stage 2		(7,843)	10,646	(2,803)	-
Transfers in/(out) to Stage 3		(4,778)	(29,356)	34,134	-
Newly originated or purchased financial assets		173,272	-	-	173,272
Transfer out/repayment	(a)	(131,951)	(31,084)	(95,658)	(258,693)
Remeasurements	(b)	(50,430)	90,457	111,165	151,192
Write-offs		-	-	(38,581)	(38,581)
Recoveries of loans and advances written off		-	-	15,953	15,953
As at 31 December 2025		328,800	239,445	277,792	846,037

(a) Transfer out/repayment refers to transfer of creditor's rights, transfer of beneficial rights from credit assets, securitisation of assets, debt-to-equity swaps and reversal of loss provision due to repayment of debts in the form of other assets, as well as repayment of loans, etc.

(b) Remeasurements comprise the impact of changes in PD, LGD, and EAD; changes in model assumptions and methodologies; loss provisions change due to stage-transfer; unwinding of discount; and the impact of exchange rate changes, etc.

The loss provisions disclosed above are for loans and advances to customers measured at amortised cost.

(4) Packaged disposal of non-performing loans

For the six months ended 30 June 2026, the Group's total amount of non-performing loans sold through packaged disposal to external asset management companies was RMB12,514 million (for the six months ended 30 June 2025: RMB12,424 million).

(5) Write-offs

According to the Group's Write-offs policy, it is required to continue to recover the bad debts that are written off. For the six months ended 30 June 2026, the amount of loans and advances to customers that the Group has written off under litigation-related condition but still under enforcement was RMB9,159 million (for the six months ended 30 June 2025: RMB2,953 million).

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments

(1) Analysed by measurement

	Note	30 June 2026	31 December 2025
Financial assets measured at fair value through profit or loss	(a)	920,388	874,994
Financial assets measured at amortised cost	(b)	8,593,174	7,739,652
Financial assets measured at fair value through other comprehensive income	(c)	4,477,360	4,282,706
Total		13,990,922	12,897,352

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

Analysed by nature

	Note	30 June 2026	31 December 2025
Held-for-trading purposes			
- Debt securities	(i)	317,360	317,667
- Equity instruments and funds	(ii)	5,827	4,124
		323,187	321,791
Others			
- Debt securities	(iii)	114,820	140,979
- Equity instruments, funds and others	(iv)	482,381	412,224
		597,201	553,203
Total		920,388	874,994

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

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

Analysed by type of issuers

Held-for-trading purposes

(i) Debt securities

	30 June 2026	31 December 2025
Government	31,657	23,096
Central banks	1,006	8,725
Policy banks	37,170	49,451
Banks and non-bank financial institutions	199,831	191,050
Enterprises	47,696	45,345
Total	317,360	317,667
Listed (Note)	310,763	312,684
-of which in Hong Kong	2,017	942
Unlisted	6,597	4,983
Total	317,360	317,667

Note: Debt securities traded on the China Domestic Interbank Bond Market are classified as “Listed”.

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

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

Analysed by type of issuers (continued)

Held-for-trading purposes (continued)

(ii) Equity instruments and funds

	30 June 2026	31 December 2025
Banks and non-bank financial institutions	4,579	2,570
Enterprises	1,248	1,554
Total	5,827	4,124
Listed	2,613	2,840
-of which in Hong Kong	104	72
Unlisted	3,214	1,284
Total	5,827	4,124

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

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

Analysed by type of issuers (continued)

Others

(iii) Debt securities

	30 June 2026	31 December 2025
Policy banks	8,601	8,537
Banks and non-bank financial institutions	104,495	131,653
Enterprises	1,724	789
Total	114,820	140,979
Listed (Note)	114,772	140,876
-of which in Hong Kong	30	68
Unlisted	48	103
Total	114,820	140,979

Note: Debt securities traded on the China Domestic Interbank Bond Market are classified as "Listed".

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

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

Analysed by type of issuers (continued)

Others (continued)

(iv) Equity instruments, funds and others

	30 June 2026	31 December 2025
Banks and non-bank financial institutions	313,717	259,479
Enterprises	168,664	152,745
Total	482,381	412,224
Listed	37,858	30,125
-of which in Hong Kong	3,764	4,438
Unlisted	444,523	382,099
Total	482,381	412,224

There was no significant limitation on the ability of the Group to dispose of financial assets measured at fair value through profit or loss.

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

(b) Financial assets measured at amortised cost

Analysed by type of issuers

	30 June 2026	31 December 2025
Government	7,862,193	7,014,053
Central banks	1,440	4,274
Policy banks	392,035	331,704
Banks and non-bank financial institutions	70,879	124,985
Enterprises	165,081	166,260
Special government bond	49,200	49,200
Subtotal	8,540,828	7,690,476
Accrued interest	77,530	71,883
Gross balances	8,618,358	7,762,359
Allowances for impairment losses		
-Stage 1	(14,684)	(12,214)
-Stage 2	(943)	(476)
-Stage 3	(9,557)	(10,017)
Subtotal	(25,184)	(22,707)
Net balances	8,593,174	7,739,652
Listed (Note)	8,474,911	7,596,333
-of which in Hong Kong	2,129	952
Unlisted	118,263	143,319
Total	8,593,174	7,739,652
Market value of listed bonds	8,990,513	8,059,224

Note: Debt securities traded on the China Domestic Interbank Bond Market are classified as “Listed”.

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

(c) Financial assets measured at fair value through other comprehensive income

Analysed by nature

	Note	30 June 2026	31 December 2025
Bond investments	(i)	4,430,179	4,232,347
Debt investments		444	456
Equity instruments	(ii)	46,737	49,903
Total		4,477,360	4,282,706

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

(c) Financial assets measured at fair value through other comprehensive income (continued)

(i) Debt securities

Analysed by type of issuers

	30 June 2026	31 December 2025
Government	2,995,751	2,803,638
Central banks	24,308	57,129
Policy banks	303,321	400,583
Banks and non-bank financial institutions	584,473	567,102
Enterprises	445,911	345,382
Accumulated change of fair value charged in other comprehensive income	45,250	26,949
Subtotal	4,399,014	4,200,783
Accrued interest	31,165	31,564
Total	4,430,179	4,232,347
Listed (Note)	4,149,415	3,961,525
-of which in Hong Kong	96,206	91,356
Unlisted	280,764	270,822
Total	4,430,179	4,232,347

Note: Debt securities traded on the China Domestic Interbank Bond Market are classified as “Listed”.

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(1) Analysed by measurement (continued)

(c) Financial assets measured at fair value through other comprehensive income (continued)

(ii) Equity instruments

	Six months ended 30 June 2026						
			Fair value changes				
Items	As at 1 January 2026	Acquisitions	Changes related to derecognised investments	Changes related to investments held at the end of the period	Disposals	Cumulative gains or losses transferred into retained earnings from other comprehensive income	As at 30 June 2026
-Carrying amount	49,903	2,345	(11)	(4,653)	(847)	-	46,737
-Cumulative gains or losses recognised in other comprehensive income	12,719	-	(11)	(4,653)	-	97	8,152

	2025						
			Fair value changes				
Items	As at 1 January 2025	Acquisitions	Changes related to derecognised investments	Changes related to investments held at the end of the year	Disposals	Cumulative gains or losses transferred into retained earnings from other comprehensive income	As at 31 December 2025
-Carrying amount	32,222	19,152	109	197	(1,777)	-	49,903
-Cumulative gains or losses recognised in other comprehensive income	12,591	-	109	197	-	(178)	12,719

The Group designates certain non-trading equity investments as financial assets measured at fair value through other comprehensive income. For the six months ended 30 June 2026, dividend income from such equity investments was RMB550 million (for the six months ended 30 June 2025: RMB467 million), of which RMB11 million was attributable to investments derecognised during the current period (for the six months ended 30 June 2025: Nil) and RMB539 million was attributable to investments held at the end of the period (for the six months ended 30 June 2025: RMB467 million).

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(2) Movements of allowances for impairment losses

(a) Financial assets measured at amortised cost

	Note	Six months ended 30 June 2026			
		Stage 1	Stage 2	Stage 3	Total
As at 1 January 2026		12,214	476	10,017	22,707
Transfers:					
Transfers in/(out) to Stage 1		-	-	-	-
Transfers in/(out) to Stage 2		-	-	-	-
Transfers in/(out) to Stage 3		-	-	-	-
Newly originated or purchased financial assets		1,711	-	-	1,711
Financial assets derecognised during the period		(895)	(71)	(130)	(1,096)
Remeasurements	(i)	1,654	538	77	2,269
Write-offs		-	-	(407)	(407)
Recoveries of financial assets written off		-	-	-	-
As at 30 June 2026		14,684	943	9,557	25,184

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(2) Movements of allowances for impairment losses (continued)

(a) Financial assets measured at amortised cost (continued)

		2025			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2025		14,212	7	12,300	26,519
Transfers:					
Transfers in/(out) to Stage 1		-	-	-	-
Transfers in/(out) to Stage 2		(24)	24	-	-
Transfers in/(out) to Stage 3		-	-	-	-
Newly originated or purchased financial assets		1,102	-	-	1,102
Financial assets derecognised during the year		(1,936)	-	(2,106)	(4,042)
Remeasurements	(i)	(1,140)	445	853	158
Write-offs		-	-	(1,037)	(1,037)
Recoveries of financial assets written off		-	-	7	7
As at 31 December 2025		12,214	476	10,017	22,707

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(2) Movements of allowances for impairment losses (continued)

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

		Six months ended 30 June 2026			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2026		4,143	85	252	4,480
Transfers:					
Transfers in/(out) to Stage 1		81	(81)	-	-
Transfers in/(out) to Stage 2		-	-	-	-
Transfers in/(out) to Stage 3		-	-	-	-
Newly originated or purchased financial assets		1,183	-	-	1,183
Financial assets derecognised during the period		(608)	-	(7)	(615)
Remeasurements	(i)	327	(3)	9	333
As at 30 June 2026		5,126	1	254	5,381

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments (continued)

(2) Movements of allowances for impairment losses (continued)

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

		2025			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2025		2,939	8	303	3,250
Transfers:					
Transfers in/(out) to Stage 1		-	-	-	-
Transfers in/(out) to Stage 2		-	-	-	-
Transfers in/(out) to Stage 3		-	-	-	-
Newly originated or purchased financial assets		2,668	81	-	2,749
Financial assets derecognised during the year		(1,266)	-	(51)	(1,317)
Remeasurements	(i)	(198)	(4)	-	(202)
As at 31 December 2025		4,143	85	252	4,480

(i) Remeasurements comprise the impact of changes in PD, LGD, and EAD; changes in model assumptions and methodologies; changes in allowance for impairment losses due to stage-transfer; and the impact of exchange rate changes, etc.

As at 30 June 2026, the Group's financial assets measured at amortised cost with carrying amount of RMB9,398 million (as at 31 December 2025: RMB9,945 million) and financial assets measured at fair value through other comprehensive income with carrying amount of RMB10 million (as at 31 December 2025:RMB24 million) were impaired and classified as Stage 3, financial assets measured at amortised cost with carrying amount of RMB5,602 million (as at 31 December 2025: RMB6,320 million) and financial assets measured at fair value through other comprehensive income with carrying amount of RMB561 million (as at 31 December 2025: RMB1,343 million) were classified as Stage 2, and the remaining financial assets measured at amortised cost and financial assets measured at fair value through other comprehensive income were classified as Stage 1.

For the six months ended 30 June 2026, the increase in the Group's Stage 1 financial assets due to newly originated or purchased financial assets amounted to RMB2,854,001 million (for the year ended 31 December 2025: RMB4,134,561 million), the decrease in Stage 1 financial assets due to derecognition amounted to RMB1,793,464 million (for the year ended 31 December 2025: RMB2,174,709 million), and there were no significant changes in the balances of financial assets classified as Stage 2 and 3. Both the amounts of financial assets transferred between stages and the amounts of financial assets with modifications of contractual cash flows that did not result in a derecognition were not significant.

(Expressed in millions of RMB, unless otherwise stated)

22 Long-term equity investments

(1) Investments in subsidiaries

(a) Investment balance

	30 June 2026	31 December 2025
CCB Financial Asset Investment Co., Ltd. (“CCB Investment”)	27,000	27,000
CCB Wealth Management Co., Ltd. (“CCB Wealth Management”)	15,000	15,000
CCB Financial Leasing Co., Ltd. (“CCB Financial Leasing”)	11,163	11,163
CCB House Rental Fund (Limited Partnership) (“CCB House Rental Fund”)	10,000	10,000
CCB Brazil Financial Holding - Investimentos e Participações Ltda.	9,542	9,542
CCB Trust Co., Ltd. (“CCB Trust”)	7,429	7,429
CCB Life Insurance Co., Ltd. (“CCB Life”)	6,962	6,962
CCB Consumer Finance Co., Ltd. (“CCB Consumer Finance”)	6,000	6,000
China Construction Bank (Europe) S.A. (“CCB Europe”)	4,406	4,406
PT Bank China Construction Bank Indonesia Tbk (“CCB Indonesia”)	2,215	2,215
CCB Pension Management Co., Ltd. (“CCB Pension”)	1,610	1,610
Sino-German Bausparkasse Co., Ltd. (“Sino-German Bausparkasse”)	1,502	1,502
China Construction Bank (Malaysia) Berhad (“CCB Malaysia”)	1,334	1,334
China Construction Bank (New Zealand) Limited (“CCB New Zealand”)	976	976
China Construction Bank (Russia) Limited (“CCB Russia”)	851	851
Golden Fountain Finance Limited (“Golden Fountain”)	676	676
CCB Principal Asset Management Co., Ltd. (“CCB Principal Asset Management”)	130	130
CCB International Group Holdings Limited (“CCBIG”)	-	-
Subtotal	106,796	106,796
Less: Allowance for impairment losses	(8,672)	(8,672)
Total	98,124	98,124

(Expressed in millions of RMB, unless otherwise stated)

22 Long-term equity investments (continued)

(1) Investments in subsidiaries (continued)

(b) Except for CCB Indonesia, the major subsidiaries of the Group are unlisted enterprises, details of the investments in subsidiaries are as follows:

Name of company	Principal place of business	Particulars of issued and paid-up capital	Kind of legal entity	Principal activities	% of ownership directly held by the Bank	% of ownership indirectly held by the Bank	% of voting rights held by the Bank	Method of investment
CCB Investment	Beijing, the PRC	RMB27,000 million	Company with Limited Liability	Investment	100%	-	100%	Establishment
CCB Wealth Management	Shenzhen, the PRC	RMB15,000 million	Company with Limited Liability	Wealth Management	100%	-	100%	Establishment
CCB Financial Leasing	Beijing, the PRC	RMB11,000 million	Company with Limited Liability	Financial Leasing	100%	-	100%	Establishment
CCB House Rental Fund	Beijing, the PRC	RMB10,000 million	Limited Partnership	Investment	99.99%	0.01%	100%	Establishment
CCB Brazil Financial Holding-Investimentos e Participações Ltda.	Sao Paulo, Brazil	R$4,281 million	Company with Limited Liability	Investment	99.99%	0.01%	100%	Acquisition
CCB Trust	Anhui, the PRC	RMB10,500 million	Company with Limited Liability	Trust Business	67%	-	67%	Acquisition
CCB Life	Shanghai, the PRC	RMB7,120 million	Company Limited by Shares	Insurance	51%	-	51%	Acquisition
CCB Consumer Finance	Beijing, the PRC	RMB7,200 million	Company with Limited Liability	Consumer Finance	83.33%	-	83.33%	Establishment
CCB Europe	Luxembourg	EUR550 million	Company with Limited Liability	Commercial Banking	100%	-	100%	Establishment
CCB Indonesia	Jakarta, Indonesia	IDR3,791,973 million	Company Limited by Shares	Commercial Banking	60%	-	60%	Acquisition
CCB Pension	Beijing, the PRC	RMB2,300 million	Company with Limited Liability	Pension Management	70%	-	70%	Establishment
Sino-German Bausparkasse	Tianjin, the PRC	RMB2,000 million	Company with Limited Liability	House Savings	75.10%	-	75.10%	Establishment

(Expressed in millions of RMB, unless otherwise stated)

22 Long-term equity investments (continued)

(1) Investments in subsidiaries (continued)

(b) Except for CCB Indonesia, the major subsidiaries of the Group are unlisted enterprises, details of the investments in subsidiaries are as follows: (continued)

Name of company	Principal place of business	Particulars of issued and paid-up capital	Kind of legal entity	Principal activities	% of ownership directly held by the Bank	% of ownership indirectly held by the Bank	% of voting rights held by the Bank	Method of investment
CCB Malaysia	Kuala Lumpur, Malaysia	MYR823 million	Company with Limited Liability	Commercial Banking	100%	-	100%	Establishment
CCB New Zealand	Auckland, New Zealand	NZD199 million	Company with Limited Liability	Commercial Banking	100%	-	100%	Establishment
CCB Russia	Moscow, Russia	RUB4,200 million	Company with Limited Liability	Commercial Banking	100%	-	100%	Establishment
Golden Fountain	British Virgin Islands	US$ 50,000	Company with Limited Liability	Investment	100%	-	100%	Acquisition
CCB Principal Asset Management	Beijing, the PRC	RMB200 million	Company with Limited Liability	Fund Management Services	65%	-	65%	Establishment
CCBIG	Hong Kong, the PRC	HK$1	Company with Limited Liability	Investment	100%	-	100%	Establishment
CCB International (Holdings) Limited (“CCB International”)	Hong Kong, the PRC	US$601 million	Company with Limited Liability	Investment	-	100%	100%	Acquisition
China Construction Bank (Asia) Corporation Limited (“CCB Asia”)	Hong Kong, the PRC	HK$6,511 million RMB17,600 million	Company Limited by Shares	Commercial Banking	-	100%	100%	Acquisition

(c) As at 30 June 2026, the amount of the non-controlling interests of the subsidiaries was immaterial to the Group.

(Expressed in millions of RMB, unless otherwise stated)

22 Long-term equity investments (continued)

(2) Interests in associates and joint ventures

(a) The movements of the Group's interests in associates and joint ventures are as follows:

	Six months ended 30 June 2026	2025
As at 1 January	27,781	23,560
Increase in capital during the period/year	257	4,359
Decrease in capital during the period/year	(2,589)	(623)
Share of profits	637	336
Cash dividend receivable	(69)	(279)
Allowances for impairment losses (Note 31)	-	(29)
Effect of exchange difference and others	(278)	457
As at 30 June/31 December	25,739	27,781

(Expressed in millions of RMB, unless otherwise stated)

22 Long-term equity investments (continued)

(2) Interests in associates and joint ventures (continued)

(b) Details of the interests in major associates and joint ventures are as follows:

Name of company	Principal place of business	Particulars of issued and paid-up capital	Principal activities	% of ownership held	% of voting held	Total assets at period end	Total liabilities at period end	Revenue for the period	Net profit for the period
Guoxin Jianyuan Equity Investment Fund (Chengdu) Partnership (Limited Partnership)	Chengdu, the PRC	RMB 9,633 million	Equity investment	50.00%	50.00%	13,148	1	(678)	(721)
National Green Development Fund Co., Ltd.	Shanghai, the PRC	RMB 53,050 million	Investment	9.04%	9.04%	57,082	994	540	329
Jianyuan Infrastructure Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	Tianjin, the PRC	RMB 3,500 million	Equity investment	48.57%	40.00%	4,196	-	76	76
Guomin Pension&Insurance Co., Ltd	Beijing, the PRC	RMB 11,378 million	Insurance	8.79%	8.79%	113,580	100,255	1,325	446
Guangdong Strategic Industries Promotion and Development Fund Partnership (Limited Partnership)	Guangzhou, the PRC	RMB 1,204 million	Equity investment	50.00%	50.00%	1,203	1	-	(1)

(Expressed in millions of RMB, unless otherwise stated)

23 Structured entities

(1) Unconsolidated structured entities

Unconsolidated structured entities of the Group include wealth management products, asset management plans, trust plans, funds and asset-backed securities held for investment purposes, and wealth management products, trust plans and funds, which are issued or established by the Group for providing wealth management services to customers and earning management fees, commissions and custodian fees in return.

As at 30 June 2026 and 31 December 2025, the assets recognised for the Group's interests in the unconsolidated structured entities above included related investment and management fee, commission and custodian fee receivables accrued. Relevant carrying amounts and maximum risk exposures were as follows:

	30 June 2026	31 December 2025
Financial investments		
Financial assets measured at fair value through profit or loss	319,362	261,601
Financial assets measured at amortised cost	3,891	3,906
Financial assets measured at fair value through other comprehensive income	18,991	5,369
Long-term equity investments	17,219	17,240
Other assets	2,868	3,353
Total	362,331	291,469

(Expressed in millions of RMB, unless otherwise stated)

23 Structured entities (continued)

(1) Unconsolidated structured entities (continued)

For the six months ended 30 June 2026 and 2025, gains and losses from the Group's unconsolidated structured entities were as follows:

	Six months ended 30 June	
	2026	2025
Interest income	74	55
Fee and commission income	4,029	6,527
Net trading gain	119	35
Dividend income	438	686
Net gain arising from investment securities	4,303	780
Share of profits/(losses) of associates and joint ventures	436	(306)
Total	9,399	7,777

As at 30 June 2026, the balance of unconsolidated structured entities initiated by the Group totalled RMB6,885,705 million (as at 31 December 2025: RMB6,510,950 million).

(2) Consolidated structured entities

Structured entities included into the Group's scope of consolidation consisted mainly of asset management plans and funds invested by the Group.

(Expressed in millions of RMB, unless otherwise stated)

24 Fixed assets

	Bank premises	Equipment	Aircraft and vessels,etc	Others	Total
Cost/Deemed cost					
As at 1 January 2026	151,795	48,635	73,092	55,067	328,589
Additions	18	1,122	6,882	536	8,558
Transfer in (Note 25)	1,919	176	-	1,633	3,728
Other movements	2,629	(1,268)	(3,974)	(1,034)	(3,647)
As at 30 June 2026	156,361	48,665	76,000	56,202	337,228
Accumulated depreciation					
As at 1 January 2026	(71,178)	(36,378)	(14,137)	(40,087)	(161,780)
Charge for the period	(2,420)	(2,212)	(1,959)	(1,991)	(8,582)
Other movements	171	1,218	950	976	3,315
As at 30 June 2026	(73,427)	(37,372)	(15,146)	(41,102)	(167,047)
Allowances for impairment losses (Note 31)					
As at 1 January 2026	(385)	-	(1,186)	(3)	(1,574)
Charge for the period	-	-	-	-	-
Other movements	1	-	119	-	120
As at 30 June 2026	(384)	-	(1,067)	(3)	(1,454)
Net carrying value					
As at 1 January 2026	80,232	12,257	57,769	14,977	165,235
As at 30 June 2026	82,550	11,293	59,787	15,097	168,727

(Expressed in millions of RMB, unless otherwise stated)

24 Fixed assets (continued)

	Bank premises	Equipment	Aircraft and vessels,etc	Others	Total
Cost/Deemed cost					
As at 1 January 2025	153,028	49,102	65,399	52,273	319,802
Additions	141	4,440	14,166	2,065	20,812
Transfer in (Note 25)	649	19	-	2,517	3,185
Other movements	(2,023)	(4,926)	(6,473)	(1,788)	(15,210)
As at 31 December 2025	151,795	48,635	73,092	55,067	328,589
Accumulated depreciation					
As at 1 January 2025	(66,823)	(36,065)	(12,435)	(37,873)	(153,196)
Charge for the year	(4,907)	(5,143)	(3,774)	(4,585)	(18,409)
Other movements	552	4,830	2,072	2,371	9,825
As at 31 December 2025	(71,178)	(36,378)	(14,137)	(40,087)	(161,780)
Allowances for impairment losses (Note 31)					
As at 1 January 2025	(388)	-	(1,099)	(3)	(1,490)
Charge for the year	-	-	(319)	-	(319)
Other movements	3	-	232	-	235
As at 31 December 2025	(385)	-	(1,186)	(3)	(1,574)
Net carrying value					
As at 1 January 2025	85,817	13,037	51,865	14,397	165,116
As at 31 December 2025	80,232	12,257	57,769	14,977	165,235

(1) Aircraft and vessels, etc, include aircraft, vessels, shield machines and other fixed assets used for operating leases.

(2) Other movements include disposals, retirements and exchange differences of fixed assets.

(3) As at 30 June 2026, the ownership documentation for the Group’s bank premises with a net carrying value of RMB7,377 million (as at 31 December 2025: RMB5,950 million) was being finalised. However, management took the view that the aforesaid matter would not affect the Group’s rights to these assets, nor would it have any significant impact on the Group’s business operation.

(Expressed in millions of RMB, unless otherwise stated)

25 Construction in progress

	Six months ended 30 June 2026	2025
Cost/Deemed cost		
As at 1 January	6,002	4,319
Additions	720	5,066
Transfer into fixed assets (Note 24)	(3,728)	(3,185)
Other movements	(29)	(198)
As at 30 June/31 December	2,965	6,002
Net carrying value		
As at 1 January	6,002	4,319
As at 30 June/31 December	2,965	6,002

Other movements include exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

26 Land use rights

	Six months ended 30 June 2026	2025
Cost/Deemed cost		
As at 1 January	22,358	22,870
Additions	33	33
Other movements	(170)	(545)
As at 30 June/31 December	22,221	22,358
Amortisation		
As at 1 January	(10,678)	(10,320)
Charge for the period/year	(248)	(499)
Other movements	63	141
As at 30 June/31 December	(10,863)	(10,678)
Allowances for impairment losses (Note 31)		
As at 1 January	(132)	(133)
Other movements	2	1
As at 30 June/31 December	(130)	(132)
Net carrying value		
As at 1 January	11,548	12,417
As at 30 June/31 December	11,228	11,548

Other movements include exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

27 Intangible assets

	Software	Others	Total
Cost/Deemed cost			
As at 1 January 2026	24,056	607	24,663
Additions	322	-	322
Other movements	(227)	(3)	(230)
As at 30 June 2026	24,151	604	24,755
Amortisation			
As at 1 January 2026	(18,682)	(358)	(19,040)
Charge for the period	(1,062)	(14)	(1,076)
Other movements	179	2	181
As at 30 June 2026	(19,565)	(370)	(19,935)
Allowances for impairment losses (Note 31)			
As at 1 January 2026	-	(12)	(12)
Additions	-	-	-
Other movements	-	-	-
As at 30 June 2026	-	(12)	(12)
Net carrying value			
As at 1 January 2026	5,374	237	5,611
As at 30 June 2026	4,586	222	4,808

(Expressed in millions of RMB, unless otherwise stated)

27 Intangible assets (continued)

	Software	Others	Total
Cost/Deemed cost			
As at 1 January 2025	22,471	600	23,071
Additions	1,985	8	1,993
Other movements	(400)	(1)	(401)
As at 31 December 2025	24,056	607	24,663
Amortisation			
As at 1 January 2025	(16,902)	(330)	(17,232)
Charge for the year	(2,074)	(28)	(2,102)
Other movements	294	-	294
As at 31 December 2025	(18,682)	(358)	(19,040)
Allowances for impairment losses (Note 31)			
As at 1 January 2025	-	(9)	(9)
Additions	-	(3)	(3)
Other movements	-	-	-
As at 31 December 2025	-	(12)	(12)
Net carrying value			
As at 1 January 2025	5,569	261	5,830
As at 31 December 2025	5,374	237	5,611

Other movements include exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

28 Goodwill

(1) The goodwill is mainly attributable to the expected synergies arising from the acquisition of CCB Asia and CCB Indonesia. The movements of the goodwill are as follows:

	Six months ended 30 June 2026	2025
As at 1 January	2,416	2,522
Additions through acquisitions	3	38
Allowances for impairment losses (Note 31)	(2)	(4)
Effect of exchange difference and others	(96)	(140)
As at 30 June/31 December	2,321	2,416

(2) Impairment test for CGU containing goodwill

The Group calculated the recoverable amounts of CGUs (including goodwill) in accordance with accounting policies. The Group estimated present values of future cash flows of CGUs using expected future cash flow projections based on financial forecasts approved by management. The average growth rates used by the Group were consistent with the forecasts in industry reports, while the discount rates reflected specific risks relating to relevant segments. The Group estimated net amounts of fair value less costs of disposal based on net assets within the CGUs.

As at 30 June 2026, the Group’s goodwill impairment provision amounted to RMB41 million (as at 31 December 2025: RMB40 million).

(Expressed in millions of RMB, unless otherwise stated)

29 Deferred tax

	30 June 2026	31 December 2025
Deferred tax assets	145,190	139,747
Deferred tax liabilities	(3,278)	(2,576)
Total	141,912	137,171

(1) Analysed by nature

	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				
- Fair value adjustments	(43,231)	(10,982)	(25,347)	(6,490)
- Allowances for impairment losses	607,368	151,337	558,505	139,123
- Employee benefits	55,308	13,759	59,196	14,736
- Others	(35,151)	(8,924)	(30,324)	(7,622)
Total	584,294	145,190	562,030	139,747
Deferred tax liabilities				
- Fair value adjustments	(28,719)	(6,233)	(19,356)	(4,460)
- Others	11,584	2,955	7,486	1,884
Total	(17,135)	(3,278)	(11,870)	(2,576)

(Expressed in millions of RMB, unless otherwise stated)

29 Deferred tax (continued)

(2) Movements of deferred tax

	Fair value adjustments	Allowances for impairment losses	Employee benefits	Others	Total
As at 1 January 2026	(10,950)	139,123	14,736	(5,738)	137,171
Recognised in profit or loss	(2,756)	12,214	(977)	(800)	7,681
Recognised in other comprehensive income	(3,509)	-	-	569	(2,940)
As at 30 June 2026	(17,215)	151,337	13,759	(5,969)	141,912
As at 1 January 2025	(23,857)	135,185	12,470	(4,838)	118,960
Recognised in profit or loss	782	3,938	2,266	712	7,698
Recognised in other comprehensive income	12,125	-	-	(1,612)	10,513
As at 31 December 2025	(10,950)	139,123	14,736	(5,738)	137,171

The Group did not have significant unrecognised deferred tax as at the end of the reporting period.

(Expressed in millions of RMB, unless otherwise stated)

30 Other assets

	Note	30 June 2026	31 December 2025
Repossessed assets	(1)		
- Buildings		850	881
- Land use rights		6	6
		856	887
Clearing and settlement accounts		209,933	135,936
Right-of-use assets	(2)	21,640	22,942
Insurance related assets	(3)	17,132	16,749
Fee and commission receivables		16,553	14,374
Investment properties		12,249	12,442
Leasehold improvements		3,574	3,922
Deferred expenses		1,555	1,438
Others		101,319	91,045
Gross balance		384,811	299,735
Allowances for impairment losses (Note 31)			
- Repossessed assets		(702)	(716)
- Others		(10,833)	(10,670)
		(11,535)	(11,386)
Net balance		373,276	288,349

(1) For the six months ended 30 June 2026, the original cost of repossessed assets disposed of by the Group amounted to RMB28 million (for the six months ended 30 June 2025: RMB230 million). The Group intends to dispose of repossessed assets through various methods including auction, competitive bidding and transfer.

(Expressed in millions of RMB, unless otherwise stated)

30 Other assets (continued)

(2) Right-of-use assets

	Bank premises	Others	Total
Cost			
As at 1 January 2026	44,597	186	44,783
Additions	3,386	26	3,412
Other movements	(5,129)	(22)	(5,151)
As at 30 June 2026	42,854	190	43,044
Accumulated depreciation			
As at 1 January 2026	(21,737)	(104)	(21,841)
Charge for the period	(3,200)	(26)	(3,226)
Other movements	3,645	18	3,663
As at 30 June 2026	(21,292)	(112)	(21,404)
Allowances for impairment losses (Note 31)			
As at 1 January 2026	(247)	-	(247)
Other movements	43	-	43
As at 30 June 2026	(204)	-	(204)
Net carrying value			
As at 1 January 2026	22,613	82	22,695
As at 30 June 2026	21,358	78	21,436

(Expressed in millions of RMB, unless otherwise stated)

30 Other assets (continued)

(2) Right-of-use assets (continued)

	Bank premises	Others	Total
Cost			
As at 1 January 2025	47,156	189	47,345
Additions	7,722	43	7,765
Other movements	(10,281)	(46)	(10,327)
As at 31 December 2025	44,597	186	44,783
Accumulated depreciation			
As at 1 January 2025	(22,143)	(83)	(22,226)
Charge for the year	(6,995)	(54)	(7,049)
Other movements	7,401	33	7,434
As at 31 December 2025	(21,737)	(104)	(21,841)
Allowances for impairment losses (Note 31)			
As at 1 January 2025	(228)	-	(228)
Charge for the year	(25)	-	(25)
Other movements	6	-	6
As at 31 December 2025	(247)	-	(247)
Net carrying value			
As at 1 January 2025	24,785	106	24,891
As at 31 December 2025	22,613	82	22,695

Other movements include exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

30 Other assets (continued)

(3) Insurance-related assets

The total for groups of insurance contracts issued and reinsurance contracts that are assets as follows:

	30 June 2026	31 December 2025
Insurance contracts issued		
- Insurance contracts issued not applying the premium allocation approach	21	23
- Insurance contracts issued applying the premium allocation approach	-	-
Subtotal	21	23
Reinsurance contracts held		
- Reinsurance contracts held not applying the premium allocation approach	15,972	15,543
- Reinsurance contracts held applying the premium allocation approach	1,139	1,183
Subtotal	17,111	16,726
Total	17,132	16,749

(Expressed in millions of RMB, unless otherwise stated)

31 Movements of allowances for impairment losses

		Six months ended 30 June 2026				
	Note	As at 1 January	Charge/ (reversal) for the period	Transfer (out)/in	Write-offs and others	As at 30 June
Deposits with banks and non-bank financial institutions	16	55	10	-	-	65
Precious metals		-	-	-	-	-
Placements with banks and non-bank financial institutions	17	260	91	(3)	-	348
Financial assets held under resale agreements	19	22	(18)	-	-	4
Loans and advances to customers measured at amortised cost	20	846,037	126,019	(37,397)	(31,993)	902,666
Financial assets measured at amortised cost	21	22,707	2,994	(110)	(407)	25,184
Long-term equity investments	22	73	-	-	-	73
Fixed assets	24	1,574	-	-	(120)	1,454
Land use rights	26	132	-	-	(2)	130
Intangible assets	27	12	-	-	-	12
Goodwill	28	40	2	(1)	-	41
Other assets	30	11,386	1,842	74	(1,767)	11,535
Total		882,298	130,940	(37,437)	(34,289)	941,512

(Expressed in millions of RMB, unless otherwise stated)

31 Movements of allowances for impairment losses (continued)

		2025				
	Note	As at 1 January	Charge/ (reversal) for the year	Transfer (out)/in	Write-offs and others	As at 31 December
Deposits with banks and non-bank financial institutions	16	107	(52)	-	-	55
Precious metals		1	(1)	-	-	-
Placements with banks and non-bank financial institutions	17	431	(177)	6	-	260
Financial assets held under resale agreements	19	33	(11)	-	-	22
Loans and advances to customers measured at amortised cost	20	802,894	147,895	(66,171)	(38,581)	846,037
Financial assets measured at amortised cost	21	26,519	(1,326)	(1,449)	(1,037)	22,707
Long-term equity investments	22	44	29	-	-	73
Fixed assets	24	1,490	319	-	(235)	1,574
Land use rights	26	133	-	-	(1)	132
Intangible assets	27	9	3	-	-	12
Goodwill	28	39	4	(1)	(2)	40
Other assets	30	12,993	1,454	329	(3,390)	11,386
Total		844,693	148,137	(67,286)	(43,246)	882,298

Transfer (out)/in includes exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

32 Borrowings from central banks

	30 June 2026	31 December 2025
The Chinese mainland	1,447,979	1,046,397
Overseas	20,015	41,726
Accrued interest	9,907	8,184
Total	1,477,901	1,096,307

33 Deposits from banks and non-bank financial institutions

(1) Analysed by type of counterparties

	30 June 2026	31 December 2025
Banks	170,942	307,834
Non-bank financial institutions	4,086,234	3,948,866
Accrued interest	34,797	30,517
Total	4,291,973	4,287,217

(2) Analysed by geographical sectors

	30 June 2026	31 December 2025
The Chinese mainland	4,112,709	4,123,735
Overseas	144,467	132,965
Accrued interest	34,797	30,517
Total	4,291,973	4,287,217

(Expressed in millions of RMB, unless otherwise stated)

34 Placements from banks and non-bank financial institutions

(1) Analysed by type of counterparties

	30 June 2026	31 December 2025
Banks	434,709	451,826
Non-bank financial institutions	44,450	43,859
Accrued interest	3,045	4,272
Total	482,204	499,957

(2) Analysed by geographical sectors

	30 June 2026	31 December 2025
The Chinese mainland	202,489	189,769
Overseas	276,670	305,916
Accrued interest	3,045	4,272
Total	482,204	499,957

(Expressed in millions of RMB, unless otherwise stated)

35 Financial liabilities measured at fair value through profit or loss

	30 June 2026	31 December 2025
Financial liabilities related to precious metals	120,241	59,531
Structured financial instruments and others	223,704	264,699
Total	343,945	324,230

The structured financial instruments included under the Group's financial liabilities measured at fair value through profit or loss are designated as financial liabilities measured at fair value through profit or loss. As at the end of the reporting period, the difference between the fair value of these financial liabilities and the contractual payables at maturity was not material. The amounts of changes in the fair value of these financial liabilities that were attributable to changes in credit risk of that liabilities were considered not significant during the period and the year presented and cumulatively as at 30 June 2026 and 31 December 2025.

36 Financial assets sold under repurchase agreements

Financial assets sold under repurchase agreements analysed by underlying assets are shown as follows:

	30 June 2026	31 December 2025
Debt securities		
- Government bonds	1,422,458	1,459,482
- Debt securities issued by policy banks, banks and non-bank financial institutions	22,093	21,992
- Corporate bonds	1,186	1,146
Subtotal	1,445,737	1,482,620
Discounted bills	376	4,129
Accrued interest	4,871	4,183
Total	1,450,984	1,490,932

(Expressed in millions of RMB, unless otherwise stated)

37 Deposits from customers

	30 June 2026	31 December 2025
Demand deposits		
- Corporate customers	6,552,727	6,524,221
- Personal customers	6,316,400	6,278,481
Subtotal	12,869,127	12,802,702
Time deposits (including call deposits)		
- Corporate customers	5,917,401	5,622,093
- Personal customers	12,667,792	11,955,803
Subtotal	18,585,193	17,577,896
Accrued interest	364,099	454,976
Total	31,818,419	30,835,574

Deposits from customers include:

		30 June 2026	31 December 2025
(1)	Pledged deposits		
	- Deposits for acceptance	188,313	183,924
	- Deposits for letter of credit	56,013	43,906
	- Deposits for guarantee	26,375	28,139
	- Others	229,158	143,707
	Total	499,859	399,676
(2)	Outward remittance and remittance payables	21,150	10,615

(Expressed in millions of RMB, unless otherwise stated)

38 Accrued staff costs

		Six months ended 30 June 2026			
	Note	As at 1 January	Increased	Decreased	As at 30 June
Salaries, bonuses, allowances and subsidies		53,750	38,740	(43,325)	49,165
Housing funds		145	4,178	(4,150)	173
Union running costs and employee education costs		9,701	1,137	(959)	9,879
Post-employment benefits	(1)	466	8,605	(8,847)	224
Early retirement benefits		733	1	(11)	723
Compensation to employees for termination of employment relationship		-	12	(12)	-
Others	(2)	5,209	8,703	(8,303)	5,609
Total		70,004	61,376	(65,607)	65,773

		2025			
	Note	As at 1 January	Increased	Decreased	As at 31 December
Salaries, bonuses, allowances and subsidies		44,768	89,928	(80,946)	53,750
Housing funds		157	8,401	(8,413)	145
Union running costs and employee education costs		9,103	3,187	(2,589)	9,701
Post-employment benefits	(1)	701	17,106	(17,341)	466
Early retirement benefits		763	2	(32)	733
Compensation to employees for termination of employment relationship		-	30	(30)	-
Others	(2)	5,169	19,148	(19,108)	5,209
Total		60,661	137,802	(128,459)	70,004

The Group had no overdue balance of accrued staff costs as at the end of the reporting period.

(Expressed in millions of RMB, unless otherwise stated)

38 Accrued staff costs (continued)

(1) Post-employment benefits

(a) Defined contribution plans

	Six months ended 30 June 2026			
	As at 1 January	Increased	Decreased	As at 30 June
Basic pension insurance	529	5,480	(5,554)	455
Unemployment insurance	63	202	(203)	62
Annuity contribution	657	3,074	(3,090)	641
Total	1,249	8,756	(8,847)	1,158

	2025			
	As at 1 January	Increased	Decreased	As at 31 December
Basic pension insurance	345	10,841	(10,657)	529
Unemployment insurance	60	388	(385)	63
Annuity contribution	791	6,165	(6,299)	657
Total	1,196	17,394	(17,341)	1,249

There were no contributions into the Group's basic retirement insurance and annuity scheme that had been forfeited and that could be used to deduct contributions payable by the Group according to the above plans.

(Expressed in millions of RMB, unless otherwise stated)

38 Accrued staff costs (continued)

(1) Post-employment benefits (continued)

(b) Defined benefit plans - Supplementary retirement benefits

The Group's obligations in respect of the supplementary retirement benefits as at the end of the reporting period were calculated using the projected unit credit method and reviewed by an external independent actuary, Towers Watson Management Consulting (ShenZhen) Co., Ltd.

	Present value of defined benefit plan obligations		Fair value of plan assets		Net assets of defined benefit plans	
	Six months ended 30 June 2026	2025	Six months ended 30 June 2026	2025	Six months ended 30 June 2026	2025
As at 1 January	3,944	4,271	4,727	4,766	(783)	(495)
Cost of the net defined benefit liability in profit or loss						
- *Interest costs*	33	70	40	79	(7)	(9)
Remeasurements of the defined benefit liability in other comprehensive income						
- *Actuarial losses/(gains)*	89	(113)	-	-	89	(113)
- *Returns on plan assets*	-	-	233	166	(233)	(166)
Other changes						
- *Benefits paid*	(97)	(284)	(97)	(284)	-	-
As at 30 June/31 December	3,969	3,944	4,903	4,727	(934)	(783)

Interest cost was recognised in operating expenses.

(Expressed in millions of RMB, unless otherwise stated)

38 Accrued staff costs (continued)

(1) Post-employment benefits (continued)

(b) Defined benefit plans - Supplementary retirement benefits (continued)

(i) Principal actuarial assumptions of the Group as at the end of the reporting period were as follows:

	30 June 2026	31 December 2025
Discount rate	1.75%	1.75%
Health care cost increase rate	7.00%	7.00%
Average expected future lifetime of eligible employees	9.5 years	9.2 years

As at 30 June 2026, mortality assumptions were based on China Life Insurance Mortality Table (2025) (31 Dec 2025: 2010-2013), which contains publicly available statistical information in China.

(ii) The sensitivity analysis of the present value of supplementary retirement benefit obligations to changes in the weighted principal assumption is:

	Impact on present value of supplementary retirement benefit obligations	
	Increase in assumption by 0.25%	Decrease in assumption by 0.25%
Discount rate	(75)	78
Health care cost increase rate	33	(32)

(iii) As at 30 June 2026, the weighted average duration of supplementary retirement benefit obligations of the Group was 7.7 years (as at 31 December 2025: 7.8 years).

(iv) Plan assets of the Group are as follows:

	30 June 2026	31 December 2025
Cash and cash equivalents	616	1,414
Equity instruments	917	778
Debt instruments and others	3,370	2,535
Total	4,903	4,727

(2) Accrued staff costs - others mainly include employee welfare, medical insurance, maternity insurance and employment injury insurance.

(Expressed in millions of RMB, unless otherwise stated)

39 Taxes payable

	30 June 2026	31 December 2025
Income tax	16,126	13,425
Value added tax	10,756	14,752
Others	1,752	2,719
Total	28,634	30,896

40 Provisions

	Note	30 June 2026	31 December 2025
Expected credit losses on the off-balance sheet credit business	(1)	23,417	24,674
Expected losses from other businesses	(2)	1,146	1,132
Total		24,563	25,806

(1) Movements of the provisions - expected credit losses on the off-balance sheet credit business:

		Six months ended 30 June 2026			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2026		19,937	2,664	2,073	24,674
Transfers:					
Transfers in/(out) to Stage 1		72	(72)	-	-
Transfers in/(out) to Stage 2		(12)	12	-	-
Transfers in/(out) to Stage 3		-	(14)	14	-
Newly originated		8,400	-	-	8,400
Decreased		(7,989)	(1,679)	(104)	(9,772)
Remeasurements	(a)	(1,274)	1,232	157	115
As at 30 June 2026		19,134	2,143	2,140	23,417

(Expressed in millions of RMB, unless otherwise stated)

40 Provisions (continued)

(1) Movements of the provisions - expected credit losses on the off-balance sheet credit business: (continued)

		2025			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2025		23,342	4,646	1,782	29,770
Transfers:					
Transfers in/(out) to Stage 1		92	(92)	-	-
Transfers in/(out) to Stage 2		(32)	32	-	-
Transfers in/(out) to Stage 3		-	(69)	69	-
Newly originated		9,626	-	-	9,626
Decreased		(10,308)	(3,459)	(355)	(14,122)
Remeasurements	(a)	(2,783)	1,606	577	(600)
As at 31 December 2025		19,937	2,664	2,073	24,674

(a) Remeasurements comprise the impact of changes in PD, LGD, and EAD; changes in model assumptions and methodologies; changes in allowance for impairment losses due to stage-transfer; and the impact of exchange rate changes, etc.

(2) Other businesses include off-balance sheet businesses other than the off-balance sheet credit business, outstanding litigations and the precious metal leasing business.

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued

	Note	30 June 2026	31 December 2025
Interbank certificates of deposit issued/Certificates of deposit	(1)	1,721,483	1,590,685
Bonds issued	(2)	283,836	290,495
Subordinated bonds issued	(3)	5,999	11,998
Non-capital TLAC bonds issued	(4)	109,995	49,998
Eligible Tier 2 capital bonds issued	(5)	698,513	638,904
Accrued interest		15,357	11,444
Total		2,835,183	2,593,524

(1) Interbank certificates of deposit issued/certificates of deposit were mainly issued by the Head Office, overseas branches, CCB New Zealand, CCB Europe and CCBIG.

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(2) Bonds issued

Issue date	Maturity date	Interest rate per annum	Issue place	Currency	30 June 2026	31 December 2025
16/05/2019	16/05/2029	3.88%	Hong Kong	USD	1,362	1,406
28/09/2020	28/09/2030	2.55%	Hong Kong	USD	681	703
22/04/2021	22/04/2026	1.46%	Hong Kong	USD	-	3,843
22/07/2021	22/07/2026	1.80%	Hong Kong	USD	3,137	3,169
15/09/2021	15/09/2026	1.60%	Hong Kong	USD	2,385	2,322
29/09/2021	29/09/2026	1.50%	Hong Kong	USD	4,750	4,891
09/02/2023	09/02/2026	3M New Zealand benchmark interest rate +1.10%	New Zealand	NZD	-	906
22/03/2023	24/03/2026	2.80%	The Chinese mainland	RMB	-	10,000
31/05/2023	31/05/2026	4.50%	Hong Kong,United Kingdom and Luxembourg	USD	-	3,490
02/11/2023	02/11/2026	3M New Zealand benchmark interest rate +1.20%	New Zealand	NZD	575	604
24/11/2023	24/11/2026	3.80%	Luxembourg	EUR	773	819
30/11/2023	30/11/2026	3.875%	Luxembourg and Hong Kong	EUR	2,319	2,458
30/11/2023	30/11/2026	SOFR +0.65%	Dubai and Hong Kong	USD	4,071	4,192
30/11/2023	30/11/2026	5.00%	Hong Kong	USD	3,393	3,494
28/02/2024	01/03/2027	2.35%	The Chinese mainland	RMB	20,000	20,000
28/02/2024	01/03/2029	2.50%	The Chinese mainland	RMB	10,000	10,000
09/04/2024	11/04/2027	2.44%	The Chinese mainland	RMB	2,700	2,700
12/06/2024	14/06/2027	2.15%	The Chinese mainland	RMB	2,800	2,800
09/07/2024	08/07/2027	SOFR +0.60%	Hong Kong	USD	815	836
16/07/2024	16/07/2027	SOFR +0.55%	Hong Kong	USD	6,785	6,987

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(2) Bonds issued (continued)

Issue date	Maturity date	Interest rate per annum	Issue place	Currency	30 June 2026	31 December 2025
16/07/2024	16/07/2027	2.83%	United Kingdom	RMB	1,999	2,002
09/09/2024	11/09/2027	2.05%	The Chinese mainland	RMB	2,398	2,401
23/10/2024	25/10/2027	1.88%	The Chinese mainland	RMB	20,000	20,000
23/10/2024	25/10/2027	2.08%	The Chinese mainland	RMB	21,000	21,000
09/01/2025	13/01/2028	1.69%	The Chinese mainland	RMB	1,200	1,000
23/04/2025	25/04/2028	1.87%	The Chinese mainland	RMB	1,500	1,200
09/05/2025	09/05/2028	SOFR +0.52%	Hong Kong	USD	679	697
13/05/2025	13/05/2028	2.335%	Luxembourg	EUR	773	819
22/05/2025	26/05/2028	1.65%	The Chinese mainland	RMB	25,000	25,000
22/05/2025	26/05/2030	1.76%	The Chinese mainland	RMB	5,000	5,000
28/05/2025	28/05/2028	SOFR +0.52%	Hong Kong	USD	6,785	6,987
28/05/2025	28/05/2030	SOFR +0.60%	Hong Kong	USD	3,393	3,494
28/05/2025	28/05/2028	1.90%	Hong Kong	RMB	1,999	2,001
29/05/2025	29/05/2028	1.90%	Luxembourg	RMB	799	800
10/06/2025	12/06/2028	1.75%	The Chinese mainland	RMB	1,600	1,600
17/06/2025	16/06/2028	1.87%	Luxembourg	RMB	999	1,000
27/06/2025	23/06/2028	1.86%	Luxembourg	RMB	1,199	1,200
03/07/2025	07/07/2028	1.57%	The Chinese mainland	RMB	20,000	20,000
03/07/2025	07/07/2028	60-day arithmetic average of DR007 plus a fixed spread of 0%	The Chinese mainland	RMB	10,000	10,000
22/07/2025	24/07/2028	1.75%	The Chinese mainland	RMB	2,000	2,200
11/09/2025	11/09/2028	1.89%	Hong Kong and United Kingdom	RMB	1,999	2,002
11/09/2025	11/09/2028	SOFR +0.5%	Hong Kong and United Kingdom	USD	6,785	6,987
11/09/2025	11/09/2030	SOFR +0.58%	Hong Kong and United Kingdom	USD	3,393	3,494

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(2) Bonds issued (continued)

Issue date	Maturity date	Interest rate per annum	Issue place	Currency	30 June 2026	31 December 2025
17/09/2025	17/09/2028	SOFR +0.62%	Hong Kong	USD	3,707	4,089
24/09/2025	26/09/2028	1.85%	The Chinese mainland	RMB	30,000	30,000
04/11/2025	06/11/2028	1.72%	The Chinese mainland	RMB	24,000	24,000
04/11/2025	06/11/2028	1-year LPR plus a fixed spread of -1.21%	The Chinese mainland	RMB	6,000	6,000
15/06/2026	15/06/2029	1.64%	Hong Kong and United Kingdom	RMB	2,999	-
15/06/2026	15/06/2029	SOFR +0.35%	Hong Kong and United Kingdom	USD	3,393	-
15/06/2026	15/06/2031	SOFR +0.38%	Hong Kong and United Kingdom	USD	3,393	-
22/06/2026	22/06/2029	SOFR +0.35%	Singapore	USD	678	-
25/06/2026	25/06/2029	SOFR +0.38%	Singapore	USD	1,052	-
29/06/2026	28/06/2029	SOFR +0.38%	Singapore	USD	1,323	-
29/06/2026	29/06/2029	SOFR +0.38%	Singapore	USD	339	-
Total nominal value					283,930	290,593
Less: Unamortised issuance costs					(94)	(98)
Carrying value					283,836	290,495

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(3) Subordinated bonds issued

The carrying value of the Group's subordinated bonds issued upon the approval of the PBOC and the NFRA is as follows:

Issue date	Maturity date	Interest rate per annum	Currency	Note	30 June 2026	31 December 2025
28/01/2021	01/02/2031	4.30%	RMB	(a)	-	6,000
18/03/2022	22/03/2032	3.70%	RMB	(b)	2,000	2,000
13/09/2023	14/09/2033	3.45%	RMB	(c)	4,000	4,000
Total nominal value					6,000	12,000
Less: Unamortised issuance cost					(1)	(2)
Carrying value					5,999	11,998

(a) The Group elected to exercise the option to redeem all the bonds on 1 February 2026.

(b) The Group has an option to redeem part or all of the bonds on 22 March 2027, subject to registration from the PBOC and the NFRA.

(c) The Group has an option to redeem part or all of the bonds on 14 September 2028, subject to registration from the PBOC and the NFRA.

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(4) Non-capital TLAC bonds issued

Issue date	Maturity date	Interest rate per annum	Currency	Note	30 June 2026	31 December 2025
08/08/2024	12/08/2028	2.00%	RMB	(a)	35,000	35,000
08/08/2024	12/08/2030	2.10%	RMB	(b)	15,000	15,000
25/06/2026	29/06/2030	1.69%	RMB	(c)	40,000	-
25/06/2026	29/06/2032	1.86%	RMB	(d)	20,000	-
Total nominal value					110,000	50,000
Less: Unamortised issuance cost					(5)	(2)
Carrying value					109,995	49,998

(a) This bond issuance sets forth the right of the issuer to choose early redemption, and the Group has an option to redeem these bonds on 12 August 2027, subject to regulatory requirements. When the issuer enters the disposal stage, the PBOC and the NFRA may mandate that bonds be partially or fully written down in the current period after all Tier 2 capital instruments have been written down or converted into ordinary shares.

(b) This bond issuance sets forth the right of the issuer to choose early redemption, and the Group has an option to redeem these bonds on 12 August 2029, subject to regulatory requirements. When the issuer enters the disposal stage, the PBOC and the NFRA may mandate that bonds be partially or fully written down in the current period after all Tier 2 capital instruments have been written down or converted into ordinary shares.

(c) This bond issuance sets forth the right of the issuer to choose early redemption, and the Group has an option to redeem these bonds on 29 June 2029, subject to regulatory requirements. When the issuer enters the disposal stage, the PBOC and the NFRA may mandate that bonds be partially or fully written down in the current period after all Tier 2 capital instruments have been written down or converted into ordinary shares.

(d) This bond issuance sets forth the right of the issuer to choose early redemption, and the Group has an option to redeem these bonds on 29 June 2031, subject to regulatory requirements. When the issuer enters the disposal stage, the PBOC and the NFRA may mandate that bonds be partially or fully written down in the current period after all Tier 2 capital instruments have been written down or converted into ordinary shares.

(Expressed in millions of RMB, unless otherwise stated)

41 Debt securities issued (continued)

(5) Eligible Tier 2 capital bonds issued

Issue date	Maturity date	Interest rate per annum	Currency	Note	30 June 2026	31 December 2025
06/08/2021	10/08/2031	3.45%	RMB	(a)	65,000	65,000
06/08/2021	10/08/2036	3.80%	RMB	(b)	15,000	15,000
05/11/2021	09/11/2031	3.60%	RMB	(c)	35,000	35,000
05/11/2021	09/11/2036	3.80%	RMB	(d)	10,000	10,000
10/12/2021	14/12/2031	3.48%	RMB	(e)	12,000	12,000
10/12/2021	14/12/2036	3.74%	RMB	(f)	8,000	8,000
13/01/2022	21/01/2032	2.85%	USD	(g)	13,570	13,975
15/06/2022	17/06/2032	3.45%	RMB	(h)	45,000	45,000
15/06/2022	17/06/2037	3.65%	RMB	(i)	15,000	15,000
03/11/2022	07/11/2032	3.00%	RMB	(j)	25,000	25,000
03/11/2022	07/11/2037	3.34%	RMB	(k)	15,000	15,000
24/03/2023	28/03/2033	3.49%	RMB	(l)	5,000	5,000
24/03/2023	28/03/2038	3.61%	RMB	(m)	15,000	15,000
24/10/2023	26/10/2033	3.45%	RMB	(n)	45,000	45,000
24/10/2023	26/10/2038	3.53%	RMB	(o)	15,000	15,000
14/11/2023	16/11/2033	3.30%	RMB	(p)	25,000	25,000
14/11/2023	16/11/2038	3.42%	RMB	(q)	15,000	15,000
01/02/2024	05/02/2034	2.75%	RMB	(r)	20,000	20,000
01/02/2024	05/02/2039	2.82%	RMB	(s)	30,000	30,000
04/07/2024	08/07/2034	2.21%	RMB	(t)	40,000	40,000
04/07/2024	08/07/2039	2.37%	RMB	(u)	10,000	10,000
26/12/2024	30/12/2034	1.96%	RMB	(v)	35,000	35,000
25/03/2025	27/03/2035	2.07%	RMB	(w)	40,000	40,000
23/07/2025	25/07/2035	1.94%	RMB	(x)	40,000	40,000
23/07/2025	25/07/2040	2.13%	RMB	(y)	5,000	5,000
04/12/2025	08/12/2035	2.24%	RMB	(z)	40,000	40,000
05/06/2026	09/06/2036	1.89%	RMB	(aa)	60,000	-
Total nominal value					698,570	638,975
Less: Unamortised issuance cost					(57)	(71)
Carrying value					698,513	638,904

41 Debt securities issued (continued)

(5) Eligible Tier 2 capital bonds issued (continued)

(a) The Group has an option to redeem the bonds on 10 August 2026, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(b) The Group has an option to redeem the bonds on 10 August 2031, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(c) The Group has an option to redeem the bonds on 9 November 2026, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(d) The Group has an option to redeem the bonds on 9 November 2031, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(e) The Group has an option to redeem the bonds on 14 December 2026, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(f) The Group has an option to redeem the bonds on 14 December 2031, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(g) The Group has an option to redeem the bonds on 21 January 2027, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

41 Debt securities issued (continued)

(5) Eligible Tier 2 capital bonds issued (continued)

(h) The Group has an option to redeem the bonds on 17 June 2027, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(i) The Group has an option to redeem the bonds on 17 June 2032, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(j) The Group has an option to redeem the bonds on 7 November 2027, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(k) The Group has an option to redeem the bonds on 7 November 2032, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(l) The Group has an option to redeem the bonds on 28 March 2028, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(m) The Group has an option to redeem the bonds on 28 March 2033, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(n) The Group has an option to redeem the bonds on 26 October 2028, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

41 Debt securities issued (continued)

(5) Eligible Tier 2 capital bonds issued (continued)

(o) The Group has an option to redeem the bonds on 26 October 2033 subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(p) The Group has an option to redeem the bonds on 16 November 2028 subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(q) The Group has an option to redeem the bonds on 16 November 2033, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(r) The Group has an option to redeem the bonds on 5 February 2029, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(s) The Group has an option to redeem the bonds on 5 February 2034, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(t) The Group has an option to redeem the bonds on 8 July 2029, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(u) The Group has an option to redeem the bonds on 8 July 2034, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

41 Debt securities issued (continued)

(5) Eligible Tier 2 capital bonds issued (continued)

(v) The Group has an option to redeem the bonds on 30 December 2029, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(w) The Group has an option to redeem the bonds on 27 March 2030, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(x) The Group has an option to redeem the bonds on 25 July 2030, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(y) The Group has an option to redeem the bonds on 25 July 2035, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(z) The Group has an option to redeem the bonds on 8 December 2030, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(aa) The Group has an option to redeem the bonds on 9 June 2031, subject to agreement from the relevant authority. These eligible Tier 2 capital bonds have the write-down feature of a Tier 2 capital instrument, which allows the Bank to write down in full or in part the principal of the bonds when a regulatory triggering event occurs. The accumulated unpaid interest associated with the portion of bonds written off will not be paid either.

(6) For the six months ended 30 June 2026 and for the year ended 31 December 2025, there were no defaults by the Group on principal and interests, nor were there any other defaults related to debt securities issued.

(Expressed in millions of RMB, unless otherwise stated)

42 Other liabilities

	Note	30 June 2026	31 December 2025
Insurance related liabilities	(1)	308,196	288,165
Clearing and settlement accounts		93,638	85,352
Dividend Payable		53,106	46,822
Lease liabilities	(2)	20,788	21,980
Deferred income		13,861	14,857
Payment and collection clearance accounts		11,591	17,955
Accrued expenses advance		9,616	9,207
Dormant accounts		8,430	9,313
Capital expenditure payable		4,843	5,641
Cash pledged and rental prepayments		1,413	1,792
Others		100,691	97,830
Total		626,173	598,914

(1) Insurance related liabilities

The total for groups of insurance contracts issued and reinsurance contracts that are liabilities as follows:

	30 June 2026	31 December 2025
Insurance contracts issued		
-Insurance contracts issued not applying the premium allocation approach	305,700	286,325
-Insurance contracts issued applying the premium allocation approach	2,494	1,839
Subtotal	308,194	288,164
Reinsurance contracts held		
-Reinsurance contracts held not applying the premium allocation approach	-	-
-Reinsurance contracts held applying the premium allocation approach	2	1
Subtotal	2	1
Total	308,196	288,165

(Expressed in millions of RMB, unless otherwise stated)

42 Other liabilities (continued)

(2) Lease liabilities

Maturity analysis - undiscounted cash flows

	30 June 2026	31 December 2025
Within one year	5,841	6,338
Between one year and five years	11,858	13,148
More than five years	5,276	6,462
Total undiscounted lease liabilities	22,975	25,948
Lease liabilities	20,788	21,980

43 Share capital

Structure of share capital

	30 June 2026	31 December 2025
Listed in Hong Kong (H shares)	240,417	240,417
Listed in the Chinese mainland (A shares)	21,183	21,183
Total	261,600	261,600

All H and A shares are ordinary shares, have a par value of RMB 1 per share and rank pari passu with the same rights and benefits.

(Expressed in millions of RMB, unless otherwise stated)

44 Other equity instruments

(1) Preference shares

(a) Preference shares outstanding as at the end of the reporting period

Financial instrument outstanding	Issuance date	Classification	Year-end dividend rate	Issuance price	Quantity (million shares)	Currency	Total amount	Maturity date	Redemption/ conversion
2017 Domestic Preference Shares	21 December 2017	Equity instruments	3.57%	100 per share	600	RMB	60,000	No maturity date	None
Less: Issuance fee							(23)		
Carrying amount							59,977		

(b) The key terms

Dividend

The nominal dividend rate of the Domestic Preference Shares is adjusted on a phase-by-phase basis. It is the sum of the benchmark rate plus the fixed interest spread, and is adjusted every five years. The fixed interest spread is determined as the nominal dividend rate set for issuance less the benchmark rate at the time of issuance, and will not be subject to future adjustments. The dividends for domestic preference shares are non-cumulative. The Bank has the right to cancel dividend distribution on Domestic Preference Shares, and the cancellation does not constitute a default event. The Bank may, at its discretion, use the cancelled dividends to repay other indebtedness due and payable. If the Bank cancels all or part of the dividends on the Domestic Preference Shares, the Bank shall make no profit distribution to shareholders holding ordinary shares from the day after the cancellation proposal is adopted by the General Shareholders' Meeting to the day when full distribution of dividends is resumed. The cancellation of dividends on Domestic Preference Shares will not constitute other restrictions to the Bank except for the distribution of dividends to ordinary shareholders.

The dividends on the Domestic Preference Shares are distributed annually.

44 Other equity instruments (continued)

(1) Preference shares (continued)

(b) The key terms (continued)

Redemption

The Bank may, subject to the NFRA's approval and compliance with the redemption preconditions, redeem in whole or in part of the Domestic Preference Shares after at least five years from the completion date of the issuance (i.e., 27 December 2017). The redemption period begins from the first day of the redemption and ends on the day when all Domestic Preference Shares are redeemed or converted. The redemption price of the Domestic Preference Shares shall be their issue price plus any dividends accrued but unpaid in the current period.

Compulsory conversion of preference shares

If an Additional Tier 1 Capital Instrument Trigger Event occurs, i.e., the Common Equity Tier 1 ratio of the Bank has fallen to 5.125% or below, the Bank has the right to, without prior consent from the shareholders of the domestic preference shares and as agreed, convert all or part of the domestic preference shares issued and outstanding to ordinary A shares, to restore the Bank's Common Equity Tier 1 ratio to above the trigger point (i.e., 5.125%). In the case of partial conversion, the domestic preference shares shall be subject to the same proportion and conditions of conversion. Once domestic preference shares are converted to ordinary A shares, they shall not be converted back to preference shares under any circumstances.

When a Tier 2 Capital Instrument Trigger Event occurs, the Bank has the right to, without prior consent of the shareholders of the Domestic Preference Shares and as agreed, convert all the Domestic Preference Shares issued and outstanding to ordinary A shares. Once Domestic Preference Shares are converted to ordinary A shares, they shall not be converted back to preference shares under any circumstances. A Tier 2 Capital Instrument Trigger Event is the earlier of the following two scenarios: (i) the NFRA having decided that without a conversion or write-off of the Bank's capital, the Bank would become non-viable; and (ii) the relevant authorities having decided that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable. When the compulsory conversion of preference shares occurs, the Bank shall report to the NFRA for approval and decision, and perform the announcement obligation according to the regulations of the *Securities Law* and China Securities Regulatory Commission ("CSRC").

The Bank classified preference shares issued as an equity instrument and presented as an equity item on the statement of financial position. Capital raised from the issuance of the above preference shares, after deduction of the expenses relating to the issuance, was wholly used to replenish the Bank's additional tier 1 capital and to increase its capital adequacy ratios.

(Expressed in millions of RMB, unless otherwise stated)

44 Other equity instruments (continued)

(1) Preference shares (continued)

(c) Changes in preference shares outstanding

Financial instrument outstanding	1 January 2026 Quantity (million shares)	1 January 2026 Carrying value	Increase/(Decrease) Quantity (million shares)	Increase/(Decrease) Carrying value	30 June 2026 Quantity (million shares)	30 June 2026 Carrying value
2017 Domestic Preference Shares	600	59,977	-	-	600	59,977
Total	600	59,977	-	-	600	59,977

(2) Perpetual bonds

(a) Perpetual bonds outstanding at the end of the reporting period

Financial instrument outstanding	Issuance date	Classification	Year-end interest rate	Issuance price	Quantity (million units)	Currency	Total amount	Maturity date	Redemption/ write-down conditions
2022 Undated Additional Tier 1 Capital Bonds	29 August 2022	Equity instruments	3.20%	100 per unit	400	RMB	40,000	No maturity date	None
2023 Undated Additional Tier 1 Capital Bonds (Series 1)	14 July 2023	Equity instruments	3.29%	100 per unit	300	RMB	30,000	No maturity date	None
2023 Undated Additional Tier 1 Capital Bonds (Series 2)	22 September 2023	Equity instruments	3.37%	100 per unit	300	RMB	30,000	No maturity date	None
2025 Undated Additional Tier 1 Capital Bonds (Series 1)	15 May 2025	Equity instruments	1.99%	100 per unit	400	RMB	40,000	No maturity date	None
2026 Undated Additional Tier 1 Capital Bonds (Series 1)	16 June 2026	Equity instruments	1.92%	100 per unit	300	RMB	30,000	No maturity date	None
Carrying amount							170,000		

44 Other equity instruments (continued)

(2) Perpetual bonds (continued)

(b) The key terms

Distribution rate and distribution payment

The distribution rate of the Undated Additional Tier 1 Capital Bonds (or "the Bonds") will be adjusted at defined intervals, with a distribution rate adjustment period every 5 years since the payment settlement date. In any distribution rate adjusted period, the distribution payments on the Bonds will be made at a prescribed fixed distribution rate. The distribution rate is determined by a benchmark rate plus a fixed interest spread.

The Bank shall have the right to cancel, in whole or in part, distributions on the Bonds and any such cancellation shall not constitute an event of default. When exercising such right, the Bank will take into full consideration the interest of the holders of the Bonds. The Bank may, at its sole discretion, use the proceeds from the cancelled distributions to meet other obligations as they fall due. In the case of cancelling any distributions on the Bonds, no matter in whole or in part, the Bank shall not make any distribution to the ordinary shareholders from the next day following the resolution being approved by the general shareholders meeting, until its decision to resume the distribution payments in whole to the holders of the Bonds. The distributions on the Bonds are non-cumulative, namely, upon cancellation, any amount of distribution unpaid to the holders of the Bonds in the applicable period will not accumulate or compound to the subsequent distribution period thereafter.

The distributions of the Bonds will be payable annually.

Conditional redemption rights of the Bank

From the fifth anniversary since the issuance of the Bonds, the Bank may redeem whole or part of the Bonds on each distribution payment date (including the fifth distribution payment date since the issuance). If, after the issuance, the Bonds no longer qualify as Additional Tier 1 Capital as a result of an unforeseeable change or amendment to relevant provisions of supervisory regulations, the Bank may redeem the whole but not part of the Bonds.

The exercise of the Bank's redemption right shall be subject to the consent of the NFRA and the satisfaction of the following preconditions: (i) the Bank shall use capital instruments of the same or better quality to replace the instruments to be redeemed, and such replacement shall only be carried out at conditions which are sustainable for the income capacity; (ii) or the capital position of the Bank after the redemption right is exercised will remain well above the regulatory capital requirements stipulated by the NFRA.

44 Other equity instruments (continued)

(2) Perpetual bonds (continued)

(b) The key terms (continued)

Write-down/write-off clauses

Upon the occurrence of a Non-Viability Trigger Event, the Bank has the right to write down/write off in whole or in part, without the need for consent of the holders of the Bonds, the principal amount of the Bonds. The amount of the write-down/write-off shall be determined by the ratio of the outstanding principal amount of the Undated Additional Tier 1 Capital Bonds to the aggregate principal amount of all additional tier 1 capital instruments with the identical Trigger Event. A Non-Viability Trigger Event refers to the earlier of the following events: (i) the NFRA having decided that the Bank would become non-viable without a write-down/write-off; (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable. The write-down/write-off will not be restored.

Subordination

The claims in respect of the Bonds will be subordinated to the claims of depositors, general creditors, and subordinated indebtedness that ranks senior to the Bonds; will rank in priority to all classes of shares held by the Bank’s shareholders and 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 Bank classified the Bonds issued as an equity instrument and presented as an equity item on the statement of financial position. Capital raised from the issuance of the Bonds, after deduction of the expenses relating to the issuance, was wholly used to replenish the Bank’s additional tier 1 capital and to increase its capital adequacy ratios.

(Expressed in millions of RMB, unless otherwise stated)

44 Other equity instruments (continued)

(2) Perpetual bonds (continued)

(c) Changes in perpetual bonds outstanding

Financial instrument outstanding	1 January 2026 Quantity (million units)	1 January 2026 Carrying value	Increase/(Decrease) Quantity (million units)	Increase/(Decrease) Carrying value	30 June 2026 Quantity (million units)	30 June 2026 Carrying value
2022 Undated Additional Tier 1 Capital Bonds	400	40,000	-	-	400	40,000
2023 Undated Additional Tier 1 Capital Bonds (Series 1)	300	30,000	-	-	300	30,000
2023 Undated Additional Tier 1 Capital Bonds (Series 2)	300	30,000	-	-	300	30,000
2025 Undated Additional Tier 1 Capital Bonds (Series 1)	400	40,000	-	-	400	40,000
2026 Undated Additional Tier 1 Capital Bonds (Series 1)	-	-	300	30,000	300	30,000
Total	1,400	140,000	300	30,000	1,700	170,000

(3) Interests attributable to the holders of equity instruments

Items	30 June 2026	31 December 2025
1. Total equity attributable to equity holders of the Bank	3,810,182	3,663,411
(1) Equity attributable to ordinary equity holders of the Bank	3,580,205	3,463,434
(2) Equity attributable to other equity holders of the Bank	229,977	199,977
Of which: net profit	796	5,420
dividends received	796	5,420
2. Total equity attributable to non-controlling interests	23,644	22,666
(1) Equity attributable to non-controlling interests of ordinary shares	21,645	20,667
(2) Equity attributable to non-controlling interests of other equity instruments	1,999	1,999

45 Capital reserve

	30 June 2026	31 December 2025
Share premium and others	229,317	229,113

(Expressed in millions of RMB, unless otherwise stated)

46 Other comprehensive income

	Other comprehensive income of the statement of financial position				Other comprehensive income of the statement of comprehensive income				
					Six months ended 30 June 2026				
	1 January 2026	Net-of-tax amount attributable to equity shareholders of the Bank	Other comprehensive income transferred to retained earnings	30 June 2026	The amount before Income taxes	Less: Reclassification adjustments included in profit or loss due to disposals	Less: Related income tax impact	Net-of-tax amount attributable to equity shareholders of the Bank	Net-of-tax amount attributable to non-controlling interests
(1)Other comprehensive income that will not be reclassified to profit or loss									
Remeasurements of post-employment benefit obligations	104	144	-	248	144	-	-	144	-
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	8,266	(2,657)	49	5,658	(4,664)	-	1,226	(2,657)	(781)
Other comprehensive income under the equity method that cannot be reclassified to profit or loss	-	(30)	(8)	(38)	(95)	-	-	(30)	(65)
Others	881	4	-	885	4	-	-	4	-
(2)Other comprehensive income that may be reclassified subsequently to profit or loss									
Fair value changes of debt instruments measured at fair value through other comprehensive income	17,231	12,815	-	30,046	20,175	(1,979)	(4,656)	12,815	725
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	5,505	153	-	5,658	314	-	(79)	153	82
Net gain/(loss) on cash flow hedges	734	(280)	-	454	(280)	-	-	(280)	-
Exchange difference on translating foreign operations	(2,036)	(8,194)	-	(10,230)	(8,318)	-	-	(8,194)	(124)
Others	(10,119)	(871)	-	(10,990)	(2,276)	-	569	(871)	(836)
Total	20,566	1,084	41	21,691	5,004	(1,979)	(2,940)	1,084	(999)

(Expressed in millions of RMB, unless otherwise stated)

46 Other comprehensive income (continued)

	Other comprehensive income of the statement of financial position				Other comprehensive income of the statement of comprehensive income 2025				
	1 January 2025	Net-of-tax amount attributable to equity shareholders of the Bank	Other comprehensive income transferred to retained earnings	31 December 2025	The amount before Income taxes	Less: Reclassification adjustments included in profit or loss due to disposals	Less: Related income tax impact	Net-of-tax amount attributable to equity shareholders of the Bank	Net-of-tax amount attributable to non-controlling interests
(1)Other comprehensive income that will not be reclassified to profit or loss									
Remeasurements of post-employment benefit obligations	(175)	279	-	104	279	-	-	279	-
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	8,719	(349)	(104)	8,266	306	-	(89)	(349)	566
Others	865	16	-	881	16	-	-	16	-
(2)Other comprehensive income that may be reclassified subsequently to profit or loss									
Fair value changes of debt instruments measured at fair value through other comprehensive income	54,107	(36,876)	-	17,231	(40,406)	(11,441)	12,591	(36,876)	(2,380)
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	4,378	1,127	-	5,505	1,509	-	(377)	1,127	5
Net gain/(loss) on cash flow hedges	806	(72)	-	734	(72)	-	-	(72)	-
Exchange difference on translating foreign operations	1,786	(3,822)	-	(2,036)	(3,932)	-	-	(3,822)	(110)
Others	(12,585)	2,466	-	(10,119)	6,447	-	(1,612)	2,466	2,369
Total	57,901	(37,231)	(104)	20,566	(35,853)	(11,441)	10,513	(37,231)	450

(Expressed in millions of RMB, unless otherwise stated)

47 Surplus reserve

Surplus reserves consist of statutory surplus reserve fund and discretionary surplus reserve fund.

The Bank is required to allocate 10% of its net profit, as determined under the Accounting Standards for Business Enterprises and other relevant requirements issued by the MOF on 15 February 2006. After making appropriations to the statutory surplus reserve fund, the Bank may also allocate its net profit to the discretionary surplus reserve fund upon approval by shareholders in shareholders' general meeting.

48 General reserve

The general reserves of the Group are set up based on the requirements of:

	Note	30 June 2026	31 December 2025
MOF	(1)	572,402	572,402
Hong Kong Banking Ordinance	(2)	2,124	2,124
Other regulatory bodies in the Chinese mainland	(3)	12,010	11,783
Other overseas regulatory bodies		749	742
Total		587,285	587,051

(1) Pursuant to relevant regulations issued by the MOF, the Bank has to appropriate a certain amount of its net profit as general reserves to cover potential losses against its assets. In accordance with the "*Regulation on Management of Financial Institutions for Reserves*" (Cai Jin [2012] No. 20) issued by the MOF on 30 March 2012, the general reserves balance for financial institutions should not be lower than 1.5% of the ending balance of risk assets.

(2) Pursuant to the requirements of the Hong Kong Banking Ordinance, the Group's banking operations in Hong Kong are required to set aside amounts in a regulatory reserve in respect of losses which it will, or may, incur on loans and advances to customers, in addition to impairment losses recognised in accordance with the accounting policies of the Group. Transfers to and from the regulatory reserve are made through retained earnings.

(3) Pursuant to the relevant regulatory requirements in the Chinese mainland, the Bank's subsidiaries are required to appropriate a certain amount of its net profit as general reserves.

49 Profit distribution

In the 2025 annual shareholders' meeting held on 26 June 2026, the shareholders approved the profit distribution plan for 2025. The cash dividend for the year totalled RMB101,684 million. After deducting the interim dividend of RMB48,605 million, the Bank proposed to all ordinary shareholders a final cash dividend for 2025 in an aggregate amount of RMB53,079 million.

On 19 May 2026, according to the initial annual interest rate of 1.99% before the first interest rate reset date determined by the terms of the 2025 Undated Additional Tier 1 Capital Bonds (Series 1), the interest on perpetual bonds issued by the Bank was RMB796 million.

On 28 August 2026, the Board of Directors proposed a cash dividend of RMB2.010 per ten shares (including taxes) with an aggregate amount of RMB52,582 million to all ordinary shareholders for the 2026 interim profit distribution. The proposal will be submitted to the shareholders' meeting for deliberation in the second half of 2026. Proposed dividends as at the end of the reporting period were not recognised as a liability. The above proposed profit distribution scheme is subject to the approval of the shareholders in the shareholders' meeting, after which cash dividends will be distributed to all shareholders registered at the relevant date.

(Expressed in millions of RMB, unless otherwise stated)

50 Notes to the statement of cash flows

Cash and cash equivalents

	30 June 2026	31 December 2025	30 June 2025
Cash	46,589	48,588	47,703
Surplus deposit reserves with central banks	226,448	734,336	741,804
Demand deposits with banks and non-bank financial institutions	105,579	95,385	101,790
Time deposits with banks and non-bank financial institutions with original maturity with or within three months	58,304	30,814	44,775
Placements with banks and non-bank financial institutions with original maturity with or within three months	170,554	152,721	136,871
Total	607,474	1,061,844	1,072,943

51 Transfer of financial assets

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

Repurchase and Securities lending transactions

The financial assets that have not been derecognised but have been transferred consist mainly of securities that have been delivered to counterparties as collateral in repurchase transactions and securities lent out in securities lending transactions. Counterparties are allowed to sell or repledge those securities in the absence of any default in transactions with the Group, but at the same time, they have an obligation to return such securities to the Group upon maturity of the contract. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognised them. As at 30 June 2026, the carrying amounts of the Group’s securities serving as collaterals under repurchase agreements and debt securities lent to counterparties was RMB1,486,440 million (as at 31 December 2025: RMB1,460,885 million).

Credit asset securitisation transactions

The Group enters into securitisation transactions in its normal course of business by which it transfers credit assets to structured entities which issue asset-backed securities to investors. The Group may retain interests in the form of holding subordinated tranches which would give rise to the Group’s continuing involvement in the transferred assets. Those financial assets are recognised on the statement of financial position to the extent of the Group’s continuing involvement, otherwise the financial assets are derecognised.

As at 30 June 2026, loans with an original carrying amount of RMB68,905 million (as at 31 December 2025: RMB68,905 million) have been securitised by the Group under arrangements in which the Group retained a continuing involvement in such assets. As at 30 June 2026, the carrying amount of assets that the Group continued to recognise was RMB341 million (as at 31 December 2025: RMB379 million). As at 30 June 2026, the carrying amount of continuing involvement assets and liabilities that the Group continued to recognise was RMB341 million (as at 31 December 2025: RMB379 million).

With respect to credit asset securitisations that did not qualify for derecognition as a whole, the Group continued to recognise credit assets that had been transferred, and recorded the consideration received as a financial liability. As at 30 June 2026, the carrying amount of transferred credit assets that the Group had continued to recognise was RMB21,319 million (as at 31 December 2025: RMB20,936 million) and the carrying amount of their associated financial liabilities was RMB21,178 million (as at 31 December 2025: RMB13,717 million).

As at 30 June 2026, the carrying amount of asset-backed securities held in the securitisation transaction derecognised by the Group was RMB1,238 million (as at 31 December 2025: RMB1,139 million), and its maximum loss exposure approximates to the carrying amount.

52 Operating segments

The Group has presented the operating segments in a manner consistent with the way in which information is reported internally to the Group's chief operating decision makers for the purposes of resource allocation and performance assessment. Measurement of segment assets and liabilities and segment income and results is based on the Group's accounting policies.

Transactions between segments are conducted under normal commercial terms and conditions. Internal charges and transfer prices are determined with reference to market rates and have been reflected in the performance of each segment. Net interest income and expense arising from internal charges and transfer pricing adjustments are referred to as "Internal net interest income/expense". Interest income and expense earned from third parties are referred to as "External net interest income/expense".

Segment revenues, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment income and results are determined before intra-group transactions are eliminated as part of the consolidation process. Segment capital expenditure is the total cost incurred during the period to acquire fixed assets, intangible assets and other long-term assets.

(1) Geographical segments

The Group operates principally in the Chinese mainland with branches covering all provinces, autonomous regions and municipalities directly under the central government, and several subsidiaries located in the Chinese mainland. The Group also has bank branch operations in Hong Kong, Macau, Taiwan, Singapore, Frankfurt, Johannesburg, Tokyo, Seoul, New York, Sydney, Ho Chi Minh City, Luxembourg, Toronto, London, Zurich, Dubai, Chile, Astana, Labuan, Auckland, etc., and certain subsidiaries operating in Hong Kong, Moscow, Luxembourg, British Virgin Islands, Auckland, Jakarta, San Paulo and Kuala Lumpur, etc.

In presenting information on the basis of geographical segments, operating income is allocated based on the location of the branches and subsidiaries that generate the income. Segment assets, liabilities and capital expenditure are allocated based on their geographical location.

52 Operating segments (continued)

(1) Geographical segments (continued)

Geographical segments of the Group, for management reporting purposes, are defined as follows:

- "Yangtze River Delta" refers to the following areas where the tier-1 branches and the subsidiaries of the Bank operate: Shanghai Municipality, Jiangsu Province, Zhejiang Province, City of Ningbo and City of Suzhou;

- "Pearl River Delta" refers to the following areas where the tier-1 branches and the subsidiary of the Bank operate: Guangdong Province, City of Shenzhen, Fujian Province and City of Xiamen;

- "Bohai Rim" refers to the following areas where the tier-1 branches and the subsidiaries of the Bank operate: Beijing Municipality, Shandong Province, Tianjin Municipality, Hebei Province and City of Qingdao;

- the "Central" region refers to the following areas where the tier-1 branches and the subsidiary of the Bank operate: Shanxi Province, Hubei Province, Henan Province, Hunan Province, Jiangxi Province, Hainan Province and Anhui Province;

- the "Western" region refers to the following areas where the tier-1 branches of the Bank operate: Sichuan Province, Chongqing Municipality, Guizhou Province, Yunnan Province, Tibet Autonomous Region, Inner Mongolia Autonomous Region, Shaanxi Province, Gansu Province, Qinghai Province, Ningxia Autonomous Region, Guangxi Autonomous Region and Xinjiang Autonomous Region; and

- the "Northeastern" region refers to the following areas where the tier-1 branches of the Bank operate: Liaoning Province, Jilin Province, Heilongjiang Province and City of Dalian.

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(1) Geographical segments (continued)

	Six months ended 30 June 2026								
	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central	Western	Northeastern	Head Office	Overseas	Total
External net interest income/(expense)	38,694	23,548	16,969	30,252	38,852	(1,083)	153,936	9,790	310,958
Internal net interest income/(expense)	18,495	18,738	34,808	22,213	17,922	13,948	(125,078)	(1,046)	-
Net interest income	57,189	42,286	51,777	52,465	56,774	12,865	28,858	8,744	310,958
Net fee and commission income	12,713	9,985	11,116	9,386	7,207	1,633	10,619	1,630	64,289
Net trading gain/(loss)	32	(1)	15	(249)	(33)	(36)	3,256	624	3,608
Dividend income	528	-	1,089	144	110	-	101	34	2,006
Net gain/(loss) arising from investment securities	3,897	(708)	6,630	(16)	(494)	(234)	5,450	5,642	20,167
Net gain on derecognition of financial assets measured at amortised cost	1	169	-	-	1	-	18,058	92	18,321
Other operating (expense)/income, net	(2,765)	414	1,152	577	530	273	5,318	1,485	6,984
Operating income	71,595	52,145	71,779	62,307	64,095	14,501	71,660	18,251	426,333
Operating expenses	(19,889)	(12,771)	(17,042)	(16,862)	(17,451)	(6,091)	(5,589)	(3,265)	(98,960)
Credit impairment losses	(21,190)	(18,100)	(16,736)	(21,580)	(30,577)	(5,397)	(16,755)	307	(130,028)
Other impairment losses	-	-	(2)	-	-	-	-	-	(2)
Share of profits/(losses) of associates and joint ventures	540	19	(165)	(132)	-	-	145	230	637
Profit before tax	31,056	21,293	37,834	23,733	16,067	3,013	49,461	15,523	197,980
Capital expenditure	350	195	788	291	328	151	976	6,620	9,699
Depreciation and amortisation	1,919	1,424	2,932	1,643	1,721	688	1,689	1,713	13,729
	30 June 2026								
Segment assets	8,127,914	5,682,379	9,634,156	6,543,023	6,639,294	2,280,341	16,929,100	1,911,016	57,747,223
Long-term equity investments	4,294	1,505	9,767	3,136	-	-	5,075	1,962	25,739
	8,132,208	5,683,884	9,643,923	6,546,159	6,639,294	2,280,341	16,934,175	1,912,978	57,772,962
Deferred tax assets									145,190
Elimination									(10,589,908)
Total assets									47,328,244
Segment liabilities	8,028,093	5,602,971	9,347,482	6,441,831	6,572,042	2,262,428	14,092,265	1,733,936	54,081,048
Deferred tax liabilities									3,278
Elimination									(10,589,908)
Total liabilities									43,494,418
Off-balance sheet credit commitments	849,696	679,683	778,571	820,366	652,983	215,353	-	312,120	4,308,772

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(1) Geographical segments (continued)

	Six months ended 30 June 2025								
	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central	Western	Northeastern	Head Office	Overseas	Total
External net interest income/(expense)	35,419	23,050	14,364	25,699	35,024	(2,492)	148,538	7,107	286,709
Internal net interest income/(expense)	13,940	15,333	31,335	20,028	14,274	14,062	(107,430)	(1,542)	-
Net interest income	49,359	38,383	45,699	45,727	49,298	11,570	41,108	5,565	286,709
Net fee and commission income	13,577	10,782	10,681	8,887	7,124	1,748	11,182	1,237	65,218
Net trading (loss)/gain	(90)	(65)	(126)	-	(65)	(34)	1,398	836	1,854
Dividend income	519	-	1,738	231	88	5	34	33	2,648
Net gain/(loss) arising from investment securities	2,100	(640)	281	(780)	(280)	(179)	11,400	(211)	11,691
Net gain/(loss) on derecognition of financial assets measured at amortised cost	1	206	-	-	-	(2)	9,046	149	9,400
Other operating (expense)/income, net	(1,612)	422	871	284	329	119	2,317	5,655	8,385
Operating income	63,854	49,088	59,144	54,349	56,494	13,227	76,485	13,264	385,905
Operating expenses	(17,216)	(11,540)	(15,343)	(14,893)	(15,359)	(5,387)	(12,433)	(3,332)	(95,503)
Credit impairment losses	(13,523)	(19,342)	(17,013)	(25,644)	(24,830)	(120)	(6,422)	(758)	(107,652)
Other impairment losses	-	-	19	(29)	-	-	-	-	(10)
Share of (losses)/profits of associates and joint ventures	(67)	(3)	(248)	(15)	-	-	16	18	(299)
Profit before tax	33,048	18,203	26,559	13,768	16,305	7,720	57,646	9,192	182,441
Capital expenditure	325	124	1,013	300	357	105	443	5,597	8,264
Depreciation and amortisation	2,017	1,504	3,321	1,733	1,801	710	2,195	1,487	14,768
	31 December 2025								
Segment assets	7,726,049	5,474,045	8,935,172	6,238,131	6,417,098	2,190,314	16,771,847	1,878,678	55,631,334
Long-term equity investments	3,961	1,476	10,860	3,391	-	-	4,930	3,163	27,781
	7,730,010	5,475,521	8,946,032	6,241,522	6,417,098	2,190,314	16,776,777	1,881,841	55,659,115
Deferred tax assets									139,747
Elimination									(10,167,044)
Total assets									45,631,818
Segment liabilities	7,660,429	5,417,298	8,667,925	6,169,431	6,373,431	2,177,813	13,907,876	1,736,006	52,110,209
Deferred tax liabilities									2,576
Elimination									(10,167,044)
Total liabilities									41,945,741
Off-balance sheet credit commitments	808,593	687,582	741,485	805,411	623,206	208,633	-	320,951	4,195,861

52 Operating segments (continued)

(2) Business segments

Business segments, as defined for management reporting purposes, are as follows:

Corporate finance business

This segment represents the provision of a range of financial products and services to corporations and institutions. The products and services include corporate deposits and loans, investment banking, settlement and cash management.

Personal finance business

This segment represents the provision of a range of financial products and services to individual customers. The products and services comprise personal deposits and loans, and personal payment.

Treasury and asset management business

This segment covers financial markets business, asset management business, interbank business, and asset custody business.

Others

This segment covers revenues, results, assets and liabilities that cannot be directly attributable or reasonably allocated to any of the above segments.

Specifically, starting from the preparation of 2026 financial statements for the six months ended 30 June 2026, the Group has reclassified business segments of certain businesses of the Bank for the purpose of internal management and adjusted comparative figures of the prior period accordingly.

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(2) Business segments (continued)

	Six months ended 30 June 2026				
	Corporate finance business	Personal finance business	Treasury and asset management business	Others	Total
External net interest income	163,932	36,607	100,202	10,217	310,958
Internal net interest (expense)/income	(19,093)	109,047	(88,203)	(1,751)	-
Net interest income	144,839	145,654	11,999	8,466	310,958
Net fee and commission income	22,438	28,367	12,971	513	64,289
Net trading gain/(loss)	78	(109)	2,379	1,260	3,608
Dividend income	1,118	523	143	222	2,006
Net gain/(loss) arising from investment securities	9,479	4,184	6,584	(80)	20,167
Net gain on derecognition of financial assets measured at amortised cost	2	-	18,227	92	18,321
Other operating income/(expense), net	700	(1,166)	5,653	1,797	6,984
Operating income	178,654	177,453	57,956	12,270	426,333
Operating expenses	(39,151)	(49,648)	(6,222)	(3,939)	(98,960)
Credit impairment losses	(64,455)	(61,124)	(3,409)	(1,040)	(130,028)
Other impairment losses	-	-	(2)	-	(2)
Share of profits/(losses) of associates and joint ventures	75	541	(116)	137	637
Profit before tax	75,123	67,222	48,207	7,428	197,980
Capital expenditure	1,393	1,494	184	6,628	9,699
Depreciation and amortisation	4,930	6,438	707	1,654	13,729
	30 June 2026				
Segment assets	18,747,632	9,328,681	17,268,700	2,038,386	47,383,399
Long-term equity investments	10,093	4,177	5,109	6,360	25,739
	18,757,725	9,332,858	17,273,809	2,044,746	47,409,138
Deferred tax assets					145,190
Elimination					(226,084)
Total assets					47,328,244
Segment liabilities	12,632,739	19,439,678	9,856,284	1,788,523	43,717,224
Deferred tax liabilities					3,278
Elimination					(226,084)
Total liabilities					43,494,418
Off-balance sheet credit commitments	2,855,184	1,141,468	-	312,120	4,308,772

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(2) Business segments (continued)

	Six months ended 30 June 2025				
	Corporate finance business	Personal finance business	Treasury and asset management business	Others	Total
External net interest income	150,735	30,998	97,107	7,869	286,709
Internal net interest (expense)/income	(27,702)	105,520	(76,002)	(1,816)	-
Net interest income	123,033	136,518	21,105	6,053	286,709
Net fee and commission income	23,370	27,193	14,616	39	65,218
Net trading gain/(loss)	30	(40)	1,020	844	1,854
Dividend income	1,738	514	262	134	2,648
Net (loss)/gain arising from investment securities	(800)	1,650	11,004	(163)	11,691
Net (loss)/gain on derecognition of financial assets measured at amortised cost	(1)	-	9,252	149	9,400
Other operating income/(expense), net	596	(1,147)	2,566	6,370	8,385
Operating income	147,966	164,688	59,825	13,426	385,905
Operating expenses	(37,320)	(47,342)	(6,311)	(4,530)	(95,503)
Credit impairment losses	(57,857)	(48,854)	1,090	(2,031)	(107,652)
Other impairment losses	21	-	(31)	-	(10)
Share of (losses)/profits of associates and joint ventures	(240)	(64)	(21)	26	(299)
Profit before tax	52,570	68,428	54,552	6,891	182,441
Capital expenditure	1,092	1,081	522	5,569	8,264
Depreciation and amortisation	5,487	6,876	881	1,524	14,768
	31 December 2025				
Segment assets	17,328,650	9,305,658	17,051,767	2,003,254	45,689,329
Long-term equity investments	11,159	3,851	5,337	7,434	27,781
	17,339,809	9,309,509	17,057,104	2,010,688	45,717,110
Deferred tax assets					139,747
Elimination					(225,039)
Total assets					45,631,818
Segment liabilities	12,277,484	18,807,760	9,283,194	1,799,766	42,168,204
Deferred tax liabilities					2,576
Elimination					(225,039)
Total liabilities					41,945,741
Off-balance sheet credit commitments	2,735,866	1,139,044	-	320,951	4,195,861

(Expressed in millions of RMB, unless otherwise stated)

53 Entrusted lending business

As at the end of the reporting period, the entrusted loans and entrusted funds were as follows:

	30 June 2026	31 December 2025
Entrusted loans	4,898,343	4,802,787
Entrusted funds	4,898,343	4,802,787

54 Pledged assets

(1) Assets pledged as securities

The Group's collateral for liabilities or contingent liabilities include financial assets such as securities and bills, which mainly serve as collateral for repurchase agreements, derivative contracts and local statutory requirements. As at 30 June 2026, the carrying values of the Group's financial assets pledged as collateral amounted to approximately RMB3,844,669 million (as at 31 December 2025: RMB3,305,874 million).

(2) Collateral accepted as securities for assets

As part of the resale agreements, the Group has received securities that were allowed to be sold or repledged in the absence of default by their owners. As at 30 June 2026, the Group has received securities with a fair value of RMB14,504 million on such terms (as at 31 December 2025: RMB26,385 million).

(Expressed in millions of RMB, unless otherwise stated)

55 Commitments and contingent liabilities

(1) Credit commitments

Credit commitments take the form of undrawn loan facilities which are approved and contracted, unutilised credit card limits, financial guarantees, letters of credit, etc. The Group assesses and makes provisions for any probable losses accordingly.

The contractual amounts of loan commitments and credit card overdraft commitments represent the cash outflows should the contracts be fully drawn upon. The amounts of guarantees and letters of credit represent the maximum potential loss that would be recognised if counterparties failed completely to perform as contracted. Acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers.

As credit commitments may expire without being drawn upon, the contractual amounts set out in the following table do not represent the expected future cash outflows.

	30 June 2026	31 December 2025
Loan commitments		
- with an original maturity within one year	144,061	143,553
- with an original maturity of one year or over	455,255	428,870
Credit card commitments	1,167,933	1,168,634
	1,767,249	1,741,057
Bank acceptances	663,006	718,844
Financing guarantees	32,986	35,174
Non-financing guarantees	1,354,007	1,326,074
Sight letters of credit	55,349	41,436
Usance letters of credit	389,055	301,471
Others	47,120	31,805
Total	4,308,772	4,195,861

(Expressed in millions of RMB, unless otherwise stated)

55 Commitments and contingent liabilities (continued)

(2) Credit risk-weighted asset amount

The credit risk-weighted asset amount refers to the amount as computed in accordance with the rules set out by the NFRA and depends on the status of the counterparty and the maturity characteristics.

	30 June 2026	31 December 2025
Credit risk-weighted asset amount of contingent liabilities and commitments	1,378,502	1,349,220

(3) Capital commitments

As at 30 June 2026, the Group's contracted for but not disbursed capital commitments amounted to RMB4,092 million (as at 31 December 2025: RMB4,725 million).

(4) Underwriting obligations

As at 30 June 2026, there was no unexpired underwriting commitment of the Group (as at 31 December 2025: Nil).

(5) Government bond redemption obligations

As an underwriting agent of PRC government bonds, the Group has the responsibility to buy back those bonds sold by it should the holders decide to early redeem the bonds held. The redemption price for the bonds at any time before their maturity date is based on the coupon value plus any interest unpaid and accrued up to the redemption date. Accrued interest payables to the bond holders are calculated in accordance with relevant rules of the MOF and the PBOC. The redemption price may be different from the fair value of similar instruments traded at the redemption date.

The redemption obligations, which represent the nominal value of government bonds underwritten and sold by the Group, but not yet matured as at 30 June 2026, were RMB52,830 million (as at 31 December 2025: RMB50,267 million).

55 Commitments and contingent liabilities (continued)

(6) Outstanding litigations and disputes

As at 30 June 2026, the Group was the defendant in certain pending litigations and disputes with gross claims of RMB14,860 million (as at 31 December 2025: RMB15,560 million). Provisions have been made for the estimated losses arising from such litigations based upon the opinions of the Group's internal and external legal counsels (Note 40).

(7) Contingent liabilities

The Group assessed and made provisions for any probable outflow of economic benefits in relation to the commitments and contingent liabilities in accordance with their accounting policies.

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions

(1) Transactions with parent companies and their affiliates

The immediate and ultimate parents of the Group are Huijin and CIC, respectively.

As approved by the State Council, CIC was established on 29 September 2007 with registered capital of RMB1,550,000 million.

Huijin was incorporated on 16 December 2003 as a wholly-state-owned investment company. It was registered in Beijing with registered capital of RMB828,209 million. As a wholly-owned subsidiary of CIC, Huijin makes equity investment in key state-owned financial institutions as authorised by the State Council, and exercises the contributor's rights and obligations in key state-owned financial institutions up to its contribution amount on behalf of the State to achieve preservation and appreciation of state-owned financial assets. Huijin does not engage in any other commercial business activities, nor does it interfere with daily operations of the key state-owned financial institutions of which it is the controlling shareholder. As at 30 June 2026, Huijin directly held 54.61% of shares of the Bank.

Affiliates of parent companies include the subsidiaries under parent companies and other associates and joint ventures.

The Group's transactions with parent companies and their affiliates mainly include deposit taking, lending, purchase and sale of debt securities, money market transactions and inter-bank clearing. These transactions are priced based on market prices and conducted under normal commercial terms.

The Group has issued subordinated debts with a nominal value of RMB6,000 million (as at 31 December 2025: RMB12,000 million). These are bearer bonds and tradable in the secondary market. The Group had no information in respect of the amount of the bonds held by the affiliates of parent companies as at the end of the reporting period.

In the ordinary course of business, the material transactions that the Group entered into with parent companies and their affiliates are as follows:

Amounts

		Six months ended 30 June			
		2026		2025	
	Note	Amount	Ratio to similar transactions	Amount	Ratio to similar transactions
Interest income		8,897	1.54%	10,997	1.90%
Interest expense		12,113	4.55%	3,653	1.25%
Fee and commission income		66	0.09%	57	0.08%
Fee and commission expense		-	-	3	0.05%
Net trading gain		691	19.15%	629	33.93%
Net gain arising from investment securities		947	4.70%	1,882	16.10%
Other operating income		-	-	309	1.75%
Operating expenses	(i)	303	0.31%	242	0.25%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(1) Transactions with parent companies and their affiliates (continued)

Balances outstanding as at the end of the reporting period

	Note	30 June 2026 Balance	30 June 2026 Ratio to similar transactions	31 December 2025 Balance	31 December 2025 Ratio to similar transactions
Deposits with banks and non-bank financial institutions		46,053	22.69%	30,349	15.92%
Placements with banks and non-bank financial institutions		323,094	39.70%	186,467	22.74%
Positive fair value of derivatives		9,712	12.98%	4,569	9.27%
Financial assets held under resale agreements		29,740	12.00%	39,451	4.60%
Loans and advances to customers		182,819	0.64%	134,485	0.50%
Financial investments					
Financial assets measured at fair value through profit or loss		225,154	24.46%	225,094	25.73%
Financial assets measured at amortised cost		211,202	2.46%	215,762	2.79%
Financial assets measured at fair value through other comprehensive income		371,198	8.29%	484,568	11.31%
Other assets		251	0.07%	3,382	1.17%
Deposits from banks and non-bank financial institutions	(ii)	254,525	5.93%	494,588	11.54%
Placements from banks and non-bank financial institutions		208,948	43.33%	203,567	40.72%
Negative fair value of derivatives		5,946	13.10%	6,384	7.11%
Financial assets sold under repurchase agreements		550	0.04%	8,781	0.59%
Deposits from customers		277,745	0.87%	348,435	1.13%
Other liabilities		2,162	0.35%	75,503	12.61%
Credit commitments		90,937	2.11%	16,702	0.40%

(i) Operating expenses mainly represent fees for related services provided by the affiliates of parent companies.

(ii) Deposits from the affiliates of parent companies are unsecured and are repayable under normal commercial terms.

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(2) Transactions with the MOF

In 2025, the Bank issued ordinary A shares to the MOF and completed the share registration on 24 June 2025. The MOF is a national administrative authority responsible for fiscal revenue and expenditure, tax policies, and related matters. As at 30 June 2026, the MOF directly held 4.43% of the Bank's shares.

The Group's transactions with the MOF primarily involve holding government bonds issued by the MOF. These transactions are priced based on market prices and conducted under normal commercial terms.

In the ordinary course of business, the material transactions that the Group entered into with the MOF are as follows:

Amounts

	Six months ended 30 June 2026		From 24 June to 30 June 2025	
	Amount	Ratio to similar transactions	Amount	Ratio to similar transactions
Interest income	38,197	6.62%	1,176	0.20%
Interest expense	2	0.00%	-	-
Fee and commission income	86	0.12%	-	-
Net trading gain	145	4.02%	7	0.38%

Balances outstanding as at the end of the reporting period

	30 June 2026		31 December 2025	
	Balance	Ratio to similar transactions	Balance	Ratio to similar transactions
Financial investments				
Financial assets measured at fair value through profit or loss	20,547	2.23%	17,050	1.95%
Financial assets measured at amortised cost	1,940,807	22.59%	1,512,632	19.54%
Financial assets measured at fair value through other comprehensive income	1,740,704	38.88%	1,637,989	38.25%
Deposits from customers	204	0.00%	112	0.00%
Other liabilities	-	-	2,153	0.36%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(3) Transactions with China Great Wall Asset Management Co. Ltd. and its affiliates

China Great Wall Asset Management Co. Ltd. ("China Great Wall AMC") established on 18 October 1999 with the approval of the State Council and the PBOC, is a state-owned financial enterprise registered with the MOF. It is mainly engaged in the acquisition and entrusted operation of non-performing assets from financial institutions, as well as the management, investment, and disposal of such assets.

As at 30 June 2026, China Great Wall AMC, which beneficially held 3.01% of the Bank's shares, had nominated one non-executive director to the Board. Affiliates of China Great Wall AMC include its subsidiaries and joint ventures.

The Group's transactions with China Great Wall AMC and its affiliates mainly include deposits from banks and non-bank financial institutions, purchase and sale of debt securities, and money market transactions. These transactions are priced based on market prices and are conducted under general commercial terms.

In the ordinary course of business, material transactions that the Group entered into with China Great Wall AMC and its affiliates are as follows:

Amounts

	Six months ended 30 June 2026	
	Amount	Ratio to similar transactions
Interest income	24	0.00%
Interest expense	29	0.01%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(3) Transactions with China Great Wall Asset Management Co. Ltd. and its affiliates (continued)

Balances outstanding as at the end of the reporting period

	30 June 2026	
	Balance	Ratio to similar transactions
Placements with banks and non-bank financial institutions	2,000	0.25%
Loans and advances to customers	505	0.00%
Financial investments		
Financial assets measured at fair value through profit or loss	14	0.00%
Financial assets measured at fair value through other comprehensive income	124	0.00%
Deposits from banks and non-bank financial institutions	188	0.00%
Deposits from customers	7	0.00%

Note: As China Great Wall AMC is an affiliate of the Group’s parent companies, the aforementioned transactions are also included in Note 56(1) – Transactions with parent companies and their affiliates.

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(4) Transactions between the Group and its associates and joint ventures of the Group

Transactions between the Group and its associates and joint ventures are conducted in the normal and ordinary course of the business and under normal commercial terms as those transactions conducted between the Group and non-related companies outside the Group.

In the ordinary course of the business, material transactions that the Group entered into with associates and joint ventures are as follows:

Amounts

	Six months ended 30 June	
	2026	2025
Interest income	594	543
Interest expense	79	44
Fee and commission income	78	48
Operating expenses	89	54

Balances outstanding as at the end of the reporting period

	30 June 2026	31 December 2025
Loans and advances to customers	66,387	54,462
Financial assets measured at amortised cost	-	902
Other assets	2	485
Deposits from banks and non-bank financial institutions	786	827
Deposits from customers	25,435	28,143
Other liabilities	68	1,972
Credit commitments	38,353	39,087

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(5) Transactions between the Bank and its subsidiaries

Transactions between the Bank and its subsidiaries are conducted in the normal and ordinary course of the business and under normal commercial terms as those transactions are conducted between the Bank and non-related companies outside the Group. All the inter-group transactions and inter-group balances are eliminated when preparing the consolidated financial statements as mentioned in Note 2(3).

In the ordinary course of the business, material transactions that the Bank entered into with its subsidiaries are as follows:

Amounts

	Six months ended 30 June	
	2026	2025
Interest income	1,468	1,345
Interest expense	810	863
Fee and commission income	954	1,174
Fee and commission expense	347	311
Dividend income	614	718
Net trading gain	(3)	-
Operating expenses	4,896	3,406
Other operating income, net	58	36

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(5) Transactions between the Bank and its subsidiaries (continued)

Balances outstanding as at the end of the reporting period

	30 June 2026	31 December 2025
Deposits with banks and non-bank financial institutions	4,636	3,759
Placements with banks and non-bank financial institutions	127,001	135,556
Positive fair value of derivatives	331	1,218
Financial assets held under resale agreements	351	400
Loans and advances to customers	21,864	24,950
Financial investments		
Financial assets measured at amortised cost	800	806
Financial assets measured at fair value through other comprehensive income	29,804	30,965
Other assets	39,517	39,940
Deposits from banks and non-bank financial institutions	23,041	16,951
Placements from banks and non-bank financial institutions	40,219	54,951
Negative fair value of derivatives	396	868
Deposits from customers	8,702	9,777
Debt securities issued	-	200
Other liabilities	2,689	4,103

As at 30 June 2026, the total maximum guarantee limit of guarantee letters issued by the Bank with its subsidiaries as beneficiary was RMB470 million (as at 31 December 2025: RMB838 million).

As at 30 June 2026, the transactions between subsidiaries of the Group were mainly Loans and advances to customers and Deposits with banks and non-bank financial institutions, and the balances of the above transactions were RMB2,126 million and RMB1,343 million respectively (as at 31 December 2025, the transactions among subsidiaries of the Group were mainly loans and advances to customers and other investments in bonds, and the balances of the above transactions were RMB2,044 million and RMB799 million, respectively).

56 Related party relationships and transactions (continued)

(6) Transactions with other PRC state-owned entities

State-owned entities refer to those entities directly or indirectly owned by the PRC government through its government authorities, agencies, affiliates and other organisations. Transactions with other state-owned entities include but are not limited to: lending and deposit taking; taking and placing of inter-bank balances; entrusted lending and other custody services; insurance and securities agency, and other intermediary services; purchase, sale, underwriting and redemption of bonds issued by other state-owned entities; purchase, sale and leases of property and other assets; and rendering and receiving of utilities and other services.

These transactions are conducted in the ordinary course of the Group's banking business on terms similar to those that would have been entered into with non-state-owned entities. The Group's pricing strategy and approval processes for major products and services, such as loans, deposits and commission income, do not depend on whether the customers are state-owned entities or not. Having due regard to the substance of the relationships, the Group is of the opinion that none of these transactions were material related party transactions that require separate disclosure.

(7) Transactions with the Annuity Scheme and Plan Assets

The transactions between the Group and the Annuity Scheme mainly comprised the obligations for defined contributions to the Annuity Scheme and regular banking transactions.

As at 30 June 2026, the fair value of the Group's supplementary retirement benefit plan assets managed by CCB Principal Asset Management and CCB Pension was RMB3,186 million (as at 31 December 2025: RMB3,047 million), and management fees payable to CCB Principal Asset Management and CCB Pension were RMB19.41 million (as at 31 December 2025: RMB5.00 million).

(8) Key management personnel

Key management personnel are those persons having authorities and responsibilities for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior executives. The Group enters into banking transactions with key management personnel in the normal course of business. For the six months ended 30 June 2026 and for the year ended 31 December 2025, there were no material transactions and balances with key management personnel.

The Group had no material balance of loans, quasi-loans and other credit transactions to directors and senior executives as at the end of reporting period. Those loans, quasi-loans and other credit transactions to directors and senior executives were conducted in the normal and ordinary course of the business and under normal commercial terms or on the same terms and conditions with those which are available to other employees, based on terms and conditions granted to third parties adjusted for risk reduction.

57 Risk management

The Group has exposure to the following risks:

- credit risk
- market risk
- liquidity risk
- operational risk
- insurance risk

This note presents information about the Group's exposures to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's capital management.

Risk management framework

The Board fulfils its risk management responsibilities pursuant to the Articles of Association of the Bank and regulatory requirements. The Board and its Risk Management Committee are responsible for developing risk management strategies and supervising the implementation of such strategies, evaluating the Group's overall risk profile, conducting regular reviews of the Group's statements of risk appetite and communicating the Group's risk appetite through relevant policies. Senior management and its Risk and Internal Control Management Committee are responsible for executing risk management strategies developed by the Board and organising the implementation of comprehensive risk management across the Group.

Risk Management Department is the lead department responsible for the Group's comprehensive risk management and leads market risk management. Credit Management Department is responsible for the Group's overall credit risk management and leads country risk management. Asset & Liability Management Department is the lead department responsible for the management of liquidity risk and interest rate risk in the banking book. Internal Control & Compliance Department is the lead department responsible for operational risk management. FinTech Department and Internal Control & Compliance Department take joint responsibility in leading IT risk management. Public Relations & Corporate Culture Department is the lead department responsible for reputational risk management. The Strategy and Policy Coordination Department is the lead department responsible for strategic risk management. Other risks are managed under the Group's comprehensive risk management framework in accordance with relevant policies and division of responsibilities.

The Bank continued to improve its group-wide integrated risk management system and effectively strengthened look-through risk management of its subsidiaries. Adhering to a prudent operation principle, it strengthened risk appetite management of subsidiaries, improved the pertinence and effectiveness of the risk management policy of "One Policy for One Subsidiary", and clearly defined differentiated risk control priorities for different types of subsidiaries. The Bank further reinforced constraints based on policies by effectively addressing the weaknesses in subsidiaries' policies and regulations, and enhanced the refined management of subsidiaries in terms of authorisation, limits, and approval. Additionally, it conducted risk scanning and detection of subsidiaries to clarify the risk profile, and bolstered risk management of key subsidiaries and key businesses, thereby laying a solid foundation for the high-quality development of its subsidiaries.

57 Risk management (continued)

(1) Credit risk

Credit risk management

Credit risk represents the risk of financial loss that arises from the failure of a debtor or counterparty to discharge its contractual obligations or commitments to the Group.

Credit risk management covers the management of key aspects designed to effectively identify, measure, evaluate, monitor, report and control the Group's credit risk.

The Credit Management Department is the leading department responsible for overall management of the Group's credit risk. The Risk Management Department takes the lead in the development and implementation of the credit risk measurement tools including customers rating and facilities grading. The Special Assets Resolution Department is responsible for the special assets resolutions. The Credit Approval Department is responsible for specific credit management work such as comprehensive credit limits and credit approval of various credit businesses for the Group's customers. With the Credit Management Department taking the lead, the Credit Approval Department and the Risk Management Department participate in, share the workload and coordinate with other departments such as the Corporate Banking Department, the Inclusive Finance Department, the Institutional Banking Department, the International Business Department, the Strategic Clients Department, the Housing Finance & Personal Lending Department, the Credit Card Centre, and the Legal Affairs Department to implement credit risk management policies and procedures.

With respect to credit risk management of corporate and institutional business, the Group has accelerated the adjustment of its businesses structure, enhanced post-lending (investment) monitoring, and refined the industry-specific guideline and policy baseline for credit approval. Management also fine-tuned eligibility and exit policies, and optimised economic capital management and industry risk limit management. All these policies have been implemented to maintain the stability of asset quality. The Group's credit risk management covers processes such as pre-lending (investment) due diligence, credit (investment) inspection, and post-lending (investment) monitoring for credit granting business. The Group performs pre-lending (investment) investigations by assessing the borrower's credit ratings based on internal rating criteria and completing the borrower's assessment report and by performing a comprehensive evaluation of the risks and rewards of the project and completing an evaluation report. Approvals must be authorised by approvers with the appropriate authorisation. The Group conducts ongoing post-lending (investment) monitoring activities, particularly focusing on the monitoring of credit risks arising from key industries and key clients, and takes timely measures to prevent and control these risks.

57 Risk management (continued)

(1) Credit risk (continued)

Credit risk management (continued)

With respect to the personal credit business, the Group relies on credit assessment of applicants as the basis for loan approval. Customer relationship managers are required to assess the income, credit history, and repayment ability of the applicant. The customer relationship managers then forward the application and recommendations to the loan-approval departments for consent. The Group pays great attention to post-lending monitoring of personal loans, focuses on borrowers' repayment ability, the status of collateral and pledges and any changes to the value of collateral and pledges. Once a loan becomes overdue, the Group starts the recovery process according to standard recovery procedures.

To mitigate risks, the Group requests the customers to provide collateral and pledges or guarantees where appropriate. A refined management system and operating procedure for collateral and pledges have been developed, and there is a guideline to specify the suitability of accepting specific types of collateral and pledges. The values, structures and legal covenants of collateral and pledges are monitored continuously to ensure that they still serve their intended purposes and conform to market practices.

For risk management purposes, the Group conducts independent management over credit risk arising from derivatives exposures, with information disclosed in Notes (1)(k). The Group sets credit limits for treasury activities and monitors them regularly with reference to the fair values of the relevant financial instruments.

Measurement of expected credit losses (ECL)

The Group continues to improve its unified expected credit loss approach implementation system which has covered all credit risk exposures on and off-balance sheet, and clarified the division of responsibilities between the Board of Directors and its specialised committees, senior management, the leading department of the Head Office and other relevant departments. The Group has set up a comprehensive implementation management system, strengthened control over the entire implementation process, consolidated the foundation, and adhered to the high-quality implementation of the expected credit loss approach. In the implementation process of the expected credit loss approach, the Group has fully considered uncertainties facing credit risk management. Based on the results of expected credit loss assessment, the Group recognises allowances for impairment losses timely and adequately to ensure that the accrued allowances for impairment losses have effectively covered expected credit losses.

57 Risk management (continued)

(1) Credit risk (continued)

Measurement of expected credit losses (ECL) (continued)

(A) Segmentation of financial instruments

The Group adopts a "three-stage" model for impairment based on changes in credit risk since initial recognition or by determining whether the financial instruments are credit-impaired, to estimate the expected credit losses.

The key definition of the three stages are summarised below:

Stage 1: For financial instruments with no significant increase in credit risk after initial recognition, expected credit losses in the next 12 months are recognised.

Stage 2: For financial instruments with significant increase in credit risk since initial recognition, but with no objective evidence of impairment, lifetime expected credit losses are recognised.

Stage 3: For financial instruments with objective evidence of impairment on the balance sheet date, lifetime expected credit losses are recognised.

57 Risk management (continued)

(1) Credit risk (continued)

Measurement of expected credit losses (ECL) (continued)

(B) Significant increase in credit risk ("SICR")

The Group assesses at least quarterly whether the credit risk of a financial instrument has increased significantly since initial recognition. In accordance with the principle of substantive risk judgment, the Group compares the risk of default of financial instruments as at the end of reporting period with that as at the date of initial recognition for an individual financial instrument or a group of financial instruments with common credit risk characteristics to determine whether the credit risk has increased significantly since initial recognition. The Group sufficiently considers all reasonable and supportable information when making related assessments, including but not limited to: internal credit rating of the borrower; information such as business risk classification, overdue status, and contract terms; information on changes in the credit strategy or credit risk management methods towards the borrower; information such as the borrower's credit information, external ratings, changes in debt and equity prices, credit default swap prices, credit spreads, and public opinion; business and financial information of the borrower, its shareholders, and affiliated enterprises; and the macro economy, industry development, technological innovation, climate change, natural disasters, socio-economic and financial policies, government support or relief measures that may have a potential impact on the borrower's repayment capacity.

The Group has set qualitative and quantitative criteria for assessing whether the credit risk of financial instruments has increased significantly since initial recognition. For example, generally, the credit risk of loans whose internal credit ratings have fallen to level 15 and below, is regarded as having increased significantly.

Usually, if a financial instrument has been overdue for more than 30 days, then this indicates that the credit risk of this financial instrument has increased significantly.

57 Risk management (continued)

(1) Credit risk (continued)

Measurement of expected credit losses (ECL) (continued)

(C) Definition of defaulted and credit-impaired assets

The Group considers a financial instrument as having defaulted when it is credit-impaired. Generally, financial instrument overdue for more than 90 days on contractual payment terms shall be considered as having credit-impaired.

The following factors can be referred to when determining whether credit impairment has occurred:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract term, such as a default or delinquency in interest or principal payments;
- Concessions that would not otherwise be granted to the borrower, in light of economic or contractual considerations related to the borrower's financial difficulties;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- Disappearance of an active market for financial assets because of financial difficulties of the issuer or borrower;
- A financial asset purchased or originated by a large discount which reflects the fact of credit-impairment having occurred; and
- Other objective evidence indicating there is a credit impairment of the financial asset.

The Group’s definition of default has been consistently applied to the estimates of PD, LGD and EAD during the ECL measurement.

57 Risk management (continued)

(1) Credit risk (continued)

Measurement of expected credit losses (ECL) (continued)

(D) Explanation of parameters, assumptions and estimation techniques

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether a financial instrument is considered to be credit-impaired. Expected credit losses are the discounted product of the weighted average of PD, LGD, and EAD under the optimistic, baseline and pessimistic scenarios.

Defined as follows:

PD refers to the likelihood of a debtor and its businesses defaulting in the future, after consideration of forward-looking information. Please refer to earlier disclosure in this note for the definition of default.

LGD refers to the Group's expected loss amount resulting from default as a proportion of total exposure, after consideration of forward-looking information.

EAD is the total amount of risk exposure on and off-balance sheet at the time of default. The exposure is determined by the repayment plan according to different types of products.

The discount rate used in the ECL measurement is the effective interest rate.

During the reporting period, based on changes in macroeconomic environment, the Group has updated forward-looking information used in the measurement of expected credit losses. Please refer to further disclosure in this note for forward-looking information which is incorporated in the measurement of expected credit losses.

The assumptions underlying the ECL measurement, such as the PDs for different maturities are monitored and reviewed on a quarterly basis.

There have been no significant changes in estimation techniques and such assumptions made during the reporting period.

57 Risk management (continued)

(1) Credit risk (continued)

Measurement of expected credit losses (ECL) (continued)

(E) Forward-looking information incorporated in the ECL

The Group has performed historical data analysis and identified the macroeconomic variables affecting expected credit losses, such as GDP, CPI, M2, PPI, RMB deposit reserve rate, London spot gold price, average exchange rate of US Dollar to RMB, sales price indices of second-hand residential buildings in 70 large and medium-sized cities, national real estate climate index, and so on.

The Group set forecast GDP value for baseline scenario by reference to average value of forecasts released by authoritative international and domestic institutions, and the forecast 2026 GDP growth value under the baseline scenario was set at round 5%. Forecast 2026 GDP growth value under the optimistic and pessimistic scenarios had been determined by moving up and down, by a certain degree, from the baseline scenario forecast. For other macroeconomic variables, the Group involved internal experts and used methods such as transmission models, economic principles, and expert judgment to calculate the predicted value of each variable under each scenario.

The Group constructs empirical models to derive the relationship between historical macroeconomic variables and PD and LGD, and calculates the PD and LGD values for a given future horizon using the forecasted macroeconomic variables.

The Group constructs empirical models to determine the weightings for optimistic, baseline and pessimistic scenarios. As at 30 June 2026 and 31 December 2025, the optimistic, baseline and pessimistic scenarios were of comparable weightings.

(F) Risk grouping

For the purpose of ECL measurement, the Group has divided businesses with common credit risk characteristics into separate groups. When grouping corporate business, the Group considered credit risk characteristics such as client type and the industry in which the client operates. When grouping personal business, the Group considered credit risk characteristics such as internal risk pool and product type. The Group obtained sufficient information to ensure risk grouping is statistically reliable.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(a) Maximum credit risk exposure

The following table presents the maximum exposure to credit risk as at the end of the reporting period without taking into consideration any collaterals and pledges held or other credit enhancements. In respect of the financial assets recognised in the statement of financial position, the maximum exposure to credit risk is represented by the carrying amount after deducting any impairment allowance.

	30 June 2026	31 December 2025
Deposits with central banks	2,578,070	3,005,611
Deposits with banks and non-bank financial institutions	203,006	190,622
Placements with banks and non-bank financial institutions	813,820	819,823
Positive fair value of derivatives	74,843	49,300
Financial assets held under resale agreements	247,776	856,818
Loans and advances to customers	28,440,110	26,926,790
Financial investments		
Financial assets measured at fair value through profit or loss	512,796	542,326
Financial assets measured at amortised cost	8,593,174	7,739,652
Financial assets measured at fair value through other comprehensive income	4,430,623	4,232,803
Other financial assets	355,637	267,490
Total	46,249,855	44,631,235
Off-balance sheet credit commitments	4,308,772	4,195,861
Maximum credit risk exposure	50,558,627	48,827,096

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(b) Loans and advances to customers analysed by credit quality

Within overdue but not credit-impaired loans and advances and credit-impaired loans and advances, the portions covered and not covered by collateral held are as follows:

	30 June 2026		
	Overdue but not credit-impaired loans and advances		Credit-impaired loans and advances
	Corporate	Personal	Corporate
Portion covered	15,970	37,686	92,203
Portion not covered	10,489	26,581	167,237
Total	26,459	64,267	259,440

	31 December 2025		
	Overdue but not credit-impaired loans and advances		Credit-impaired loans and advances
	Corporate	Personal	Corporate
Portion covered	10,364	31,818	94,857
Portion not covered	6,602	20,326	160,317
Total	16,966	52,144	255,174

The above collateral and pledges include land use rights, buildings and equipment. The fair value of collateral and pledges was estimated by the Group with reference to the latest available external valuations adjusted after taking into account the current realisation experience as well as the market situation.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(c) Loans and advances to customers analysed by economic sector concentrations

	30 June 2026			31 December 2025		
	Gross loan balance	Percentage	Balance secured by collateral	Gross loan balance	Percentage	Balance secured by collateral
Corporate loans and advances						
- Leasing and commercial services	3,106,594	10.59%	662,486	2,906,669	10.47%	678,710
- Manufacturing	2,849,870	9.71%	431,285	2,506,771	9.03%	415,316
- Transportation, storage and postal services	2,798,044	9.54%	765,107	2,678,905	9.65%	726,510
- Production and supply of electric power, heat, gas and water	1,909,056	6.51%	260,221	1,852,383	6.67%	254,435
- Wholesale and retail trade	1,759,195	6.00%	710,969	1,540,743	5.55%	693,009
- Real estate	977,746	3.33%	496,128	992,689	3.57%	500,249
- Water, environment and public utility management	910,976	3.10%	269,852	819,616	2.95%	253,445
- Construction	906,529	3.09%	171,092	814,178	2.93%	169,052
- Finance	571,347	1.95%	17,572	713,758	2.57%	19,214
- Mining	456,321	1.56%	24,404	411,432	1.48%	23,662
- Data Transfer, Software and Data Technology Services	346,926	1.18%	99,012	306,652	1.10%	94,662
- Scientific Research and Technological services	243,833	0.83%	92,115	217,811	0.78%	88,494
- Others	764,139	2.60%	185,008	708,354	2.55%	184,587
Total corporate loans and advances	17,600,576	59.99%	4,185,251	16,469,961	59.30%	4,101,345
Personal loans and advances	9,188,235	31.31%	6,680,190	9,159,182	32.98%	6,743,185
Discounted bills	2,498,034	8.51%	-	2,092,713	7.54%	-
Accrued interest	55,931	0.19%	-	50,971	0.18%	-
Total loans and advances to customers	29,342,776	100.00%	10,865,441	27,772,827	100.00%	10,844,530

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(d) Loans and advances to customers analysed by geographical sector concentrations

	30 June 2026			31 December 2025		
	Gross loan balance	Percentage	Balance secured by collateral	Gross loan balance	Percentage	Balance secured by collateral
Yangtze River Delta	6,131,793	20.90%	2,478,299	5,772,902	20.79%	2,446,903
Western	5,585,414	19.04%	2,183,495	5,273,064	18.99%	2,177,373
Central	5,086,184	17.33%	1,907,730	4,727,097	17.02%	1,908,120
Bohai Rim	4,934,947	16.82%	1,590,731	4,696,417	16.91%	1,587,031
Pearl River Delta	4,554,316	15.52%	2,236,171	4,303,152	15.49%	2,244,347
Northeastern	1,168,199	3.98%	333,840	1,105,191	3.98%	339,739
Head office	1,076,783	3.67%	-	1,101,691	3.97%	-
Overseas	749,209	2.55%	135,175	742,342	2.67%	141,017
Accrued interest	55,931	0.19%	-	50,971	0.18%	-
Gross loans and advances to customers	29,342,776	100.00%	10,865,441	27,772,827	100.00%	10,844,530

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(d) Loans and advances to customers analysed by geographical sector concentrations (continued)

Details of Stage 3 loans and allowances for impairment losses in respect of geographical sectors as at the end of the reporting period are as follows:

	30 June 2026			
	Stage 3	Allowances for impairment losses		
	Gross loan balance	Stage 1	Stage 2	Stage 3
Pearl River Delta	83,802	(52,660)	(49,165)	(64,560)
Western	67,678	(79,930)	(65,912)	(45,396)
Central	60,934	(77,169)	(39,585)	(44,866)
Bohai Rim	60,522	(58,473)	(39,889)	(45,701)
Yangtze River Delta	51,093	(75,536)	(31,529)	(38,748)
Head office	23,693	(11,107)	(8,465)	(22,422)
Northeastern	23,093	(14,803)	(9,983)	(16,922)
Overseas	8,161	(2,316)	(1,760)	(5,769)
Total	378,976	(371,994)	(246,288)	(284,384)

	31 December 2025			
	Stage 3	Allowances for impairment losses		
	Gross loan balance	Stage 1	Stage 2	Stage 3
Pearl River Delta	86,633	(50,309)	(44,315)	(67,963)
Western	60,585	(68,324)	(59,774)	(41,541)
Central	57,045	(64,460)	(42,746)	(42,533)
Bohai Rim	56,441	(50,472)	(42,140)	(43,572)
Yangtze River Delta	48,550	(66,928)	(30,068)	(36,436)
Head office	23,912	(14,251)	(8,563)	(22,732)
Northeastern	22,517	(11,722)	(9,817)	(16,705)
Overseas	8,299	(2,334)	(2,022)	(6,310)
Total	363,982	(328,800)	(239,445)	(277,792)

The definitions of geographical segments are set out in Note 52(1). The above allowances for impairment losses do not include allowances for loans and advances measured at fair value through other comprehensive income.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(e) Loans and advances to customers analysed by type of collateral

	30 June 2026	31 December 2025
Unsecured loans	14,309,467	13,224,073
Guaranteed loans	4,111,937	3,653,253
Loans secured by property and other immovable assets	9,072,866	9,125,558
Other pledged loans	1,792,575	1,718,972
Accrued interest	55,931	50,971
Gross loans and advances to customers	29,342,776	27,772,827

(f) Restructured loans and advances to customers

The Bank implements the *Rules on Risk Classification of Financial Assets of Commercial Banks (CBIRC PBOC Order [2023] No.1)* for its restructured loans and advances to customers. The proportion of the Group's restructured loans and advances to customers was not significant as at 30 June 2026 and 31 December 2025.

(g) Overdue loans analysed by overdue period

	30 June 2026				
	Overdue within three months	Overdue between three months and one year	Overdue between one year and three years	Overdue over three years	Total
Unsecured loans	39,127	47,650	27,228	3,728	117,733
Guaranteed loans	13,175	24,696	38,325	22,558	98,754
Loans secured by property and other immovable assets	52,237	53,548	49,588	17,616	172,989
Other pledged loans	7,159	3,899	2,309	3,323	16,690
Total	111,698	129,793	117,450	47,225	406,166
As a percentage of gross loans and advances to customers	0.38%	0.45%	0.40%	0.16%	1.39%

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(g) Overdue loans analysed by overdue period (continued)

	31 December 2025				
	Overdue within three months	Overdue between three months and one year	Overdue between one year and three years	Overdue over three years	Total
Unsecured loans	31,303	41,114	30,250	2,248	104,915
Guaranteed loans	9,555	19,038	39,676	20,010	88,279
Loans secured by property and other immovable assets	45,066	52,559	45,782	17,130	160,537
Other pledged loans	5,148	1,755	3,837	3,343	14,083
Total	91,072	114,466	119,545	42,731	367,814
As a percentage of gross loans and advances to customers	0.33%	0.41%	0.43%	0.16%	1.33%

Overdue loans represent loans of which the whole or part of the principal or interest is overdue for 1 day or more.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure

Loans and advances to customers

	30 June 2026			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	28,000,311	383,740	-	28,384,051
Medium risk	-	523,818	-	523,818
High risk	-	-	378,976	378,976
Total carrying amount excluding accrued interest	28,000,311	907,558	378,976	29,286,845
Allowances for impairment losses on loans and advances measured at amortised cost	(371,994)	(246,288)	(284,384)	(902,666)
Allowances for impairment losses on loans and advances measured at fair value through other comprehensive income	(1,895)	(5)	-	(1,900)

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure (continued)

Loans and advances to customers (continued)

	31 December 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	26,498,672	341,618	-	26,840,290
Medium risk	-	517,584	-	517,584
High risk	-	-	363,982	363,982
Total carrying amount excluding accrued interest	26,498,672	859,202	363,982	27,721,856
Allowances for impairment losses on loans and advances measured at amortised cost	(328,800)	(239,445)	(277,792)	(846,037)
Allowances for impairment losses on loans and advances measured at fair value through other comprehensive income	(2,564)	(11)	-	(2,575)

The Group classifies credit risk characteristics based on the quality of assets. “Low risk” means that loans are of good credit quality and there are no sufficient reasons to doubt that the borrowers of loans are not expected to fulfil its contractual obligations to repay its loans, nor are there any other behaviour breaching the loan contracts and impacting significantly on the repayment of loans; “Medium risk” means that there are factors adversely impacting on the repayment capacity of borrowers, but there are as yet no behaviour impacting significantly on normal repayment of loans; “High risk” means that failure of borrowers to repay loans in accordance with loan contract terms or other behaviour breaching the loan contracts and impacting significantly on the repayment of loans.

Off-balance sheet credit commitments

As at 30 June 2026 and 31 December 2025, the Group’s credit risk exposures in off-balance sheet credit commitments were primarily designated as Stage 1 and were primarily assigned the “Low Risk” credit risk rating.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure (continued)

Financial investments

	30 June 2026			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	12,902,797	508	-	12,903,305
Medium risk	21,918	5,655	-	27,573
High risk	-	-	9,408	9,408
Total carrying amount excluding accrued interest	12,924,715	6,163	9,408	12,940,286
Allowance for impairment losses on financial assets measured at amortised cost	(14,684)	(943)	(9,557)	(25,184)
Allowance for impairment losses on financial assets measured at fair value through other comprehensive income	(5,126)	(1)	(254)	(5,381)

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure (continued)

Financial investments (continued)

	31 December 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	11,873,978	419	-	11,874,397
Medium risk	105	7,244	-	7,349
High risk	-	-	9,969	9,969
Total carrying amount excluding accrued interest	11,874,083	7,663	9,969	11,891,715
Allowance for impairment losses on financial assets measured at amortised cost	(12,214)	(476)	(10,017)	(22,707)
Allowance for impairment losses on financial assets measured at fair value through other comprehensive income	(4,143)	(85)	(252)	(4,480)

The Group classifies financial investment risk characteristics based on asset eligibility and internal rating changes. “Low risk” means that the issuer’s initial internal rating is above the eligible level, and there are no reasons to suspect that the financial investment is expected to be defaulted; “Medium risk” means that although the issuer’s internal rating is reduced to a certain extent, but there are not enough reasons to suspect that the financial investment is expected to be defaulted; “High risk” means that there are obvious problems which may cause a default, or the financial investment indeed is defaulted.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure (continued)

Amounts due from banks and non-bank financial institutions

Amounts due from banks and non-bank financial institutions include deposits and placements with banks and non-bank financial institutions, and financial assets held under resale agreements of which counterparties are banks and non-bank financial institutions.

	30 June 2026			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	1,260,508	-	-	1,260,508
Medium risk	-	-	-	-
High risk	-	-	-	-
Total carrying amount excluding accrued interest	1,260,508	-	-	1,260,508
Allowance for impairment losses	(417)	-	-	(417)

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(h) Credit risk exposure (continued)

Amounts due from banks and non-bank financial institutions (continued)

	31 December 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	1,862,470	-	-	1,862,470
Medium risk	-	-	-	-
High risk	-	-	-	-
Total carrying amount excluding accrued interest	1,862,470	-	-	1,862,470
Allowance for impairment losses	(337)	-	-	(337)

The Group classifies risk characteristics of amounts due from banks and non-bank financial institutions based on asset eligibility and internal rating changes. “Low risk” means that the issuer’s initial internal rating is above the eligible level, and there are no reasons to suspect that the amount due from banks and non-bank financial institutions is expected to be defaulted; “Medium risk” means that although the issuer’s internal rating is reduced to a certain extent, but there are not enough reasons to suspect that the amount due from banks and non-bank financial institutions is expected to be defaulted; “High risk” means that there are obvious problems which may cause a default, or the amount due from banks and non-bank financial institutions indeed is defaulted.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(i) Distribution of amounts due from banks and non-bank financial institutions in terms of credit quality is as follows:

	30 June 2026	31 December 2025
Credit-impaired	-	-
Allowances for impairment losses	-	-
Subtotal	-	-
Neither overdue nor credit-impaired		
- grades A to AAA	1,119,229	1,400,014
- grades B to BBB	1,234	19,963
- unrated	140,045	442,493
Accrued interest	4,511	5,130
Total	1,265,019	1,867,600
Allowances for impairment losses	(417)	(337)
Subtotal	1,264,602	1,867,263
Total	1,264,602	1,867,263

Amounts neither overdue nor credit-impaired are analysed above according to the Group's internal credit ratings. Unrated amounts due from banks and non-bank financial institutions include amounts due from a number of banks and non-bank financial institutions for which the Group has not assigned internal credit ratings.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(j) Distribution of debt investments analysed by rating

The Group adopts a credit rating approach to manage the credit risk of the debt investment portfolio held. The ratings are obtained from Bloomberg Composite, or major rating agencies where the issuers of the debt investments are located. The carrying amounts of the debt investments analysed by the rating agency designations as at the end of the reporting period are as follows:

	30 June 2026					
	Unrated	AAA	AA	A	Lower than A	Total
Credit-impaired						
- Banks and non-bank financial institutions	404	-	-	-	-	404
- Enterprises	9,446	-	-	-	-	9,446
Total	9,850	-	-	-	-	9,850
Allowances for impairment losses						(9,557)
Subtotal						293
Neither overdue nor credit-impaired						
- Government	4,572,410	6,284,717	148,013	37,543	20,751	11,063,434
- Central banks	2,152	-	20,311	2,249	2,055	26,767
- Policy banks	745,802	-	-	11,569	-	757,371
- Banks and non-bank financial institutions	404,940	351,841	97,089	139,260	26,859	1,019,989
- Enterprises	377,499	207,987	25,606	61,895	11,379	684,366
Total	6,102,803	6,844,545	291,019	252,516	61,044	13,551,927
Allowances for impairment losses						(15,627)
Subtotal						13,536,300
Total						13,536,593

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(j) Distribution of debt investments analysed by rating (continued)

	31 December 2025					
	Unrated	AAA	AA	A	Lower than A	Total
Credit-impaired						
- Banks and non-bank financial institutions	416	-	-	-	-	416
- Enterprises	9,955	-	-	-	-	9,955
Total	10,371	-	-	-	-	10,371
Allowances for impairment losses						(10,017)
Subtotal						354
Neither overdue nor credit-impaired						
- Government	4,065,703	5,760,661	121,525	24,146	18,271	9,990,306
- Central banks	29,233	13,125	21,060	4,716	2,091	70,225
- Policy banks	745,289	-	-	65,395	-	810,684
- Banks and non-bank financial institutions	433,567	394,994	46,819	166,277	38,641	1,080,298
- Enterprises	187,396	293,096	19,548	66,923	8,641	575,604
Total	5,461,188	6,461,876	208,952	327,457	67,644	12,527,117
Allowances for impairment losses						(12,690)
Subtotal						12,514,427
Total						12,514,781

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(k) Credit risk arising from the Group's derivative exposures

The Group's derivatives transactions entered into with customers have been hedged against transactions entered into with banks and non-bank financial institutions. The credit risk the Group is exposed to is related to customers, banks and non-bank financial institutions. The Group manages credit risk through regular monitoring.

From 1 January 2024, the Group adopted the *Rules on Capital Management of Commercial Banks* and other related policies. According to the rules set out by the NFRA, the Group measures the EAD of derivative transactions using the standardised approach for counterparty credit risk (SA-CCR), measures counterparty credit risk-weighted assets of derivative transactions using the standardised approach for credit risk, and measures risk-weighted assets for credit valuation adjustment using the reduced version of basic approach.

Analysed by counterparty credit risk-weighted asset:

	Note	30 June 2026	31 December 2025
Counterparty credit default risk-weighted assets			
- Interest rate contracts		6,740	6,227
- Exchange rate contracts		71,644	62,668
- Other contracts	(i)	47,168	31,354
Subtotal		125,552	100,249
Risk-weighted assets for credit valuation adjustment		30,106	20,685
Total		155,658	120,934

(i) Other contracts mainly consist of precious metals and commodity contracts.

(l) Settlement risk

The Group's activities may give rise to settlement risk at the time of the settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Group mitigates this risk by conducting settlements through a settlement or clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(1) Credit risk (continued)

(m) Sensitivity analysis

Models and parameters such as forward-looking empirical models, forecast values of macroeconomic variables and stage designation results would have an impact on ECL.

(i) Sensitivity analysis of segmentation

A significant increase in credit risk since initial recognition will result in financial assets transferring from Stage 1 to Stage 2, and the loss allowance for those financial assets shall be measured at an amount equal to the lifetime expected credit losses. The following tables present the impact of ECL from the second year to the end of the lifetime for financial assets in Stage 2.

	30 June 2026		
	Allowances for 12-month ECL of all performing financial assets	Impact over lifetime	Current allowances for impairment losses
Performing loans	565,576	52,706	618,282
Performing financial investments	20,471	283	20,754

	31 December 2025		
	Allowances for 12-month ECL of all performing financial assets	Impact over lifetime	Current allowances for impairment losses
Performing loans	515,934	52,311	568,245
Performing financial investments	16,703	215	16,918

The above allowances for impairment losses of financial assets did not contain the impairment loss allowances for loans and advances measured at fair value through other comprehensive income.

57 Risk management (continued)

(1) Credit risk (continued)

(m) Sensitivity analysis (continued)

(ii) Sensitivity analysis of macroeconomic variables

The Group has carried out sensitivity analysis of GDP forecast. As at 30 June 2026, when GDP growth rate in the baseline scenario increased or decreased by 10%, the change in allowances for impairment losses of financial assets did not exceed 5%(as at 31 December 2025: did not exceed 5%).

(2) Market risk

Market risk is the risk of loss, in respect of the Group's on and off-balance sheet activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices and stock prices. Market risk arises from both the Group's trading and non-trading businesses. A trading book consists of positions in financial instruments and commodities held either with trading intent or in order to hedge other elements of the trading book. Non-trading book records those financial instruments and commodities which are not included in the trading book.

The Group continues to improve market risk management system. The Risk Management Department is responsible for leading the establishment of market risk management policies and rules, developing the market risk measurement tools, monitoring and reporting the trading market risk and related daily work. The Asset and Liability Management Department (the "ALM") is responsible for managing interest rate risk and exchange rate risk of non-trading businesses, as well as the size and structure of assets and liabilities in response to structural market risk. The Financial Market Department manages the Bank's RMB and foreign currency investment portfolios, conducts proprietary and customer-driven transactions, as well as implementing market risk management policies and rules. The Audit Department is responsible for regularly performing independent audits of the reliability and effectiveness of the processes constituting the risk management system.

57 Risk management (continued)

(2) Market risk (continued)

The Group's interest rate risk mainly comprises repricing risk and basis risk arising from the mismatch of term structure and pricing basis of assets and liabilities. The Group uses multiple tools such as repricing gap analysis, sensitivity analysis on net interest income, scenario analysis and stress testing, to monitor the interest rate risk periodically.

The Group's foreign exchange exposures mainly comprise exposures from foreign currency portfolios within treasury proprietary investments in debt securities and money market placements, and currency exposures from its overseas business. The Group manages its foreign exchange exposures by spot foreign exchange transactions and by matching its foreign currency denominated assets with corresponding liabilities in the same currency, and also uses derivatives in the management of its own foreign currency asset and liability portfolios and structural positions.

The Group monitors market risk separately in respect of trading portfolios and non-trading portfolios. Trading portfolios include exchange rate and interest rate derivatives as well as trading securities. The historical simulation model for the Value-at-Risk ("VaR") analysis is a major tool used by the Bank to measure and monitor the market risk of its trading portfolio. Net interest income sensitivity analysis, interest rate repricing gap analysis and foreign exchange risk concentration analysis are the major tools used by the Group to monitor the market risk of its overall businesses.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(a) VaR analysis

VaR is a technique which estimates the potential losses that could occur on risk positions taken, due to movements in market interest rates, foreign exchange rates of all books and other market prices over a specified time horizon and at a given level of confidence. The Risk Management Department calculates interest rates for the Bank's trading book, foreign exchange rates and commodity prices VaR for the Bank's trading book and banking book. By reference to historical movements in interest rates, foreign exchange rates and commodity prices, the Risk Management Department calculates VaR on a daily basis for the trading book and monitors it regularly. VaR is calculated at a confidence level of 99% and with a holding period of one day.

A summary of the VaR of the Bank's trading portfolio as at the end of the reporting period and during the respective periods is as follows:

		Six months ended 30 June 2026			
	Note	As at 30 June	Average	Maximum	Minimum
VaR of trading portfolio		383	285	576	170
Of which:					
- Interest rate risk		98	87	116	65
- Foreign exchange risk	(i)	392	272	565	145
- Commodity risk		22	26	36	14

		Six months ended 30 June 2025			
	Note	As at 30 June	Average	Maximum	Minimum
VaR of trading portfolio		328	309	363	241
Of which:					
- Interest rate risk		202	124	213	73
- Foreign exchange risk	(i)	281	309	363	246
- Commodity risk		1	1	2	-

(i) The VaR in relation to bullion is included in the foreign exchange risk above.

VaR for each risk factor is the independently derived largest potential loss for a specific holding period and at a given confidence level due to fluctuations solely in that risk factor. The individual VaRs do not add up to the total VaR as there is diversification effect due to correlation amongst the risk factors.

57 Risk management (continued)

(2) Market risk (continued)

(a) VaR analysis (continued)

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- A 1-day holding period assumes that it is possible to hedge or dispose of positions within that period. This is considered to be a realistic assumption in almost all cases but may not be the case in situations in which there is severe market illiquidity for a prolonged period;

- A 99 percent confidence level does not reflect losses that may occur beyond this level. Within the model used, there is 1 percent probability that losses could exceed the VaR;

- VaR is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the trading day;

- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature; and

- The VaR measure is dependent upon the Bank's position and the volatility of market prices. The VaR of an unchanged position reduces if the market price volatility declines and vice versa.

57 Risk management (continued)

(2) Market risk (continued)

(b) Interest rate sensitivity analysis

In monitoring interest rate risk on its overall non-derivative financial assets and liabilities, the Bank regularly measures its future net interest income sensitivity to an increase or decrease in market interest rates (assuming no asymmetrical movement in yield curves and a constant financial position). An incremental 100 basis points parallel fall or rise in all yield curves, other than that applicable to deposits with central banks, would increase or decrease annualised net interest income of the Group by RMB80,086 million (as at 31 December 2025: RMB61,732 million). Had the impact of yield curves movement for demand deposits from customers been excluded, the annualised net interest income of the Group would decrease or increase by RMB77,098 million (as at 31 December 2025: RMB91,958 million). In the event of a parallel fall or rise of 100 basis points in the yield curve, equity would increase by RMB193,862 million (as at 31 December 2025: RMB190,344 million) or decrease by RMB173,993 million (as at 31 December 2025: RMB170,372 million), respectively.

The above interest rate sensitivity is for illustration purposes only and is assessed based on simplified assumptions. The figures here indicate estimated net interest income and equity movements under various predicted yield curve scenarios and subject to the Bank's current interest rate exposures. However, the possible risk management measures that can be undertaken by the interest risk management department or related business departments to mitigate interest rate risk have not been taken into account. In practice, the departments that manage the interest rate risk strive to reduce loss arising from the risk while increasing the net income. These figures are estimated on the assumption that the interest rates on various maturities will move within similar ranges, and therefore do not reflect the potential net interest income changes and equity changes in the event that interest rates on some maturities may change and others remain unchanged. Moreover, the above estimations are based on other simplified assumptions, including that all positions will be held to maturity and rolled over upon maturity.

(c) Interest rate risk

Interest rate risk refers to the risk where the market interest rates, term structure and other factors may experience unfavourable fluctuations which impact the overall profitability and fair value resulting in losses to the Bank. The key determinants of the Group's interest rate risk arise from the mismatch between the maturity periods of the assets and liabilities, and inconsistent pricing basis, resulting in re-pricing risk and basis risk.

The ALM is responsible for regularly monitoring the interest rate risk positions and measuring the interest rate re-pricing gap. The main reason for measuring the interest rate re-pricing gap is to assist in analysing the impact of interest rate changes on net interest income.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(c) Interest rate risk (continued)

The following tables indicate the analysis by the expected next repricing dates (or maturity dates whichever are earlier) for the assets and liabilities of the Group as at the end of the reporting period.

		30 June 2026					
	Note	Non-interest-bearing	Within three months	Between three months and one year	Between one and five years	More than five years	Total
Assets							
Cash and deposits with central banks		118,124	2,506,268	267	-	-	2,624,659
Deposits and placements with banks and non-bank financial institutions		-	555,853	451,099	9,874	-	1,016,826
Financial assets held under resale agreements		-	247,075	701	-	-	247,776
Loans and advances to customers	(i)	54,844	10,627,909	16,018,414	1,679,974	58,969	28,440,110
Investments	(ii)	482,138	998,228	1,447,998	5,293,440	5,794,857	14,016,661
Others		982,212	-	-	-	-	982,212
Total assets		1,637,318	14,935,333	17,918,479	6,983,288	5,853,826	47,328,244
Liabilities							
Borrowings from central banks		-	234,309	1,242,742	850	-	1,477,901
Deposits and placements from banks and non-bank financial institutions		-	4,010,009	507,191	244,218	12,759	4,774,177
Financial liabilities measured at fair value through profit or loss		122,914	188,463	32,568	-	-	343,945
Financial assets sold under repurchase agreements		-	1,157,399	293,585	-	-	1,450,984
Deposits from customers		92,587	16,655,217	6,673,353	8,392,494	4,768	31,818,419
Debt securities issued		-	776,483	1,204,195	701,527	152,978	2,835,183
Others		793,809	-	-	-	-	793,809
Total liabilities		1,009,310	23,021,880	9,953,634	9,339,089	170,505	43,494,418
Asset-liability gap		628,008	(8,086,547)	7,964,845	(2,355,801)	5,683,321	3,833,826

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(c) Interest rate risk (continued)

		31 December 2025					
	Note	Non-interest-bearing	Within three months	Between three months and one year	Between one and five years	More than five years	Total
Assets							
Cash and deposits with central banks		108,736	2,945,069	394	-	-	3,054,199
Deposits and placements with banks and non-bank financial institutions		-	534,144	468,241	8,060	-	1,010,445
Financial assets held under resale agreements		-	856,818	-	-	-	856,818
Loans and advances to customers	(i)	31,704	13,373,913	12,095,528	1,362,208	63,437	26,926,790
Investments	(ii)	411,653	985,382	1,385,738	4,418,378	5,723,982	12,925,133
Others		858,433	-	-	-	-	858,433
Total assets		1,410,526	18,695,326	13,949,901	5,788,646	5,787,419	45,631,818
Liabilities							
Borrowings from central banks		-	131,408	963,993	906	-	1,096,307
Deposits and placements from banks and non-bank financial institutions		-	3,771,169	762,287	232,898	20,820	4,787,174
Financial liabilities measured at fair value through profit or loss		61,046	204,144	59,040	-	-	324,230
Financial assets sold under repurchase agreements		-	1,237,502	253,346	84	-	1,490,932
Deposits from customers		84,900	16,994,422	6,025,931	7,695,240	35,081	30,835,574
Debt securities issued		-	701,597	1,085,924	668,026	137,977	2,593,524
Others		818,000	-	-	-	-	818,000
Total liabilities		963,946	23,040,242	9,150,521	8,597,154	193,878	41,945,741
Asset-liability gap		446,580	(4,344,916)	4,799,380	(2,808,508)	5,593,541	3,686,077

(i) For loans and advances to customers, the "within three months" category includes overdue amounts (net of allowances for impairment losses) of RMB80,663 million as at 30 June 2026 (as at 31 December 2025: RMB61,881 million).

(ii) Investments include financial assets measured at fair value through profit or loss, financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and long-term equity investments, etc.

57 Risk management (continued)

(2) Market risk (continued)

(d) Currency risk

The Group's foreign exchange exposures mainly comprise exposures that arise from the foreign currency proprietary investments of the treasury business and currency exposures originated by the Group's overseas businesses.

The Group manages currency risk by spot and forward foreign exchange transactions and by matching its foreign currency denominated assets with corresponding liabilities in the same currency, and also uses derivatives (principally foreign exchange swaps and cross currency swaps) in the management of its own foreign currency asset and liability portfolios and structural positions.

The Group actively manages foreign currency exposures by minimising foreign exchange risk by business lines. Therefore, the net exposure is not sensitive to exchange rate fluctuations and the potential impact on the pre-tax profits and other comprehensive income of the Group is not material.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(d) Currency risk (continued)

The currency exposures of the Group's assets and liabilities as at the end of the reporting period are as follows:

		30 June 2026			
	Note	RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and deposits with central banks		2,484,905	62,044	77,710	2,624,659
Deposits and placements with banks and non-bank financial institutions		760,733	167,304	88,789	1,016,826
Financial assets held under resale agreements		218,540	21,575	7,661	247,776
Loans and advances to customers		27,620,746	451,584	367,780	28,440,110
Investments	(i)	13,264,623	449,221	302,817	14,016,661
Others		886,967	40,466	54,779	982,212
Total assets		45,236,514	1,192,194	899,536	47,328,244
Liabilities					
Borrowings from central banks		1,457,723	5,992	14,186	1,477,901
Deposits and placements from banks and non-bank financial institutions		4,322,062	280,616	171,499	4,774,177
Financial liabilities measured at fair value through profit or loss		336,650	5,852	1,443	343,945
Financial assets sold under repurchase agreements		1,409,589	24,979	16,416	1,450,984
Deposits from customers		30,773,822	513,581	531,016	31,818,419
Debt securities issued		2,554,602	179,793	100,788	2,835,183
Others		737,038	6,196	50,575	793,809
Total liabilities		41,591,486	1,017,009	885,923	43,494,418
Net position		3,645,028	175,185	13,613	3,833,826
Net notional amount of derivatives		52,664	(93,365)	45,574	4,873
Credit commitments		3,809,367	339,009	160,396	4,308,772

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(d) Currency risk (continued)

		31 December 2025			
	Note	RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and deposits with central banks		2,894,887	94,349	64,963	3,054,199
Deposits and placements with banks and non-bank financial institutions		824,333	157,189	28,923	1,010,445
Financial assets held under resale agreements		809,717	40,853	6,248	856,818
Loans and advances to customers		26,152,567	398,078	376,145	26,926,790
Investments	(i)	12,314,342	332,274	278,517	12,925,133
Others		780,558	59,839	18,036	858,433
Total assets		43,776,404	1,082,582	772,832	45,631,818
Liabilities					
Borrowings from central banks		1,053,514	10,921	31,872	1,096,307
Deposits and placements from banks and non-bank financial institutions		4,239,481	350,434	197,259	4,787,174
Financial liabilities measured at fair value through profit or loss		300,719	2,993	20,518	324,230
Financial assets sold under repurchase agreements		1,477,336	7,054	6,542	1,490,932
Deposits from customers		29,895,899	529,999	409,676	30,835,574
Debt securities issued		2,301,945	179,425	112,154	2,593,524
Others		787,461	7,842	22,697	818,000
Total liabilities		40,056,355	1,088,668	800,718	41,945,741
Net position		3,720,049	(6,086)	(27,886)	3,686,077
Net notional amount of derivatives		(59,717)	(77,330)	133,833	(3,214)
Credit commitments		3,699,905	308,250	187,706	4,195,861

(i) Please refer to Note 57(2)(c)(ii) for the scope of investments.

57 Risk management (continued)

(3) Liquidity risk

The Group adheres to a liquidity management strategy featuring prudence, decentralisation, coordination and diversification. Management's objective for liquidity risk management is to establish and improve a liquidity management system that can fully identify, accurately measure, continuously monitor, and effectively control liquidity risk, effectively balance the return on funds and security of funds, and safeguard the steady operation across the Bank.

The Group conducts quarterly liquidity risk stress testing in order to gauge its risk tolerance in different stress scenarios. The results of stress testing show that under different stress scenarios, the Group's liquidity risk is under control.

The Group adopts liquidity indicator analysis, remaining maturity analysis and undiscounted cash flow analysis to measure the liquidity risk.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(a) Maturity analysis

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

	30 June 2026							
	Indefinite	Repayable on demand	Within one month	Between one and three months	Between three months and one year	Between one and five years	More than five years	Total
Assets								
Cash and deposits with central banks	2,350,538	273,037	-	1,084	-	-	-	2,624,659
Deposits and placements with banks and non-bank financial institutions	-	107,004	268,912	179,937	451,099	9,874	-	1,016,826
Financial assets held under resale agreements	-	-	244,927	2,148	701	-	-	247,776
Loans and advances to customers	122,593	929,045	1,079,881	2,132,680	7,678,639	8,015,891	8,481,381	28,440,110
Investments								
–Financial assets measured at fair value through profit or loss	287,186	121,798	40,248	63,694	144,885	71,161	191,416	920,388
–Financial assets measured at amortised cost	667	-	64,753	191,869	412,749	3,489,456	4,433,680	8,593,174
–Financial assets measured at fair value through other comprehensive income	46,748	-	162,820	233,924	765,020	1,895,497	1,373,351	4,477,360
–Long-term equity investments	25,739	-	-	-	-	-	-	25,739
Others	374,354	445,059	20,397	34,744	62,060	33,070	12,528	982,212
Total assets	3,207,825	1,875,943	1,881,938	2,840,080	9,515,153	13,514,949	14,492,356	47,328,244
Liabilities								
Borrowings from central banks	-	-	48,294	186,015	1,242,742	850	-	1,477,901
Deposits and placements from banks and non-bank financial institutions	-	2,902,118	381,047	682,697	510,478	271,296	26,541	4,774,177
Financial liabilities measured at fair value through profit or loss	-	122,859	78,474	110,044	32,568	-	-	343,945
Financial assets sold under repurchase agreements	-	-	481,512	675,887	293,585	-	-	1,450,984
Deposits from customers	-	13,043,350	1,607,030	2,089,846	6,678,111	8,394,930	5,152	31,818,419
Debt securities issued	-	-	313,500	398,035	1,209,656	761,014	152,978	2,835,183
Others	4,280	312,211	37,741	29,824	87,555	66,868	255,330	793,809
Total liabilities	4,280	16,380,538	2,947,598	4,172,348	10,054,695	9,494,958	440,001	43,494,418
Net gaps	3,203,545	(14,504,595)	(1,065,660)	(1,332,268)	(539,542)	4,019,991	14,052,355	3,833,826
Notional amount of derivatives								
– Interest rate contracts	-	-	343,101	654,255	1,596,224	1,094,480	35,885	3,723,945
– Exchange rate contracts	-	-	1,294,578	908,934	1,788,997	191,662	5,440	4,189,611
– Other contracts	-	-	46,447	62,520	158,643	8,693	-	276,303
Total	-	-	1,684,126	1,625,709	3,543,864	1,294,835	41,325	8,189,859

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(a) Maturity analysis (continued)

	31 December 2025							
	Indefinite	Repayable on demand	Within one month	Between one and three months	Between three months and one year	Between one and five years	More than five years	Total
Assets								
Cash and deposits with central banks	2,270,092	782,530	-	1,183	394	-	-	3,054,199
Deposits and placements with banks and non-bank financial institutions	-	96,253	258,250	179,300	468,315	8,327	-	1,010,445
Financial assets held under resale agreements	-	-	856,519	299	-	-	-	856,818
Loans and advances to customers	111,651	989,462	1,181,008	2,147,384	6,583,500	7,506,760	8,407,025	26,926,790
Investments								
–Financial assets measured at fair value through profit or loss	243,317	90,358	28,029	41,102	183,202	76,873	212,113	874,994
–Financial assets measured at amortised cost	269	-	35,733	183,685	589,195	2,756,059	4,174,711	7,739,652
–Financial assets measured at fair value through other comprehensive income	49,928	-	260,486	351,664	619,177	1,653,631	1,347,820	4,282,706
–Long-term equity investments	27,781	-	-	-	-	-	-	27,781
Others	370,863	355,272	20,599	33,801	38,305	27,350	12,243	858,433
Total assets	3,073,901	2,313,875	2,640,624	2,938,418	8,482,088	12,029,000	14,153,912	45,631,818
Liabilities								
Borrowings from central banks	-	-	39,697	91,711	963,993	906	-	1,096,307
Deposits and placements from banks and non-bank financial institutions	-	2,638,906	496,089	605,677	766,434	249,727	30,341	4,787,174
Financial liabilities measured at fair value through profit or loss	-	61,046	143,921	60,223	59,040	-	-	324,230
Financial assets sold under repurchase agreements	-	-	650,221	587,281	253,346	84	-	1,490,932
Deposits from customers	-	12,912,506	1,831,290	2,323,640	6,028,584	7,703,800	35,754	30,835,574
Debt securities issued	-	-	141,719	505,542	1,090,722	717,564	137,977	2,593,524
Others	73,594	240,087	55,061	39,423	100,582	71,526	237,727	818,000
Total liabilities	73,594	15,852,545	3,357,998	4,213,497	9,262,701	8,743,607	441,799	41,945,741
Net gaps	3,000,307	(13,538,670)	(717,374)	(1,275,079)	(780,613)	3,285,393	13,712,113	3,686,077
Notional amount of derivatives								
–Interest rate contracts	-	-	281,216	573,781	1,446,332	619,539	25,266	2,946,134
–Exchange rate contracts	-	-	1,582,796	1,622,801	2,895,267	127,811	4,609	6,233,284
–Other contracts	-	-	142,984	61,649	117,455	8,135	-	330,223
Total	-	-	2,006,996	2,258,231	4,459,054	755,485	29,875	9,509,641

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(b) Contractual undiscounted cash flow

The following tables provide an analysis of the contractual undiscounted cash flow of the non-derivative financial liabilities and off-balance sheet credit commitments of the Group as at the end of the reporting period. The Group's expected cash flows on these instruments may vary significantly from this analysis.

	30 June 2026							
	Carrying amount	Gross cash outflow	Repayable on demand	Within one month	Between one and three months	Between three months and one year	Between one and five years	More than five years
Non-derivative financial liabilities								
Borrowings from central banks	1,477,901	1,490,748	-	48,353	186,660	1,254,883	852	-
Deposits and placements from banks and non-bank financial institutions	4,774,177	4,799,327	2,902,118	381,492	685,498	518,071	282,666	29,482
Financial liabilities measured at fair value through profit or loss	343,945	343,945	122,859	78,474	110,044	32,568	-	-
Financial assets sold under repurchase agreements	1,450,984	1,454,415	-	481,708	677,327	295,380	-	-
Deposits from customers	31,818,419	32,202,559	13,043,350	1,607,828	2,104,496	6,776,371	8,664,878	5,636
Debt securities issued	2,835,183	2,934,926	-	315,682	400,642	1,232,340	823,293	162,969
Other non-derivative financial liabilities	543,334	782,529	146,112	19,465	15,431	55,250	54,671	491,600
Total	43,243,943	44,008,449	16,214,439	2,933,002	4,180,098	10,164,863	9,826,360	689,687
Off-balance sheet loan commitments and credit card commitments (Note)		1,767,249	1,171,802	16,429	31,203	114,712	229,778	203,325
Guarantees, acceptances and other credit commitments (Note)		2,541,523	39,060	353,439	448,514	1,135,277	527,436	37,797

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(b) Contractual undiscounted cash flow (continued)

	31 December 2025							
	Carrying amount	Gross cash outflow	Repayable on demand	Within one month	Between one and three months	Between three months and one year	Between one and five years	More than five years
Non-derivative financial liabilities								
Borrowings from central banks	1,096,307	1,107,419	-	39,763	92,125	974,622	909	-
Deposits and placements from banks and non-bank financial institutions	4,787,174	4,815,508	2,638,906	496,848	607,824	776,729	262,171	33,030
Financial liabilities measured at fair value through profit or loss	324,230	324,230	61,046	143,921	60,223	59,040	-	-
Financial assets sold under repurchase agreements	1,490,932	1,494,133	-	650,474	588,666	254,909	84	-
Deposits from customers	30,835,574	31,212,014	12,912,506	1,848,935	2,348,899	6,109,991	7,955,489	36,194
Debt securities issued	2,593,524	2,691,121	-	143,498	507,028	1,116,825	775,243	148,527
Other non-derivative financial liabilities	520,595	753,895	143,015	20,202	10,958	51,926	62,212	465,582
Total	41,648,336	42,398,320	15,755,473	3,343,641	4,215,723	9,344,042	9,056,108	683,333
Off-balance sheet loan commitments and credit card commitments (Note)		1,741,057	1,176,125	8,631	14,447	135,124	186,666	220,064
Guarantees, acceptances and other credit commitments (Note)		2,454,804	346	326,628	382,514	1,163,870	538,518	42,928

Note: The off-balance sheet loan commitments and credit card commitments may expire without being drawn upon. Guarantees, acceptances and other credit commitments do not represent the amounts to be paid.

57 Risk management (continued)

(4) Operational risk

The Group has established and improved its operational risk governance framework, with the Board assuming the ultimate responsibility for operational risk management and senior management responsible for the implementation of operational risk management. The "three lines of defence" for operational risk management comprise business and management departments, operational risk management departments, and audit departments, which jointly enhance the identification and control of operational risks.

The Group has established and improved an operational risk management system tailored to its business nature, size, complexity and risk profile, has formulated operational risk management policies, and has strengthened the coordinated control of "three lines of defence". Guided by operational risk appetite, empowered by operational risk management tools and supported by operational risk culture, staffing, incentives and disciplines, and IT systems, the Group continuously conducts the identification and assessment, control and mitigation, monitoring and reporting, and capital measurement of operational risks in business products and management activities. It also periodically reviews and optimises the operational risk management system. In addition, it systematically embeds internal control requirements into the development of policies, processes, and systems related to operation management, implementing internal control measures across business operations, products, and management activities to effectively prevent and control operational risks and reduce losses.

In the first half of 2026, the Group strictly complied with regulatory requirements, constantly strengthened its operational risk management system, and systematically pressed ahead with preparatory work for the regulatory assessment and validation pursuant to the new standardised approach for operational risk. By leveraging the guiding role of operational risk appetite, the Group significantly enhanced the digital and intelligent capabilities of its management tools, reviewed key risk indicators, and consolidated the foundation of its operational risk management. Furthermore, the Group enhanced its business continuity management, having completed a new round of business impact analysis to identify important business operations and focus on key management priorities. It optimised contingency planning, coordinated comprehensive drills, and strengthened business-technology collaboration. Moreover, the Group refined business continuity initiatives for overseas operations, so as to enhance the ability to respond to operational risk exposures.

57 Risk management (continued)

(5) Fair value of financial instruments

(a) Valuation process, technique and input

The Board is responsible for establishing a robust internal control policy of valuation, and takes the ultimate responsibility for the adequacy and effectiveness of internal control system. According to the requirements of the Board, senior management is responsible for organising and implementing the internal control system over the valuation process to ensure the effectiveness of the internal control system of valuation.

The Group has established an independent valuation process for financial assets and financial liabilities. The relevant departments are responsible for performing valuation, verifying valuation model and accounting of valuation results.

For the six months ended 30 June 2026, there was no significant change in the valuation techniques or inputs used to determine fair value as compared to those used for the year ended 31 December 2025.

(b) Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Fair value based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3: Fair value based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value

(i) Fair value hierarchy

The tables below analyse financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	30 June 2026			
	Level 1	Level 2	Level 3	Total
Measured at fair value on a recurring basis				
Assets				
Positive fair value of derivatives	-	74,841	2	74,843
Loans and advances to customers				
– Loans and advances to customers measured at fair value through other comprehensive income	-	2,498,034	-	2,498,034
Financial assets measured at fair value through profit or loss				
Financial assets held for trading purposes				
– Debt securities	4,648	312,712	-	317,360
– Equity instruments and funds	1,527	4,300	-	5,827
Other financial assets measured at fair value through profit or loss				
– Debt securities	25	111,416	3,379	114,820
– Equity instruments, funds and others	25,276	297,148	159,957	482,381
Financial assets measured at fair value through other comprehensive income				
– Bond investments	489,587	3,939,625	967	4,430,179
– Debt investments	-	-	444	444
– Equity instruments designated as measured at fair value through other comprehensive income	20,537	-	26,200	46,737
Total	541,600	7,238,076	190,949	7,970,625
Measured at fair value on a recurring basis				
Liabilities				
Financial liabilities measured at fair value through profit or loss	42	341,285	2,618	343,945
Negative fair value of derivatives	-	45,386	2	45,388
Total	42	386,671	2,620	389,333

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value (continued)

(i) Fair value hierarchy (continued)

	31 December 2025			
	Level 1	Level 2	Level 3	Total
Measured at fair value on a recurring basis				
Assets				
Positive fair value of derivatives	-	49,297	3	49,300
Loans and advances to customers				
– Loans and advances to customers measured at fair value through other comprehensive income	-	2,092,713	-	2,092,713
Financial assets measured at fair value through profit or loss				
Financial assets held for trading purposes				
– Debt securities	3,636	314,031	-	317,667
– Equity instruments and funds	1,756	2,368	-	4,124
Other financial assets measured at fair value through profit or loss				
– Debt securities	62	137,534	3,383	140,979
– Equity instruments, funds and others	20,423	243,883	147,918	412,224
Financial assets measured at fair value through other comprehensive income				
– Bond investments	414,423	3,816,967	957	4,232,347
– Debt investments	-	-	456	456
– Equity instruments designated as measured at fair value through other comprehensive income	21,540	-	28,363	49,903
Total	461,840	6,656,793	181,080	7,299,713
Measured at fair value on a recurring basis				
Liabilities				
Financial liabilities measured at fair value through profit or loss	-	322,715	1,515	324,230
Negative fair value of derivatives	-	89,801	3	89,804
Total	-	412,516	1,518	414,034

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value (continued)

(i) Fair value hierarchy (continued)

A majority of the financial assets classified as level 2 are RMB bonds. The fair value of these bonds is determined based on the valuation results provided by China Central Depository & Clearing Co., Ltd. A majority of the financial liabilities designated as measured at fair value through profit or loss classified as level 2 are the funds raised from structured deposits, the fair value of which are determined based on the income approach. The majority of derivatives are classified as level 2 and valued using the income approach. For the valuation of financial instruments classified as level 2, all significant inputs are observable market data.

The financial assets classified as level 3 are primarily unlisted equity instruments. These financial assets are valued using the income approach and market approach, which incorporate the non-observable assumptions including discount rate and P/B ratio.

The Group upgraded certain financial instruments from Level 3 to Level 1 of the fair value hierarchy due to the fact that the valuation technique had changed or that certain previously unobservable significant inputs used in fair value measurements had now become observable.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value (continued)

(ii) Movements of fair value of financial instruments in level 3 of the fair value hierarchy

The following tables show a reconciliation from the opening balances to the ending balances for fair value measurement in level 3 of the fair value hierarchy:

	Six months ended 30 June 2026									
		Other financial assets measured at fair value through profit or loss		Financial assets measured at fair value through other comprehensive income						
	Positive fair value of derivatives	Debt securities	Equity instruments, funds and others	Bond investments	Debt investments	Equity instruments	Total assets	Financial liabilities measured at fair value through profit or loss	Negative fair value of derivatives	Total liabilities
As at 1 January 2026	3	3,383	147,918	957	456	28,363	181,080	(1,515)	(3)	(1,518)
Total gains or losses:										
In profit or loss	(1)	40	13,577	-	-	-	13,616	(1,103)	1	(1,102)
In other comprehensive income	-	-	-	10	(12)	(3,014)	(3,016)	-	-	-
Purchases	-	62	14,967	-	-	851	15,880	(106)	-	(106)
Sales, settlements and transfers out	-	(106)	(16,505)	-	-	-	(16,611)	106	-	106
As at 30 June 2026	2	3,379	159,957	967	444	26,200	190,949	(2,618)	(2)	(2,620)

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value (continued)

(ii) Movements of fair value of financial instruments in level 3 of the fair value hierarchy (continued)

	2025									
		Other financial assets measured at fair value through profit or loss		Financial assets measured at fair value through other comprehensive income						
	Positive fair value of derivatives	Debt securities	Equity instruments, funds and others	Bond investments	Debt investments	Equity instruments	Total assets	Financial liabilities measured at fair value through profit or loss	Negative fair value of derivatives	Total liabilities
As at 1 January 2025	4	3,472	145,807	960	41	18,441	168,725	(1,588)	(4)	(1,592)
Total gains or losses:										
In profit or loss	(1)	18	(1,459)	-	-	-	(1,442)	(161)	1	(160)
In other comprehensive income	-	-	-	(3)	(15)	(1,432)	(1,450)	-	-	-
Purchases	-	208	43,089	-	430	12,432	56,159	(346)	-	(346)
Sales, settlements and transfers out	-	(315)	(39,519)	-	-	(1,078)	(40,912)	580	-	580
As at 31 December 2025	3	3,383	147,918	957	456	28,363	181,080	(1,515)	(3)	(1,518)

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(c) Financial instruments measured at fair value (continued)

(ii) Movements of fair value of financial instruments in level 3 of the fair value hierarchy (continued)

In level 3 of the fair value hierarchy, total gains or losses included in profit or loss for the period in the above table are presented in net trading gain and net gain arising from investment securities.

Gains or losses on level 3 financial assets and liabilities included in the statement of comprehensive income comprise:

	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Net gains/(losses)	1,280	11,234	12,514	1,187	(1,341)	(154)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(d) Financial instruments not measured at fair value

(i) Financial assets

The Group's financial assets not measured at fair value mainly include cash and deposits with central banks, deposits and placements with banks and non-bank financial institutions, financial assets held under resale agreements, loans and advances to customers and financial assets measured at amortised cost.

Deposits with central banks, deposits and placements with banks and non-bank financial institutions and financial assets held under resale agreements

Deposits with central banks, deposits and placements with banks and non-bank financial institutions and financial assets held under resale agreements are mainly priced at market interest rates and mature within one year. Accordingly, the carrying values approximate to the fair values.

Loans and advances to customers

Majority of the loans and advances to customers measured at amortised cost are repriced at least annually to the market rate. Accordingly, their carrying values approximate to the fair values.

Financial assets measured at amortised cost

The following table shows the carrying values and the fair values of financial assets measured at amortised cost as at 30 June 2026 and 31 December 2025 which are not presented in the statement of financial position at their fair values.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(d) Financial instruments not measured at fair value (continued)

(i) Financial assets (continued)

	30 June 2026					31 December 2025				
	Carrying value	Fair value	Level 1	Level 2	Level 3	Carrying value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at amortised cost	8,593,174	9,113,552	9,532	9,070,705	33,315	7,739,652	8,207,460	5,791	8,158,832	42,837
Total	8,593,174	9,113,552	9,532	9,070,705	33,315	7,739,652	8,207,460	5,791	8,158,832	42,837

57 Risk management (continued)

(5) Fair value of financial instruments (continued)

(d) Financial instruments not measured at fair value (continued)

(ii) Financial liabilities

The Group's financial liabilities not measured at fair value mainly include borrowings from central banks, deposits and placements from banks and non-bank financial institutions, financial assets sold under repurchase agreements, deposits from customers, and debt securities issued. As at 30 June 2026, the collective fair value of subordinated bonds, non-capital TLAC bonds and the eligible Tier 2 capital bonds was RMB837,463 million (as at 31 December 2025: RMB725,160 million) and the collective carrying value was RMB826,607 million (as at 31 December 2025: RMB708,686 million), and the carrying values of other financial liabilities approximated to their fair values as at the end of the reporting period. The Group uses observable inputs to measure the fair values of subordinated bonds, non-capital TLAC bonds and eligible Tier 2 capital bonds issued, and classified them as level 2 of the fair value hierarchy.

(6) Offsetting financial assets and financial liabilities

Certain financial assets and financial liabilities of the Group are subject to enforceable master netting 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. These financial assets and financial liabilities of the Group are not offset.

In addition, financial assets and financial liabilities are offset against each other and reported as net amounts in the statement of financial position when certain agreements between the Group and its counterparties specify that both parties have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or by simultaneously realising the asset and settling the liability ("the offsetting criteria"). As at 30 June 2026, the amounts of financial assets and financial liabilities meeting the offsetting criteria are not material to the Group.

57 Risk management (continued)

(7) Insurance risk

The risk under an insurance contract is the possibility that the insured event occurs and the uncertainty in the resulting claim amount. By the very nature of an insurance contract, the risk is difficult to precisely predict or entails uncertainty. The principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance contract liabilities.

The Group manages the uncertainty of insurance risk through its underwriting strategy and policies to diversify underwriting risks, as well as adequate reinsurance arrangements, and enhanced underwriting control and claim control.

The Group makes related assumptions for insurance risks and recognises insurance contract liabilities. For long-term life insurance contracts and short-term life insurance contracts, the insurance risk may be aggravated by the difference between insurance risk assumptions and actual insurance risks, including assumptions on death events, relevant expenses, morbidity assumptions, the loss ratios assumptions and surrender rates assumptions, etc. For property and casualty insurance contracts, claims are often subject to factors such as natural disasters, catastrophes, and terrorist attacks. In addition, the insurance risk can also be affected by the policyholder’s termination of the contract, reduction of premiums, and refusal to pay premiums, i.e., the insurance risk is affected by the actions and decisions of the policyholder.

57 Risk management (continued)

(8) Capital management

The Bank has implemented comprehensive capital management, covering capital management policy design, capital projecting and planning, capital calculation, internal capital assessment, capital allocation, capital incentive, restriction and conduction, capital raising, monitoring and reporting, and applications of advanced approach of capital calculation in the management of the ordinary course of the business. General principles of capital management of the Bank are to continuously retain an adequate capital level, retain a certain margin of safety and a certain level of buffer based on that all regulatory requirements have been complied, and ensure that the capital can cover all kinds of risks adequately; exercise reasonable and effective capital allocation and strengthen capital restraint and incentive mechanism to support the strategic planning effectively and to restrict and conduct the business so as to increase the capital efficiency and return level continuously; consolidate capital strength, maintain relatively high capital quality, and reasonably apply a range of capital instruments to optimise capital structure based on the principle of leveraging both internal accumulation and external capital; continuously develop the advanced approach of capital management on the applications in the business management such as credit policies, credit approval and pricing.

Capital adequacy ratios are a reflection of the Group's ability to maintain a stable operation and resist adverse risks. In accordance with the NFRA's *Rules on Capital Management of Commercial Banks* and relevant regulations, commercial banks should meet the minimum capital requirements from 1 January 2024. The Common Equity Tier 1 ratio should be at or above a minimum of 5%, Tier 1 ratio at or above a minimum of 6% and the Total capital ratio at or above a minimum of 8%. Besides, capital conservation buffer requirements, additional buffer requirements of Global and Domestic Systemically Important Banks should also be met. If a countercyclical buffer is required or the Pillar 2 capital requirement is raised by the regulator to a specific commercial bank, the minimum requirements should be met within the transitional period.

57 Risk management (continued)

(8) Capital management (continued)

The Group timely monitors, analyses and reports capital adequacy ratios, assesses if the capital management objectives have been met and exercises effective management of capital adequacy ratios. The Group adopts various measures such as controlling asset growth, adjusting the structure of risk assets, increasing internal capital supply and raising capital through external channels, to ensure that the Common Equity Tier 1 ratio, Tier 1 ratio and Total capital ratio of the Group are in full compliance with regulatory requirements and meet internal management requirements. This helps to insulate against potential risks as well as support healthy business developments. The Group now fully complies with all regulatory requirements in this respect.

The Group's capital planning has taken the regulatory requirements, the Group's development strategy and risk appetite into consideration, and based on those factors the Group projects the capital usage and need.

The capital raising management of the Group involves reasonable utilisation of various capital instruments to ensure that both external regulatory and internal capital management objectives are met, taking into account capital planning and operating environment. This helps to optimise the Group's capital structure.

The Bank is required to calculate and disclose capital adequacy ratios in accordance with the *Rules on Capital Management of Commercial Banks*. Based on the scope of *Rules on Capital Management of Commercial Banks* as approve by regulators, the Bank measures: 1) credit risk exposure of eligible financial institutions and capital requirements for corporate credit risk exposure using preliminary internal rating approach; 2) capital requirements for retail credit risk exposure using advanced internal rating approach; 3) credit risk that has not been covered by internal rating approach using weighted approach; 4) market risk capital requirements using standard approach; and 5) operational risk capital requirements using standard approach. The Group calculates capital adequacy ratios using both advanced approach and other approaches for capital measurement in accordance with regulatory requirements and is in compliance with relevant requirements for capital floors.

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(8) Capital management (continued)

The Group's capital adequacy ratios calculated in accordance with the *Rules on Capital Management of Commercial Banks* issued by the NFRA as at the end of the reporting period are as follows:

	Note	30 June 2026	31 December 2025
Common Equity Tier 1 ratio	(a)(b)	14.24%	14.63%
Tier 1 ratio	(a)(b)	15.15%	15.47%
Total capital ratio	(a)(b)	19.42%	19.69%
Common Equity Tier 1 capital: instruments and reserves			
- Qualifying common share capital and capital reserve		490,891	490,687
- Surplus reserve		434,687	434,687
- General reserve		586,673	586,449
- Retained earnings		2,040,460	1,929,943
- Accumulated other comprehensive income		28,566	26,669
- Non-controlling interest given recognition in Common Equity Tier 1 capital		4,651	4,271
Common Equity Tier 1 capital: regulatory adjustments			
- Goodwill (net of deferred tax liabilities)		1,964	2,061
- Other intangible assets (excluding land use rights) (net of deferred tax liabilities)		4,316	4,970
- Net deferred tax assets relying on future profitability and arising from operating losses		16	-
- Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet		564	823
- Directly or indirectly investments in own shares		2	-
Additional Tier 1 capital: instruments			
- Qualifying Additional Tier 1 instruments		229,977	199,977
- Non-controlling interest given recognition in Additional Tier 1 capital		151	142
Additional Tier 1 capital: regulatory adjustments			
- Significant investments in the Additional Tier 1 capital of financial institutions outside the regulatory scope of consolidation		1,140	1,188
Tier 2 capital: instruments and provisions			
- Qualifying Tier 2 instruments		698,513	638,904
- Non-controlling interest given recognition in Tier 2 capital		247	229
- Provisions in Tier 2		373,177	360,510
Common Equity Tier 1 capital	(c)	3,579,066	3,464,852
Tier 1 capital	(c)	3,808,054	3,663,783
Total capital	(c)	4,879,991	4,663,426
Risk-weighted assets	(d)	25,132,550	23,685,171

57 Risk management (continued)

(8) Capital management (continued)

Notes:

(a) The Common Equity Tier 1 ratio is calculated by dividing the Common Equity Tier 1 Capital after deduction by risk-weighted assets. Tier 1 ratio is calculated by dividing the Tier 1 Capital after deduction by risk-weighted assets. Total capital ratio is calculated by dividing the Total capital after deduction by risk-weighted assets.

(b) The scope for calculating capital adequacy ratios of the Group includes all the domestic and overseas branches and subsidiaries in the financial sector (excluding insurance companies).

(c) Common Equity Tier 1 capital is calculated by netting off the corresponding deduction items from the Common Equity Tier 1 capital before regulatory adjustments. Tier 1 capital is calculated by netting off the corresponding deduction items from the Tier 1 capital before regulatory adjustments. Total capital is calculated by netting off the corresponding deduction items from the Total capital before regulatory adjustments.

(d) Risk-weighted assets after applying capital floor requirements and making necessary adjustments.

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Assets:		
Cash and deposits with central banks	2,610,296	3,038,074
Deposits with banks and non-bank financial institutions	146,978	146,067
Precious metals	198,488	189,826
Placements with banks and non-bank financial institutions	917,134	923,962
Positive fair value of derivatives	71,538	46,766
Financial assets held under resale agreements	237,544	840,850
Loans and advances to customers	28,023,342	26,517,673
Financial investments		
Financial assets measured at fair value through profit or loss	602,358	566,403
Financial assets measured at amortised cost	8,525,307	7,671,704
Financial assets measured at fair value through other comprehensive income	4,124,292	3,985,259
Long-term equity investments	103,199	103,054
Investments in consolidated structured entities	20,497	30,186
Fixed assets	102,210	103,617
Construction in progress	2,677	5,752
Land use rights	10,706	11,036
Intangible assets	3,964	4,565
Deferred tax assets	140,908	135,806
Other assets	355,535	263,905
Total assets	46,196,973	44,584,505

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank (continued)

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Liabilities:		
Borrowings from central banks	1,477,901	1,096,265
Deposits from banks and non-bank financial institutions	4,272,272	4,265,513
Placements from banks and non-bank financial institutions	372,064	423,839
Financial liabilities measured at fair value through profit or loss	340,913	299,023
Negative fair value of derivatives	42,419	87,305
Financial assets sold under repurchase agreements	1,395,700	1,447,531
Deposits from customers	31,429,153	30,467,754
Accrued staff costs	59,949	63,845
Taxes payable	26,269	28,690
Provisions	24,292	25,456
Debt securities issued	2,794,233	2,547,523
Deferred tax liabilities	163	193
Other liabilities	258,444	260,911
Total liabilities	42,493,772	41,013,848

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank (continued)

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Equity:		
Share capital	261,600	261,600
Other equity instruments		
Preference shares	59,977	59,977
Perpetual bonds	170,000	140,000
Capital reserve	228,177	228,179
Other comprehensive income	35,882	27,876
Surplus reserve	434,687	434,687
General reserve	573,299	573,292
Retained earnings	1,939,579	1,845,046
Total equity	3,703,201	3,570,657
Total liabilities and equity	46,196,973	44,584,505

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

Zhang Jinliang	Zhang Yi	Yin Pengfei
Chairman and executive director	*Vice chairman, executive director and president*	*Person in charge of finance& accounting department*

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank (continued)

	(Unaudited)								
		Other equity instruments							
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total equity
As at 1 January 2026	261,600	59,977	140,000	228,179	27,876	434,687	573,292	1,845,046	3,570,657
Movements during the period	-	-	30,000	(2)	8,006	-	7	94,533	132,544
(1)Total comprehensive income for the period	-	-	-	-	8,006	-	-	148,415	156,421
(2)Changes in share capital									
i.Capital injection by other equity instruments holders	-	-	30,000	(2)	-	-	-	-	29,998
(3)Profit distribution									
i.Appropriation to general reserve	-	-	-	-	-	-	7	(7)	-
ii.Dividends to ordinary shareholders	-	-	-	-	-	-	-	(53,079)	(53,079)
iii.Dividends to other equity instrument holders	-	-	-	-	-	-	-	(796)	(796)
As at 30 June 2026	261,600	59,977	170,000	228,177	35,882	434,687	573,299	1,939,579	3,703,201

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank (continued)

	(Unaudited)								
		Other equity instruments							
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total equity
As at 1 January 2025	250,011	59,977	100,000	134,802	64,560	402,196	522,757	1,708,688	3,242,991
Movements during the period	11,589	-	40,000	93,377	(14,328)	-	9	103,991	234,638
(1)Total comprehensive income for the period	-	-	-	-	(14,328)	-	-	155,502	141,174
(2)Changes in share capital									
i.Capital injection by shareholders	11,589	-	-	93,380	-	-	-	-	104,969
ii.Capital injection by other equity instruments holders	-	-	40,000	(3)	-	-	-	-	39,997
(3)Profit distribution									
i.Appropriation to general reserve	-	-	-	-	-	-	9	(9)	-
ii.Dividends to ordinary shareholders	-	-	-	-	-	-	-	(51,502)	(51,502)
As at 30 June 2025	261,600	59,977	140,000	228,179	50,232	402,196	522,766	1,812,679	3,477,629

(Expressed in millions of RMB, unless otherwise stated)

58 Statement of financial position and statement of changes in equity of the Bank (continued)

	(Audited)								
		Other equity instruments							
	Share capital	Preference shares	Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total equity
As at 1 January 2025	250,011	59,977	100,000	134,802	64,560	402,196	522,757	1,708,688	3,242,991
Movements during the year	11,589	-	40,000	93,377	(36,684)	32,491	50,535	136,358	327,666
(1)Total comprehensive income for the year	-	-	-	-	(36,684)	-	-	324,911	288,227
(2)Changes in share capital									
i.Capital injection by shareholders	11,589	-	-	93,380	-	-	-	-	104,969
ii.Capital injection by other equity instruments holders	-	-	40,000	(3)	-	-	-	-	39,997
(3)Profit distribution									
i.Appropriation to surplus reserve	-	-	-	-	-	32,491	-	(32,491)	-
ii.Appropriation to general reserve	-	-	-	-	-	-	50,535	(50,535)	-
iii.Dividends to ordinary shareholders	-	-	-	-	-	-	-	(100,107)	(100,107)
iv.Dividends to other equity instrument holders	-	-	-	-	-	-	-	(5,420)	(5,420)
As at 31 December 2025	261,600	59,977	140,000	228,179	27,876	434,687	573,292	1,845,046	3,570,657

59 Events after the reporting period

On 24 July 2026, the Group completed the issuance of RMB60.00 billion ten-year, fixed-rate Tier 2 capital bonds with a coupon rate of 1.88%, and the issuer shall have a conditional redemption right at the end of the fifth year. On 24 August 2026, the Group completed the issuance of RMB50.00 billion total loss-absorbing capacity ("TLAC") non-capital bonds, which consisted of two types: 1) RMB35.00 billion four-year, fixed-rate bond with a coupon rate of 1.68% and the issuer shall have a conditional redemption right at the end of the third year; 2) RMB15.00 billion six-year, fixed-rate bond with a coupon rate of 1.80% and the issuer shall have a conditional redemption right at the end of the fifth year.

On 10 August 2026, the Group exercised its right to redeem all RMB65.00 billion fixed-rate Tier 2 capital bonds issued in the domestic market on 6 August 2021 with a coupon rate of 3.45%.

60 Comparative figures

The presentation of certain comparative figures has been adjusted to conform with the presentation and disclosures in the current period.

61 Ultimate parent

As stated in Note 1, the immediate and ultimate parents of the Group are Huijin and CIC, respectively.

(Expressed in millions of RMB, unless otherwise stated)

62 Possible impact of amendments, new standards and interpretations issued but not yet effective

Up to the date of issue of the financial statements, the IASB has issued the following amendments, new standards and interpretations which are relevant to the Group. These amendments, new standards and interpretations are not yet effective for the period ended 30 June 2026 and have not been adopted in the financial statements.

	Standards	Effective for annual periods beginning on or after
(1)	Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Effective date has been deferred indefinitely
(2)	IFRS 18 *Presentation* and *Disclosure in Financial Statements (New)*	1 January 2027
(3)	IFRS 19 *Subsidiaries without Public Accountability: Disclosures (New)*	1 January 2027
(4)	Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
(5)	Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
(6)	IFRS 20 *Regulatory Assets and Regulatory Liabilities (New)*	1 January 2029
(7)	Amendments to IAS 28 *the Fair Value Option for Investments in Associates and Joint Ventures*	Applied when an entity first applies IFRS 18

The Group anticipates that the adoption of the new standards and amendments will not have a significant impact on the Group's consolidated financial statements.

62 Possible impact of amendments, new standards and interpretations issued but not yet effective (continued)

(1) Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The narrow-scope amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a "business" (as defined in IFRS 3 "*Business Combinations*").

Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.

(2) IFRS 18 *Presentation and Disclosure in Financial Statements* (New)

The IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*, replacing IAS 1 *Presentation of Financial Statements*. Compared with the current IAS 1, the new requirements in IFRS 18 mainly include: introducing three new categories for income and expenses – operating, investing and financing – to improve the structure of the income statement; requiring the disclosures of management-defined performance measures to improve the transparency of performance indicators defined by management; and strengthening information aggregation and disaggregation to further improve the usefulness of information in financial statements in decision-making.

(3) IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (New)

The IASB issued IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, which allows voluntary adoption by eligible subsidiaries to reduce the cost of preparing their own financial statements.

IFRS 19 is a disclosure-only standard which specifies reduced disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards (except in exceptional circumstances). However, such eligible subsidiaries should still apply the recognition, measurement and presentation requirements in other IFRS Accounting Standards.

IFRS 19 allows an eligible subsidiary to voluntarily apply or revoke its election to apply the standard. An entity may apply IFRS 19 more than once – for example, an entity that applied IFRS 19 in a prior period but not in the immediately preceding period may elect to apply IFRS 19 in the current period.

62 Possible impact of amendments, new standards and interpretations issued but not yet effective (continued)

(4) Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

The IASB issued Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. The amendments reduce disclosure requirements for new and amended IFRS Accounting Standards issued between February 2021 and May 2024, which had previously been included in full in IFRS 19.

The main disclosure requirements which are now reduced include: (i) remove disclosure objectives from IFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 for entities that use these measures.

(5) Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*

The IASB issued Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*, which require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures.

The amendments apply for annual periods beginning on or after 1 January 2027 and earlier application is permitted.

62 Possible impact of amendments, new standards and interpretations issued but not yet effective (continued)

(6) IFRS 20 *Regulatory Assets and Regulatory Liabilities* (New)

The IASB issued IFRS 20 *Regulatory Assets and Regulatory Liabilities*. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS Accounting Standards, including IFRS 15 *Revenue from Contracts with Customers*. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting period and the related rights and obligations. The income, expenses, assets and liabilities an entity reports by applying IFRS 20 supplement, but do not replace, the information the entity provides by applying IFRS 15 and other IFRS Accounting Standards.

(7) Amendments *to* IAS 28 *the Fair Value Option for Investments in Associates and Joint Ventures*

The IASB issued *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*. The amendments clarify which entities can apply the fair value option in IAS 28 *Investments in Associates and Joint Ventures*. The amendments respond to stakeholder feedback highlighting diversity in practice in applying the fair value option and how this interacts with the classification requirements introduced by IFRS 18.

The amendments do not change the requirements in IFRS 18 for the classification of income and expenses. The classification of income and expenses arising from investments in associates and joint ventures measured at fair value, is determined by applying paragraphs 53 and 55 of IFRS 18, including the assessment of whether the reporting entity has a main business activity of investing in associates, joint ventures and unconsolidated subsidiaries.

The amendments are applied when an entity first applies IFRS 18. If an entity elects to apply IFRS 18 for an earlier period, the amendments are applied consistently with that early application. However, if IFRS 18 is applied early for a period beginning before the issuance of the amendments, entities apply the amendments for the first reporting period ending on or after their issuance.

Unaudited supplementary financial information
(Expressed in millions of RMB unless otherwise stated)

The following information of the Group does not form part of the reviewed financial statements, and is included herein for information purposes only.

1 Difference between the financial statements prepared under IFRS Accounting Standards and those prepared in accordance with PRC GAAP

China Construction Bank Corporation (the "Bank") prepares consolidated financial statements, which include the financial statements of the Bank and its subsidiaries (collectively the "Group"), in accordance with IFRS Accounting Standards and its interpretations promulgated by the International Accounting Standards Board and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As a financial institution incorporated in the People's Republic of China (the "PRC") and listed on the Shanghai Stock Exchange, the Group also prepares its consolidated financial statements for the six months ended 30 June 2026 in accordance with the *Accounting Standards for Business Enterprises* and other relevant regulations issued by the regulatory bodies of the PRC (collectively "PRC GAAP and regulations").

There is no difference in the net profit for the six months ended 30 June 2026 or total equity as at 30 June 2026 between the Group's consolidated financial statements prepared under IFRS Accounting Standards and those prepared under PRC GAAP and regulations.

Unaudited supplementary financial information

(Expressed in millions of RMB unless otherwise stated)

2 Currency concentrations

	30 June 2026			
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	1,180,245	363,861	551,176	2,095,282
Spot liabilities	(1,001,877)	(570,694)	(345,769)	(1,918,340)
Forward purchases	1,996,127	533,095	496,992	3,026,214
Forward sales	(2,188,376)	(273,309)	(672,547)	(3,134,232)
Net option position	(294)	(131)	(36)	(461)
Net (short)/long position	(14,175)	52,822	29,816	68,463
Net structural position	58,834	3,435	136	62,405

	31 December 2025			
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	1,046,547	355,121	501,900	1,903,568
Spot liabilities	(1,047,201)	(607,080)	(325,064)	(1,979,345)
Forward purchases	3,388,012	544,604	354,980	4,287,596
Forward sales	(3,395,800)	(252,624)	(504,594)	(4,153,018)
Net option position	(4,132)	(6)	(207)	(4,345)
Net (short)/long position	(12,574)	40,015	27,015	54,456
Net structural position	57,175	2,126	578	59,879

The net option position is calculated using the delta equivalent approach required by the Hong Kong Monetary Authority (the "HKMA"). The net structural position of the Group includes the structural positions of the Bank's overseas branches, banking subsidiaries and other subsidiaries substantially involved in the foreign exchange. Structural assets and liabilities include:

- investments in property and equipment, net of accumulated depreciation;

- capital and statutory reserves of overseas branches; and

- investments in overseas subsidiaries and related companies.

Unaudited supplementary financial information
(Expressed in millions of RMB unless otherwise stated)

3 International claims

The Group is principally engaged in business operations within the Chinese mainland. The international claims of the Group are the sum of cross-border claims in all currencies and local claims in foreign currencies.

International claims include loans and advances to customers, deposits with central banks, deposits and placements with banks and non-bank financial institutions, holdings of trade bills and certificates of deposit and investment securities.

International claims have been disclosed by country or geographical area. A country or geographical area is reported where it constitutes 10% or more of the aggregate amount of international claims, after taking into account any risk transfers. Risk transfers are only made if the Group reduces its exposure to a particular country/region by an effective transfer of credit risk to a different country/region with the use of credit risk mitigation which include guarantees, collateral and credit derivatives.

	30 June 2026				
	Banks	Public sector entities	Non-bank private institutions	Others	Total
Asia Pacific	423,874	148,013	637,896	66,650	1,276,433
- of which attributed to Hong Kong	42,864	37,163	313,723	17,532	411,282
Europe	120,762	84,515	90,521	534	296,332
North and South America	51,420	180,046	103,932	394	335,792
Total	596,056	412,574	832,349	67,578	1,908,557

	31 December 2025				
	Banks	Public sector entities	Non-bank private institutions	Others	Total
Asia Pacific	392,688	193,606	588,934	48,815	1,224,043
- of which attributed to Hong Kong	37,025	53,329	309,683	8,316	408,353
Europe	49,839	56,254	92,551	-	198,644
North and South America	26,445	227,759	78,193	-	332,397
Total	468,972	477,619	759,678	48,815	1,755,084

(Expressed in millions of RMB unless otherwise stated)

4 Overdue loans and advances to customers by geographical sector

	30 June 2026	31 December 2025
Pearl River Delta	70,464	72,352
Bohai Rim	51,121	45,324
Central	47,819	44,392
Western	44,552	40,116
Yangtze River Delta	44,133	37,395
Head office	16,611	16,785
North-eastern	15,088	13,755
Overseas	4,680	6,623
Total	294,468	276,742

According to regulatory requirements, the above analysis represents the gross amount of loans and advances to customers overdue for more than three months.

Loans and advances to customers with a specific repayment date are classified as overdue when the principal or interest is overdue.

Loans and advances to customers repayable on demand are classified as overdue when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instructions. If the loans and advances to customers repayable on demand are outside the approved limit that was advised to the borrower, they are also considered to be overdue.

5 Exposures to non-banks in the Chinese mainland

The Bank is a commercial bank incorporated in the Chinese mainland with its banking business primarily conducted in the Chinese mainland. As at 30 June 2026, substantial amounts of the Bank's exposures arose from businesses with the Chinese mainland entities or individuals. Analyses of various types of exposures by counterparty have been disclosed in the respective notes to the financial statements.