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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 2025

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 2025 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

29 August 2025

As of the date of this announcement, the executive directors of the Bank are Mr. Zhang Jinliang, Mr. Zhang Yi and Mr. Ji Zhihong; the non-executive directors of the Bank are Ms. Xin Xiaodai, Ms. Liu Fang, Ms. Li Lu, Ms. Li Li and Mr. Dou Hongquan; and the independent non-executive directors of the Bank are Mr. William Coen, Mr. Leung Kam Chung, Antony, Lord Sassoon, Mr. Lin Zhijun and Mr. Zhang Weiguo.

IMPORTANT NOTICE

The Board, the board of supervisors, directors, supervisors and senior management of the Bank warrant that the information in this half-year report is truthful, accurate and complete and there are 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 29 August 2025. A total of 13 directors of the Bank attended the meeting.

The Board proposed an interim cash dividend of RMB1.858 per ten shares (including tax) for 2025 to all ordinary shareholders. The Bank does not propose any capitalisation of capital reserve into share capital.

The Group's 2025 half-year financial statements prepared under PRC GAAP have been reviewed by Ernst & Young Hua Ming LLP, and the Group's 2025 half-year financial statements prepared under IFRS 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. Liu Fanggen, general manager 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 include credit risk, market risk, interest rate risk management of banking book, operational risk, liquidity risk, reputational risk, country risk, IT risk and strategic risk. We took proactive measures to effectively manage the risks above. 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 any discrepancy between the two versions, the Chinese version shall prevail.

CONTENTS

DEFINITIONS

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

Abbreviations of organisations	
MOF	Ministry of Finance 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.
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
Ping An Group	Ping An Insurance (Group) Company of China, Ltd.
Ping An Asset Management	Ping An Asset Management Co., Ltd.
Ping An Life Insurance	Ping An Life Insurance Company of China, Ltd.
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
Five Priorities	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
Two Key Tasks	Implementation of key national strategies and building of safety capabilities in key areas
Two Renewals	The new round of large-scale equipment renewal and trade-ins of consumer goods
RCEP	Regional Comprehensive Economic Partnership
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
Binary Stars	Mobile banking + “CCB Lifestyle”
CCB Huidongni	An integrated ecological service platform built by the Bank for inclusive finance customers by using the Internet, big data, artificial intelligence and biometric technologies

Yunong Loan	A loan product provided by the Bank for agriculture-related proprietors, farmers mainly, which includes “Yunong Quick Loan” and “Yunongdai” product system
Yunongtong	The Bank's comprehensive financial service platform to support rural revitalisation through offline service sites, online app and WeChat ecology
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
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	*International Financial Reporting Standard No. 9 - Financial Instruments* issued by International Accounting Standards Board, which came into effect on 1 January 2018
IFRS	International Financial Reporting Standards
AML	Anti-money laundering
ESG	Environmental, Social and Governance
FLMs	Financial large models
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 and expressed in RMB unless otherwise stated.

(Expressed in millions of RMB unless otherwise stated)	Six months ended 30 June 2025	Six months ended 30 June 2024	Change (%)	Six months ended 30 June 2023
For the period				
Operating income	**385,905**	374,831	2.95	388,155
Net interest income	**286,709**	296,059	(3.16)	312,185
Net fee and commission income	**65,218**	62,696	4.02	70,601
Operating expenses	**(95,503)**	(94,388)	1.18	(95,987)
Credit impairment losses	**(107,652)**	(87,654)	22.81	(95,414)
Other impairment losses	**(10)**	17	N/A	46
Profit before tax	**182,441**	193,012	(5.48)	197,264
Net profit	**162,638**	165,039	(1.45)	167,295
Net profit attributable to equity shareholders of the Bank	**162,076**	164,326	(1.37)	167,344
Net cash from operating activities	**1,256,614**	290,805	332.12	814,615
Per share (In RMB)				
Basic and diluted earnings per share[1]	**0.65**	0.66	(1.52)	0.67
Profitability indicators (%)			**Change** +/(-)	
Annualised return on average assets[2]	**0.77**	0.84	(0.07)	0.92
Annualised return on average equity[1]	**10.08**	10.82	(0.74)	11.95
Net interest margin	**1.40**	1.54	(0.14)	1.79
Net fee and commission income to operating income	**16.90**	16.73	0.17	18.19
Cost-to-income ratio[3]	**23.72**	24.15	(0.43)	23.72

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 2025	31 December 2024	Change (%)	31 December 2023
At the end of the period				
Total assets	**44,432,848**	40,571,149	9.52	38,324,826
Net loans and advances to customers	**26,575,492**	25,040,400	6.13	23,083,377
Total liabilities	**40,847,989**	37,227,184	9.73	35,152,752
Deposits from customers	**30,469,491**	28,713,870	6.11	27,654,011
Total equity	**3,584,859**	3,343,965	7.20	3,172,074
Total equity attributable to equity shareholders of the Bank	**3,563,298**	3,322,127	7.26	3,150,145
Share capital	**261,600**	250,011	4.64	250,011
Common Equity Tier 1 capital[1]	**3,367,925**	3,165,549	6.39	2,944,386
Additional Tier 1 capital[1]	**198,896**	158,875	25.19	200,088
Tier 2 capital[1]	**1,015,750**	978,839	3.77	876,187
Total capital[1]	**4,582,571**	4,303,263	6.49	4,020,661
Risk-weighted assets[1]	**23,483,601**	21,854,590	7.45	22,395,908
Per share (In RMB)				
Net assets per share attributable to ordinary shareholders of the Bank	**12.86**	12.65	1.66	11.80
Capital adequacy indicators (%)			**Change** +/(-)	
Common Equity Tier 1 ratio[1]	**14.34**	14.48	(0.14)	13.15
Tier 1 ratio[1]	**15.19**	15.21	(0.02)	14.04
Total capital ratio[1]	**19.51**	19.69	(0.18)	17.95
Total equity to total assets	**8.07**	8.24	(0.17)	8.28
Asset quality indicators (%)			**Change** +/(-)	
Non-performing loan (NPL) ratio	**1.33**	1.34	(0.01)	1.37
Allowances to NPLs[2]	**239.40**	233.60	5.80	239.85
Allowances to total loans[2]	**3.18**	3.12	0.06	3.28

1. The Group has measured its data in accordance with relevant rules of the *Rules on Capital Management of Commercial Banks* since 2024. Data for 2023 were measured in accordance with relevant rules of the *Capital Rules for Commercial Banks (Provisional)*.
2. Allowances for impairment losses on loans include the allowances for impairment losses on discounted bills measured at fair value through other comprehensive income. 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
"HKEXnews" website of Hong Kong Exchanges and Clearing Limited for publishing the half-year report prepared in accordance with IFRS	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: 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: 25 June 2025 to 31 December 2026

3 MANAGEMENT DISCUSSION AND ANALYSIS

3.1 FINANCIAL REVIEW

In the first half of 2025, the external environment became increasingly complex and challenging, with weakening global growth momentum, rising trade protectionism, and diverging economic performances among major economies. Uncertainties persisted regarding inflation trends and adjustments to monetary policies. China's economy maintained overall stability and scored gradual progress, demonstrating enhanced vitality and resilience, with key economic indicators performing well. Reform and opening-up initiatives were progressively deepened. Moreover, new growth drivers recorded accelerated development and expansion. In the first half of 2025, China's GDP grew by 5.3% year on year, an increase of 0.3 percentage points compared to both the first half and the full year of 2024.[1] However, economic operations still face numerous risks and challenges with multiple external unstable and uncertain factors, and continued efforts to cement the foundation for economic recovery and improvement are needed.

Economic and financial regulatory authorities have stepped up efforts to implement more proactive and effective macroeconomic policies. On one hand, the regulators implemented front-loaded proactive fiscal policies, focusing on key areas such as boosting consumption and stabilising employment and economic performance in China. Leveraging on policy tools such as Chinese ultra-long-term special treasury bonds, government bonds, fiscal subsidies, and subsidies on interest payment of loans, policies were introduced to actively expand effective investments to prop up economic and social development. On the other hand, prudent monetary policies implemented by the regulators maintained a moderately accommodative stance, with timely reserve requirement ratio and interest rate cuts. Total financial assets maintained reasonable growth. At the end of June 2025, China's outstanding aggregate financing to the real economy grew by 8.9% year on year, while broad money supply (M2) and RMB loans increased by 8.3% and 7.1% year on year, respectively. The cost of financing to the real economy continued to trend lower. In the first half of 2025, the weighted average interest rate of newly issued corporate loans and interest rate of residential mortgages decreased by approximately 45 basis points and 60 basis points year on year, respectively.[2] Major financial markets, including equity, bond, foreign exchange and commodity markets, remained stable. Regulators coordinated their efforts to prevent risks, strengthen supervision, and promote development. Specifically, regulators took robust and systematic measures to prevent and mitigate risks in key areas, firmly safeguarding the bottom line of wiping out systematic financial risk. They constantly enhanced regulatory effectiveness to standardise business conduct of financial institutions, advance the protection of consumer rights and interests, and guide the banking sector in boosting high-quality development. Additionally, regulators exerted efforts to expand domestic demand on all fronts, facilitated initiatives to boost consumption, enhanced financing support for effective investments, actively fostered new quality productive forces, and advanced the "Five Priorities" of finance, thus underpinning the upward trajectory of China's economy toward excellence.

Boasting a vast and solid customer base, a dedicated team of employees capable of meeting challenges head-on, a distinguished tradition of reform and innovation, a comprehensive and proactive intelligent risk control system, and market-leading quality and efficiency of operations, CCB has consistently grown in tandem with China's economic development. In the first half of 2025, the Group achieved steady and coordinated growth in its assets and liabilities, maintained robust and orderly risk control, and delivered operating results in line with expectations. The Group's total assets reached RMB44.43 trillion, an increase of 9.52% over the end of 2024, of

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1 Source: National Bureau of Statistics
2 Source: the PBOC

which net loans and advances to customers were RMB26.58 trillion, an increase of 6.13%. Total liabilities amounted to RMB40.85 trillion, an increase of 9.73%, of which deposits from customers totalled RMB30.47 trillion, an increase of 6.11%. The Bank completed the issuance of A-shares to the MOF, with proceeds of RMB105.0 billion. Operating income amounted to RMB385,905 million, and net profit reached RMB162,638 million. The annualised return on average assets, annualised return on average equity, cost-to-income ratio, total capital ratio, and NPL ratio were 0.77%, 10.08%, 23.72%, 19.51%, and 1.33%, respectively.

3.1.1 Statement of Comprehensive Income Analysis

In the first half of 2025, the Group's net profit was RMB162,638 million, of which net profit attributable to equity shareholders of the Bank was RMB162,076 million. The Group's operating income was RMB385,905 million, an increase of 2.95% over the same period last year. Specifically, the Group's net interest income was RMB286,709 million, a decrease of 3.16% from the same period last year, due to the effect of such factors as repricing of loan prime rate (LPR) and adjustments to interest rates on outstanding residential mortgages; net fee and commission income was RMB65,218 million, an increase of 4.02% over the same period last year, due to continuous improvement of comprehensive financial service capabilities; other net non-interest income was RMB33,978 million, an increase of 111.36% over the same period last year, due to optimised investment and trading strategies.

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 2025**	**Six months ended 30 June 2024**	**Change (%)**
Net interest income	**286,709**	296,059	(3.16)
Net non-interest income	**99,196**	78,772	25.93
– Net fee and commission income	**65,218**	62,696	4.02
Operating income	**385,905**	374,831	2.95
Operating expenses	**(95,503)**	(94,388)	1.18
Credit impairment losses	**(107,652)**	(87,654)	22.81
Other impairment losses	**(10)**	17	N/A
Share of (losses)/profits of associates and joint ventures	**(299)**	206	(245.15)
Profit before tax	**182,441**	193,012	(5.48)
Income tax expense	**(19,803)**	(27,973)	(29.21)
Net profit	**162,638**	165,039	(1.45)
Net profit attributable to equity shareholders of the Bank	**162,076**	164,326	(1.37)

Net interest income

In the first half of 2025, the Group's net interest income amounted to RMB286,709 million, a decrease of RMB9,350 million, or 3.16% from the same period last year. Net interest income accounted for 74.30% 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 2025			Six months ended 30 June 2024		
	Average balance	Interest income/ expense	Annualised average yield/cost (%)	Average balance	Interest income/ expense	Annualised average yield/cost (%)
Assets						
Gross loans and advances to customers	**26,728,734**	**392,176**	**2.96**	24,824,644	438,288	3.55
Financial investments	**10,463,974**	**150,146**	**2.89**	9,180,919	143,474	3.14
Deposits with central banks	**2,621,175**	**21,257**	**1.64**	2,719,203	22,753	1.68
Deposits and placements with banks and non-bank financial institutions	**925,318**	**9,652**	**2.10**	903,699	13,739	3.06
Financial assets held under resale agreements	**705,223**	**6,026**	**1.72**	940,772	8,760	1.87
Total interest-earning assets	**41,444,424**	**579,257**	**2.82**	38,569,237	627,014	3.27
Total allowances for impairment losses	**(843,502)**			(811,884)		
Non-interest-earning assets	**2,068,998**			1,832,356		
Total assets	**42,669,920**	**579,257**		39,589,709	627,014	
Liabilities						
Deposits from customers	**28,954,271**	**201,123**	**1.40**	28,031,718	239,467	1.72
Deposits and placements from banks and non-bank financial institutions	**3,842,269**	**38,062**	**2.00**	3,650,883	46,398	2.56
Debt securities issued	**2,712,689**	**34,180**	**2.54**	1,806,204	29,816	3.32
Borrowings from central banks	**937,287**	**10,222**	**2.20**	1,095,506	14,062	2.58
Financial assets sold under repurchase agreements	**997,751**	**8,961**	**1.81**	71,932	1,212	3.39
Total interest-bearing liabilities	**37,444,267**	**292,548**	**1.58**	34,656,243	330,955	1.92
Non-interest-bearing liabilities	**1,802,976**			1,661,394		
Total liabilities	**39,247,243**	**292,548**		36,317,637	330,955	
Net interest income		**286,709**			296,059	
Net interest spread			**1.24**			1.35
Net interest margin			**1.40**			1.54

In the first half of 2025, the Group implemented multiple measures including adjusting the composition of assets and liabilities and strengthening pricing management in response to market interest rate fluctuations, striving to maintain its net interest margin at a reasonable level. Due to multiple factors such as decline of LPR and low market interest rates, asset yield was lower than that of the first half of 2024. Cost of interest-bearing liabilities witnessed a smaller drop as compared with asset yield, due to factors such as asymmetric interest rate reduction, slower pace of interest rates cuts of deposits compared to loans, and structural changes. As a result, net interest margin was 1.40%.

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 2025 as compared with the same period last year.

(In millions of RMB)	Volume factor[1]	Interest rate factor[1]	Change in interest income/expense
Assets			
Gross loans and advances to customers	31,310	(77,422)	(46,112)
Financial investments	18,752	(12,080)	6,672
Deposits with central banks	(901)	(595)	(1,496)
Deposits and placements with banks and non-bank financial institutions	320	(4,407)	(4,087)
Financial assets held under resale agreements	(2,071)	(663)	(2,734)
Change in interest income	47,410	(95,167)	(47,757)
Liabilities			
Deposits from customers	7,609	(45,953)	(38,344)
Deposits and placements from banks and non-bank financial institutions	2,308	(10,644)	(8,336)
Debt securities issued	12,490	(8,126)	4,364
Borrowings from central banks	(1,901)	(1,939)	(3,840)
Financial assets sold under repurchase agreements	8,566	(817)	7,749
Change in interest expense	29,072	(67,479)	(38,407)
Change in net interest income	18,338	(27,688)	(9,350)

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 decreased by RMB9,350 million from the same period last year. Specifically, the movement of average balances of assets and liabilities pushed up net interest income by RMB18,338 million, while the movements of average yields and costs pushed down net interest income by RMB27,688 million.

Interest income

In the first half of 2025, the Group's interest income amounted to RMB579,257 million, a decrease of RMB47,757 million, or 7.62% from the same period last year. Specifically, 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 67.70%, 25.92%, 3.67%, 1.67% and 1.04% 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 2025			Six months ended 30 June 2024		
	Average balance	Interest income	Annualised average yield (%)	Average balance	Interest income	Annualised average yield (%)
Domestic loans and advances of the Bank	**25,812,078**	**369,028**	**2.88**	23,925,618	411,696	3.46
Corporate loans and advances	**15,201,845**	**215,227**	**2.86**	14,266,572	232,806	3.28
Short-term loans	**4,299,285**	**57,494**	**2.70**	4,008,746	61,651	3.09
Medium to long-term loans	**10,902,560**	**157,733**	**2.92**	10,257,826	171,155	3.36
Personal loans and advances	**8,959,534**	**146,248**	**3.29**	8,702,325	173,024	4.00
Short-term loans	**1,336,017**	**22,983**	**3.47**	1,294,824	23,559	3.66
Medium to long-term loans	**7,623,517**	**123,265**	**3.26**	7,407,501	149,465	4.06
Discounted bills	**1,650,699**	**7,553**	**0.92**	956,721	5,866	1.23
Overseas operations and subsidiaries	**916,656**	**23,148**	**5.09**	899,026	26,592	5.95
Gross loans and advances to customers	**26,728,734**	**392,176**	**2.96**	24,824,644	438,288	3.55

Interest income from loans and advances to customers amounted to RMB392,176 million, a decrease of RMB46,112 million, or 10.52% from the same period last year, mainly due to the 59 basis points drop in the annualised average yield of loans and advances to customers from the same period last year.

Interest income from financial investments amounted to RMB150,146 million, an increase of RMB6,672 million, or 4.65% over the same period last year, mainly due to the 13.98% increase of the average balance of financial investments over the same period last year.

Interest income from deposits with central banks amounted to RMB21,257 million, a decrease of RMB1,496 million, or 6.57% from the same period last year, mainly due to the 3.61% decrease in the average balance of deposits with central banks and the four basis points drop in the annualised average yield from the same period last year.

Interest income from deposits and placements with banks and non-bank financial institutions amounted to RMB9,652 million, a decrease of RMB4,087 million, or 29.75% from the same period last year, mainly due to the 96 basis points drop in the annualised average yield of deposits and placements with banks and non-bank financial institutions from the same period last year.

Interest income from financial assets held under resale agreements amounted to RMB6,026 million, a decrease of RMB2,734 million, or 31.21% from the same period last year, mainly due to the 25.04% decrease in the average balance of financial assets held under resale agreements and the 15 basis points drop in the annualised average yield from the same period last year.

Interest expense

In the first half of 2025, the Group's interest expense was RMB292,548 million, a decrease of RMB38,407 million, or 11.60% from the same period last year. Specifically, interest expense on deposits from customers accounted for 68.75%, interest expense on deposits and placements from banks and non-bank financial institutions accounted for 13.01%, interest expense on debt securities issued accounted for 11.68%, interest expense on borrowings from central banks accounted for 3.50%, and interest expense on financial assets sold under repurchase agreements accounted for 3.06%.

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.

	Six months ended 30 June 2025			Six months ended 30 June 2024		
(In millions of RMB, except percentages)	Average balance	Interest expense	Annualised average cost (%)	Average balance	Interest expense	Annualised average cost (%)
Domestic deposits from customers	**28,376,546**	**192,243**	**1.37**	27,498,423	228,684	1.67
Corporate deposits	**11,452,375**	**73,945**	**1.30**	12,092,390	102,986	1.71
Demand deposits	**6,113,344**	**18,709**	**0.62**	6,319,321	29,601	0.94
Time deposits	**5,339,031**	**55,236**	**2.09**	5,773,069	73,385	2.56
Personal deposits	**16,924,171**	**118,298**	**1.41**	15,406,033	125,698	1.64
Demand deposits	**5,832,854**	**2,180**	**0.08**	5,655,269	6,678	0.24
Time deposits	**11,091,317**	**116,118**	**2.11**	9,750,764	119,020	2.45
Overseas operations and subsidiaries	**577,725**	**8,880**	**3.10**	533,295	10,783	4.07
Total deposits from customers	**28,954,271**	**201,123**	**1.40**	28,031,718	239,467	1.72

Interest expense on deposits from customers was RMB201,123 million, a decrease of RMB38,344 million, or 16.01% from the same period last year, mainly due to the 32 basis points drop in the annualised average cost of deposits from customers from the same period last year.

Interest expense on deposits and placements from banks and non-bank financial institutions amounted to RMB38,062 million, a decrease of RMB8,336 million, or 17.97% from the same period last year, mainly due to the 56 basis points drop in the annualised average cost of deposits and placements from banks and non-bank financial institutions from the same period last year.

Interest expense on debt securities issued amounted to RMB34,180 million, an increase of RMB4,364 million, or 14.64% over the same period last year, mainly due to the 50.19% increase in the average balance of debt securities issued over the same period last year.

Interest expense on borrowings from central banks amounted to RMB10,222 million, a decrease of RMB3,840 million, or 27.31% from the same period last year, mainly due to the 14.44% decrease in the average balance of borrowings from central banks and the 38 basis points drop in the annualised average cost from the same period last year.

Interest expense on financial assets sold under repurchase agreements was RMB8,961 million, an increase of RMB7,749 million over the same period last year, mainly due to the large increase in the average balance of financial assets sold under repurchase agreements over the same period last year.

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 2025	Six months ended 30 June 2024	Change (%)
Fee and commission income	**71,450**	68,727	3.96
Fee and commission expense	**(6,232)**	(6,031)	3.33
Net fee and commission income	**65,218**	62,696	4.02
Other net non-interest income	**33,978**	16,076	111.36
Total net non-interest income	**99,196**	78,772	25.93

In the first half of 2025, the Group's net non-interest income was RMB99,196 million, an increase of RMB20,424 million, or 25.93% over the same period last year. Net non-interest income accounted for 25.70% 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 2025	Six months ended 30 June 2024	Change (%)
Fee and commission income	**71,450**	68,727	3.96
Settlement and clearing fees	**19,870**	20,093	(1.11)
Commission on trust and fiduciary activities	**11,722**	11,684	0.33
Bank card fees	**10,184**	10,625	(4.15)
Agency service fees	**9,441**	9,028	4.57
Consultancy and advisory fees	**7,285**	6,371	14.35
Income from asset management business	**6,076**	4,486	35.44
Others	**6,872**	6,440	6.71
Fee and commission expense	**(6,232)**	(6,031)	3.33
Net fee and commission income	**65,218**	62,696	4.02

In the first half of 2025, the Group's net fee and commission income was RMB65,218 million, an increase of RMB2,522 million, or 4.02% over the same period last year. The ratio of net fee and commission income to operating income was 16.90%, an increase of 0.17 percentage points over the same period last year.

Specifically, commission on trust and fiduciary activities totalled RMB11,722 million, an increase of RMB38 million, or 0.33% over the same period last year, of which income from third-party custodianship grew by seizing market opportunities and strengthening multi-channel customer outreach. Agency service fees totalled RMB9,441 million, an increase of RMB413 million, or 4.57% over the same period last year, of which income from agency fund business increased rapidly due to enhanced cooperation with leading institutions in terms of product selection and supply. Consultancy and advisory fee income totalled RMB7,285 million, an increase of RMB914 million, or 14.35% over the same period last year, mainly because income from businesses such as financial advisory and cost consulting services grew year on year as the Group actively served key areas and major projects. Income from asset management business was RMB6,076 million, an increase of RMB1,590 million, or 35.44% over the same period last year, mainly driven by the expansion of assets under management of subsidiaries and the contribution from the Bank's WMPs.

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 2025**	**Six months ended 30 June 2024**	**Change (%)**
Net gain arising from investment securities	**11,691**	4,520	158.65
Net gain on derecognition of financial assets measured at amortised cost	**9,400**	1,914	391.12
Dividend income	**2,648**	3,051	(13.21)
Net trading gain	**1,854**	4,003	(53.68)
Other operating income, net	**8,385**	2,588	224.00
Total other net non-interest income	**33,978**	16,076	111.36

Other net non-interest income of the Group was RMB33,978 million, an increase of RMB17,902 million, or 111.36% over the same period last year. Specifically, net gain arising from investment securities was RMB11,691 million, an increase of RMB7,171 million over the same period last year, mainly due to the year-on-year increase in gains on revaluation and trading of bond investments as a result of market fluctuations and asset composition changes. Net gain on derecognition of financial assets measured at amortised cost was RMB9,400 million, an increase of RMB7,486 million over the same period last year, mainly due to the year-on-year increase in income from disposal of bond investments measured at amortised cost. Dividend income was RMB2,648 million, a decrease of RMB403 million from the same period last year. Net trading gain was RMB1,854 million, a decrease of RMB2,149 million from the same period last year, mainly due to the year-on-year decrease in income from bond investments and derivative transactions driven by market fluctuations and changes in transaction structure. Other net operating income was RMB8,385 million, an increase of RMB5,797 million over the same period last year, mainly due to the year-on-year increase in gains related to foreign exchange business as affected by factors such as business changes and exchange rate fluctuations.

Operating expenses

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

(In millions of RMB, except percentages)	Six months ended 30 June 2025	Six months ended 30 June 2024	Change (%)
Staff costs	**57,788**	56,039	3.12
Premises and equipment expenses	**14,498**	15,416	(5.95)
Taxes and surcharges	**3,984**	3,870	2.95
Others	**19,233**	19,063	0.89
Operating expenses	**95,503**	94,388	1.18
Cost-to-income ratio (%)	**23.72**	24.15	(0.43)

In the first half of 2025, the Group continued to reinforce total cost management and improve expense efficiency. Cost-to-income ratio was 23.72%, a drop of 0.43 percentage points from the same period last year, staying at a sound level. Operating expenses were RMB95,503 million, an increase of RMB1,115 million, or 1.18% over the same period last year. Specifically, staff costs were RMB57,788 million, an increase of RMB1,749 million, or 3.12% over the same period last year. Premises and equipment expenses were RMB14,498 million, a decrease of RMB918 million, or 5.95% from the same period last year, mainly due to the year-on-year decrease in depreciation charges. Taxes and surcharges were RMB3,984 million, an increase of RMB114 million, or 2.95% over the same period last year.

Impairment losses

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

(In millions of RMB, except percentages)	Six months ended 30 June 2025	Six months ended 30 June 2024	Change (%)
Loans and advances to customers	**115,061**	86,036	33.74
Financial investments	**(1,294)**	1,066	(221.39)
Financial assets measured at amortised cost	**(2,077)**	819	(353.60)
Financial assets measured at fair value through other comprehensive income	**783**	247	217.00
Others	**(6,105)**	535	(1,241.12)
Total impairment losses	**107,662**	87,637	22.85

In the first half of 2025, the Group's impairment losses were RMB107,662 million, an increase of RMB20,025 million, or 22.85% over the same period last year. This was mainly because impairment losses on loans and advances to customers increased by RMB29,025 million over the same period last year. Reversal from impairment losses on financial investments was RMB1,294 million. Specifically, reversal from impairment losses on financial assets measured at amortised cost was RMB2,077 million. Impairment losses on financial assets measured at fair value through other comprehensive income was RMB783 million. Reversal from other impairment losses was RMB6,105 million.

Income tax expense

In the first half of 2025, the Group's income tax expense was RMB19,803 million, a decrease of RMB8,170 million from the same period last year. The effective income tax rate was 10.85%, 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 in the first half of 2025, and the interest income from relevant bonds was tax-exempt in accordance with the tax law.

Analysis by region

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

(In millions of RMB, except percentages)	Six months ended 30 June 2025		Six months ended 30 June 2024	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**63,854**	**16.55**	63,561	16.96
Pearl River Delta	**49,088**	**12.72**	53,751	14.34
Bohai Rim	**59,144**	**15.32**	58,670	15.65
Central	**54,349**	**14.08**	61,796	16.49
Western	**56,494**	**14.64**	62,558	16.69
Northeastern	**13,227**	**3.43**	15,388	4.11
Head office	**76,485**	**19.82**	49,609	13.23
Overseas	**13,264**	**3.44**	9,498	2.53
Operating income	**385,905**	**100.00**	374,831	100.00

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

(In millions of RMB, except percentages)	Six months ended 30 June 2025		Six months ended 30 June 2024	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**33,048**	**18.11**	35,749	18.52
Pearl River Delta	**18,203**	**9.98**	29,635	15.35
Bohai Rim	**26,559**	**14.56**	30,685	15.90
Central	**13,768**	**7.54**	29,385	15.22
Western	**16,305**	**8.94**	29,905	15.49
Northeastern	**7,720**	**4.23**	6,920	3.59
Head office	**57,646**	**31.60**	25,470	13.20
Overseas	**9,192**	**5.04**	5,263	2.73
Profit before tax	**182,441**	**100.00**	193,012	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 2025		31 December 2024		31 December 2023	
	Amount	% of total	Amount	% of total	Amount	% of total
Loans and advances to customers	**27,444,858**	**61.77**	25,843,294	63.70	23,861,600	62.26
Allowances for impairment losses on loans measured at amortised cost	**(869,366)**	**(1.96)**	(802,894)	(1.98)	(778,223)	(2.03)
Net loans and advances to customers	**26,575,492**	**59.81**	25,040,400	61.72	23,083,377	60.23
Financial investments	**11,770,356**	**26.49**	10,683,963	26.33	9,638,276	25.15
Cash and deposits with central banks	**2,976,660**	**6.70**	2,571,361	6.34	3,066,058	8.00
Financial assets held under resale agreements	**1,272,031**	**2.86**	622,559	1.53	979,498	2.55
Deposits and placements with banks and non-bank financial institutions	**946,750**	**2.13**	827,407	2.04	823,488	2.15
Others[1]	**891,559**	**2.01**	825,459	2.04	734,129	1.92
Total assets	**44,432,848**	**100.00**	40,571,149	100.00	38,324,826	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 2025, the Group's total assets stood at RMB44.43 trillion, an increase of RMB3.86 trillion or 9.52% over the end of 2024. Net loans and advances to customers increased by RMB1.54 trillion, or 6.13% over the end of 2024 as the Group actively promoted high-quality development of the real economy, and increased credit supply to key areas such as the "Five Priorities". Financial investments increased by RMB1.09 trillion, or 10.17% over the end of 2024 as the Group supported implementation of proactive fiscal policies and increased subscription to government bonds such as treasury bonds and local government bonds and the allocation of green bonds. At the end of June 2025, short-term assets, such as cash and deposits with central banks, financial assets held under resale agreements, and deposits and placements with banks and non-bank financial institutions, increased due to reasonable and sufficient liquidity in the market. Accordingly, in the Group's total assets, the proportion of net loans and advances to customers decreased by 1.91 percentage points to 59.81%, that of financial investments increased by 0.16 percentage points to 26.49%, that of cash and deposits with central banks increased by 0.36 percentage points to 6.70%, that of financial assets held under resale agreements increased by 1.33 percentage points to 2.86%, and that of deposits and placements with banks and non-bank financial institutions increased by 0.09 percentage points to 2.13%.

Loans and advances to customers

At the end of June 2025, the Group's gross loans and advances to customers stood at RMB27.44 trillion, an increase of RMB1.60 trillion or 6.20% over the end of last year, mainly due to the increase in domestic corporate loans and advances of the Bank. Specifically, the Group's corporate loans and advances totalled RMB16.45 trillion, personal loans and advances totalled RMB9.20 trillion, and discounted bills amounted to RMB1.74 trillion.

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

(In millions of RMB, except percentages)	30 June 2025		31 December 2024		31 December 2023	
	Amount	% of total	Amount	% of total	Amount	% of total
Domestic loans and advances of the Bank	**26,518,169**	**96.62**	24,938,748	96.50	23,006,496	96.42
Corporate loans and advances	**15,674,536**	**57.11**	14,434,401	55.86	13,225,655	55.43
Short-term loans	**4,472,280**	**16.29**	4,014,375	15.54	3,594,305	15.06
Medium to long-term loans	**11,202,256**	**40.82**	10,420,026	40.32	9,631,350	40.37
Personal loans and advances	**9,104,372**	**33.17**	8,872,595	34.33	8,676,054	36.36
Residential mortgages	**6,145,498**	**22.39**	6,187,858	23.94	6,386,525	26.76
Personal business loans[1]	**1,229,938**	**4.48**	1,021,693	3.95	777,481	3.26
Credit card loans	**1,054,948**	**3.84**	1,065,883	4.13	997,133	4.18
Personal consumer loans	**614,194**	**2.24**	527,895	2.04	421,623	1.77
Other loans[2]	**59,794**	**0.22**	69,266	0.27	93,292	0.39
Discounted bills	**1,739,261**	**6.34**	1,631,752	6.31	1,104,787	4.63
Overseas operations and subsidiaries	**876,465**	**3.20**	854,969	3.31	804,486	3.37
Accrued interest	**50,224**	**0.18**	49,577	0.19	50,618	0.21
Gross loans and advances to customers	**27,444,858**	**100.00**	25,843,294	100.00	23,861,600	100.00

1. These mainly include personal loans for production and operation and online business loans.
2. These mainly include personal commercial property mortgage loans and home equity loans.

Domestic corporate loans and advances of the Bank reached RMB15.67 trillion, an increase of RMB1.24 trillion or 8.59% over the end of last year. Specifically, short-term loans were RMB4.47 trillion, an increase of 11.41% over the end of last year, and medium to long-term loans were RMB11.20 trillion, an increase of 7.51% over the end of last year.

Domestic personal loans and advances of the Bank reached RMB9.10 trillion, an increase of RMB231,777 million or 2.61% over the end of last year. Specifically, residential mortgages were RMB6.15 trillion, a decrease of RMB42,360 million or 0.68% from the end of last year; personal business loans amounted to RMB1.23 trillion, an increase of RMB208,245 million or 20.38% over the end of last year; credit card loans amounted to RMB1.05 trillion, a decrease of RMB10,935 million or 1.03% from the end of last year; personal consumer loans amounted to RMB614,194 million, an increase of RMB86,299 million or 16.35% over the end of last year.

Discounted bills amounted to RMB1.74 trillion, an increase of RMB107,509 million or 6.59% over the end of last year.

Loans and advances made by overseas operations and subsidiaries were RMB876,465 million, an increase of RMB21,496 million or 2.51% over the end of last year.

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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**5,676,465**	**20.68**	5,240,886	20.29
Pearl River Delta	**4,414,670**	**16.09**	4,169,575	16.13
Bohai Rim	**4,608,014**	**16.79**	4,338,437	16.79
Central	**4,648,077**	**16.94**	4,290,781	16.60
Western	**5,129,174**	**18.69**	4,855,020	18.79
Northeastern	**1,086,507**	**3.96**	1,039,321	4.02
Head office	**1,091,010**	**3.97**	1,142,742	4.42
Overseas	**740,717**	**2.70**	716,955	2.77
Accrued interest	**50,224**	**0.18**	49,577	0.19
Gross loans and advances to customers	**27,444,858**	**100.00**	25,843,294	100.00

Distribution of loans by type of collateral

The following table sets forth the distribution of loans and advances to customers by type of collateral as at the dates indicated.

(In millions of RMB, except percentages)	30 June 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Unsecured loans	**12,813,576**	**46.69**	11,712,918	45.33
Guaranteed loans	**3,559,178**	**12.97**	3,244,331	12.55
Loans secured by property and other immovable assets	**9,289,525**	**33.85**	9,198,171	35.59
Other pledged loans	**1,732,355**	**6.31**	1,638,297	6.34
Accrued interest	**50,224**	**0.18**	49,577	0.19
Gross loans and advances to customers	**27,444,858**	**100.00**	25,843,294	100.00

Allowances for impairment losses on loans and advances to customers

	Six months ended 30 June 2025			
(In millions of RMB)	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	10,590	(9,858)	(732)	-
Transfers in/(out) to Stage 2	(5,139)	6,960	(1,821)	-
Transfers in/(out) to Stage 3	(1,965)	(23,464)	25,429	-
Newly originated or purchased financial assets	116,873	-	-	116,873
Transfer out/repayment	(76,066)	(19,843)	(45,054)	(140,963)
Remeasurements	4,688	55,277	42,697	102,662
Write-offs	-	-	(19,401)	(19,401)
Recoveries of loans and advances written off	-	-	7,301	7,301
As at 30 June 2025	**377,350**	**228,984**	**263,032**	**869,366**

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 2025, allowances for impairment losses on loans and advances measured at amortised cost were RMB869,366 million. In addition, allowances for impairment losses on discounted bills at fair value through other comprehensive income were RMB2,799 million. The Group's allowances to NPLs and allowances to total loans were 239.40% and 3.18%, 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 (ECLs). For Stage 1, for financial instruments with no significant increase in credit risk since initial recognition, ECLs in the next 12 months are measured. For Stage 2, for financial instruments with significant increase in credit risk since initial recognition, but not yet credit-impaired, lifetime ECLs are measured. For Stage 3, for financial instruments that are credit-impaired on the balance sheet date, lifetime ECLs are measured. 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 ECLs requires consideration of forward-looking information. The Group developed specific scenarios for ECL measurement by reference to forecasts made by domestic and overseas authoritative institutions and leveraging the capability of internal experts. The Group calculated ECLs as weighted average of the products of probability of defaults (PD), loss given defaults (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.

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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Financial assets measured at fair value through profit or loss	**746,460**	**6.34**	612,504	5.73
Financial assets measured at amortised cost	**7,418,599**	**63.03**	7,429,723	69.54
Financial assets measured at fair value through other comprehensive income	**3,605,297**	**30.63**	2,641,736	24.73
Financial investments	**11,770,356**	**100.00**	10,683,963	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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Debt securities[1]	**11,455,735**	**97.33**	10,393,876	97.28
Equity instruments, funds and others	**314,621**	**2.67**	290,087	2.72
Financial investments	**11,770,356**	**100.00**	10,683,963	100.00

1. These include debt investments.

At the end of June 2025, the Group's financial investments totalled RMB11.77 trillion, an increase of RMB1.09 trillion or 10.17% over the end of last year. Specifically, debt securities increased by RMB1.06 trillion or 10.22% over the end of last year, and accounted for 97.33% of financial investments, an increase of 0.05 percentage points over the end of last year; equity instruments, funds and others increased by RMB24,534 million over the end of last year, and accounted for 2.67% of financial investments, a decrease of 0.05 percentage points from the end of last year.

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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
RMB	**10,986,095**	**95.90**	10,024,811	96.45
USD	**249,076**	**2.17**	222,480	2.14
HKD	**85,701**	**0.75**	54,772	0.53
Other foreign currencies	**134,863**	**1.18**	91,813	0.88
Debt securities	**11,455,735**	**100.00**	10,393,876	100.00

At the end of June 2025, total investments in Renminbi denominated debt securities were RMB10.99 trillion, an increase of RMB961,284 million or 9.59% over the end of last year. Total investments in foreign currency denominated debt securities were RMB469,640 million, an increase of RMB100,575 million or 27.25% over the end of last year.

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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Government	**9,127,443**	**79.68**	8,245,893	79.33
Banks and non-bank financial institutions	**968,908**	**8.46**	731,699	7.04
Policy banks	**861,417**	**7.52**	1,016,452	9.78
Enterprises	**449,649**	**3.92**	351,752	3.38
Central banks	**48,318**	**0.42**	48,080	0.47
Debt securities	**11,455,735**	**100.00**	10,393,876	100.00

At the end of June 2025, government bonds held by the Group amounted to RMB9.13 trillion, an increase of RMB881,550 million or 10.69% over the end of last year. Financial debt securities amounted to RMB1.83 trillion, an increase of 4.70% over the end of 2024. Specifically, financial debt securities issued by banks and non-bank financial institutions amounted to RMB968,908 million, and financial debt securities issued by policy banks amounted to RMB861,417 million, accounting for 52.94% and 47.06% 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 2019	17,440	3.75	2029-01-25	-
Policy bank bond issued in 2020	16,400	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 2020	14,551	3.34	2025-07-14	-
Policy bank bond issued in 2020	13,760	2.96	2030-04-17	-
Policy bank bond issued in 2021	13,280	3.48	2028-02-04	-
Policy bank bond issued in 2019	13,170	3.48	2029-01-08	-
Policy bank bond issued in 2018	13,040	4.00	2025-11-12	-
Policy bank bond issued in 2021	12,470	3.52	2031-05-24	-

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 2025, the Group's repossessed assets were RMB786 million, and impairment allowances for repossessed assets were RMB614 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.

	30 June 2025		31 December 2024		31 December 2023	
(In millions of RMB, except percentages)	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**
Deposits from customers	**30,469,491**	**74.59**	28,713,870	77.13	27,654,011	78.67
Deposits and placements from banks and non-bank financial institutions	**4,308,246**	**10.55**	3,315,766	8.91	3,199,788	9.10
Debt securities issued	**2,913,134**	**7.13**	2,386,595	6.41	1,895,735	5.39
Borrowings from central banks	**1,199,086**	**2.94**	942,594	2.53	1,155,634	3.29
Financial assets sold under repurchase agreements	**1,038,739**	**2.54**	739,918	1.99	234,578	0.67
Others[1]	**919,293**	**2.25**	1,128,441	3.03	1,013,006	2.88
Total liabilities	**40,847,989**	**100.00**	37,227,184	100.00	35,152,752	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 liability structure to enhance its liability quality management. At the end of June 2025, the Group's total liabilities were RMB40.85 trillion, an increase of RMB3.62 trillion or 9.73% over the end of 2024, largely matching the growth of assets. Specifically, deposits from customers were RMB30.47 trillion, an increase of RMB1.76 trillion or 6.11% over the end of 2024. Deposits and placements from banks and non-bank financial institutions amounted to RMB4.31 trillion, an increase of RMB992,480 million or 29.93% over the end of last year, mainly due to the increase of RMB951,763 million in deposits and placements from banks and non-bank financial institutions over the end of 2024. Debt securities issued were RMB2.91 trillion, an increase of RMB526,539 million or 22.06% over the end of 2024, 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 RMB1.20 trillion, an increase of RMB256,492 million or 27.21% over the end of last year, mainly due to the increased use of medium-term lending facilities and structured monetary policy tools. Accordingly, in the Group's total liabilities, the proportion of deposits from customers fell by 2.54 percentage points to 74.59%, that of deposits and placements from banks and non-bank financial institutions rose by 1.64 percentage points to 10.55%, that of debt securities issued rose by 0.72 percentage points to 7.13%, and that of borrowings from central banks increased by 0.41 percentage points to 2.94%.

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 2025 Amount	30 June 2025 % of total	31 December 2024 Amount	31 December 2024 % of total	31 December 2023 Amount	31 December 2023 % of total
Domestic deposits from customers	**29,458,728**	**96.68**	27,683,928	96.41	26,724,019	96.63
Corporate deposits	**11,825,954**	**38.81**	11,442,643	39.85	11,858,660	42.88
Demand deposits	**6,538,146**	**21.46**	6,358,647	22.14	6,471,218	23.40
Time deposits	**5,287,808**	**17.35**	5,083,996	17.71	5,387,442	19.48
Personal deposits	**17,632,774**	**57.87**	16,241,285	56.56	14,865,359	53.75
Demand deposits	**6,183,992**	**20.30**	5,825,022	20.29	5,551,678	20.07
Time deposits	**11,448,782**	**37.57**	10,416,263	36.27	9,313,681	33.68
Overseas operations and subsidiaries	**553,983**	**1.82**	554,644	1.93	499,285	1.81
Accrued interest	**456,780**	**1.50**	475,298	1.66	430,707	1.56
Total deposits from customers	**30,469,491**	**100.00**	28,713,870	100.00	27,654,011	100.00

The Group continued to consolidate its customer base, enhanced product and service offerings, and bolstered its capacity to attract funds, promoting stable deposit growth and high-quality development of liability business. At the end of June 2025, domestic personal deposits of the Bank were RMB17.63 trillion, an increase of RMB1.39 trillion or 8.57% over the end of last year, and accounted for 59.86% of domestic deposits from customers, an increase of 1.19 percentage points, reflecting rising contribution of retail deposits. Domestic corporate deposits of the Bank were RMB11.83 trillion, an increase of RMB383,311 million or 3.35% over the end of last year, and accounted for 40.14% of domestic deposits from customers, a decrease of 1.19 percentage points. Deposits from overseas operations and subsidiaries were RMB553,983 million, accounting for 1.82% of total deposits from customers. Domestic time deposits amounted to RMB16.74 trillion, an increase of RMB1.24 trillion or 7.98% over the end of last year; domestic demand deposits amounted to RMB12.72 trillion, an increase of RMB538,469 million or 4.42% over the end of last year.

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

(In millions of RMB, except percentages)	30 June 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Yangtze River Delta	5,617,832	18.44	5,239,658	18.25
Pearl River Delta	4,305,302	14.13	4,139,205	14.41
Bohai Rim	5,766,871	18.93	5,387,852	18.76
Central	5,771,178	18.94	5,357,116	18.66
Western	5,948,598	19.52	5,601,417	19.51
Northeastern	2,071,154	6.80	1,977,185	6.89
Head office	15,841	0.05	15,339	0.05
Overseas	515,935	1.69	520,800	1.81
Accrued interest	456,780	1.50	475,298	1.66
Deposits from customers	30,469,491	100.00	28,713,870	100.00

Total equity

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

(In millions of RMB)	30 June 2025	31 December 2024
Share capital	261,600	250,011
Other equity instruments	199,977	159,977
Preference shares	59,977	59,977
Perpetual bonds	140,000	100,000
Capital reserve	229,113	135,736
Other comprehensive income	43,309	57,901
Surplus reserve	402,196	402,196
General reserve	535,432	534,591
Retained earnings	1,891,671	1,781,715
Total equity attributable to equity shareholders of the Bank	3,563,298	3,322,127
Non-controlling interests	21,561	21,838
Total equity	3,584,859	3,343,965

At the end of June 2025, the Group's total equity was RMB3.58 trillion, an increase of RMB240,894 million or 7.20% over the end of last year, mainly due to the increase of RMB104,966 million in share capital and capital reserve driven by the issuance of A-shares to specific target to replenish Common Equity Tier 1 capital, and the increase of RMB109,956 million in retained earnings over the end of last year.

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 2025, the balance of credit commitments was RMB4.05 trillion, an increase of RMB81,513 million or 2.06% over the end of 2024. Please refer to Note "Commitments and contingent liabilities" to the financial statements for details.

In the first half of 2025, the Group adhered to the philosophy of prudent operation and the bottom line of compliance development and strictly implemented regulatory requirements. It improved the management system and process of off-balance sheet business, optimised the functions of relevant information management systems, strengthened the management capability of off-balance sheet business, and enhanced the management efficiency of off-balance sheet business in accordance with the three principles of "full management coverage, classified management and risk-based management". Focusing on serving the real economy, the Group clarified off-balance sheet business development strategies and targets, cemented the foundation for development, and strengthened the linkage of on- and off-balance sheet products, so as to better meet customers' comprehensive financing service needs. The Group implemented classified management according to the development and risk characteristics of off-balance sheet business. In terms of guarantees and commitments businesses, the Group focused on the balance between capital occupation and gains, with resources strategically allocated to capital-light and high-return products to enhance the intensified use of capital. In terms of other off-balance sheet businesses such as agency investment and financing services, and intermediary services, the Group focused on value creation through quality services, thus establishing a solid foundation for sustainable and healthy development of 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 2025		31 December 2024	
	Amount	% of total	Amount	% of total
Yangtze River Delta	**7,603,897**	**17.11**	7,128,774	17.57
Pearl River Delta	**5,614,621**	**12.64**	5,407,253	13.33
Bohai Rim	**8,559,233**	**19.26**	8,073,824	19.90
Central China	**6,110,639**	**13.75**	5,722,043	14.10
Western China	**6,245,120**	**14.06**	6,039,426	14.89
Northeastern China	**2,138,263**	**4.81**	2,106,273	5.19
Head office	**15,669,798**	**35.27**	13,482,870	33.23
Overseas	**1,971,273**	**4.44**	1,793,173	4.42
Deferred tax assets and elimination	**(9,479,996)**	**(21.34)**	(9,182,487)	(22.63)
Total assets	**44,432,848**	**100.00**	40,571,149	100.00

3.1.3 Statement of Cash Flows Analysis

Cash from operating activities

Net cash from operating activities was RMB1.26 trillion, an increase of RMB965,809 million over the same period last year, mainly due to the large increase 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 RMB831,189 million, an increase of RMB750,265 million over the same period last year, mainly due to the large increase in purchase of investment securities.

Cash from financing activities

Net cash from financing activities was RMB82,466 million, an increase of RMB75,066 million over the same period last year, mainly due to the large increase in cash proceeds from investments by others.

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

There is no difference in net profit for the six months ended 30 June 2025 or total equity as at 30 June 2025 between the Group's consolidated financial statements prepared under PRC GAAP and those prepared under IFRS.

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.

	Operating income		Profit before tax	
(In millions of RMB)	**Six months ended 30 June 2025**	**Six months ended 30 June 2024**	**Six months ended 30 June 2025**	**Six months ended 30 June 2024**
Corporate finance business	**112,826**	113,303	**17,473**	19,330
Personal finance business	**174,786**	171,848	**78,734**	97,946
Treasury and asset management business	**82,658**	78,646	**77,436**	72,154
Others	**15,635**	11,034	**8,798**	3,582
Total	**385,905**	374,831	**182,441**	193,012

In the first half of 2025, operating income of the Group's corporate finance business reached RMB112,826 million, and profit before tax totalled RMB17,473 million. Operating income of personal finance business reached RMB174,786 million, and profit before tax totalled RMB78,734 million. Operating income of treasury and asset management business totalled RMB82,658 million, and profit before tax totalled RMB77,436 million. Operating income of others totalled RMB15,635 million; profit before tax totalled RMB8,798 million.

Special Column: Progress in the “Five Priorities”

Technology finance

The Group effectively enhanced its efforts in the priority of technology finance. By focusing on pain points and challenges in sci-tech innovation sector and building on its technology finance services featuring “five full” and “three enablement”[1], the Group continued to improve its capabilities of professional services in technology finance by further advancing systematic and organised implementation, optimising and upgrading its technology finance system anchored by ecosystem-wide customer services, supported by tailored business processes, underpinned by full-category product channel offerings, led by specialised organisations, and safeguarded by differentiated performance evaluation. It established a technology finance sub-department under the corporate banking department, building an exclusive four-tier organisational structure of technology finance covering head office, tier-one branches, tier-two branches in key cities and featured sub-branches (outlets). The Group promoted the integration and application of sci-tech innovation evaluation tools, and their incorporation into specialised technology finance business processes. It intensified the promotion and application of exclusive technology finance credit products, including “Technology Easy Loan”, “Technology Research and Development Loan”, “Technology Transformation Loan”, “Shanxindai”, and “Shankedai”. It strengthened parent-subsidiary synergy at the group level to promote comprehensive financial services of “equity, loan, bond, insurance and leasing”. At the end of June 2025, the balance of technology loans[2], which were granted to more than 300 thousand enterprises, amounted to RMB5.15 trillion, an increase of RMB741,658 or 16.81% over the end of last year. Leveraging subsidiaries with equity investment functions such as CCB Private Equity, CCB Trust, and CCB Investment as pivots, CCB supported more than 2,000 sci-tech enterprises through investments in target companies or funds, with total investments exceeding RMB90.0 billion. The Group established and registered nine financial asset investment companies (AICs) pilot funds in total, underwrote the first batch of technology innovation bonds in the interbank market as well as the first technology innovation asset-backed securities in the interbank market, and underwrote 72 batches of sci-tech innovation bonds in the first half of 2025, with an underwriting volume of RMB23,702 million. The Group served high-end manufacturing industry and supported sci-tech innovation. Subscription of sci-tech innovation bonds increased by nearly seven times that of the same period last year.

[1] “Five full” refers to full-cycle companionship, full-chain coverage, group-wide coordination, all-dimensional support and full-ecological empowerment; “three enablement” refers to digital support, differentiated policies and professional support.

[2] Deduplicated statistics of the total of loans to sci-tech enterprises and loans to technology-related industries, based on the PBOC standard.

Green finance

Adhering to the vision of "becoming a world-leading sustainability bank", the Group issued the *2025 Plan for Implementation of High-Quality Development of Green Finance*, continued to integrate the green concept into operation management, strategic development and corporate culture, and create a diversified service system covering green credit, green bonds, green funds and green investments, to further implement the priority of green finance. At the end of June 2025, the Bank's green loans amounted to RMB5.72 trillion, an increase of RMB740,640 million, or 14.88% from the beginning of the year. It focused on the investment and financing needs of green and low-carbon transformation, and innovated diversified green financing channels. In the first half of 2025, it participated in underwriting 77 batches of green and sustainability bonds issued onshore and offshore, with a total issuance volume equivalent to RMB235,556 million. The Group continued to strengthen the construction of its responsible investment system. Its bond investment portfolios in green sectors amounted to more than RMB250 billion. 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 RMB44,361 million, accounting for 63.97% of its general leasing business, an increase of nearly 4.4 percentage points over the end of last year. CCB Investment continued to invest in green industries, and implemented green investment projects worth RMB33,258 million on cumulative basis. CCB Principal Asset Management made a total of RMB24,249 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 RMB13,444 million.

Inclusive finance

The Group adhered to the standard of high-quality development, took multiple measures to improve service quality and efficiency, and effectively enhanced its efforts in the priority of inclusive finance. It was awarded the "Best SME Bank in China" by *The Asian Banker*. The Group continued to increase its supply of inclusive finance loans. At the end of June 2025, the Bank's inclusive loans granted to small and micro businesses amounted to RMB3.74 trillion, an increase of RMB334,121 million or 9.80% over the end of 2024. The number of loan borrowers increased by 304.5 thousand over the end of 2024 to 3,660 thousand. The Group continued to promote service fee reduction and exemption. In the first half of 2025, the interest rate of inclusive loans newly granted to small and micro businesses was 3.17%. It strengthened the building of an intelligent risk control system to ensure that the credit asset quality was generally controllable. It promoted deep integration of online and offline service models, improved and upgraded "CCB Huidongni" – an integrated ecological service platform for inclusive finance, by providing a package of comprehensive services such as credit financing, comprehensive finance, business management for inclusive finance customers, and enhancing customer experience. By the end of June 2025, "CCB Huidongni" app had attracted 467 million visits and 44.90 million downloads, serving 15 million corporate customers, and led to services for 2.99 million corporate settlement customers, 1.38 million agency tax payment customers and 467.4 thousand payroll disbursement customers cumulatively. The Bank built an extensive, professional and efficient offline inclusive finance service network, with approximately 14 thousand outlets that could provide inclusive finance services, and over 2,800 featured inclusive finance outlets. The Group iteratively optimised its product and service system, and provided faster matching financial services of broader coverage, in light of characteristics and needs of inclusive finance customer groups such as small and micro businesses, individual business owners, agriculture-related customers, rural collective economic organisations, as well as upstream and downstream customers in the supply chains. The Group organised dedicated technology finance initiatives for small and micro businesses, and leveraged platforms and tools such as "sci-tech innovation radar", sci-tech innovation scoring, and patent valuation to increase efforts in serving inclusive sci-tech enterprises. It promoted products such as "Shankedai" and "Shanxindai", the balance of which exceeded RMB150 billion, with a growth rate of over 35% from the end of 2024. The "Cross-border Quick Loan" series of products cumulatively provided financing support of RMB42,103 million for small and micro foreign trade enterprises. It intensified financial input for rural household, and actively served inclusive customer groups in rural areas. The balance of "Yunong Loan" exceeded RMB340 billion, with a growth rate of more than 20%. It provided innovated products such as "Collective Credit Loan" to support the development of inclusive rural collective economic organisations, and the balance of loans to rural collective economic organisations amounted to RMB16,889 million, an increase of 11.29% over the end of 2024. The balance of supply chain inclusive loans amounted to RMB233,601 million, an increase of RMB23,520 million from the end of last year, serving 133.4 thousand inclusive customers along the supply chains.

Pension finance

The Group set its sights on building “a professional bank for pension finance”, and further enhanced the system for systematic and organised management by establishing the “Pension Finance Department” and the pension finance business line, to increase coordinated efforts. It adhered to the “customer-centric” approach, strived to develop the pace-setting leadership of pension finance from dimensions such as business planning, customer marketing, scenario expansion, product and service offerings, and channel development, and promoted the implementation of the pension finance service system.

In respect of pension finance, in terms of Pillar 1, the Group steadily expanded the social security card business and focused on enhancing customer experience. In terms of Pillar 2, the Group improved the quality and expanded the coverage of enterprise annuity business. The trustee business campaign achieved initial results. Pillar 2 assets managed by CCB Pension amounted to RMB654,065 million, an increase of 4.31% from the end of last year; the number of annuity customers collaboratively acquired by both parent bank and the subsidiary increased by 53.96% from the end of last year. In terms of Pillar 3, the Group actively pushed forward the national promotion of personal pension system, launched online and offline investment education activities, including more than 100 “Pension China Tour” thematic activities, to help customers strengthen the awareness of pension planning. It continued to optimise pension wealth management services and enhance personal pension product offerings, with more than 250 personal pension products available for sale. It strengthened the “Jianzao” series of personal pension products, so as to enhance the competitiveness of products of the Group’s subsidiaries.

In respect of pension industry finance, the Group prioritised elderly-care industry in credit approval, provided differentiated supportive policies, and launched innovative loan products for pension service to channel more credit resources to support elderly-care industry, outperforming peers in terms of size of loans to pension industry. It started building an aging service system covering five scenarios including elderly care, healthcare, learning, recreation, and integrated services, set up the first pension sci-tech innovation industry fund, and supported the development of health industry, pension industry and silver economy in an all-round way. In respect of pension service finance, the Group innovatively launched a series of “Elderly Care” products such as stock incentive plan and supplementary medical insurance to meet the needs of supplementary corporate pension and staff health management. It fully raised the standard of online and offline elderly-friendly services by making innovations around four featured services including product interests, elderly-friendly services, pension investment education, and elderly-care community ecosystems, upgraded and increased featured outlets of pension finance brand of “Jianyang’an” to 222. Focusing on the needs of robust investment, lifelong cash inflows and health protection, it built a comprehensive service system for pension customers.

Digital finance

The Group formulated an action plan for the development of digital finance business in 2025 and a three-year roadmap, continued to consolidate the foundation of transformation in various aspects, and improved digital capabilities in different business lines. The Group continued to build its capability in terms of FLMs. The FLMs increased inference efficiency by folds, and the daily average utilisation rose by 96.96% compared to the same period last year. It empowered 274 internal scenarios including credit approval, intelligent customer service, and personal AI assistant for account managers. It further leveraged the value of data elements by continuously expanding data sharing channels and facilitating the integration of data results into business processes and systems. The Group systematically enhanced three basic capabilities of mobile banking services, i.e. channel service, system support, and financial products. It strengthened the role of "binary stars", i.e., mobile banking and "CCB Lifestyle", as the main online front, adhered to the operation model of "traffic volume - traffic quality - value realisation" and boosted high-quality traffic growth. The number of "binary stars" users was 533 million, and monthly active users ("MAU") of "binary stars" was 243 million, an increase of 14.40% over the same period last year. The proportion of "binary stars" users with financial transactions in total users led in peers in the first half 2025. The Group effectively implemented e-CNY pilots and promoted high-quality development. The cumulative number of e-CNY consumption transactions was 522 million, and the cumulative consumption amount was RMB104,847 million. The Bank also supported the development of core industries of digital economy. At the end of June 2025, according to the PBOC's statistical standard, the Bank's outstanding loans granted to the core industries of digital economy stood at RMB852,377 million, an increase of RMB100,977 million over the beginning of 2025, with a growth rate of 13.44%, higher than the overall loan growth rate of the Bank.

3.2.1 Corporate Finance Business

With "improving the quality and efficiency of serving the real economy" as its major task, the Group continued to strengthen the system featuring integration of commercial and investment banking, RMB and foreign currency services, domestic and overseas business, and strived to provide customers with comprehensive financial solutions. Committed to enhancing the "Five Priorities", it actively supported the development of new quality productive forces, intensified its efforts to provide financial support for the new round of "Two Renewals" (large-scale equipment renewal and trade-ins of consumer goods), implemented the national strategic deployment for major regions, assisted in the construction of modern infrastructure, and further pushed forward high-level opening-up. It actively explored digital, platform-based, comprehensive and ecological construction, and rolled out a series of products and services such as "Digital Supply Chain" and "FITS® e Intelligent".

Customer operation

The Bank continued to improve its customer and product service system, comprehensively carried out in-depth customer marketing, expanded its customer base around the "Five Priorities", improved its capability of customer operation, and built differentiated competitive advantages. At the end of June 2025, the number of the Bank's corporate customers reached 12.26 million, an increase of 588.5 thousand over the end of 2024. The number of the Bank's corporate RMB settlement accounts was 17.23 million, an increase of 938.1 thousand over the end of 2024. The Bank's domestic corporate deposits were RMB11.83 trillion, an increase of RMB383,311 million or 3.35% over the end of 2024.

Corporate credit business

The Bank persisted in serving the real economy, actively supported the development and growth of advanced manufacturing industry, increased its support for social development and people's livelihood, enhanced the quality and efficiency of industrial and supply chains with supply chain finance, and provided high-quality credit services for economic and social development. At the end of June 2025, domestic corporate loans and advances of the Bank amounted to RMB15.67 trillion, an increase of RMB1.24 trillion or 8.59% over the end of 2024, with the NPL ratio of 1.58%. Loans to private enterprises amounted to RMB6.59 trillion, an increase of RMB594,389 million or 9.92% over the end of 2024. It actively assisted in the high-end, intelligent, and green development of the manufacturing industry, and implemented a special financial support action for large-scale equipment renewals, so as to facilitate industrial transformation and upgrade. Loans to manufacturing industry amounted to RMB3.56 trillion, an increase of RMB526,656 million or 17.35% over the end of 2024. In this amount, medium and long-term loans to manufacturing industry amounted to RMB1.79 trillion, an increase of RMB166,109 million or 10.25% over the end of 2024. Loans to strategic emerging industries totalled RMB3.39 trillion, an increase of RMB539,447 million or 18.92% over the end of 2024. The Bank's domestic loans to real estate industry were RMB927,351 million, an increase of RMB18,971 million or 2.09% over the end of 2024. The Bank provided 132.2 thousand enterprises along 5,394 core enterprise industrial chains with a total of RMB688,432 million digital supply chain financing support on a cumulative basis in the first half of 2025. The Bank provided comprehensive financial service solutions such as loans for stock repurchase and shareholding increase to companies listed in the SSE, Shenzhen Stock Exchange and Beijing Stock Exchange as well as their major shareholders. By the end of June 2025, loans for stock repurchase and shareholding increase made by the Bank had exceeded RMB12 billion.

The Bank actively implemented national strategies for major regions and coordinated regional development. At the end of June 2025, the increase in non-discount corporate loans denominated in RMB 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 RMB820 billion, while that in Northeastern, Central and Western regions exceeded RMB470 billion.

Institutional business

The Bank adhered to state strategic deployment in its institutional business, and focused on people's livelihood services, public services, and government affair services. At the end of June 2025, deposits from institutional customers amounted to RMB6.82 trillion, an increase of RMB187,890 million over the end of 2024. It strengthened the operation and service capabilities for education and healthcare ecosystems. It leveraged the "CCB Smart Campus" platform to build campus scenarios, and cooperated with 49.9 thousand schools including 978 colleges and universities. It leveraged the "CCB Smart Healthcare" platform to build a medical and healthcare ecosystem, and cooperated with 1,511 hospitals. The Bank implemented national strategies for major regions and coordinated regional development, and combined the Group's unique traditional advantages of comprehensive licenses and cost consulting with the parent-subsidiary synergy to engage in and undertake the relocation of colleges, universities and hospitals in Xiong'an New Area. The Bank actively participated in the construction of social security and medical insurance public services. In the first half of 2025, the Bank fully released the medical insurance e-wallet function and rolled it out across the country, enabling inter-provincial sharing of funds in personal medical insurance accounts. The Bank deepened scenario-based operation of government affairs and financial services, serving more than 140 thousand primary-level organisations. It provided government affair services for 35 million users through smart teller machines (STMs) at more than 14 thousand outlets across the Bank. It connected the government affair service payment system to 1,300 government affair and public service platforms, with a total transaction amount of over RMB370 billion.

Investment banking business

The Group deeply engaged in customer segment operation in its investment banking business around the guideline of "integration of commercial and investment banking", and actively explored new path to business transformation and development. In terms of bond underwriting, the Bank pursued high-quality development. In the first half of 2025, the Bank underwrote and issued 514 batches of debt financing instruments for non-financial enterprises, with an underwriting volume of RMB281,887 million. The Bank successfully participated in underwriting the first batch of sci-tech innovation bonds in the market. In the first half of 2025, the Bank underwrote and issued 72 batches of sci-tech innovation bonds (including mixed sci-tech innovation notes, and sci-tech innovation notes), with a total underwriting volume of RMB23,702 million. In terms of equity business, the Bank focused on innovation. Taking the subsidiaries with equity investment functions such as CCB Private Equity, CCB Trust, and CCB Investment as the pivot, it supported more than 2,000 sci-tech enterprises through investment in enterprises or related funds. In terms of financial advisory service, the Bank continued to improve its matchmaking capability, achieving notable results in customer expansion. "FITS® e Intelligent" had more than 70 thousand contracted customers, with its financial advisory service attracting more than 3,000 customers. The Bank promoted its investment banking platform for higher quality and efficiency. The platform had more than 1.9 million registered users cumulatively. The Bank's investment banking brand continued to strengthen, with award of "Green and Sustainable Bank of the Year in China" in 2025 from *The Asian Banker*.

Asset-backed securitisation business

The Bank actively served customers' diverse financing needs by means of asset securitisation, and supported the "Five Priorities" by underwriting the first sci-tech innovation asset-back securities in the interbank market, China's first continuing type asset-backed debt financing instruments, multiple sci-tech innovation and green asset-backed notes. The Bank steadily carried out credit asset securitisation business. In the first half of 2025, the Bank issued seven batches of NPL asset-backed securities, with an amount of RMB4,008 million.

International business

The Bank focused on consolidating customer base with comprehensive financial services for foreign trade and foreign-funded enterprises, further promoted the integrated global operation of RMB and foreign currency services, continued to enhance its capability to participate in international competition, and played an important role in finance support for high-level opening-up. In the first half of 2025, the supply of trade finance reached RMB1.38 trillion, an increase of 6.56% over the same period last year, with international settlement volume amounting to US$834,393 million; the "Cross-border Quick Loan" series of products cumulatively provided financing support of RMB42,103 million for small and micro foreign trade enterprises. The Bank steadily and prudently pressed ahead with the internationalisation of Renminbi. In the first half of 2025, the Bank's cross-border RMB settlement volume was RMB3.14 trillion, with a growth rate of 23.21%; CCB London Branch continued to be the largest RMB clearing bank outside Asia with a cumulative clearing amount of nearly RMB148 trillion. It has held the "CCB Global B2B Matchmaking Festival" for four consecutive years, and, focusing on such themes as supporting high-quality "going global", and coordinated trade development, it organised multiple cross-border matchmaking events to facilitate smooth global exchanges in economic and trade arena. Adhering to the philosophy of "Financial Service + Intelligent Support", the Bank provided all-round financial support and financing facilities for high-quality BRI (Belt and Road Initiative) advancement via products including export credit, cross-border project financing, cross-border merger and acquisition loans, and Project Factoring (Jiandantong, Jianpiaotong and Jianxintong).

Settlement and cash management business

The Bank accelerated innovation and marketing of settlement and cash management products. Key product contracting rate, penetration rate, and active user ratio continued to rise. With fund settlement services such as "Huishibao" as the core, the Bank integrated product offerings such as card acquiring, inclusive loans and agriculture-related loans to advance the implementation of the "smart retail and wholesale market ecosystem" service model. It provided innovative digital confirmation services under a centralised authorisation model for corporate online banking users, and expedited the digital transformation of its confirmation processes, to significantly improve the efficiency of confirmation services. The Bank enhanced SWIFT cash management and global payment capabilities, optimised products for cross-border fund settlement and centralised management of onshore and offshore accounts, and innovatively launched the "ledger manager" product to provide scenario-based solutions for cross-border centralised receipts and payments. The Bank explored the "Treasury Cloud" global treasury management solutions to help enterprises conduct efficient and centralised management and optimise the allocation of financial resources in multiple banks at home and abroad. The Bank enhanced the service system of the bank-corporate direct connections under comprehensive scenarios, and strengthened its capabilities of integrated online and offline collaborative services to support the modernisation of corporate financial management systems. The Bank further advanced service and marketing of agency collection and payment business, and continued to build the ecosystem, strengthen scenario-based applications, refine products, and optimise services, to meet differentiated customer needs. In the first half of

2025, it recorded agency payment service transactions of RMB4.99 trillion and agency collection and fee-payment service transactions of RMB1.73 trillion, an increase of 46.46% and 16.71%, respectively, over the same period last year. The Bank continued to improve the quality and efficiency of agency payroll service to migrant workers. By the end of June 2025, it had 214.3 thousand contracted corporate customers for agency payroll service to migrant workers, and made 22.01 million payments to migrant workers under agency payroll service in the first half of 2025, with an amount of RMB185,118 million, benefiting 10.88 million migrant workers.

3.2.2 Personal Finance Business

In line with the development demand presented by the low-interest-rate environment, the Group pushed ahead the expansion and upgrading of its "New Retail 2.0" initiative, continued to improve the customer and product service system, and enhanced the capability of value creation. The Bank further pressed ahead with the mega wealth management strategy, continued to improve the digitalisation and intelligentisation of wealth management services, and strengthened its professional brand image for private banking. It strengthened ecological construction of scenarios, boosted consumption, and kept its strengths in personal lending business, in a bid to promote high-quality development of retail business. It has been awarded the "Best Mega-Retail Bank in China" by *The Asian Banker* for five consecutive years.

Customer operation

Adhering to the "customer-centric" business philosophy, the Bank deepened the "tiered, sub-group and graded" operation system of personal customers, strengthened the capability of "digitalisation and intelligentisation + professionalisation + ecology", and comprehensively promoted integrated operation for all customers. At the end of June 2025, the number of personal customers reached 777 million, and personal financial assets under management by the Bank exceeded RMB22.04 trillion; the Bank's domestic personal deposits reached RMB17.63 trillion, an increase of RMB1.39 trillion or 8.57% over the end of 2024.

In terms of basic customers, the Bank provided scenario-based direct operation services and strengthened scenario-based ecological connection, so as to help transfer the user traffic of merchant ecology and the "binary stars" platform to customer value creation. In terms of high-potential customers, it optimised direct operation services through private domain, continued to expand service coverage, and provided people-oriented ubiquitous services and one-stop comprehensive financial services. In terms of high-value customers, it provided outlet-based exclusive operation services, and set up "joint service units" composed of personal account managers, wealth management advisors and heads of outlets, so as to achieve comprehensive integration of customer relationship maintenance and professional wealth management services. In terms of private banking customers, it integrated resources at the group level, and met service needs of individuals, families, and enterprises on all fronts, so as to create a leading private banking brand. The Bank launched a digital "wealth membership" interests service system for all personal customers, enabling deep operation of existing customers. In terms of the common attributes or common needs of customers in fields such as payroll services, merchants, pension business, county-level financial services, and cross-border transactions, it provided customers with "financial + non-financial" in-depth services to contribute to customer experience and value enhancement.

The Bank continued to improve the closed loop of services featuring "insight – matching – access – accompanying" in digital operation, and iteratively upgraded the personal AI assistant for account managers, to improve the intelligentisation across all links. Leveraging the rebound in market risk appetite, the Bank expanded the footprint in global asset allocation business, enriched service scenarios such as housing purchase planning, enhanced the WMP shelf, and improved investment and wealth management companion services. It improved the service depth through integration of assets and liabilities, upgraded its one-stop comprehensive investment and financing services for customers, and established an enterprise-level collaborative support mechanism based on customer needs, so as to optimise supply capabilities of products and services.

Personal credit business

The Bank stayed committed to the principle of balanced development of "volume, pricing and risk". At the end of June 2025, domestic personal loans and advances of the Bank reached RMB9.10 trillion, an increase of RMB231,777 million or 2.61% over the end of 2024.

In respect of residential mortgages, the Bank actively implemented national policies and regulatory requirements. It designed efficient processes to provide high-quality services to better satisfy residents' demand for first homes and better housing, followed up on the construction of affordable housing, and provided residential mortgage loans for allocated-sale affordable housing. At the end of June 2025, the Bank's domestic residential mortgages totalled RMB6.15 trillion, and the loan balance, amount granted, and asset quality remained ahead of the industry, consolidating its leading position in residential mortgages.

In respect of personal business loans, the Bank focused on the real economy, and actively expanded personal business customers such as individual businesses, and small and micro business owners. The Bank further tapped into credit potential of key customer groups including merchants, private banking customers, and mortgage borrowers, innovated and refined its product and service system, optimised and promoted flagship products such as "unsecured quick loans for personal business" and "secured quick loans for personal business", and intensified the centralised risk control and anti-fraud measures to drive high-quality business development. It accelerated the expansion of agriculture-related personal business loans, and achieved rapid growth in "Yunong Loan", with a loan growth rate of more than 20%.

In respect of personal consumer loans, the Bank seized opportunities presented by the national policy of boosting consumption, continued to strengthen the integration of consumer loans with consumption scenarios in key areas, constantly optimised online and offline product offerings, and improved customer acquisition channels as well as refined tactic management, to boost the steady growth of personal consumer loans. At the end of June 2025, the balance of domestic personal consumer loans of the Bank was RMB614,194 million, an increase of RMB86,299 million from the end of 2024. The loan balance, loan increase and asset quality remained ahead of the industry.

In respect of credit card loans, the Bank adhered to national policy guidance. It carried out dedicated consumer finance initiative, further stimulated residents' consumption demands for trade-ins of car purchase, housing decoration, and furniture and home appliances, continued to increase its supply of instalment credit, and boosted consumption by leveraging new pattern of consumption such as cultural tourism consumption and pet economy, to meet diverse needs of residents. At the end of June 2025, the Bank's domestic credit card loans totalled RMB1.05 trillion, outperforming its peers.

Personal payments

The Bank leveraged its advantages in payment foundation, deeply engaged in construction of consumer ecosystem, and realised coordinated development of merchants and customers.

For merchants, the Bank focused on boosting consumption and expanding domestic demand, deepened its "1+N" operation system for merchant businesses, and provided merchants with comprehensive financial services covering "card acquiring + settlement + credit + wealth management". At the end of June 2025, the Bank had 6.13 million card acquiring merchants, with a card acquiring transaction volume of RMB1.80 trillion in the first half of 2025.

For customers, the Bank continued to enhance the quality of account payment services, and carried out "Splendid CCB", a marketing campaign covering multiple scenarios, to facilitate active consumption transactions. The Bank rolled out new debit card products such as "Yearly Harmony Long Card", "Flourishing Wealth Long Card", and "Panda-themed Long Card". At the end of June 2025, the Bank had 1,472 million personal settlement accounts, and issued 1,263 million debit cards. In the first half of 2025, the transaction volume of debit cards reached RMB12.12 trillion, and the number of transactions reached 29,752 million.

The Bank continued to carry out credit card business to expand domestic demand and boost consumption. Focusing on "benefiting people's livelihood and promoting consumption", the Bank organised the "Long Credit Card 66 Festival" consumption campaign, and cooperated with major internet payment platforms, brand merchants, and leading business districts to launch more than 100 events around common consumption scenarios including "dining, entertainment and shopping", to meet diverse needs of residents. It optimised the product and service system, and rolled out products such as Bilibili Credit Card 2233 (Star Moon Edition), Long Card Auto Card Amex Platinum Credit Card, and Greater Bay Area Credit Card, to young customers, car owners, business professionals, and overseas credit card users. At the end of June 2025, the cumulative number of credit cards issued by the Bank reached 129 million, with 103 million credit card customers. In the first half of 2025, the volume of credit card transactions totalled RMB1.30 trillion.

Wealth management

The Bank deepened digital and intelligent transformation of wealth management services around operation mechanism, service model and system platform, and continued to improve the professional capability and efficiency of wealth management business. At the end of June 2025, the number of the Bank's wealth management customers increased by nearly 4.50 million over the end of 2024, and the Bank's investment and wealth management size amounted to RMB4.42 trillion, manifesting further increase in market share.

In terms of operation mechanism, the Bank gave play to the professional guiding role of the Investment Decision-making Committee to provide more intensified support to in-house investment research strategy in key areas such as global asset allocation and gold investment, while delivering investment research strategies in relation to wealth management to customers. It leveraged the collective decision-making strengths of the Agency Services Committee to achieve whole-process closed-loop management of agency sales across corporate and personal banking segments, covering eligibility, ongoing management, and exit processes. It deepened the implementation of the wealth management talent programme, enhanced the policy support of tiered management of investment research experts, star ratings for wealth management advisors and direct incentives for personal account managers. In terms of service models, the Bank deepened the concept of "flexible money management, sound investment, return seeking, and insurance protection" and the four-step standard service process of "wealth planning – asset allocation – quality product selection – ongoing companionship". It provided innovative wealth planning services, conducted closed management and continued tracking of wealth planning funds, and rolled out housing purchase planning service. Focusing on global asset allocation orientation, it developed foreign currency product offerings and the "CCB Yanxuan" global asset allocation strategy, and introduced the "Global Asset Allocation Day" investment education programme. The Bank built a high-end private banking service system covering full-range products and services tailored to entrepreneur comprehensive services and non-financial services. In terms of the system platform, the Bank leveraged personal AI assistant for account managers to deepen AI applications in specialised fields such as investment research and product interpretations, boosted the quality and efficiency of frontline professional empowerment, upgraded mobile banking wealth management and fund zones, introduced innovative features such as wealth management night market, and advanced the construction of an open wealth management platform, to enhance the support capacity of the system platform.

Private banking

The Bank comprehensively provided exclusive private banking financial services such as wealth planning, asset allocation, family wealth management, and corporate financing, as well as top-quality interests services such as public welfare & charity and health care, optimised “CCB e-Private Banking” and other online service scenarios, and innovated intelligent operation processes, so as to strengthen its professional brand image. The Bank improved the customer group operation strategy, and fully fit into the integrated operation of personal customers. It explored and consolidated the Group’s internal and external resources, and advanced the construction of entrepreneur studios, to increase support for private entrepreneurs. The Bank raised the quality and innovated the connotation of family trust advisory services, and expanded its edge in the market of family wealth services. The total balance and increase of assets managed by family trust advisory business and insurance trust advisory services outperformed the peers. The Bank steadily improved the wealth planning and asset allocation services, expanded private banking product offerings, and increased efforts in selecting and introducing high-quality products across the market; it deepened the forward-looking and penetrating risk management and control of agent sales of private banking products. The Bank optimised exclusive premium rights and interests system for private banking customers to elevate customer experience. It reinforced the building of its private banking centres with 248 private banking centres in total. Customer retention and AUM (assets under management) per capita continued to rise. At the end of June 2025, the private banking customers’ AUM reached RMB3.18 trillion and the number of private banking customers was 265.5 thousand.

Rural revitalisation

Focusing on its main task of “serving customers in counties and extending services to rural areas”, the Bank effectively advanced the financial tasks in relation to “agriculture, rural areas and farmers” by focusing on key areas such as ensuring national food security, development of industries that help increase local incomes in counties, construction of new-type urbanisation, and consolidating and expanding the positive results in poverty elimination. At the end of June 2025, the number of agriculture-related loan borrowers was 3.95 million, an increase of 169.5 thousand over the end of 2024. Agriculture-related loans totalled RMB3.62 trillion, an increase of RMB282,413 million, or 8.47% over the end of 2024. The weighted average interest rate of agriculture-related loans newly granted in the first half of 2025 was 3.09%.

For agriculture-related enterprises and various organisations, the Bank rolled out “Rural Revitalisation Loan” product packages, and provided targeted services for key links for food security and key customers, by vigorously promoting products such as “Quick Loan for Cooperatives”, “Agricultural Machinery Loan”, “Agri-product Cold Chain Logistics Loan”, “High-standard Farmland Loan”, and “Agricultural Facility Loan”.

Aiming at covering the entire scene, all customer groups, and the whole chain in its financial services for agricultural ecosystem, the Bank focused on “Yunong Market” business clusters, seed industry chain, and agricultural specialty industrial clusters with competitive advantages, and relied on the transaction data of core enterprises to realise full coverage of financial services from agricultural wholesale markets & farmers’ markets to agriculture-related enterprises, farmers’ cooperatives, family farms, and rural households, so as to support the industrial development in rural areas and enable farmer’ s access to higher income and better life.

Focusing on the financing needs of specialty industries and “new urban residents” in counties, the Bank adopted differentiated strategies to promote the high-quality development of financial services in counties. At the end of June 2025, the balance of the Bank’s loans in counties amounted to RMB5.93 trillion, an increase of RMB479,323 million or 8.80% from the end of 2024. In this amount, the balance of personal loans in counties were RMB2.33 trillion, an increase of RMB64,834 million or 2.86% over the end of 2024; and the balance of corporate loans in counties amounted to RMB3.60 trillion, an increase of RMB414,488 million or 13.02% over the end of 2024.

The Bank continued to improve the service quality and efficiency of “Yunongtong” platform. It provided farmers with convenient online services such as online loans, social security, medical insurance, and utility payments via the “Yunongtong” platform including offline “Yunongtong” service sites, online “Yunongtong” app, and “CCB Yunongtong” WeChat ecosystem. By the end of June 2025, “Yunongtong” service sites had served more than 74 million rural residents cumulatively, including more than 2.05 million users newly registered in the first half of 2025. The sites processed over 88.06 million transactions for rural residents in the first half of 2025. The “Yunongtong” app had over 20.60 million registered users, including nearly 1.2 million users newly registered in the first half of 2025. The total agriculture-related loans issued on the app had exceeded RMB413.0 billion, and the loan balance increased by more than RMB127.6 billion in the first half of 2025.

Housing rental

The Group steadily pressed ahead with housing rental business. At the end of June 2025, the Bank’s loans for corporate housing rental business were RMB361,062 million. CCB Housing Rental Fund had signed acquisition contracts for 31 projects with asset size and cumulative investment size of RMB16,305 million and RMB9,273 million respectively. These projects could provide approximately 28.9 thousand long-term rental apartments to the market. The housing rental scenarios of CCB Housing continued to create financial value, which cumulatively brought in over 16.28 million new personal customers at the group level.

Entrusted housing finance business

The Bank continued to improve the quality and efficiency of its housing provident fund service, and cooperated with housing provident fund centres to boost housing consumption and meet people’s housing needs. The Bank expanded the housing provident fund collection services, and actively supported those flexibly employed in handling provident fund deposit business; it increased the supply of housing provident fund loans, and advanced the “one-stop services for personal housing provident fund loans” to improve the service quality and efficiency. At the end of June 2025, the balance of housing fund deposits of the Bank was RMB1.66 trillion, and the balance of residential mortgage provident fund loans was RMB3.04 trillion.

3.2.3 Treasury and Asset Management Business

By focusing on value creation and risk management, and adhering to market-oriented and professional approaches, the Group built a competitive product system, advanced the coordinated operation across corporate customers, personal customers, and financial institution customers, strived to build itself into a leading custodian, and supported capital market development, so as to enhance the market competitiveness of its treasury and asset management business on all fronts, and improve the quality and efficiency of asset management services in serving the real economy.

Financial market business

In terms of financial market business, the Bank upheld the concept of high-quality development to constantly improve its investment and trading capabilities and refined management, seeing steady enhancement in the quality and efficiency of serving the real economy and the capability of risk management.

Money market business

The Bank utilised a combination of money market tools to ensure ample liquidity across the bank. It fulfilled its responsibilities as a large bank by actively carrying out repurchase transactions with over 20 non-bank financial institutions under the PBOC swap facilities, promoting the development of over-the-counter (OTC) bond repurchase business, and continuing to provide liquidity support to small and medium-sized financial institutions. In the first half of 2025, its transaction volume in the RMB money market ranked top in the market, and the balance of interbank certificates of deposits issued by the Bank amounted to RMB1.72 trillion.

Bond business

Striving to maintain a sound balance of security, liquidity and profitability, the Bank constantly optimised its investment strategies and strengthened proactive management based on market conditions, and effectively supported the implementation of macroeconomic policy and the financing needs of the real economy. In the first half of 2025, the Bank ranked top in the market in terms of subscriptions of government bonds, seeing a year-on-year increase of 93.14%. It stepped up its underwriting efforts for special government bonds to ensure their smooth issuance. It actively provided market-making quotes in the secondary market, with the trading volume of spot bonds exceeding RMB4 trillion. It also actively participated in the opening-up and multi-tiered development of the bond market, and pressed ahead with the development of China-UK OTC bond business, with the trading volume surpassing RMB10 billion. In terms of domestic OTC bond business, the Bank launched products that allow OTC bonds to serve as eligible collateral for the PBOC relending and fiscal deposits.

Financial market trading business

The Bank continued to advocate the concept of exchange rate risk neutrality, optimised foreign exchange trading functions of e-channels, actively drove product innovation, and steadily enhanced its customer-related trading service capabilities. In the first half of 2025, the customer-related foreign exchange trading volume exceeded RMB1.6 trillion, and active customers of the financial market trading business increased by 14.90% from the same period last year.

Precious metals and commodities business

The Bank continued to deeply engage in the gold industry chain, actively participated in the development of gold market, and provided whole-process comprehensive financial services related to gold across the whole industrial chain for corporate customers, while facilitating allocation of insurance funds to gold market. It further enhanced its service capabilities in physical gold and gold accumulation business to meet customers' demand for investments in gold assets, while raising risk alerts to guide rational trading. As a result, it achieved steady and high-quality development of gold business. At the end of June 2025, the Bank's domestic precious metal assets amounted to RMB329,537 million. Focusing on actual needs of serving the real economy, the Bank guided enterprises and farmers to adopt the concept of risk neutrality, and expanded the varieties of commodity derivative transactions, securing agricultural products worth of RMB6,148 million in the first half of 2025.

Asset management business

The Group gave full play to its advantages of financial licenses to diversify its WMPs and improve the quality and efficiency of asset management business in serving the real economy, so as to meet the comprehensive investment and financing needs of customers. It continued to improve risk and compliance management capability, and strengthened risk prevention and mitigation for key institutions, fields, customers and types of risk, so as to promote high-quality development of asset management business. At the end of June 2025, the Group's asset management business reached RMB5.73 trillion, with CCB Trust, CCB Principal Asset Management, CCB Wealth Management, CCB Pension and the asset management subsidiary under CCB Life contributing RMB1.69 trillion, RMB1.43 trillion, RMB1.41 trillion, RMB0.68 trillion and RMB0.40 trillion, respectively.

Information on issuance, maturity and balance of the Group's WMPs during the reporting period is as follows.

(In millions of RMB, except batches)	31 December 2024		H1 2025				30 June 2025	
			WMPs issued		WMPs matured			
	Batches	Amount	Batches	Amount	Batches	Amount	Batches	Amount
CCB Wealth Management	995	1,598,725	**471**	**1,548,224**	**507**	**1,738,400**	**959**	**1,408,549**
The Bank	2	42,288	**-**	**21,321**	**-**	**34,112**	**2**	**29,497**
Total	997	1,641,013	**471**	**1,569,545**	**507**	**1,772,512**	**961**	**1,438,046**

The assets in which the Group's WMPs invested directly and indirectly as at the dates indicated are as follows.

(In millions of RMB, except percentages)	30 June 2025						31 December 2024					
	CCB Wealth Management		The Bank		The Group		CCB Wealth Management		The Bank		The Group	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
Cash, deposits and interbank negotiable certificates of deposit	**920,438**	**60.93**	**23,284**	**52.90**	**943,722**	**60.70**	1,008,220	60.80	20,512	34.60	1,028,732	59.90
Bonds	**411,958**	**27.27**	**2,152**	**4.89**	**414,110**	**26.64**	440,983	26.60	5,052	8.52	446,035	25.97
Non-standardised debt assets	**950**	**0.06**	**3,453**	**7.84**	**4,403**	**0.28**	1,793	0.11	25,679	43.31	27,472	1.60
Equity investments	**7,721**	**0.51**	**9,430**	**21.42**	**17,151**	**1.10**	5,171	0.31	8,042	13.57	13,213	0.77
Other assets[1]	**169,662**	**11.23**	**5,700**	**12.95**	**175,362**	**11.28**	201,987	12.18	-	-	201,987	11.76
Total	**1,510,729**	**100.00**	**44,019**	**100.00**	**1,554,748**	**100.00**	1,658,154	100.00	59,285	100.00	1,717,439	100.00

1. Including mutual funds, client-driven overseas wealth management investments (QDII), derivatives, placements with banks and non-bank financial institutions and bonds held under resale agreements.

Financial institutional business

The Bank pressed ahead with the graded, tiered and categorised management of financial institution customers by leveraging group-wide resources and consolidating customer resources to establish an all-encompassing, multi-level, and integrated service system for financial institution customers. It also fostered a diversified ecosystem of interbank cooperation, and effectively enhanced its comprehensive service capabilities and value contribution of financial institution customers. The Bank was honoured with 34 awards, including "Excellent Clearing Member" by the Shanghai Clearing House, "Excellent Financial Member" by the Shanghai Gold Exchange, and "Excellent Comprehensive Business Institution" by the Shanghai Commercial Paper Exchange. It continued to press ahead with integrated operation of bills, consolidated customer base, optimised product portfolio, and constantly enhanced the capacity of bill business in serving the real economy. It also elevated digital operation of financial institution customers, and advanced the development and operation of the interbank ecosystem to meet such customers' needs for single-point access, one-stop contracting, and integrated services. By the end of June 2025, the interbank service platform "Shanjiantongxing" had attracted approximately 2.30 million visits, 2,114 registered users and granted RMB12.31 trillion on a cumulative basis. With the total number of securities customers of trading settlement services exceeding 100 million, an increase of 4.1 million over the end of 2024, the Bank's total number of securities customers and the total amount of client trading settlement funds maintained the leading position among peers. At the end of June 2025, the Bank's amounts due to other domestic financial institutions (including deposits from insurance companies) were RMB3.20 trillion, an increase of RMB1.11 trillion over the end of 2024; assets placed with other domestic financial institutions were RMB678,212 million, an increase of RMB73,280 million over the end of 2024.

Asset custody business

The Bank continued to build itself into a leading custodian with strong customer base, advanced systems, leading operations and effective risk control, and actively served the development of capital market. It supported the high-quality development of the mutual fund industry, and acted as custodian for the first batch of floating-rate mutual fund products, outperforming its peers in number of funds. The Bank also successfully acted as custodian for the first batch of Shanghai STAR Market Composite Index ETFs. The Bank intensified its efforts in pension finance, attracting 887 new enterprise annuity custody customers and winning bids for 18 single enterprise annuity plans. Grasping the transformation trend of trust industry, it won over 100 new asset servicing trusts; it acted as custodian for multiple bankruptcy reorganisation trusts to help mitigate financial risks. Additionally, the Bank boosted regional economic transformation and development by providing custody services for dozens of government-guided funds. It enhanced the service functions of its "Smart Custody" platform and developed custody data application platform. With the brand value of "CCB SMART Custody" continuing to appreciate, the Bank was honoured with awards including "Index Ecosystem Yinghua Award" by *China Fund* and "China's Best Sub-Custodian Bank" by *Global Finance*. At the end of June 2025, the Bank's assets under custody amounted to RMB25.66 trillion, an increase of RMB1.71 trillion or 7.14% over the end of 2024. Notably, insurance funds and mutual funds under custody exceeded RMB8 trillion and RMB4 trillion, respectively, and assets of WMPs from other banks under custody grew by over RMB100 billion, with a growth rate exceeding 80%.

3.2.4 Overseas Commercial Banking Business

The Group's overseas commercial banking institutions (including 20 tier-one branches and six subsidiaries) covered 28 countries and regions across six continents at the end of June 2025, and achieved stable asset growth. The Group steadily pressed ahead with the integration of RMB and foreign currencies, domestic and overseas businesses, continued to deepen the coordinated development with other member countries of the RCEP, and constantly enhanced its comprehensive service capabilities. With steady improvement in credit asset quality and continuous enhancement in compliance management, the risk indicators remained controllable on the whole. The overseas commercial banking institutions continued to raise profitability and operational efficiency, and realised a net profit of RMB7,806 million in the first half of 2025.

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-Macao 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 is also the Group's service platform for retail and small and medium-sized enterprises in Hong Kong and has 28 outlets. At the end of June 2025, total assets of CCB Asia amounted to RMB487,410 million, and shareholders' equity was RMB94,406 million; net profit for the first half of 2025 was RMB3,731 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 2025, total assets of CCB Russia amounted to RMB7,608 million, and shareholders' equity was RMB1,255 million; net profit for the first half of 2025 was RMB146 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, trade finance, and cross-border financial market trading. At the end of June 2025, total assets of CCB Europe amounted to RMB24,118 million, and shareholders' equity was RMB4,485 million; net profit for the first half of 2025 was RMB48 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, trade finance, RMB clearing and cross-border financial market trading. At the end of June 2025, total assets of CCB New Zealand amounted to RMB11,010 million, and shareholders' equity was RMB1,517 million; net profit for the first half of 2025 was RMB47 million.

CCB Indonesia

PT Bank China Construction Bank Indonesia Tbk is a fully 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. CCB Indonesia is committed to serving the bilateral investment and trade between China and Indonesia, and provides high-quality services to local enterprises in Indonesia. Its business priorities include corporate business, small and medium-sized enterprise business, trade finance and infrastructure finance. At the end of June 2025, total assets of CCB Indonesia amounted to RMB14,746 million, and shareholders' equity was RMB3,095 million; net profit for the first half of 2025 was RMB69 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 2025, total assets of CCB Malaysia amounted to RMB16,135 million, and shareholders' equity was RMB1,769 million; net profit for the first half of 2025 was RMB51 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 implementing the positioning requirements of "strategic coordination, sound risk control, and commercial sustainability", 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 2025, total assets of integrated operation subsidiaries were RMB846,856 million. Net profit for the first half of 2025 reached RMB4,765 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 to continuously improve the quality and efficiency of serving the real economy. At the end of June 2025, total assets of CCB Financial Leasing amounted to RMB171,778 million, and shareholders' equity was RMB31,507 million; net profit for the first half of 2025 was RMB1,940 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 Operation 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 2025, total assets of CCB P&C Insurance were RMB1,345 million, and shareholders' equity was RMB468 million; net profit for the first half of 2025 was RMB9 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 name of its predecessor, 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 in 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.

On top of further sharpening traditional advantages of cost consulting, CCB Consulting adhered to the concept of digital operation, strived to build core competitiveness of "financial consulting + engineering consulting", and continued to expand product lines and optimise offerings. At the end of June 2025, total assets of CCB Consulting amounted to RMB1,412 million, and shareholders' equity was RMB467 million; net profit for the first half of 2025 was RMB38 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 adopted a market-oriented approach and proactively explored business innovation. It actively and steadily advanced market-oriented debt-to-equity swaps and supported the reform of state-owned enterprises, promoted the economic transformation and upgrading, and optimisation in industrial structure. It also accelerated equity investment pilot business to boost the growth of sci-tech enterprises, cultivate new quality productive forces, and achieve high-level science and technology self-reliance and self-improvement. At the end of June 2025, total assets of CCB Investment amounted to RMB122,979 million, and shareholders' equity was RMB44,152 million; net profit for the first half of 2025 was RMB1,195 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 Co., Ltd. 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 in CCB Life Insurance Asset Management Co., Ltd., 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.

CCB Private Equity gave full play to its professional edge and steadily pressed ahead with investment business. At the end of June 2025, the paid-in assets managed by CCB Private Equity reached RMB17,857 million, total assets of CCB Private Equity amounted to RMB274 million, and shareholders' equity was RMB84 million; net profit for the first half of 2025 was RMB12 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. It offers, through its subsidiaries, investment banking related services, including all-round investment banking services such as sponsoring and underwriting, financial advisory service, corporate merger and acquisition and restructuring, rights issue, placement and refinancing for listed companies, direct investment, asset management, securities brokerage, market research, investment consulting, and commodities business.

CCB International gave full play to its advantages in cross-border financial market services, focused on financing demands of high-quality enterprises in key areas, improved its comprehensive service capabilities in initial public offering (IPO) and bond issuance, and actively expanded asset management and securities brokerage businesses, so as to build an overseas investment banking platform with distinctive commercial banking features. At the end of June 2025, total assets of CCB International amounted to RMB72,045 million, and shareholders' equity was RMB9,496 million; net loss for the first half of 2025 was RMB755 million.[1]

[1] The data for CCB International includes CCB FinTech, CCB Housing and CCB Consulting.

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 real estate development loans for government-subsidised housing supported by state policies.

Sino-German Bausparkasse achieved steady business development, and the sales of housing savings products amounted to RMB32,133 million in the first half of 2025. At the end of June 2025, total assets of Sino-German Bausparkasse amounted to RMB47,444 million, and shareholders' equity was RMB3,148 million; net profit for the first half of 2025 was RMB9 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 steadily pressed ahead with business transformation, and its business structure continued to improve. At the end of June 2025, total assets of CCB Life were RMB337,224 million, and shareholders' equity was RMB4,959 million; net profit for the first half of 2025 was RMB610 million.[1]

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 in CCB Dingteng (Shanghai) Investment Management Co., Ltd. CCB Housing is mainly engaged in housing rental business.

CCB Housing focused on strengthening the operation of long-term rental apartments, further cooperated with the parent bank to serve customers, and met people's housing needs by leveraging "CCB Home" platform. At the end of June 2025, total assets of CCB Housing were RMB11,625 million, and shareholders' equity was RMB357 million; net loss for the first half of 2025 was RMB221 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.

[1] The data for CCB Life includes CCB P&C Insurance and CCB Private Equity.

CCB Consumer Finance stayed committed to prudent operation, actively responded to the national policy of boosting consumption, and continued to enhance the efficiency of inclusive finance services. At the end of June 2025, total assets of CCB Consumer Finance were RMB12,671 million, and shareholders' equity was RMB7,148 million; net profit for the first half of 2025 was RMB3 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 2025, assets managed by CCB Principal Asset Management reached RMB1.43 trillion, total assets of CCB Principal Asset Management amounted to RMB12,039 million, and shareholders' equity was RMB10,013 million; net profit for the first half of 2025 was RMB409 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. It is mainly engaged in trust business, investment banking and proprietary business.

CCB Trust witnessed steady development. At the end of June 2025, total assets managed by CCB Trust were RMB1.69 trillion, of which the total size of risk disposal service trust, wealth management business and credit asset securitisation business exceeded RMB580.0 billion, continuing to rank top in the industry. At the end of June 2025, Total assets of CCB Trust were RMB44,882 million, and shareholders' equity was RMB28,886 million; net profit for the first half of 2025 was RMB372 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 RMB936 million. 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. CCB Trading Company Limited, a wholly-owned subsidiary of CCB Futures, is engaged in pilot 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 2025, total assets of CCB Futures amounted to RMB12,701 million, and shareholders' equity was RMB1,299 million; net profit for the first half of 2025 was RMB34 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

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

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 enhanced customer service and raised its capabilities in investment, research and risk control. At the end of June 2025, assets managed by CCB Pension reached RMB680,693 million, total assets of CCB Pension amounted to RMB4,290 million, and shareholders' equity was RMB3,599 million; net profit for the first half of 2025 was RMB157 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 services 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 a shareholding ratio of 40% and 8.79%, respectively.

CCB Wealth Management realised coordinated development in quality, efficiency and scale on the basis of sound and compliant operation. At the end of June 2025, the size of WMPs of CCB Wealth Management amounted to RMB1.41 trillion, total assets of CCB Wealth Management were RMB21,504 million, and shareholders' equity was RMB20,752 million; net profit for the first half of 2025 was RMB825 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 both the fund manager and managing partner.

CCB Housing Rental assisted in exploring the new pattern of real estate development that encouraged both housing rentals and purchases via innovation of financial instruments. At the end of June 2025, assets managed by CCB Housing Rental reached RMB12,440 million, total assets of CCB Housing Rental amounted to RMB143 million, and shareholders' equity was RMB128 million; net profit for the first half of 2025 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% in its shares, respectively. CCB International (China) Co., Ltd, a wholly-owned subsidiary of CCB International, holds 100% shares in CCB Tenghui (Shanghai) Private Equity Fund Management Co., Ltd.

CCB FinTech took serving the Group as its main responsibility and primary business, engaged in software research and development (R&D) of the Group, and was responsible for the R&D quality and efficiency. It accelerated the digital and intelligent transformation of the Group by transforming technical tools and improving technical capabilities. At the end of June 2025, total assets of CCB FinTech were RMB7,182 million, and shareholders' equity was RMB1,420 million; net profit for the first half of 2025 was RMB1 million.

3.2.6 FinTech and Channel Operation

The Group systematically enhanced its comprehensive, end-to-end and systematic digital and intelligent transformation. It enhanced AI productisation and strengthened the capability construction of FLMs. It established the mechanism of coordinated management, monitoring and operation of data requirements, prioritised and integrated data governance requirements into the system R&D process, and promoted construction of the knowledge and data management system. The Group continued to strengthen the traffic value operation of “binary stars” to improve the product service capabilities and functional experience of the online platform. It continued to improve the open, intensive, efficient and intelligent operation system to deepen the integration of online and offline channels, providing customers with convenient, efficient and consistent service experience.

FinTech

The Group continued to strengthen research and application capabilities in new technologies, consolidated digital infrastructure, and enhanced technological R&D support, to ensure the safe and stable operation of information systems.

The Group enhanced the capability construction of FLMs. At the end of June 2025, the Group empowered 274 in-house application scenarios, focusing on core areas such as credit approval, intelligent customer service, personal AI assistant for account managers, and AI-driven R&D empowerment. The Group optimised the retrieval-augmented generation (RAG) technology to enable in-depth analysis on over ten mainstream document formats including WPS, and adopted a domain isolation policy to ensure data security. It continued to enhance ChatCCB and AI Toolbox to improve knowledge Q&A and conversational capabilities, and add support for complex task processing for staff members across the Group. It continued to enhance AI productisation. Specifically, the number of bill types covered by financial image recognition products increased by 41.95%, with accuracy rate exceeding 99% for multiple bill types. It also enhanced intelligent recommendation engines to enable connectivity and reuse of data from search and recommendation systems, supporting data-driven intelligent business decision-making. It promoted intelligent coding of the agile R&D platform, with the number of activated users and monthly active users accounting for 94.37% and 74.83% of developers at the head office, respectively, supporting 13 intelligent scenarios for technology R&D such as code completion, code review, and test case writing.

The Group enhanced the construction of the big data platform. It further raised the peak of daily real-time data processing volume to 142,905 million items, and empowered the general ledger system to aggregate an average of 2,319 million accounting details daily in real time to provide near-real-time account balance data for business analysis and decision-making. The Group significantly improved the online analytical capabilities by optimising the massively parallel processing (MPP) of metadata and applying hybrid row-column storage and sparse indexing technology. As a result, 98.02% of business operations and marketing metrics achieved second-level response for online queries. The Group advanced integrated innovation and application of cutting-edge technologies such as graph computing, privacy computing, AI, and LLMs. It developed a series of models for data analytics, such as reinforcement learning, deep learning, graph neural networks, and transfer learning methodologies, and explored the implementation of new technologies such as synthetic data and multi-modal analysis in practical scenarios. By enhancing intelligent data applications, the Group achieved comprehensive data utilisation and digital and intelligent empowerment across multiple areas, including customer operation, anti-gambling and anti-fraud risk control, credit limit calculation for sci-tech enterprises and identification of green finance customers and debts.

In terms of distributed platforms, the Group strengthened the cloud-native support capabilities, and enhanced the functionality of application service invocation chain tracing, forming a closed-loop service call chain. It released the HarmonyOS mobile app and applet framework to enable HarmonyOS compatibility for 11 CCB apps, such as personal mobile banking and "CCB Lifestyle". In addition, the Group continued to increase the computing power of the "CCB Cloud", further refined the "general computing + intelligent computing" architecture, driving sustained efficiency improvement in digital and intelligent operation across the group.

The Group carried out regular and practical security operation, promoted the application of security operation platform in overseas operations, conducted cybersecurity inspection in domestic and overseas branches and subsidiaries. It screened and rectified vulnerabilities at the group level, continued to perform penetration testing, and actively exercised group-wide cybersecurity attack and defence drills and ransomware emergency drills, strengthening cybersecurity and data security defences.

The Group continued to enhance the quality and efficiency of IT R&D. In the first half of 2025, the Group responded to 10,014 business demands at the group level, put 45,165 business demands items into production, and supported the launch of key projects such as technology finance services, digital operation of inclusive finance customers, pension financial products, intelligent and ecological development of personal AI assistant, and AI application for credit approval. By the end of June 2025, the Group had been granted 3,990 patents, an increase of 440 over the end of 2024, including 2,744 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 2025, the Group had a total of 14,727 operating entities. The Bank had 14,178 operating entities consisting of 14,143 domestic entities including the head office, two branch-level specialised entities, 37 tier-one branches, 362 tier-two branches, 13,730 sub-branches, 11 outlets under the sub-branches, and 35 overseas operations. The Bank's 23 major subsidiaries (including 17 integrated operation subsidiaries and six overseas banking subsidiaries) had a total of 549 entities, including 423 domestic ones and 126 overseas ones. For addresses of domestic tier-one branches, overseas branches and subsidiaries, please refer to the 2024 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 2025		31 December 2024	
	Number of entities	% of total	Number of entities	% of total
Domestic operations of the Bank	**14,143**	**96.03**	14,166	96.04
Yangtze River Delta	**2,238**	**15.20**	2,239	15.18
Pearl River Delta	**1,786**	**12.13**	1,799	12.20
Bohai Rim	**2,378**	**16.15**	2,380	16.14
Central	**3,429**	**23.28**	3,424	23.21
Western	**2,936**	**19.93**	2,939	19.92
Northeastern	**1,372**	**9.31**	1,381	9.36
Head office	**4**	**0.03**	4	0.03
Overseas operations of the Bank	**35**	**0.24**	35	0.24
Subsidiaries	**549**	**3.73**	549	3.72
Total	**14,727**	**100.00**	14,750	100.00

The Group continued to optimise its outlet layout, enhance the effectiveness of its outlet operations and support resource input in channel construction in regions and counties such as the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area. It stepped up the withdrawal, merger or relocation of inefficient and densely located outlets in urban areas and expanded the outlet coverage in new urban areas and key counties. In the first half of 2025, the Bank relocated 80 outlets, and set up 21 new outlets, including 12 county-level outlets. The Group continued to optimise the layout of its self-service channels and boost efficiency of the facilities. The Bank had 41,582 ATMs in operation to effectively meet customers' demand for convenient cash services, and 36,810 STMs in operation to fully support efficient business processing. Specifically, the Bank deployed 13,183 ATMs and 11,467 STMs at county-level outlets. The Group improved the service experience of overseas visitors to China, with 7,089 ATMs supporting small-denomination cash withdrawals. All counters and STMs at outlets of the Bank could process business through foreign permanent residence ID card. The Group intensified financial service support for sci-tech enterprises. It set up 37 technology sub-branches and 91 sub-branches with technology features. It opened 13,788 "Workers' Harbours" to the public, and expanded service scope to fields such as elderly-friendly services, services for the disabled, integrated government affair services, rural revitalisation, and green and low carbon transformation, so as to continuously transform and upgrade to specialised and differentiated services.

The Group expedited the development of its enterprise-level operation system to enhance its digital operation capability. At the front end, it focused on improving user experience by optimising processes to increase service convenience. For instance, the one-click inheritance service significantly reduces business processing time. It vigorously promoted online service models, enabling customers to complete entire processes digitally, such as digital confirmation services and account changes, without physical visits ("zero-trip" service). Through intelligent technologies, the Group pressed ahead with centralised and intelligent operations, and continued to expand the scope and levels of centralised operation. It elevated processing tiers for services such as gambling or fraud-related limit adjustments and judicial assistance, thereby improving both service quality and efficiency and operational risk management. Additionally, leveraging on technologies such as Intelligent Character Recognition (ICR) and knowledge graphs, the Group implemented intelligent reviews for foreign exchange policy compliance and corporate account openings, raising review efficiency by 30%.

Online channels

The Bank continued to focus on operation of “binary stars” with business strategy of “traffic volume - traffic quality - value realisation”. It focused on enhancing the market competitiveness of the mobile banking platform in terms of traffic volume and quality. It refined the digital operation featuring insight, matching, access and accompanying, and strengthened online wealth management and credit services, to boost the growth of customers’ asset holdings online and drive value creation through online channels. The Bank deepened the positioning of “CCB Lifestyle” as a consumer finance and scenario-based direct operation platform, 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 2025, the Bank had 571 million online personal users. The number of “binary stars” platform users was 533 million, and that of card-linked fast payment users was 481 million.

Mobile banking

The Bank comprehensively promoted the 2025 version of personal mobile banking, and optimised business processes and user interaction design for high-frequency service functions with focus on simplified user experience. Targeting the needs of key customers, the Bank developed differentiated and people-oriented financial products and services with innovative features such as “Easy Repayment”. It continued to improve performance of the app to enhance facial recognition accuracy and security. The Bank strengthened the coordination between the “binary stars” as well as online and offline channels, expanded scenarios of whole-process online processing including online appointment and pre-processing, and facilitated full deployment of functions and services, to consolidate its mobile banking’s role as the primary platform for online services. Customers with assets on mobile banking totalled 432 million, an increase of 1.82% over the end of 2024. Specifically, active customers of mobile banking with assets exceeding RMB10 thousand increased by 14.00% over the same period last year.

CCB Lifestyle

The Bank continued to promote the construction of large consumption and frequent small consumption scenarios on “CCB Lifestyle” platform, supported the development of ecological scenarios such as “Home Life” and “Car Life”, facilitated value realisation of ecological traffic volume, and drove acquisition of customers and expansion of consumer finance business. The platform had a total of 166 million registered users, bringing in personal credit including residential mortgages and credit card instalments over RMB140.0 billion. It also undertook the disbursement of and granted consumption subsidies of RMB5.6 billion in 172 cities, driving consumption exceeding RMB40.0 billion, helping expand domestic demand and boost consumption.

Online banking

The personal online banking platform focused on addressing customers’ high-frequency needs and enhancing foundational user experience by refining core financial service journeys, standardising the processing of rarely-used Chinese characters and launching the Cross-border Payment Express service. The corporate online banking platform launched the Salary Disbursement Service to provide online solutions for payroll distribution. It also deployed four specialised centres, including Download Centre, Task Centre, Message Centre, and Help Centre, to improve business efficiency. At the end of June 2025, the number of personal online banking users was 429 million, an increase of 0.88% over the end of 2024. The number of corporate online banking users was 16.03 million, an increase of 5.36% over the end of 2024.

Online payment

The Bank continued to carry out digital and refined operation of online payment, promoted the integrated development of online payment with key business areas such as financial services at the county and rural levels, credit card services, and individual merchant solutions. It accelerated product innovation, and enhanced users' card-linking experience and payment convenience. In the first half of 2025, CCB had 31,506 million online payment transactions, an increase of 4.34% over the same period last year, amounting to RMB10.53 trillion, maintaining a leading position among payment institutions such as Alipay, JD, Meituan, Douyin and Pinduoduo in terms of market share.

Remote intelligent banking

Adhering to the customer-centric service concept, the Bank actively built a remote banking service system that enabled omni-channel, all-media and multi-scenario access. By leveraging innovation-driven intelligent transformation, the Bank provided smart, efficient, convenient and high-quality remote comprehensive financial services to domestic and overseas customers. To ensure "easy access" to services, the Bank further enhanced the efficiency of coordinated utilisation of service resources through the newly-built "Global Cloud" infrastructure, and steadily expanded the one-stop comprehensive customer services. To facilitate "Superior Customer Experience", the Bank restructured service scripts and processes and delivered differentiated services for special customers, including the elderly, cross-border consumers, and those facing repayment challenges, providing user-friendly and convenient services. To achieve "High Efficiency" in issue resolution, the Bank implemented tiered and categorised problem resolution and strengthened the collaborative problem-solving capabilities between the head office and branches. To advance "Intelligent Services", it introduced customer-facing features such as multi-factor identity verification and dedicated channels for the elderly. Additionally, it upgraded video-enabled customer service, three-dimensional "Smart View" interaction, and meta human as new service scenarios, enhanced the operation of new media matrix comment interactions, and developed precise content delivery functions via its Wechat service account. In the first half of 2025, the Bank provided all-channel services to 203 million customers, with the satisfaction rate of customer service hotline reaching 99.95%. The number of subscription users of WeChat service account "CCB Customer Service" exceeded 50 million.

Research, development and application of e-CNY

The Bank fully supported the PBOC in steadily pushing forward the e-CNY R&D and application, and continued to improve its enterprise-level integrated e-CNY business operation system. The Bank actively promoted the expanded application of e-CNY in mature scenarios such as intelligent campuses, chain supermarkets, tax payments, housing provident fund management, and umbrella wallets. It completed the construction of the digital currency identity system and gradually advanced the integrated application of smart contracts with AI LLMs. It intensified efforts to push forward the Project mBridge, and completed the first cross-border RMB payment on the Shipping & Trade Digital Platform. It enhanced e-CNY data governance and strengthened e-CNY risk prevention and control. At the end of June 2025, the Bank's e-CNY personal wallets and e-CNY parent wallets for corporate banking increased by 9.96% and 10.73%, respectively, over the end of last year. The cumulative consumption transactions and cumulative consumption amount increased by 16.75% and 6.23%, respectively, over the end of last year.

3.3 RISK MANAGEMENT

In the first half of 2025, the Group adhered to a comprehensive risk management philosophy featuring full coverage, integration of all processes, group-wide involvement, holistic awareness cultivation, global perspective development, and group-wide governance enhancement. It continued to improve its risk and internal control systems and mechanisms, strengthened coordinated risk control mechanism between parent bank and subsidiaries as well as domestic and overseas operations, and enhanced integrated group-wide risk control capabilities. The Group's management of global and domestic systemically important banks (SIBs) fully complied with regulatory requirements. It rigorously implemented asset quality controls, intensified its centralised collection efforts for inclusive loans and retail loans, and improved the quality and efficiency of non-performing assets resolution, maintaining stable and controllable asset quality. The Group expedited the development of an enterprise-level intelligent risk control system, elevated intelligent risk monitoring and early warning capabilities for detecting customer and business risks, and explored the creation of a group-wide integrated off-site inspection platform to enhance coordinated "online + offline" and "digital + manual" risk control capabilities.

The Board fulfils 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 reinforced its credit risk management across the board to firmly safeguard the bottom line of preventing systemic financial risks, constantly enhancing its risk operation and management capabilities.

The Group built a solid foundation for credit risk prevention and control. It continued to press ahead with the optimisation and adjustment of composition of credit assets and effectively implemented the "Five Priorities" in finance, so as to beef up its support for key areas and weak links of the real economy, as well as key national strategies and coordinated regional development. It intensified integrated credit risk prevention and control at the group level, strengthening collaborative checks and balances in key processes. It focused on credit risk management in key areas, to improve the capabilities of forward-looking risk analysis, prevention and mitigation. The Group strictly implemented the *Rules on Risk Classification of Financial Assets of Commercial Banks*. It took full consideration of the substantive risks, conducted risk classification management in an accurate manner in line with the three-step procedure of "initial classification, identification and approval", so that the asset quality remained stable. It implemented the ECL model with high quality, timely made adequate provisions, and maintained strong risk mitigation capacity.

The Group enhanced its risk measurement capabilities. It optimised its dedicated evaluation tool for sci-tech enterprises and enhanced the functionality of its credit rating system to improve the assessment capability of technological elements. It expanded ESG rating coverage to more customers and integrated ESG elements into credit ratings. It also upgraded its customer credit rating models, including those for retail businesses such as scorecards for credit card loans, loans granted to small and micro businesses, and Yunong Quick Loan, to strengthen risk differentiation capabilities of such models.

The Group optimised the comprehensive financing approval and management mechanism. It incorporated both credit businesses and non-credit investment and financing businesses conducted in its financing services for corporate customers into a unified and comprehensive financing approval and management framework, clarifying responsibility boundaries and optimising process design. It clarified the primary and principal responsibilities of customer operation and risk management of the first line of defence and gave full play to the role of professional empowerment, risk control and collaborative services of the second line of defence. It developed an intensive and efficient process for key customers and businesses with high requirements for timeliness, so as to improve its market competitiveness.

The Group strengthened its special assets resolution. With the effective management and timely disposal of non-performing assets, it sped up transfer of credit funds and contributed to virtuous economic development circulation. It maintained sound risk resolution and disposal capabilities, providing solid support for strategic advancement, operational management, structural optimisation, 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 2025		31 December 2024	
	Amount	**% of total**	**Amount**	**% of total**
Normal	**26,533,613**	**96.86**	24,961,689	96.77
Special mention	**496,709**	**1.81**	487,337	1.89
Substandard	**123,665**	**0.45**	97,272	0.38
Doubtful	**83,925**	**0.31**	105,356	0.41
Loss	**156,722**	**0.57**	142,063	0.55
Gross loans and advances excluding accrued interest	**27,394,634**	**100.00**	25,793,717	100.00
NPLs	**364,312**		344,691	
NPL ratio		**1.33**		1.34

The Group adhered to the principle of substantive risk judgement and accurately assessed its risk position based on the core definition of loans by five-category classification. At the end of June 2025, the balance of the Group's NPLs was RMB364,312 million, an increase of RMB19,621 million over the end of 2024. The NPL ratio was 1.33%, a decrease of 0.01 percentage points from the end of 2024. Special mention loans accounted for 1.81% of gross loans and advances excluding accrued interest, a decrease of 0.08 percentage points from the end of 2024.

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 2025			31 December 2024		
	Loans and advances	NPLs	NPL ratio (%)	Loans and advances	NPLs	NPL ratio (%)
Domestic loans and advances of the Bank	**26,518,169**	**347,306**	**1.31**	24,938,748	325,868	1.31
Corporate loans and advances	**15,674,536**	**247,523**	**1.58**	14,434,401	238,687	1.65
Short-term loans	**4,472,280**	**81,697**	**1.83**	4,014,375	82,843	2.06
Medium to long-term loans	**11,202,256**	**165,826**	**1.48**	10,420,026	155,844	1.50
Personal loans and advances	**9,104,372**	**99,783**	**1.10**	8,872,595	87,181	0.98
Residential mortgages	**6,145,498**	**46,855**	**0.76**	6,187,858	38,735	0.63
Personal business loans	**1,229,938**	**18,619**	**1.51**	1,021,693	16,282	1.59
Credit card loans	**1,054,948**	**24,813**	**2.35**	1,065,883	23,680	2.22
Personal consumer loans	**614,194**	**6,725**	**1.09**	527,895	5,752	1.09
Other loans	**59,794**	**2,771**	**4.63**	69,266	2,732	3.94
Discounted bills	**1,739,261**	**-**	**-**	1,631,752	-	-
Overseas operations and subsidiaries	**876,465**	**17,006**	**1.94**	854,969	18,823	2.20
Gross loans and advances excluding accrued interest	**27,394,634**	**364,312**	**1.33**	25,793,717	344,691	1.34

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 2025				31 December 2024			
	Loans and advances	% of total	NPLs	NPL ratio (%)	Loans and advances	% of total	NPLs	NPL ratio (%)
Domestic loans and advances of the Bank	**26,518,169**	**96.80**	**347,306**	**1.31**	24,938,748	96.69	325,868	1.31
Corporate loans and advances	**15,674,536**	**57.22**	**247,523**	**1.58**	14,434,401	55.96	238,687	1.65
Leasing and commercial services	**2,831,139**	**10.33**	**46,282**	**1.63**	2,616,609	10.14	44,639	1.71
Transportation, storage and postal services	**2,515,692**	**9.18**	**17,122**	**0.68**	2,389,026	9.26	17,643	0.74
Manufacturing	**2,436,260**	**8.89**	**38,663**	**1.59**	2,172,903	8.42	37,362	1.72
Production and supply of electric power, heat, gas and water	**1,702,960**	**6.22**	**11,504**	**0.68**	1,600,664	6.21	11,655	0.73
Wholesale and retail trade	**1,513,868**	**5.53**	**34,730**	**2.29**	1,393,050	5.40	34,725	2.49
Real estate	**927,351**	**3.39**	**43,967**	**4.74**	908,380	3.52	43,518	4.79
Construction	**827,924**	**3.02**	**23,624**	**2.85**	699,150	2.71	19,207	2.75
Water, environment and public utility management	**813,213**	**2.97**	**7,969**	**0.98**	761,752	2.95	7,016	0.92
Finance	**592,981**	**2.17**	**178**	**0.03**	530,770	2.06	183	0.03
Mining	**400,181**	**1.46**	**5,254**	**1.31**	344,654	1.34	5,013	1.45
Others[1]	**1,112,967**	**4.06**	**18,230**	**1.64**	1,017,443	3.95	17,726	1.74
Personal Loans and advances	**9,104,372**	**33.23**	**99,783**	**1.10**	8,872,595	34.40	87,181	0.98
Discounted bills	**1,739,261**	**6.35**	**-**	**-**	1,631,752	6.33	-	-
Overseas operations and subsidiaries	**876,465**	**3.20**	**17,006**	**1.94**	854,969	3.31	18,823	2.20
Gross loans and advances excluding accrued interest	**27,394,634**	**100.00**	**364,312**	**1.33**	25,793,717	100.00	344,691	1.34

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.

In the first half of 2025, the Group increased its efforts in supporting the real economy, continued to promote structural optimisation and adjustment, and effectively controlled risks in key areas. The NPL ratio for manufacturing industry was stable, while NPL ratios for industries such as real estate, transportation, storage and postal services declined.

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 2025			31 December 2024		
	Loans and advances	**NPLs**	**NPL ratio (%)**	**Loans and advances**	**NPLs**	**NPL ratio (%)**
Yangtze River Delta	**5,676,465**	**47,913**	**0.84**	5,240,886	43,845	0.84
Pearl River Delta	**4,414,670**	**85,072**	**1.93**	4,169,575	82,590	1.98
Bohai Rim	**4,608,014**	**54,973**	**1.19**	4,338,437	48,047	1.11
Central	**4,648,077**	**58,915**	**1.27**	4,290,781	58,713	1.37
Western	**5,129,174**	**59,760**	**1.17**	4,855,020	52,990	1.09
Northeastern	**1,086,507**	**23,253**	**2.14**	1,039,321	24,170	2.33
Head Office	**1,091,010**	**24,866**	**2.28**	1,142,742	23,735	2.08
Overseas	**740,717**	**9,560**	**1.29**	716,955	10,601	1.48
Gross loans and advances excluding accrued interest	**27,394,634**	**364,312**	**1.33**	25,793,717	344,691	1.34

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 2025		31 December 2024	
	Amount	**% of gross loans and advances excluding accrued interest**	**Amount**	**% of gross loans and advances excluding accrued interest**
Restructured loans and advances to customers	**120,022**	**0.44**	120,861	0.47

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

At the end of June 2025, the balance of restructured loans and advances to customers was RMB120,022 million, a decrease of RMB839 million from the end of 2024; their proportion in gross loans and advances excluding accrued interest was 0.44%.

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 2025		31 December 2024	
	Amount	% of gross loans and advances excluding accrued interest	Amount	% of gross loans and advances excluding accrued interest
Overdue within three months	**101,186**	**0.37**	74,609	0.29
Overdue between three months and six months	**48,675**	**0.18**	49,239	0.19
Overdue between six months and one year	**59,279**	**0.22**	85,409	0.33
Overdue between one and three years	**123,411**	**0.45**	95,530	0.37
Overdue for over three years	**31,083**	**0.11**	26,409	0.10
Total overdue loans and advances to customers	**363,634**	**1.33**	331,196	1.28

At the end of June 2025, the balance of overdue loans and advances to customers increased by RMB32,438 million over the end of 2024 to RMB363,634 million; their proportion in gross loans and advances excluding accrued interest increased by 0.05 percentage points.

Migration rate of loans

(%)	30 June 2025	31 December 2024	31 December 2023
Migration rate of normal loans	**1.35**	1.07	1.66
Migration rate of special mention loans	**23.46**	11.69	12.21
Migration rate of substandard loans	**74.85**	44.56	44.86
Migration rate of doubtful loans	**79.17**	34.38	44.84

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

Large exposures management

The Group strictly implemented regulatory requirements by constantly identifying, measuring, and monitoring large exposures. It also enhanced the large exposures management information system, to improve its capability in limit control of large exposures.

Concentration of loans

At the end of June 2025, the Group's gross loans to the largest single borrower accounted for 4.06% of total capital, while those to the top ten customers accounted for 14.69% of total capital.

(%)	30 June 2025	31 December 2024	31 December 2023
Proportion of loans to the largest single customer	**4.06**	4.15	4.42
Proportion of loans to top ten customers	**14.69**	15.22	14.87

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

(In millions of RMB, except percentages)	Industry	30 June 2025	
		Amount	% of total loans and advances excluding accrued interest
Customer A	Transportation, storage and postal services	**185,913**	**0.68**
Customer B	Production and supply of electric power, heat, gas and water	**74,028**	**0.27**
Customer C	Production and supply of electric power, heat, gas and water	**72,000**	**0.26**
Customer D	Finance	**62,560**	**0.23**
Customer E	Leasing and commercial services	**58,303**	**0.21**
Customer F	Finance	**48,856**	**0.18**
Customer G	Transportation, storage and postal services	**46,659**	**0.17**
Customer H	Finance	**44,165**	**0.16**
Customer I	Mining	**43,497**	**0.16**
Customer J	Transportation, storage and postal services	**36,993**	**0.14**
Total		**672,974**	**2.46**

For details of capital measurement of credit risks, please refer to the *Half-Year Capital Management Pillar III Report* 2025 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 2025, the Group continued to reinforce its market risk management. It formulated the annual risk policy and 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. It cemented the foundation for market risk management of financial institutional business and asset management business by improving risk management systems and advancing system infrastructure development. 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 balance sheet date and during the respective periods is as follows.

	Six months ended 30 June 2025				**Six months ended 30 June 2024**			
(In millions of RMB)	**As at 30 June**	**Average**	**Maximum**	**Minimum**	**As at 30 June**	**Average**	**Maximum**	**Minimum**
VaR of trading portfolio	**328**	**309**	**363**	**241**	252	254	321	218
Of which: Interest rate risk	**202**	**124**	**213**	**73**	34	31	38	22
Exchange rate risk	**281**	**309**	**363**	**246**	242	243	315	203
Commodity risk	**1**	**1**	**2**	**-**	1	1	6	-

Stress testing of market risk

The Bank uses stress testing over single factor scenario, multifactor 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 earnings of the Bank, thus enhancing the Bank's ability to respond to extreme risk events. The stress testing results showed that losses from market risks 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 measures and analyses its exchange rate risk by using a combination of methods such as exchange rate risk exposure and stress testing and controls and mitigates risk by matching its assets with liabilities, setting limits, and hedging.

In the first half of 2025, the Group adhered to a prudent and sound exchange rate risk management strategy, paid close attention to the changes in global economic and financial landscapes, and actively responded to fluctuations in the exchange rate market. It strengthened exchange rate risk management for its overseas operations and subsidiaries, enhanced management mechanisms and processes, and continued to improve management quality and efficiency. During the reporting period, the Group's exchange rate risk indicators satisfied regulatory requirements. Stress testing results showed that the overall exchange rate risk was under control.

Currency concentrations

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

(In millions of RMB)	30 June 2025				31 December 2024			
	USD (RMB equivalent)	**HKD (RMB equivalent)**	**Others (RMB equivalent)**	**Total**	**USD (RMB equivalent)**	**HKD (RMB equivalent)**	**Others (RMB equivalent)**	**Total**
Spot assets	**1,005,271**	**326,025**	**517,610**	**1,848,906**	964,301	315,444	411,909	1,691,654
Spot liabilities	**(1,164,471)**	**(556,657)**	**(282,674)**	**(2,003,802)**	(1,017,588)	(498,078)	(249,136)	(1,764,802)
Forward purchases	**3,467,969**	**499,808**	**233,396**	**4,201,173**	3,351,341	316,408	243,302	3,911,051
Forward sales	**(3,307,679)**	**(223,279)**	**(443,608)**	**(3,974,566)**	(3,276,346)	(91,062)	(367,232)	(3,734,640)
Net options position	**(26,863)**	**-**	**4**	**(26,859)**	(47,118)	-	(829)	(47,947)
Net(short) /long position	**(25,773)**	**45,897**	**24,728**	**44,852**	(25,410)	42,712	38,014	55,316

At the end of June 2025, the Group's net exposure to exchange rate risk was RMB44,852 million, a decrease of RMB10,464 million from the end of last year, mainly due to the decline in trading exposures.

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 2025*.

3.3.3 Interest Rate Risk Management of Banking Book

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 from interest rate changes on net interest income and economic value. The Group employs a range of methods to measure and analyse interest rate risk on 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 quantitative and pricing facilities for balance sheet, 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 on banking book is kept within a reasonable range.

In the first half of 2025, the Group continued to track changes in domestic and foreign economic situation, macroeconomic policies, and significant events, reinforced its interest rate risk management, and reasonably responded to market pressures and management challenges. It closely tracked changes in interest rates of deposits, loans and bonds, and continued to optimise the term structure of assets and liabilities to meet regulatory requirements; it bolstered interest rate risk management of overseas operations and adjusted the risk limit management requirements; it optimised internal and external pricing management strategies in a timely manner and prudently assessed interest rate terms of new products. During the reporting period, the results of stress testing indicated that the Group's interest rate risk indicators were kept within the limits, and the level of interest rate risk was reasonably 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 are 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 2025	**520,242**	**(7,031,848)**	**8,177,449**	**(3,488,290)**	**5,407,306**	**3,584,859**
Accumulated interest rate sensitivity gap as at 30 June 2025		**(7,031,848)**	**1,145,601**	**(2,342,689)**	**3,064,617**	
Interest rate sensitivity gap as at 31 December 2024	283,083	(3,787,488)	5,734,890	(3,989,529)	5,103,009	3,343,965
Accumulated interest rate sensitivity gap as at 31 December 2024		(3,787,488)	1,947,402	(2,042,127)	3,060,882	

At the end of June 2025, the positive repricing gap of the Group's assets and liabilities with maturities of less than one year was RMB1.15 trillion, a decrease of RMB801,801 million from the end of last year, mainly because the significant increase in deposits with maturities of less than one year was faster than that of loans. The positive gap of assets and liabilities with maturities of more than one year was RMB1.92 trillion, an increase of RMB805,536 million over the end of last year, mainly because the increase in long-term fixed-rate loans and bond investments with maturities of over five years was faster than that of long-term liabilities.

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 that are to be repriced within the next year and held at the end of the period. Equity sensitivity analysis refers to the impact on equity of net change in fair value resulting from the revaluation of fixed-rate financial assets held at the end of the period and measured at fair value through other comprehensive income 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 the same; the second assumes that the interest rates for deposits at the PBOC and the demand deposits remain the same, 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.

(In millions of RMB)		Impact on net interest income		Impact on equity	
		30 June 2025	31 December 2024	**30 June 2025**	31 December 2024
Rise by 100 basis point	Interest rates for deposits at the PBOC being constant	**(83,706)**	(46,805)	**(139,869)**	(108,445)
	Interest rates for deposits at the PBOC and demand deposits being constant	**64,545**	92,363		
Fall by 100 basis points	Interest rates for deposits at the PBOC being constant	**83,706**	46,805	**155,752**	119,288
	Interest rates for deposits at the PBOC and demand deposits being constant	**(64,545)**	(92,363)		

3.3.4 Operational Risk Management

The Board of the Bank assumes the ultimate responsibility for operational risk management. Senior management is responsible for the implementation of operational risk management, with key duties including organising the formulation of basic policies and rules on operational risk management. The operational risk organisational structure comprises business and management departments, operational risk management departments, and audit department.

The Group has formulated basic rules for operational risk management and established an operational risk management system tailored to its business nature, size, complexity and risk profile. Such management framework strengthens the coordinated control of "three lines of defence" and uses operational risk appetite and its transmission as guiding principles. Empowered by operational risk management tools and supported by operational risk culture, staffing, incentives and disciplines, and IT systems, the Group continues to promote 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 framework. 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 2025, the Group actively benchmarked itself against the *Rules on Operational Risk Management of Banking and Insurance Institutions*, further improving management mechanisms such as the transmission of operational risk appetite and risk reporting to cement the foundation for operational risk management. It strictly implemented regulatory requirements such as the *Capital Rules for Commercial Banks* and the *Provisions on the Application and Validation of Advanced Capital Measurement Approach by Commercial Banks* and improved the measurement system under standardised approach for operational risks, advancing preparatory work for evaluation applications related to the implementation of the standardised approach for operational risks such as self-assessments and external audits. The Group initiated a new round of business impact analysis, so as to constantly refine its business continuity management strategies, identify important business operations, and be well prepared for operational risk exposures. Additionally, it conducted coordinated drills on continuity of important business operations with a focus on its management priorities, to improve emergency awareness and response capabilities among relevant personnel, thus enhancing both effectiveness and quality of such drills.

Anti-money laundering

The Group strictly implements regulatory requirements for AML and financial sanctions. It strengthens its money laundering risk management capabilities by continuing to enhance the "risk-based" AML management system, strengthening the fulfilment of its core obligations, pressing ahead with infrastructure development for beneficiaries' information reporting, intensifying monitoring in high-risk areas of money laundering, and actively exploring the application of emerging technologies such as big data, to play its role in preventing money laundering activities 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 2025*.

3.3.5 Liquidity Risk Management

In the first half of 2025, the Group adhered to its sound and prudent liquidity management strategy, and continued to facilitate the upgrading of liquidity risk management mechanism and system; it analysed changes in internal and external fund situation in a forward-looking manner, effectively identified, measured, monitored and reported liquidity risk, enhanced utilisation of active liability instruments, unblocked market-oriented financing channels, and maintained reasonable liquidity reserve; it also continued to strengthen coordinated liquidity management at the group level, and optimised monitoring and early warning system for liquidity risk, to ensure safety of payment and settlement across the group.

Stress testing of liquidity risk

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

Indicators of liquidity risk management

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 ratios and loan-to-deposit ratios of the Group as at the dates indicated.

(%)		Regulatory threshold	30 June 2025	31 December 2024	31 December 2023
Liquidity ratio[1]	Renminbi	≥25	**84.97**	76.55	69.20
	Foreign currency	≥25	**73.33**	72.07	77.40
Loan-to-deposit ratio[2]	Renminbi		**89.64**	89.28	85.12

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 2025	First quarter 2025	Fourth quarter 2024
Liquidity coverage ratio (%)[1]	**122.06**	124.79	125.73
	30 June 2025	**31 March 2025**	**31 December 2024**
NSFR (%)	**131.53**	133.87	133.91

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 2025, the Group's Renminbi and foreign currency liquidity ratios were 84.97% and 73.33% respectively, and the loan-to-deposit ratio was 89.64%. The average daily liquidity coverage ratio for the second quarter of 2025 was 122.06%. The Group's NSFR was 131.53% at the end of June 2025. 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* 2025 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 and three months	Between three months and one year	Between one and five years	More than five years	Total
Net gaps as at 30 June 2025	**2,974,693**	**(12,936,557)**	**51,420**	**(1,599,213)**	**(1,041,805)**	**2,607,175**	**13,529,146**	**3,584,859**
Net gaps as at 31 December 2024	2,993,681	(12,688,474)	(686,338)	(769,481)	90,854	1,711,813	12,691,910	3,343,965

The Group monitors the maturity gaps between its assets and liabilities for various businesses on a regular basis, to assess the liquidity risk profile within different maturity ranges. At the end of June 2025, the cumulative maturity gap of the Group was RMB3.58 trillion.

3.3.6 Reputational Risk Management

In the first half of 2025, adhering to its forward-looking, comprehensive, proactive and effective management principle, the Group continued to improve its reputational risk management system and mechanism, and improved overall efficiency of its reputational risk management. It focused on strengthening source management of reputational risk and further strengthened the reporting, monitoring and early warning of potential negative publicity so as to prevent and mitigate potential reputational risks and make plans for emergencies in advance. It strengthened the working mechanism for emergency response and joint resolution of reputational events and standardised the reporting path and time limit of public opinion information, so as to enhance its capability of quick response to adverse media coverage. During the reporting period, the Group steadily improved its reputational risk management standard, and no significant reputational incidents occurred, effectively safeguarding its good corporate image and reputation.

3.3.7 Country Risk Management

In strict compliance with regulatory requirements, the Group incorporates country risk management into comprehensive risk management system. The Board assumes the ultimate responsibility for monitoring the effectiveness of country risk management, and senior management carries out country risk management policies approved by the Board. The Group manages country risk by applying tools including evaluation and rating, risk limit, data aggregation, stress testing, monitoring and early alert, and emergency responses.

In the first half of 2025, the Group continued to optimise its country risk management in line with the needs of business development to address global economic challenges. 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 basic rules for IT risk management, and an IT risk management governance structure that features reasonable and well-defined division of responsibilities, appropriate authorisation, mutual checks and balances, and clear reporting lines, in response to regulatory requirements and in alignment with its IT risk management appetite and strategy. The Board regularly listens to, and reviews reports on IT risk management to have a command of major IT risks, reviews IT risk appetite, keeps abreast of the identification, measurement, monitoring, and control of IT risks, and supervises and checks IT risk management work performed by senior management. Senior management is responsible for implementing the management of IT risk, including identification, monitoring, and control, as authorised by the Board, and reports to the Board. To enhance the security and stability of information systems, senior management adopts appropriate management strategies for domains such as information system development, testing, and maintenance, IT operation, business continuity plan, and emergency responses. It strengthens IT assurance and evaluation, engages professional accounting firms to conduct audit and assurance on IT control service provided by the head office to overseas operations, and engages professional institutions to conduct cybersecurity classified protection evaluation as well as security assessment of cryptography application for systems at or above Grade III of cybersecurity classified protection.

In the first half of 2025, the Group continued to perform IT risk monitoring, reporting, control and mitigation, and promoted early warning, early exposure and early resolution of IT risks. During the reporting period, the Group's IT risk indicators met regulatory requirements and risk appetite, with risks basically under control.

3.3.9 Strategic Risk Management

The Group strictly implemented regulatory requirements for strategic risk management, comprehensively promoted the implementation of strategic planning, strategic risk management policies, and focused on the execution of these policies to further improve the strategic risk management framework. It adhered to the principles of foresight, timeliness, comprehensiveness, and sustainability, and carried out the identification, monitoring, assessment, reporting and control of strategic risks in a timely and effective manner, so as to reinforce the foundation of strategic risk management. During the reporting period, the Group's strategic risk remained under control.

3.3.10 Emerging Risk Management

In recent years, emerging risks such as model risk, data risk, fraud risk, ESG risk, and new product risk continued to increase and interweave, bringing notable potential impacts. In response, the Group closely tracked changes in both internal and external environments as well as regulatory requirements, and enhanced the effective identification and control of these emerging risks, to effectively improve the capability of coordinated management on the risks.

In terms of model risk management, the Group continued to improve its model risk management mechanism. It carried out model validation and review, focused on strengthening the management of online business rule models and the risk management of overseas operations' models, and organised model training camps to develop a professional team of model risk management and measurement. The Group advanced the construction of the enterprise-level model monitoring platform and enhanced the functions of the enterprise-level model risk management platform. It won *The Asian Banker*'s 2025 Asia-Pacific Best AI/ML Model Management Platform Innovation Award.

In terms of data risk management, the Group established an operation mechanism for data monitoring, strengthened the source control, and continued to improve the data quality service desk, achieving effective integration from data monitoring to demand coordination. The Group kept track of regulatory developments and enhanced the data security management system in alignment with the *Measures for Data Security Management of Banking and Insurance Institutions*. It issued the *Data Security Management Regulations for Third-Party Cooperation*, and embedded data security management requirements into third-party cooperation processes. In addition, it established online assessment mechanisms for scenarios such as data transfer out of the Bank to strengthen risk control in key scenarios.

In terms of fraud risk management, the Group closely monitored the trends of external risks and deepened the coordinated fraud risk control mechanism. It conducted in-depth analysis of typical cases and their characteristics, and iterated intelligent prevention and control tools by using FinTech methods. It focused on optimising strategies of prevention and control in key areas and processes and continued to enhance proactive prevention and resolution of fraud risks.

In terms of ESG risk management, the Group continued to improve its ESG risk management system in compliance with regulatory requirements. It further refined ESG risk management requirements for customers of investment and financing activities, issued new measures that integrated ESG risk management into its business management system and business processes, comprehensively implemented ESG risk control over such procedures as due diligence, compliance review, credit approval, loan disbursement review, and post-investment/lending management. It also optimised the ESG risk classification management system for customers of investment and financing activities to enhance its digital operation.

In terms of new product risk management, the Group improved its "1+1" framework combining a comprehensive system of new product risk assessment with detailed rules for investment and trading product evaluation, standardised the processes for identifying and assessing new product risks, and clarified the main responsibility for prevention and control of product innovation risks. The Group built a new product risk assessment system, integrating risk management requirements into the product innovation process. It enhanced lifecycle risk management of products by establishing a product risk monitoring indicator system and a risk review mechanism. It also strengthened money laundering risk assessment and control for new products by dynamically optimising the assessment method and the indicator system and refining the product review mechanism, continued to intensify daily monitoring and analysis, and took risk control measures commensurate with the risk profile.

3.3.11 Consolidated Management

In the first half of 2025, the Group continued to enhance consolidated management, promoted the integrated management at the group level, and reinforced various aspects of the Group's consolidated management, including risk management, corporate governance and capital management to prevent cross-border and cross-industry business risks, and promote the high-quality development of subsidiaries and overseas operations.

The Group continued to streamline its equity hierarchy and pushed for a simple and clear shareholding structure. It improved the transmission and implementation mechanism of its unified risk appetite, deepened the comprehensive risk management, reinforced the risk limit management, and enhanced the synergistic risk control of parent bank and subsidiaries. The Group strengthened the strategic management of subsidiaries, reviewed and optimised the management policy of "One Policy for One Subsidiary". It optimised the corporate governance structure of subsidiaries and standardised authorisation management. It also 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. It developed a three-year data governance action plan for subsidiaries based on the Group's data governance structure, aiming to drive continuous improvement in their data governance capabilities. It also stepped up its support for sci-tech development at subsidiaries and overseas operations, and continued to promote IT integration at the group level.

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 2025, 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, asset management, financial institutional business, e-finance, group consolidated management, 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 continues to promote intensive capital transformation by strengthening capital constraint and incentives to enhance the efficiency of capital use, retains adequate capital and sound structure, and provides a solid foundation for serving the high-quality development of the real economy.

In the first half of 2025, the Group continued to promote the implementation of the new capital rules, conducted external capital replenishment in a prudent and orderly manner, and constantly improved the regulatory capital constraint and transmission mechanism. During the reporting period, it recorded retained earnings of RMB111.2 billion after deducting dividends, issued A-shares to specific target with the total amount of RMB105.0 billion to replenish Common Equity Tier 1 capital, and issued the undated capital bonds of RMB40.0 billion and Tier 2 capital bonds of RMB40.0 billion. The Group effectively advanced refined and intensive capital management, and achieved reasonable growth in risk-weighted assets. As a result, it saw solid performance in various capital indicators and capital adequacy ratios surpassed regulatory requirements continuously.

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. Pursuant to regulatory requirements, the Group calculates capital adequacy ratios with both the advanced approach and other approaches for capital measurement, and complies with relevant requirements for capital floors.

At the end of June 2025, 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 19.51%, 15.19% and 14.34%, 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 2025	31 December 2024
Common Equity Tier 1 capital	**3,367,925**	3,165,549
Tier 1 capital	**3,566,821**	3,324,424
Total capital	**4,582,571**	4,303,263
Risk-weighted assets	**23,483,601**	21,854,590
Common Equity Tier 1 ratio (%)	**14.34**	14.48
Tier 1 ratio (%)	**15.19**	15.21
Total capital ratio (%)	**19.51**	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 2025* 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 relevant rules in 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. As at 30 June 2025, the Group's leverage ratio was 7.64%, 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 2025	31 December 2024
Leverage ratio (%)	**7.64**	7.78
Tier 1 capital	**3,566,821**	3,324,424
On- and off-balance sheet assets after adjustments	**46,673,697**	42,755,544

1. For detailed information on leverage ratio, please refer to the *Capital Management Pillar III Half-Year Report 2025* published by the Bank.

3.5 PROSPECTS

Looking ahead to the second half of 2025, against the backdrop of weak global growth momentum and large uncertainty in geopolitical situation and global economic and trade outlook, the international financial market might experience increased volatility. China's development environment is undergoing profound and complex changes, with both strategic opportunities and risk and challenges, alongside increasing uncertainties and unpredictable factors. However, the supporting conditions and basic trends for long-term sound development of the Chinese economy remain unchanged, underpinned by robust economic foundation, strengths in numerous areas, strong resilience and great potential. China's economy is expected to maintain steady growth in the second half of the year.

The banking industry in China is facing both opportunities and challenges, while opportunities outweigh challenges. China is expected to maintain supportive macroeconomic policies, intensify efforts as appropriate, and effectively and thoroughly implement more proactive fiscal policies and moderately accommodative monetary policies to fully release policy effects. It will further implement the special initiatives to boost consumption, and cultivate new growth drivers in service consumption while expanding goods consumption. It will expand consumer demand while safeguarding and improving people's livelihood. China will make high-quality advancement in "Two Key Tasks", to stimulate the vitality of private investment and expand effective investment. It will persist in taking sci-tech innovation as the guide to develop new quality productive forces, accelerate the cultivation of emerging pillar industries with international competitiveness, and promote the deeply integrated development of sci-tech innovation and industrial innovation. It will further expand high-level opening up and stabilise the fundamentals of foreign trade and foreign investment. All the above will provide a sound external operating environment for steady development of the banking industry, and create business opportunities for further expanding customer bases and providing high-quality financial services. Meanwhile, China's economy still faces multiple risks and challenges, and the operating environment for the banking sector remains complex. 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 2025, the Group will continue to improve and strengthen the long-term mechanism for the "Three Capabilities" of serving national construction, preventing financial risks and participating in international competition, and take "Three Capabilities" as the fundamental guidelines for the Bank's reform and development, to firmly establish correct views of operation, performance and risk, and unswervingly promote high-quality development through internal growth. The Group will focus on the following tasks in operations and management: **Firstly, the Group will take proactive actions to provide high-quality financial services.** It will meet sound financing needs of the real economy with high-quality comprehensive services, and truly serve as a major force to support the real economy and safeguard financial stability. It will maintain a reasonable growth in the total credit and bond investments to provide strong and effective financial services for economic and social development. It will give full play to its distinctive advantages, focus on improving the quality and efficiency of financial services supporting the coordinated regional development strategies, and fully implement the innovation-driven development strategy. It will increase efforts in serving advanced manufacturing industry, effectively improve the quality and efficiency of technology finance services, and help develop new quality productive forces. In line with the customers' wealth management demand presented by the low-interest-rate environment, it will enhance its capabilities of global asset allocation for personal customers. **Secondly, the Group will further strengthen support for key strategies**. It will serve key areas of the real economy, support the special initiatives to boost consumption, strengthen financing support for investment, and effectively serve "Two Key Tasks" and "Two Renewals". It will support the forge of new quality productive forces with concerted efforts, fully serve sci-tech innovation and the modernisation of industrial systems, and effectively enhance its efforts in the "Five Priorities". It will fully support further high-level opening-up, focus on providing financial services to stabilise foreign trade and foreign investment, provide comprehensive financial services for "Bringing in" and "Going global", and contribute to high-quality cooperation for the Belt and Road Initiative. **Thirdly, the Group will adhere to the concept of coordinated development.** It will balance short- and long-term goals, and promote effective quality enhancement and reasonable quantity growth in the course of development. It will prioritise adjusting the structure while stabilising the total amount, strengthen comprehensive cost control, and ensure that key indicators remain balanced and coordinated. **Fourthly, the Group will firmly adhere to the bottom line of risk and compliance.** It will effectively enhance the capability to prevent financial risks, reinforce the sense of responsibility for risk management, adhere to the principle of stability, enhance systemic thinking, coordinate development and security, and firmly safeguard the bottom line of preventing systemic financial risk.

4 CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

4.1 CORPORATE GOVERNANCE

During the reporting period, the Bank had 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, Supervisors and Senior Management

Particulars of directors, supervisors and senior management

Directors of the Bank

The Bank's Board consists of 13 directors, including three executive directors, namely Mr. Zhang Jinliang, Mr. Zhang Yi and Mr. Ji Zhihong; five non-executive directors, namely Ms. Xin Xiaodai, Ms. Liu Fang, Ms. Li Lu, Ms. Li Li and Mr. Dou Hongquan; and five independent non-executive directors, namely Mr. William Coen, Mr. Leung Kam Chung, Antony, Lord Sassoon, Mr. Lin Zhijun and Mr. Zhang Weiguo.

Supervisors of the Bank[1]

The Bank's board of supervisors consists of five supervisors, including Mr. Lin Hong, a shareholder representative supervisor; Mr. Liu Jun, an employee representative supervisor; and three external supervisors, namely Mr. Zhao Xijun, Mr. Liu Huan and Mr. Ben Shenglin.

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. Sheng Liurong.

Changes in directors, supervisors and senior management

Directors of the Bank

Upon election at the 2024 annual general meeting of the Bank, Mr. Zhang Jinliang continued to serve as executive director and chairman of the Board of the Bank from June 2025, and Ms. Li Lu continued to serve as non-executive director of the Bank from June 2025. Upon election at the 2025 first extraordinary general meeting of the Bank and approval of the NFRA, Mr. Zhang Weiguo began to serve as independent non-executive director of the Bank from June 2025, and Ms. Li Li began to serve as non-executive director of the Bank from July 2025. Upon election at the 2024 annual general meeting of the Bank and approval of the NFRA, Ms. Xin Xiaodai and Mr. Dou Hongquan began to serve as non-executive director of the Bank from August 2025.

Due to expiration of term of office, Mr. Tian Bo and Mr. Xia Yang ceased to serve as non-executive director of the Bank from June 2025, and Mr. Graeme Wheeler and Mr. Michel Madelain ceased to serve as independent non-executive director of the Bank from June 2025.

Senior management of the Bank

Upon appointment of the Board of the Bank, Mr. Ji Zhihong began to concurrently serve as secretary to the Board of the Bank from April 2025. Upon appointment of the Board of the Bank

[1] The Bank has approved the *Resolution on Cancellation of the Board of Supervisors* at the 2024 annual general meeting. Upon approval of the amendments to the *Articles of Association of China Construction Bank Corporation* by the NFRA, the Bank will cancel the board of supervisors, and the audit committee of the Board will assume the functions and powers of the board of supervisors according to the law.

and approval of the NFRA, Ms. Han Jing began to serve as executive vice president of the Bank from May 2025. Upon appointment of the Board of the Bank and approval of the NFRA, Mr. Lei Ming began to serve as executive vice president of the Bank from August 2025.

Due to change of job, Mr. Li Yun ceased to serve as executive vice president of the Bank from March 2025. By reason of age, Mr. Jin Panshi ceased to serve as chief information officer of the Bank from April 2025.

Changes in personal information of directors, supervisors and senior management

Mr. Zhang Yi, vice chairman of the Board, executive director and president of the Bank, began to concurrently serve as chairman of the board of Sino-German Bausparkasse from January 2025.

Mr. William Coen, independent non-executive director of the Bank, ceased to serve as Chair of IFRS Advisory Council from February 2025.

Lord Sassoon, independent non-executive director of the Bank, began to serve as chairman of the Pilgrim Trust from January 2025.

Directors' and supervisors' securities transactions

In relation to securities transactions by the directors and supervisors 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 and supervisors had complied with the provisions of the above code during the six months ended 30 June 2025.

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 2025		31 December 2024	
	Number of employees	% of total	Number of employees	% of total
Domestic operations of the Bank	**350,306**	**93.90**	353,490	93.80
Yangtze River Delta	**53,695**	**14.39**	53,970	14.32
Pearl River Delta	**44,959**	**12.05**	45,306	12.02
Bohai Rim	**58,348**	**15.64**	58,924	15.64
Central	**70,373**	**18.86**	71,038	18.85
Western	**75,214**	**20.16**	76,125	20.20
Northeastern	**32,617**	**8.75**	33,046	8.77
Head office[1]	**15,100**	**4.05**	15,081	4.00
Overseas operations of the Bank	**1,312**	**0.35**	1,307	0.35
Subsidiaries	**21,466**	**5.75**	22,050	5.85
- Domestic	**17,049**	**4.57**	17,585	4.67
- Overseas	**4,417**	**1.18**	4,465	1.18
Total	**373,084**	**100.00**	376,847	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 2025, the Group had 373,084 employees, a decrease of 1.00% from the end of 2024. The number of employees with academic qualifications of bachelor's degree or above was 308,633 or 82.72% of total. Besides, there were 3,330 workers dispatched from labour leasing companies, a decrease of 1.30% from the end of 2024. In addition, the Group assumed the expenses of 129,907 retired employees.

Staff development and training

The Group continued to strengthen the overall planning of staff training, and built a layered and categorised training system covering the entire cycle of career development of employees with focus on promoting high-quality development and developing human resources. In the first half of 2025, it arranged special trainings on themes including "Three Capabilities" and "Five Priorities", as well as professional talent trainings on themes including rural revitalisation, FinTech, and risk and compliance. It also improved trainings for frontline employees including the heads of county-level institutions, heads of outlets, and account managers, so as to help employees improve their moral character, professional competence, and duty performance. 137.5 thousand employees obtained the certificate of Financial Planner and 75.9 thousand employees obtained the certificate of customer service managers. In the first half of 2025, 368.8 thousand participants took part in on-site and online training sessions (including learning through online platforms) and the proportion of those who participated in on-site and online training sessions reached 98.85% of all staff members.

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 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 incentive methods 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' general 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 conforms to the provisions of the Articles of Association and the requirements of the resolutions of the shareholders' general 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 first extraordinary general meeting, the Bank distributed a final cash dividend of RMB0.206 per share (RMB2.060 per ten shares, including tax) for 2024, totalling approximately RMB51,502 million, to all ordinary shareholders whose names appeared on the register of members after the closing of the stock market on 8 May 2025. After taking into consideration an interim cash dividend of RMB0.197 per share (RMB1.970 per ten shares, including tax) distributed in 2024, the cash dividend for 2024 was RMB0.403 per share (RMB4.030 per ten shares, including tax), with cash dividends for the year totalling approximately RMB100,754 million, accounting for 30.0% of the Group's net profit attributable to equity shareholders of the Bank for 2024.

The Board of the Bank proposed an interim cash dividend of RMB1.858 per ten shares (including tax) for 2025, totalling approximately RMB48,605 million, or 30.0% of the Group's net profit attributable to equity shareholders of the Bank for the first half of 2025, to all ordinary shareholders, subject to deliberation and approval of the shareholders' general meeting in the second half of 2025. The Bank will pay cash dividend within two months after the approval of the 2025 interim profit distribution scheme by the shareholders' general meeting. 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 approval of the proposed interim cash dividend distribution for 2025 at the shareholders' general 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, expected payment date, taxation and tax reduction and exemption in relation to the 2025 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 March 2025, in response to the SSE's *Initiative on Carrying out the Special Action for Quality Improvement, Efficiency Enhancement, and Return Maximisation among SSE-Listed Companies*, the Bank formulated the *Valuation Enhancement Plan and Action Plan for Quality Improvement, Efficiency Enhancement, and Return Maximisation*. The latest implementation progress is as follows:

The Bank remained committed to promoting intensive high-quality development and further enhancing value creation capabilities. In the first half of 2025, the Bank's operations demonstrated characteristics of "Three Stabilisations, Three Improvements, and Three Controls". The growth of core assets, core liabilities and key performance indicators stabilised; the structure of assets, liabilities and income was improved; while the management and control of cost, risk and capital was further strengthened. Major indicators showed marginal improvement with steady progress, effectively achieving the organic unity of financial functionality and profitability, the balanced integration of promoting development and risk prevention, and the reasonable growth of quantity through qualitative enhancement, thereby advancing the CCB's intensive high-quality development. For operational details, please refer to "Management Discussion and Analysis" in this report.

The Bank highly valued investor returns, maintaining consistent and stable cash dividends. Since its listing, the Bank has distributed cumulative dividends exceeding RMB1.3 trillion, with a cash dividend payout ratio consistently maintaining at a high level of 30%. For details of the 2025 interim dividends, please refer to "Corporate Governance – Formulation and Implementation of Profit Distribution Policy" in this report. Going forward, the Bank will continue to enhance its integrated management to provide investors with long-term and stable returns.

The Bank strengthened information disclosure and investor relations management to convey positive investment value. The Bank strictly fulfilled its obligations for information disclosure, disclosed significant matters in accordance with laws and regulations, continued to refine the sustainable information disclosure framework, so as to enhance the proactivity, transparency and granularity of information disclosure. The Bank kept consolidating its investor relations management and strengthened multi-level, multi-channel communications with investors, comprehensively demonstrating its achievements in intensive high-quality development and maintaining its positive image in the capital market.

4.2 ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

For details of the Bank's performance on fulfilling environmental and social responsibilities and ESG, please refer to the *2025 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

The Bank adhered to the concept of green development, promoted optimisation and upgrading of its green operation system, and continued to build a green and low-carbon bank.

The Bank promoted green office. It actively carried out carbon emission management, and strengthened the construction and improvement of the refined energy management system. It coordinated and advanced equipment upgrading and renovation and energy efficiency improvement projects, promoted implementation of energy-saving, water-saving, emission reduction, and waste reduction measures. It fully implemented paperless office operations and achieved end-to-end digitalisation of meetings.

The Bank implemented green procurement. At the stage of model selection and testing, green evaluation indicators shall be added; at the stage of qualification review of candidates, priority shall be given to suppliers with green qualification under the same conditions; and at the stage of procurement implementation, the weight of green indicators shall be increased. It was imperative to scientifically demonstrate procurement demands of major or complex matters, so as to ensure reasonable application of such demands and avoid idleness and waste. It was imperative to promote recycling mechanisms for used products, and the suppliers shall recycle and dispose of the products such as intelligent document cabinets in the whole bank that have reached their retirement years, so as to realise green, low-carbon and resource recycling.

The Bank promoted the construction of green outlets and upgraded green services. It made great efforts to develop green outlets featuring environmental protection, energy conservation and intelligent operations. It deepened paperless application of vouchers, promoted the transformation of general paperless processes, and accelerated delivery of electronic receipts through all channels. By the end of June 2025, the Bank had established and operated a total of 1,318 green outlets on a cumulative basis, and the rate of application of electronic receipts in personal banking business across the bank had reached 84.47%.

The Bank promoted energy efficiency improvements across its data centres. It progressively upgraded the existing server room with eco-friendly modifications through enhancing refrigeration efficiency and reducing air-conditioning energy consumption. High-performance servers were deployed to increase computing power per unit area. The Bank optimised institution-level IT equipment deployment models to improve both power and spatial utilisation efficiency of the server room. A monitoring framework was established to identify underperforming systems, complemented by IT resource recycling and redistribution initiatives to boost resource efficiency and reduce energy consumption. Furthermore, it developed a "Dual Carbon" sub-scheme for data centres across the bank, driving forward the green, low-carbon construction objectives of data centres.

Consolidating and Expanding the Positive Results in Poverty Elimination through Targeted Assistance and Advancing Financial Services for Rural Revitalisation

The Bank continued to consolidate and expand positive results in poverty elimination and advanced to rural revitalisation, maintaining unwavering financial support to areas lifted out of poverty. Focusing on the development of distinctive industries in key counties for national rural revitalisation, areas lifted out of poverty, and relocated poverty alleviation settlement areas, the Bank consistently increased its credit support. It diligently implemented targeted assistance programmes in Ankang, Shaanxi Province, successfully achieved all assistance tasks in a high standard. At the end of June 2025, the balance of loans in areas lifted out of poverty amounted to RMB1.26 trillion, an increase of RMB83,726 million or 7.10% over the end of 2024; the balance of loans in key counties for national rural revitalisation amounted to RMB160,895 million, an increase of RMB6,773 million or 4.39% over the end of 2024.

Please refer to "Management Discussion and Analysis – Business Review – Personal Finance Business" in this report for details of financial services for rural revitalisation.

Protection of Consumers' Rights and Interests

Adhering to a people-centric value orientation and strictly following regulatory requirements, the Bank advanced the three-year consumer protection work plan in alignment with the Bank's business development strategy, strengthened integration of consumer protection systems and mechanisms with business development, improved consumer protection management system of subsidiaries, and advanced the further upgrading of consumer protection management system, so as to effectively safeguard the legitimate rights and interests of consumers.

The Bank focused on enhancing customer complaint management, and established an all-encompassing complaint management system. It continued to optimise complaint management mechanisms, built a convenient and smooth complaint handling process, and monitored complaints governance at source, to constantly improve customer service experience.

The Bank continued to reinforce appropriateness management. It strictly fulfilled the requirements for appropriate financial products, sales channels, and targeted customers, continued to improve customer risk appetite assessment, regularly reviewed and dynamically updated product risk ratings, and ensured that appropriate products were sold or provided through appropriate channels to appropriate customers after completion of risk assessment, thereby effectively safeguarding the legitimate rights and interests of consumers.

The Bank strengthened the full-process management and control of consumer protection review. It reviewed products or services in advance from consumers' perspective across the stages such as product and service design and development. Focusing on consumers' concerns, the Bank continued to enhance consumer protection review in areas such as appropriateness management, personal information protection, product risk warning, authenticity of marketing and advertisement, and fairness of contract terms to effectively and proactively protect the legitimate rights and interests of consumers. In the first half of 2025, the Bank completed a total of 216.4 thousand cases of consumer protection review.

The Bank actively conducted financial knowledge popularisation and education activities to raise the awareness of financial security and build healthy financial concepts for the public, and fulfilled its corporate social responsibility as a financial institution. It organised a total of 72 thousand "15 March" consumer rights protection education propaganda events, reaching 750 million consumer touchpoints.

Public Welfare and Charity

Focusing on the public welfare culture of "helping others, openness and sharing", the Bank was fully committed to fulfilling its social responsibility as a large state-owned bank, mobilised employees to participate in public welfare, engaged customers to devote themselves to public welfare, and partnered with organisations to carry out public welfare, integrated public welfare concept into financial services. By organising various public welfare activities and voluntary services, the Bank brought warmth to millions of households with sincere services.

The Bank formulated the donation plan at the beginning of each year and submitted it to the Board for consideration. It gave priority to the financial demand for consolidating the positive results in poverty alleviation and rural revitalisation, continued to support the long-term public welfare projects of the head office, and built the public welfare brand of CCB. The Bank made a comprehensive assessment of national strategies, urgent needs of society, etc., in order to satisfy the most urgent and prioritised public welfare demands.

In the first half of 2025, the Bank prioritised targeted assistance areas, safeguarding sustainable development industries and promoting initiatives such as "increasing people's confidence and helping them acquire knowledge and skills". The Bank continued to support its long-term public welfare projects such as the Sponsorship Programme for Impoverished High School Students, CCB Hope Primary Schools, the "Health Express for Mothers", and the San Jiang Yuan Ecological Conservation Project. Hubei Branch launched the "Double Hundred" public welfare campaign of respecting teachers and valuing education in memory of Mr. Zhang Fuqing. Jiangsu Branch promoted the "Smurf" volunteer services. Shandong Branch organised the "Bright Home" independent mobility training camp programme in collaboration with the Shandong Association of the Blind. Additionally, the Bank promptly donated RMB1 million to support post-disaster reconstruction efforts in Tingri County, Shigatse City, Xizang, to effectively fulfil its social responsibility.

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 2025, Huijin and the MOF had not breached any of the 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 litigations or arbitrations. For overall information on 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, there was no purchase, sale or redemption of any shares (including sale of treasury shares) of the Bank by the Bank or any of its subsidiaries. At the end of the reporting period, neither the Bank nor its subsidiaries held any treasury shares.

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 controlling party, directors, supervisors 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 controlling party, directors, supervisors 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 relevant authorities, or administrative supervisory measures by the CSRC or disciplinary actions by the stock exchanges. Neither the directors, supervisors 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 reasons.

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

During the reporting period, the Bank had no material related party transactions.

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

In June 2025, the Bank issued 11,589,403,973 A-shares to the MOF, with total proceeds of RMB105.0 billion, or net proceeds of RMB104,969 million after deducting issuance-related costs. For further details, please refer to the announcement published by the Bank on 25 June 2025.

For other 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 June 2025, the Bank completed the payment of the third contribution of RMB2.0 billion to National Green Development Fund Co., Ltd. In July 2025, the Bank completed the payment of the second contribution of RMB1,182.5 million to China Integrated Circuit Industry Investment Fund Phase III Co., Ltd.

Review of Half-Year Report

The Group's 2025 half-year financial statements prepared under PRC GAAP have been reviewed by Ernst & Young Hua Ming LLP, and the Group's 2025 half-year financial statements prepared under IFRS have been reviewed by Ernst & Young.

The Group's 2025 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 Bank.

6 CHANGES IN SHARE CAPITAL AND PARTICULARS OF SHAREHOLDERS

6.1 CHANGES IN ORDINARY SHARES

Unit: share

	1 January 2025		Change during the reporting period +/(-)					30 June 2025	
	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	-	-	-	+11,589,403,973	11,589,403,973	4.43
II. Shares not subject to selling restrictions									
1. RMB ordinary shares	9,593,657,606	3.84	-	-	-	-	-	9,593,657,606	3.67
2. Overseas listed foreign investment shares	95,231,418,499	38.09	-	-	-	-	-	95,231,418,499	36.40
3. Others[2]	145,185,901,381	58.07	-	-	-	-	-	145,185,901,381	55.50
III. Total number of shares	250,010,977,486	100.00	+11,589,403,973	-	-	-	+11,589,403,973	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.

To continuously support high-quality development of the real economy, further strengthen risk mitigation capacity, and achieve total loss-absorbing capacity (TLAC) compliance in an orderly manner, the Bank completed the issuance of 11,589,403,973 A-shares to specific target at a par value of RMB1.00 per share and an issuance price of RMB9.06 per share (the closing price of the Bank's A-shares on the most recent trading day, i.e., 28 March 2025, prior to the signing of the subscription agreement being RMB8.52 per share) in June 2025 in accordance with the *Approval for the Registration of the Issuance of Shares to Specific Target by China Construction Bank Corporation* (Zheng Jian Xu Ke No.[2025] 1305) issued by the CSRC in June 2025. The issuance target was the MOF, with total proceeds raised amounting to RMB105,000,000,000. After deducting issuance-related expenses, the actual net proceeds amounted to RMB104,968,973,850.49. All proceeds raised under the issuance were used to replenish Common Equity Tier 1 capital of the Bank. Following the aforementioned changes in share capital, total share capital and net assets of the Bank increased, resulting in a certain dilutive effect on earnings per share and net assets per share. On 24 June 2025, the registration, custody and lock-up procedures in relation to the newly issued shares under the issuance were completed at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. Please refer to announcements published by the Bank on 30 March 2025, 3 April 2025, 22 April 2025, 30 May 2025, 20 June 2025 and 25 June 2025 for details on the issuance of A-shares to specific target.

6.2 ORDINARY SHAREHOLDERS AND PARTICULARS OF SHAREHOLDING

At the end of the reporting period, the Bank had a total of 297,588 ordinary shareholders, of whom 261,060 were holders of A-shares and 36,528 were holders of H-shares.

Unit: share

Total number of ordinary shareholders	297,588 (Total number of registered holders of A-shares and H-shares as at 30 June 2025)

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]	Foreign legal person	35.86	9,688,784	93,804,727,222 (H-shares)	-
MOF[2]	State	4.43	11,589,403,973	11,589,403,973 (A-shares)	11,589,403,973
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	Foreign legal person	0.33	-	856,000,000 (H-shares)	-
Hong Kong Securities Clearing Company Ltd.[4]	Foreign legal person	0.30	89,578,204	778,849,098 (A-shares)	-
Yangtze Power	State-owned legal person	0.25	-	648,993,000 (H-shares)	-
Central Huijin Asset Management Ltd.	State-owned legal person	0.19	-	496,639,800 (A-shares)	-
Baowu Steel Group	State-owned legal person	0.13	-	335,000,000 (H-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 2025. As at 30 June 2025, 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, all of which were held under the name of HKSCC Nominees Limited. Save the aforesaid H-shares of the Bank held by State Grid, Yangtze Power, and Baowu Steel Group, 93,804,727,222 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 as an investment manager on behalf of several customers, as well as those held by Ping An Group 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 2025, the MOF held 11,589,403,973 A-shares of the Bank.
3. As at 30 June 2025, 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 as at 30 June 2025.
5. Huijin holds 100% equity interest in Central Huijin Asset Management Ltd. and 66.70% equity interest in China Securities Finance Corporation Limited. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing

Company Ltd. Apart from these, 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 2025, 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, labelled 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 not subject to selling restrictions held
Huijin	142,590,494,651 (H-shares)
	267,392,944 (A-shares)
HKSCC Nominees Limited	93,804,727,222 (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)
Hong Kong Securities Clearing Company Ltd.	778,849,098 (A-shares)
Yangtze Power	648,993,000 (H-shares)
Central Huijin Asset Management Ltd	496,639,800 (A-shares)
Baowu Steel Group	335,000,000 (H-shares)
New China Life Insurance Company Ltd. – Traditional – Ordinary insurance product – 018L – CT001SH	200,903,923 (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 31.34% equity interest in New China Life Insurance Company Ltd. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Ltd. Apart from these, 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 2025, 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	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 subject to selling restrictions held	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 2025, 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	133,262,144,534	Long position	-	59.31	57.03
Ping An Asset Management[4]	H-shares	Investment manager	12,020,449,000	Long position	-	4.99	4.59
Ping An Group[5]	H-shares	Interest of controlled corporations	12,018,843,301	Long position	-	4.99	4.59

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 2025, 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 2025, 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 26 May 2009, Huijin declared its interests to the Hong Kong Stock Exchange. It disclosed that it held interests of 133,262,144,534 H-shares of the Bank, accounting for 59.31% of the H-shares issued (224,689,084,000 shares) and 57.03% of the ordinary shares issued (233,689,084,000 shares) at that time. As at 30 June 2025, according to the H-share register of shareholders of the Bank, Huijin directly held 142,590,494,651 H-shares of the Bank, accounting for 59.31% of the H-shares issued (240,417,319,880 shares) and 54.51% of the ordinary shares issued (261,600,381,459 shares).
4. As confirmed by Ping An Asset Management, these shares were held by Ping An Asset Management as an investment manager on behalf of a number of customers (including but not limited to Ping An Life Insurance), and were based on the latest mandatory equity disclosure by Ping An Asset Management as of 30 June 2025 (the relevant event date was 9 May 2025). Ping An Life Insurance and Ping An Asset Management are both subsidiaries of Ping An Group. As an investment manager, Ping An Asset Management can exercise voting rights at its discretion and investment operation and management rights independently on behalf of customers on these shares, which is also completely independent from Ping An Group. Therefore, according to the SFO, Ping An Group adopts a non-aggregate method to be exempt from the disclosure of such equity interests as a holding company.
5. According to the latest mandatory equity disclosure by Ping An Group as of 30 June 2025 (the relevant event date was 9 May 2025), Ping An Group was deemed to have an interest of 12,018,843,301 H-shares of the Bank in total due to the following holdings by its subsidiaries: Ping An Life Insurance (99.51% owned by Ping An Group) held 11,205,698,000 H-shares, Ping An Pension Insurance Co., Ltd. (100.00% owned by Ping An Group) held 60,869,000 H-shares, Ping An Property & Casualty Insurance Co., Ltd. (99.55% owned by Ping An Group) held 726,398,000 H-shares, and Ping An Asset Management (Hong Kong) Co., Ltd. (indirectly wholly-owned by Ping An Group) held 25,878,301 H-shares.

6.5 DIRECTORS' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS

During the reporting period, there was no change in the shareholdings of directors and supervisors of the Bank. Some directors and supervisors indirectly held H-shares of the Bank by participating in the employee stock incentive plan of the Bank before they assumed their current positions. As at 30 June 2025, Mr. Zhang Yi held 9,848 H-shares, Mr. Lin Hong held 15,555 H-shares, and Mr. Liu Jun held 12,447 H-shares. Save as disclosed above, none of the directors and supervisors 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 have 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 shall 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 23 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 domestic 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
Hwabao Trust Co., Ltd.	Others	14.44	-22,670,000	86,640,000
China Fund Management Co., Ltd.	Others	13.86	56,370,000	83,164,878
Jiangsu International Trust Corporation Limited	Others	10.72	-	64,300,000
China Life Insurance Company Limited	Others	8.33	-	50,000,000
China Mobile Communications Group Co., Ltd.	State-owned legal person	8.33	-	50,000,000
Ping An Life Insurance Company of China, Ltd.	Others	8.28	-	49,660,000
Everbright Securities Asset Management Co., Ltd.	Others	6.67	-	40,040,000
China Credit Trust Co., Ltd.	Others	4.74	13,900,000	28,450,000
Sun Life Everbright Asset Management Co., Ltd.	Others	4.18	-	25,060,000
Postal Savings Bank of China Co., Ltd.	Others	4.17	-	25,000,000

1. None of the aforesaid preference shares were pledged, labelled 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 Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments*, *Accounting Standard 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 *International Financial Reporting Standard No. 9 – Financial Instruments* and *International Accounting Standard No. 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

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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 196, which comprises the consolidated statement of financial position of China Construction Bank Corporation (the "Bank") and its subsidiaries (the "Group") as at 30 June 2025 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
29 August 2025

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

	Note	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Interest income		579,257	627,014
Interest expense		(292,548)	(330,955)
Net interest income	3	286,709	296,059
Fee and commission income		71,450	68,727
Fee and commission expense		(6,232)	(6,031)
Net fee and commission income	4	65,218	62,696
Net trading gain	5	1,854	4,003
Dividend income	6	2,648	3,051
Net gain arising from investment securities	7	11,691	4,520
Net gain on derecognition of financial assets measured at amortised cost	8	9,400	1,914
Other operating income, net:			
- Other operating income		17,707	14,147
- Other operating expense		(9,322)	(11,559)
Other operating income, net	9	8,385	2,588
Operating income		385,905	374,831
Operating expenses	10	(95,503)	(94,388)
		290,402	280,443
Credit impairment losses	11	(107,652)	(87,654)
Other impairment losses	12	(10)	17
Share of (losses)/profits of associates and joint ventures		(299)	206
Profit before tax		182,441	193,012
Income tax expense	13	(19,803)	(27,973)
Net profit		162,638	165,039

The notes on pages 14 to 196 form part of these financial statements.

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

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Other comprehensive income:		
(1) Other comprehensive income that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	79	(19)
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	671	7,171
Others	2	7
Subtotal	752	7,159
(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	(6,626)	16,810
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	951	1,449
Reclassification adjustments included in profit or loss due to disposals	(7,802)	(1,457)
Net loss on cash flow hedges	(264)	(43)
Exchange difference on translating foreign operations	73	1,309
Others	(1,844)	(6,759)
Subtotal	(15,512)	11,309
Other comprehensive income for the period, net of tax	(14,760)	18,468

The notes on pages 14 to 196 form part of these financial statements.

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

	Note	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Total comprehensive income for the period		147,878	183,507
Net profit attributable to:			
Equity shareholders of the Bank		162,076	164,326
Non-controlling interests		562	713
		162,638	165,039
Total comprehensive income attributable to:			
Equity shareholders of the Bank		147,537	184,497
Non-controlling interests		341	(990)
		147,878	183,507
Basic and diluted earnings per share (in RMB yuan)	14	0.65	0.66

The notes on pages 14 to 196 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position
As at 30 June 2025
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Assets:			
Cash and deposits with central banks	15	2,976,660	2,571,361
Deposits with banks and non-bank financial institutions	16	165,763	154,532
Precious metals		141,611	138,433
Placements with banks and non-bank financial institutions	17	780,987	672,875
Positive fair value of derivatives	18	50,911	108,053
Financial assets held under resale agreements	19	1,272,031	622,559
Loans and advances to customers	20	26,575,492	25,040,400
Financial investments	21		
Financial assets measured at fair value through profit or loss		746,460	612,504
Financial assets measured at amortised cost		7,418,599	7,429,723
Financial assets measured at fair value through other comprehensive income		3,605,297	2,641,736
Long-term equity investments	22	25,802	23,560
Fixed assets	24	163,011	165,116
Construction in progress	25	3,865	4,319
Land use rights	26	12,167	12,417
Intangible assets	27	4,942	5,830
Goodwill	28	2,461	2,522
Deferred tax assets	29	140,362	120,485
Other assets	30	346,427	244,724
Total assets		44,432,848	40,571,149

The notes on pages 14 to 196 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position (continued)
As at 30 June 2025
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Liabilities:			
Borrowings from central banks	32	1,199,086	942,594
Deposits from banks and non-bank financial institutions	33	3,787,648	2,835,885
Placements from banks and non-bank financial institutions	34	520,598	479,881
Financial liabilities measured at fair value through profit or loss	35	218,602	240,593
Negative fair value of derivatives	18	73,429	93,990
Financial assets sold under repurchase agreements	36	1,038,739	739,918
Deposits from customers	37	30,469,491	28,713,870
Accrued staff costs	38	57,224	60,661
Taxes payable	39	35,787	40,388
Provisions	40	30,583	38,322
Debt securities issued	41	2,913,134	2,386,595
Deferred tax liabilities	29	1,345	1,525
Other liabilities	42	502,323	652,962
Total liabilities		40,847,989	37,227,184

The notes on pages 14 to 196 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of financial position (continued)
As at 30 June 2025
(Expressed in millions of RMB, unless otherwise stated)

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Equity:			
Share capital	43	261,600	250,011
Other equity instruments	44		
Preference shares		59,977	59,977
Perpetual bonds		140,000	100,000
Capital reserve	45	229,113	135,736
Other comprehensive income	46	43,309	57,901
Surplus reserve	47	402,196	402,196
General reserve	48	535,432	534,591
Retained earnings	49	1,891,671	1,781,715
Total equity attributable to equity shareholders of the Bank		3,563,298	3,322,127
Non-controlling interests		21,561	21,838
Total equity		3,584,859	3,343,965
Total liabilities and equity		44,432,848	40,571,149

Approved and authorised for issue by the Board of Directors on 29 August 2025.

Zhang Jinliang	Zhang Yi	Liu Fanggen
Chairman and executive director	*Vice chairman, executive director and president*	*General manager of finance & accounting department*

The notes on pages 14 to 196 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of changes in equity
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 196 form part of these financial statements.

(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 2024	250,011	59,977	139,991	135,619	23,981	369,906	496,255	1,674,405	21,929	3,172,074
Movements during the period	-	-	-	23	20,171	-	221	64,101	(1,114)	83,402
(1) Total comprehensive income for the period	-	-	-	-	20,171	-	-	164,326	(990)	183,507
(2) Changes in share capital										
i Increase in subsidiaries	-	-	-	-	-	-	-	-	23	23
ii Change in shareholdings in subsidiaries	-	-	-	(1)	-	-	-	-	(81)	(82)
(3) Profit distribution										
i Appropriation to general reserve	-	-	-	-	-	-	221	(221)	-	-
ii Dividends to ordinary shareholders	-	-	-	-	-	-	-	(100,004)	-	(100,004)
iii Dividends to non-controlling interests holders	-	-	-	-	-	-	-	-	(66)	(66)
(4) Others	-	-	-	24	-	-	-	-	-	24
As at 30 June 2024	250,011	59,977	139,991	135,642	44,152	369,906	496,476	1,738,506	20,815	3,255,476

The notes on pages 14 to 196 form part of these financial statements.

China Construction Bank Corporation
Consolidated statement of changes in equity (continued)
For the year ended 31 December 2024
(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 2024	250,011	59,977	139,991	135,619	23,981	369,906	496,255	1,674,405	21,929	3,172,074
Movements during the year	-	-	(39,991)	117	33,920	32,290	38,336	107,310	(91)	171,891
(1) Total comprehensive income for the year	-	-	-	-	33,927	-	-	335,577	(397)	369,107
(2) Changes in share capital										
i Capital injection by shareholders	-	-	-	-	-	-	-	-	169	169
ii Capital deduction by other equity instruments holders	-	-	(39,991)	(11)	-	-	-	-	-	(40,002)
iii Increase in subsidiaries	-	-	-	-	-	-	-	-	596	596
iv Change in shareholdings in subsidiaries	-	-	-	98	-	-	-	-	(180)	(82)
v Decrease in subsidiaries	-	-	-	-	-	-	-	-	(38)	(38)
(3) Profit distribution										
i Appropriation to surplus reserve	-	-	-	-	-	32,290	-	(32,290)	-	-
ii Appropriation to general reserve	-	-	-	-	-	-	39,620	(39,620)	-	-
iii Dividends to ordinary shareholders	-	-	-	-	-	-	-	(149,256)	-	(149,256)
iv Dividends to other equity instruments holders	-	-	-	-	-	-	-	(7,108)	-	(7,108)
v Dividends to non-controlling interests holders	-	-	-	-	-	-	-	-	(241)	(241)
(4) Internal transfer within owner's equity										
i Other comprehensive income transferred to retained earnings	-	-	-	-	(7)	-	-	7	-	-
(5) Others	-	-	-	30	-	-	(1,284)	-	-	(1,254)
As at 31 December 2024	250,011	59,977	100,000	135,736	57,901	402,196	534,591	1,781,715	21,838	3,343,965

The notes on pages 14 to 196 form part of these financial statements.

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

	Note	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Cash flows from operating activities :			
Profit before tax		182,441	193,012
Adjustments for:			
-Credit impairment losses	11	107,652	87,654
-Other impairment losses	12	10	(17)
-Depreciation and amortisation		14,768	14,946
-Interest income from impaired financial assets		(1,213)	(1,850)
-Revaluation loss/(gain) on financial instruments measured at fair value through profit or loss		2,618	(4,897)
-Share of losses/(profits) of associates and joint ventures		299	(206)
-Dividend income	6	(2,648)	(3,051)
-Unrealised foreign exchange loss/(gain)		14,690	(8,674)
-Interest expense on bonds issued		15,438	14,982
-Interest income from investment securities and net income from disposal		(161,806)	(147,925)
-Net gain on disposal of fixed assets and other long-term assets		(137)	(76)
		172,112	143,898

The notes on pages 14 to 196 form part of these financial statements.

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

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
***Cash flows from operating activities:* (continued)**		
Changes in operating assets:		
Net decrease in deposits with central banks and with banks and non-bank financial institutions	80,914	98,628
Net increase in placements with banks and non-bank financial institutions	(104,086)	(5,641)
Net (increase)/decrease in financial assets held under resale agreements	(649,391)	89,599
Net increase in loans and advances to customers	(1,666,880)	(1,606,799)
Net increase in financial assets held for trading purposes	(117,817)	(7,709)
Net increase in other operating assets	(105,580)	(171,645)
	(2,562,840)	(1,603,567)
Changes in operating liabilities:		
Net increase/(decrease) in borrowings from central banks	254,779	(58,841)
Net increase in deposits from customers and from banks and non-bank financial institutions	2,745,970	1,652,919
Net increase in placements from banks and non-bank financial institutions	47,186	65,852
Net decrease in financial liabilities measured at fair value through profit or loss	(21,630)	(28,298)
Net increase/(decrease) in financial assets sold under repurchase agreements	297,476	(182,668)
Net increase in certificates of deposit issued	477,729	282,947
Income tax paid	(42,375)	(64,342)
Net (decrease)/increase in other operating liabilities	(111,793)	82,905
	3,647,342	1,750,474
Net cash from operating activities	1,256,614	290,805

The notes on pages 14 to 196 form part of these financial statements.

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

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Cash flows from investing activities:		
Proceeds from sales and redemption of financial investments	1,758,997	1,272,451
Interest and dividends received	150,323	157,847
Proceeds from disposal of subsidiaries, associates and joint ventures	293	1,139
Proceeds from disposal of fixed assets and other long-term assets	794	2,930
Purchase of investment securities	(2,733,734)	(1,503,895)
Acquisition of subsidiaries, associates and joint ventures	(2,611)	(362)
Purchase of fixed assets and other long-term assets	(5,251)	(11,034)
Net cash used in investing activities	(831,189)	(80,924)
Cash flows from financing activities:		
Issue of shares	104,969	-
Issue of bonds	90,590	85,400
Proceeds from issuance of other equity instruments	39,997	-
Cash received from subsidiaries’ capital injection by non-controlling interests holders	25	23
Dividends paid	(100,820)	-
Repayment of borrowings	(38,887)	(64,194)
Interest paid on bonds issued	(9,747)	(9,898)
Cash payment for other financing activities	(3,661)	(3,931)
Net cash from financing activities	82,466	7,400

The notes on pages 14 to 196 form part of these financial statements.

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

	Note	Six months ended 30 June 2025 (Unaudited)	2024 (Unaudited)
Effect of exchange rate changes on cash and cash equivalents		(4,396)	5,675
Net increase in cash and cash equivalents		503,495	222,956
Cash and cash equivalents as at 1 January	50	569,448	925,463
Cash and cash equivalents as at 30 June	50	1,072,943	1,148,419
Cash flows from operating activities include:			
Interest received, excluding interest income from investment securities		427,707	482,363
Interest paid, excluding interest expense on bonds issued		(292,176)	(313,461)

The notes on pages 14 to 196 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 (“the former CCB”) 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. In October 2005 and September 2007, the Bank’s H shares and A shares were listed on the Hong Kong Stock Exchange (Stock Code: 00939) and the Shanghai Stock Exchange (Stock Code: 601939), successively. As at 30 June 2025, the Bank issued the total ordinary share capital of RMB261,600 million, with a par value of RMB1.00 per share.

In the first half of 2025, the Bank issued 11,589 million ordinary A-shares to specific investors, with a par value of RMB1 per share. Total proceeds from this offering stood at RMB105,000 million, with net proceeds of RMB104,969 million after deducting RMB31 million issuance expenses.

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 2024. The selected notes do not include all of the information and disclosures required for a full set of financial statements prepared in accordance with *International Financial Reporting Standards* ("IFRSs"), and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

(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 for the first time.

(1)	Amendments to IAS 21	*Lack of Exchangeability*

The adoption of the 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 2024.

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")
Pursuant to the '*Circular on the Comprehensive Plan for Levying VAT in place of Business Tax'* (Cai Shui [2016] No.36) jointly issued by the Ministry of Finance ("MOF") and the State Administration of Taxation, business tax that used to be levied on taxable income of the Bank and its subsidiaries in the Chinese mainland was replaced by VAT from 1 May 2016, and the main VAT rate 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 that is applicable to the Bank and its subsidiaries in the Chinese mainland is 25%. Taxation on overseas operations is charged at the relevant local rates. Tax paid on overseas operations is deducted to the extent allowed under the relevant income tax laws of the PRC.

(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 29 August 2025. 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 2024 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 28 March 2025.

(Expressed in millions of RMB, unless otherwise stated)

3 Net interest income

	Six months ended 30 June 2025	Six months ended 30 June 2024
Interest income arising from:		
Deposits with central banks	21,257	22,753
Deposits with banks and non-bank financial institutions	1,578	2,932
Placements with banks and non-bank financial institutions	8,074	10,807
Financial assets held under resale agreements	6,026	8,760
Financial investments	150,146	143,474
Loans and advances to customers		
- Corporate loans and advances	236,256	257,363
- Personal loans and advances	148,367	175,059
- Discounted bills	7,553	5,866
Total	579,257	627,014
Interest expense arising from:		
Borrowings from central banks	(10,222)	(14,062)
Deposits from banks and non-bank financial institutions	(28,649)	(36,695)
Placements from banks and non-bank financial institutions	(9,413)	(9,703)
Financial assets sold under repurchase agreements	(8,961)	(1,212)
Debt securities issued	(34,180)	(29,816)
Deposits from customers		
- Corporate deposits	(79,622)	(109,989)
- Personal deposits	(121,501)	(129,478)
Total	(292,548)	(330,955)
Net interest income	286,709	296,059

(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 2025	Six months ended 30 June 2024
Impaired loans and advances	1,182	1,781
Other impaired financial assets	31	69
Total	1,213	1,850

(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 2025	Six months ended 30 June 2024
Fee and commission income		
Settlement and clearing fees	19,870	20,093
Commission on trust and fiduciary activities	11,722	11,684
Bank card fees	10,184	10,625
Agency service fees	9,441	9,028
Consultancy and advisory fees	7,285	6,371
Income from asset management business	6,076	4,486
Others	6,872	6,440
Total	71,450	68,727
Fee and commission expense		
Bank card transaction fees	(3,105)	(3,031)
Inter-bank transaction fees	(460)	(466)
Others	(2,667)	(2,534)
Total	(6,232)	(6,031)
Net fee and commission income	65,218	62,696

(Expressed in millions of RMB, unless otherwise stated)

5 Net trading gain

	Six months ended 30 June	
	2025	2024
Debt securities	1,583	2,853
Derivatives	305	974
Equity investments	(81)	58
Others	47	118
Total	1,854	4,003

6 Dividend income

	Six months ended 30 June	
	2025	2024
Dividend income from equity investments measured at fair value through profit or loss	2,181	2,771
Dividend income from equity investments measured at fair value through other comprehensive income	467	280
Total	2,648	3,051

(Expressed in millions of RMB, unless otherwise stated)

7 Net gain arising from investment securities

	Six months ended 30 June	
	2025	2024
Net loss related to financial liabilities designated as measured at fair value through profit or loss	(1,920)	(3,063)
Net gain related to other financial assets and liabilities measured at fair value through profit or loss	2,694	6,402
Net gain related to financial assets measured at fair value through other comprehensive income	10,020	1,205
Others	897	(24)
Total	11,691	4,520

(Expressed in millions of RMB, unless otherwise stated)

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

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 (For the six months ended 30 June 2024, net gain on derecognition of financial assets measured at amortised cost consisted mainly of gain from asset-backed securities).

9 Other operating income, net

	Six months ended 30 June	
	2025	2024
Other operating income		
Foreign exchange gains	8,342	2,722
Rental income	4,173	4,021
Insurance related income	2,784	2,338
Others	2,408	5,066
Total	17,707	14,147

	Six months ended 30 June	
	2025	2024
Other operating expense		
Insurance related costs	4,878	5,998
Others	4,444	5,561
Total	9,322	11,559

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	
	2025	2024
Staff costs		
- Salaries, bonuses, allowances and subsidies	37,121	37,209
- Defined contribution plans	8,458	8,102
- Housing funds	4,116	3,890
- Union running costs and employee education costs	1,147	1,088
- Compensation to employees for termination of employment relationship	9	8
- Others	6,937	5,742
	57,788	56,039
Premises and equipment expenses		
- Depreciation charges	10,398	10,941
- Rent and property management expenses	1,628	1,826
- Utilities	845	878
- Maintenance	682	804
- Others	945	967
	14,498	15,416
Taxes and surcharges	3,984	3,870
Amortisation expenses	1,618	1,681
Other general and administrative expenses	17,615	17,382
Total	95,503	94,388

For the six months ended 30 June 2025, the Group's operating expenses related to actual research and development activities amounted to RMB2,006 million (for the six months ended 30 June 2024: RMB2,837 million).

(Expressed in millions of RMB, unless otherwise stated)

11 Credit impairment losses

	Six months ended 30 June	
	2025	2024
Loans and advances to customers	115,061	86,036
Financial investments		
-Financial assets measured at amortised cost	(2,077)	819
-Financial assets measured at fair value through other comprehensive income	783	247
Off-balance sheet credit business	(1,669)	(2,194)
Others	(4,446)	2,746
Total	107,652	87,654

12 Other impairment losses

	Six months ended 30 June	
	2025	2024
Other impairment losses	10	(17)

(Expressed in millions of RMB, unless otherwise stated)

13 Income tax expense

(1) Income tax expense

	Six months ended 30 June	
	2025	2024
Current tax	35,095	31,297
- The Chinese mainland	33,172	30,061
- Hong Kong	893	630
- Other countries and regions	1,030	606
Deferred tax	(15,292)	(3,324)
Total	19,803	27,973

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

	Note	Six months ended 30 June 2025	2024
Profit before tax		182,441	193,012
Income tax calculated at the 25% statutory tax rate		45,610	48,253
Effects of different applicable rates of tax prevailing in other countries/regions		(673)	(494)
Non-deductible expenses and others	(a)	6,281	9,827
Non-taxable income	(b)	(31,415)	(29,613)
Income tax expense		19,803	27,973

(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.

The Group has adopted a temporary mandatory exemption from the recognition and disclosure of deferred income taxes arising from the Pillar Two model rules in accordance with amendments to IAS 12. Before 30 June 2025, 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 2025.

14 Earnings per share

Basic earnings per share for the six months ended 30 June 2025 and 2024 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 the 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 net profit attributable to equity shareholders of the Bank. The Bank has not declared any dividend on other equity instruments for the six months ended 30 June 2025.

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 2025 and 2024, therefore the conversion feature of preference shares has no effect on the basic and diluted earnings per share calculations.

	Six months ended 30 June	
	2025	2024
Net profit attributable to equity shareholders of the Bank	162,076	164,326
Net profit attributable to ordinary shareholders of the Bank	162,076	164,326
Weighted average number of ordinary shares (in millions of shares)	250,523	250,011
Basic earnings per share attributable to ordinary shareholders of the Bank (in RMB yuan)	0.65	0.66
Diluted earnings per share attributable to ordinary shareholders of the Bank (in RMB yuan)	0.65	0.66

(Expressed in millions of RMB, unless otherwise stated)

15 Cash and deposits with central banks

	Note	30 June 2025	31 December 2024
Cash		47,703	46,691
Deposits with central banks			
- Statutory deposit reserves	(1)	2,145,285	2,206,678
- Surplus deposit reserves	(2)	741,804	259,529
- Fiscal deposits and others		40,824	57,283
Accrued interest		1,044	1,180
Total		2,976,660	2,571,361

(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 2025	31 December 2024
Reserve rate for RMB deposits	7.50%	8.00%
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 2025	31 December 2024
Banks	124,130	124,986
Non-bank financial institutions	41,096	29,083
Accrued interest	582	570
Gross balances	165,808	154,639
Allowances for impairment losses (Note 31)	(45)	(107)
Net balances	165,763	154,532

(2) Analysed by geographical sectors

	30 June 2025	31 December 2024
The Chinese mainland	132,905	117,985
Overseas	32,321	36,084
Accrued interest	582	570
Gross balances	165,808	154,639
Allowances for impairment losses (Note 31)	(45)	(107)
Net balances	165,763	154,532

As at 30 June 2025 and 31 December 2024, 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 2025 and for the year ended 31 December 2024, 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 2025	31 December 2024
Banks	383,080	317,922
Non-bank financial institutions	394,102	350,518
Accrued interest	4,188	4,866
Gross balances	781,370	673,306
Allowances for impairment losses (Note 31)	(383)	(431)
Net balances	780,987	672,875

(2) Analysed by geographical sectors

	30 June 2025	31 December 2024
The Chinese mainland	648,808	523,623
Overseas	128,374	144,817
Accrued interest	4,188	4,866
Gross balances	781,370	673,306
Allowances for impairment losses (Note 31)	(383)	(431)
Net balances	780,987	672,875

As at 30 June 2025 and 31 December 2024, all the Group's placements with banks and non-bank financial institutions had been designated as Stage 1. For the six months ended 30 June 2025 and for the year ended 31 December 2024, the book value and the impairment loss allowances do not involve the transfer between stages.

(Expressed in millions of RMB, unless otherwise stated)

18 Derivatives and hedge accounting

(1) Analysed by type of contracts

	Note	30 June 2025 Notional amounts	30 June 2025 Assets	30 June 2025 Liabilities	31 December 2024 Notional amounts	31 December 2024 Assets	31 December 2024 Liabilities
Interest rate contracts		1,848,875	7,962	6,664	943,927	10,554	8,508
Exchange rate contracts		5,947,986	39,170	34,733	5,700,288	94,840	73,678
Other contracts	(a)	310,080	3,779	32,032	231,940	2,659	11,804
Total		8,106,941	50,911	73,429	6,876,155	108,053	93,990

(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 2025 Notional amounts	30 June 2025 Assets	30 June 2025 Liabilities	31 December 2024 Notional amounts	31 December 2024 Assets	31 December 2024 Liabilities
Fair value hedges	(a)						
Interest rate swaps		53,886	716	406	47,437	990	95
Cross currency swaps		4,844	42	58	2,716	145	-
Cash flow hedges	(b)						
Foreign exchange swaps		16,772	114	80	29,882	38	269
Cross currency swaps		1,576	7	17	876	70	-
Interest rate swaps		1,587	1	3	219	-	2
Total		78,665	880	564	81,130	1,243	366

(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 placements with banks and non-bank financial institutions, 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 (losses)/gains on fair value hedges are as follows:

	Six months ended 30 June	
	2025	2024
Hedging instruments	(516)	175
Hedged items	485	(184)

The gain and loss arising from the ineffective portion of fair value hedges was immaterial for the six months ended 30 June 2025 and 2024.

(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, financial assets measured at fair value through other comprehensive income, placements from banks and non-bank financial institutions, deposits from customers, and debt securities issued. The maturities of hedging instruments and hedged items are predominantly within five years.

For the six months ended 30 June 2025, the Group's net loss from the cash flow hedges of RMB264 million was recognised in other comprehensive income (for the six months ended 30 June 2024: net loss from cash flow hedges of RMB43 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 2025	31 December 2024
Debt securities		
- Government bonds	485,284	249,377
- Debt securities issued by policy banks, banks and non-bank financial institutions	775,262	362,137
- Corporate bonds	716	-
Subtotal	1,261,262	611,514
Discounted bills	10,598	11,031
Accrued interest	210	47
Total	1,272,070	622,592
Allowances for impairment losses (Note 31)	(39)	(33)
Net balances	1,272,031	622,559

As at 30 June 2025 and 31 December 2024, the Group's financial assets held under resale agreements were all designated as Stage 1. For the six months ended 30 June 2025 and for the year ended 31 December 2024, the book value and the impairment loss allowances do not involve the transfer between stages.

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers

(1) Analysed by measurement

	Note	30 June 2025	31 December 2024
Gross loans and advances to customers measured at amortised cost		25,655,373	24,161,965
Less: allowances for impairment losses		(869,366)	(802,894)
Net loans and advances to customers measured at amortised cost	(a)	24,786,007	23,359,071
Loans and advances to customers measured at fair value through other comprehensive income	(b)	1,739,261	1,631,752
Accrued interest		50,224	49,577
Total		26,575,492	25,040,400

(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 2025	31 December 2024
Corporate loans and advances		
- Loans	16,353,873	15,085,911
- Finance leases	97,662	98,744
	16,451,535	15,184,655
Personal loans and advances		
- Residential mortgages	6,207,733	6,254,112
- Personal consumer loans	630,554	544,917
- Personal business loans	1,229,938	1,021,693
- Credit cards	1,058,011	1,069,183
- Others	77,602	87,405
	9,203,838	8,977,310
Gross loans and advances to customers measured at amortised cost	25,655,373	24,161,965
Stage 1 - allowances for impairment losses	(377,350)	(328,369)
Stage 2 - allowances for impairment losses	(228,984)	(219,912)
Stage 3 - allowances for impairment losses	(263,032)	(254,613)
Allowances for impairment losses at amortised cost (Note 31)	(869,366)	(802,894)
Net loans and advances to customers measured at amortised cost	24,786,007	23,359,071

(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 2025	31 December 2024
Discounted bills	1,739,261	1,631,752

(2) Analysed by assessment method of expected credit losses

	30 June 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross loans and advances to customers measured at amortised cost	24,486,900	804,161	364,312	25,655,373
Less: allowances for impairment losses	(377,350)	(228,984)	(263,032)	(869,366)
Carrying amount of loans and advances to customers measured at amortised cost	24,109,550	575,177	101,280	24,786,007
Provision percentage for loans and advances to customers measured at amortised cost	1.54%	28.47%	72.20%	3.39%
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	1,739,248	13	-	1,739,261
Allowances for impairment losses on loans and advances to customers measured at fair value through other comprehensive income	(2,798)	(1)	-	(2,799)

(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 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross loans and advances to customers measured at amortised cost	23,023,768	793,506	344,691	24,161,965
Less: allowances for impairment losses	(328,369)	(219,912)	(254,613)	(802,894)
Carrying amount of loans and advances to customers measured at amortised cost	22,695,399	573,594	90,078	23,359,071
Provision percentage for loans and advances to customers measured at amortised cost	1.43%	27.71%	73.87%	3.32%
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	1,631,619	133	-	1,631,752
Allowances for impairment losses on loans and advances to customers measured at fair value through other comprehensive income	(2,309)	(5)	-	(2,314)

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, the Group calculates LGD for Stage 3 corporate loans and advances not managed as part of a portfolio as well as discounted bills using the discounted cash flow method on expected recoverable cash flows. The Group can also calculate LGD for other corporate 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 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		10,590	(9,858)	(732)	-
Transfers in/(out) to Stage 2		(5,139)	6,960	(1,821)	-
Transfers in/(out) to Stage 3		(1,965)	(23,464)	25,429	-
Newly originated or purchased financial assets		116,873	-	-	116,873
Transfer out/repayment	(a)	(76,066)	(19,843)	(45,054)	(140,963)
Remeasurements	(b)	4,688	55,277	42,697	102,662
Write-offs		-	-	(19,401)	(19,401)
Recoveries of loans and advances written off		-	-	7,301	7,301
As at 30 June 2025		377,350	228,984	263,032	869,366

(Expressed in millions of RMB, unless otherwise stated)

20 Loans and advances to customers (continued)

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

		2024			
	Note	Stage 1	Stage 2	Stage 3	Total
As at 1 January 2024		363,424	190,295	224,504	778,223
Transfers:					
Transfers in/(out) to Stage 1		18,463	(17,394)	(1,069)	-
Transfers in/(out) to Stage 2		(9,135)	17,464	(8,329)	-
Transfers in/(out) to Stage 3		(5,359)	(22,535)	27,894	-
Newly originated or purchased financial assets		153,389	-	-	153,389
Transfer out/repayment	(a)	(135,943)	(33,838)	(68,274)	(238,055)
Remeasurements	(b)	(56,470)	85,920	118,854	148,304
Write-offs		-	-	(56,294)	(56,294)
Recoveries of loans and advances written off		-	-	17,327	17,327
As at 31 December 2024		328,369	219,912	254,613	802,894

(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 2025, the Group's total amount of non-performing loans sold through packaged disposal to external asset management companies was RMB12,424 million (for the six months ended 30 June 2024: RMB6,845 million).

(5) Write-offs

The Group's write-off policy requires continued recovery of bad debts after they have been written off. For the six months ended 30 June 2025, the amount of loans and advances to customers that the Group had written off under litigation-related conditions but are still subject to enforcement was RMB2,953million (for the six months ended 30 June 2024: RMB7,487 million).

(Expressed in millions of RMB, unless otherwise stated)

21 Financial investments

(1) Analysed by measurement

	Note	30 June 2025	31 December 2024
Financial assets measured at fair value through profit or loss	(a)	746,460	612,504
Financial assets measured at amortised cost	(b)	7,418,599	7,429,723
Financial assets measured at fair value through other comprehensive income	(c)	3,605,297	2,641,736
Total		11,770,356	10,683,963

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

Analysed by nature

	Note	30 June 2025	31 December 2024
Held-for-trading purposes			
- Debt securities	(i)	248,179	130,680
- Equity instruments and funds	(ii)	3,040	3,049
		251,219	133,729
Others			
- Debt investments	(iii)	77,677	78,878
- Debt securities	(iv)	156,356	145,081
- Equity instruments, funds and others	(v)	261,208	254,816
		495,241	478,775
Total		746,460	612,504

(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 2025	31 December 2024
Government	23,179	19,173
Central banks	11,186	12,800
Policy banks	58,671	28,615
Banks and non-bank financial institutions	113,742	62,051
Enterprises	41,401	8,041
Total	248,179	130,680
Listed (Note)	234,529	128,165
-of which in Hong Kong	1,589	2,527
Unlisted	13,650	2,515
Total	248,179	130,680

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 2025	31 December 2024
Banks and non-bank financial institutions	2,868	2,869
Enterprises	172	180
Total	3,040	3,049
Listed	1,483	2,294
-of which in Hong Kong	135	178
Unlisted	1,557	755
Total	3,040	3,049

(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 investments

	30 June 2025	31 December 2024
Banks and non-bank financial institutions	53,200	56,280
Enterprises	24,477	22,598
Total	77,677	78,878
Unlisted	77,677	78,878
Total	77,677	78,878

(iv) Debt securities

	30 June 2025	31 December 2024
Policy banks	17,825	18,176
Banks and non-bank financial institutions	137,811	126,412
Enterprises	720	493
Total	156,356	145,081
Listed (Note)	156,253	144,979
-of which in Hong Kong	54	61
Unlisted	103	102
Total	156,356	145,081

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)

(v) Equity instruments, funds and others

	30 June 2025	31 December 2024
Banks and non-bank financial institutions	141,903	127,518
Enterprises	119,305	127,298
Total	261,208	254,816
Listed	24,552	20,908
-of which in Hong Kong	3,967	3,783
Unlisted	236,656	233,908
Total	261,208	254,816

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 2025	31 December 2024
Government	6,671,426	6,642,599
Central banks	4,964	2,200
Policy banks	327,601	343,553
Banks and non-bank financial institutions	134,525	131,945
Enterprises	180,338	213,454
Special government bond	49,200	49,200
Subtotal	7,368,054	7,382,951
Accrued interest	73,423	73,291
Gross balances	7,441,477	7,456,242
Allowances for impairment losses		
-Stage 1	(12,123)	(14,212)
-Stage 2	(7)	(7)
-Stage 3	(10,748)	(12,300)
Subtotal	(22,878)	(26,519)
Net balances	7,418,599	7,429,723
Listed (Note)	7,286,096	7,311,261
-of which in Hong Kong	1,707	2,207
Unlisted	132,503	118,462
Total	7,418,599	7,429,723
Market value of listed bonds	7,897,041	7,964,173

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 2025	31 December 2024
Debt securities	(i)	3,554,924	2,609,514
Equity instruments	(ii)	50,373	32,222
Total		3,605,297	2,641,736

(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)

Analysed by type of issuers

(i) Debt securities

	30 June 2025	31 December 2024
Government	2,267,939	1,419,701
Central banks	32,020	33,049
Policy banks	435,290	586,142
Banks and non-bank financial institutions	525,460	352,923
Enterprises	208,470	114,338
Accumulated change of fair value charged in other comprehensive income	60,225	77,849
Subtotal	3,529,404	2,584,002
Accrued interest	25,520	25,512
Total	3,554,924	2,609,514
Listed (Note)	3,368,133	2,535,485
-of which in Hong Kong	77,417	96,033
Unlisted	186,791	74,029
Total	3,554,924	2,609,514

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

(ii) 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 2025, dividend income from such equity investments was RMB467 million (for the six months ended 30 June 2024: RMB280 million).For the six months ended 30 June 2025, the value of equity investments disposed of was RMB385 million (for the six months ended 30 June 2024: Nil) and the cumulative gains transferred into retained earnings from other comprehensive income after disposal was RMB47 million (for the six months ended 30 June 2024: Nil).

(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 2025			
		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		-	-	-	-
Transfers in/(out) to Stage 3		-	-	-	-
Newly originated or purchased financial assets		463	-	-	463
Financial assets derecognised during the period		(1,025)	-	(1,312)	(2,337)
Remeasurements	(i)	(1,527)	-	792	(735)
Write-offs		-	-	(1,039)	(1,039)
Recoveries of financial assets written off		-	-	7	7
As at 30 June 2025		12,123	7	10,748	22,878

(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)

	Note	2024			
		Stage 1	Stage 2	Stage 3	Total
As at 1 January 2024		11,716	80	13,050	24,846
Transfers:					
Transfers in/(out) to Stage 1		-	-	-	-
Transfers in/(out) to Stage 2		(1)	1	-	-
Transfers in/(out) to Stage 3		-	(64)	64	-
Newly originated or purchased financial assets		2,004	-	-	2,004
Financial assets derecognised during the year		(4,299)	(15)	(563)	(4,877)
Remeasurements	(i)	4,792	5	835	5,632
Write-offs		-	-	(1,106)	(1,106)
Recoveries of financial assets written off		-	-	20	20
As at 31 December 2024		14,212	7	12,300	26,519

(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

	Note	Six months ended 30 June 2025			
		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		1,616	-	-	1,616
Financial assets derecognised during the period		(602)	-	(48)	(650)
Remeasurements	(i)	(193)	(2)	3	(192)
As at 30 June 2025		3,760	6	258	4,024

(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)

	Note	2024			
		Stage 1	Stage 2	Stage 3	Total
As at 1 January 2024		5,019	17	372	5,408
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		833	-	-	833
Financial assets derecognised during the year		(2,944)	(12)	(94)	(3,050)
Remeasurements	(i)	31	3	25	59
As at 31 December 2024		2,939	8	303	3,250

(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 2025, the Group’s financial assets measured at amortised cost with carrying amount of RMB11,060million (as at 31 December 2024: RMB13,171million) and financial assets measured at fair value through other comprehensive income with carrying amount of RMB26 million (as at 31 December 2024:RMB37million) were impaired and classified as Stage 3, financial assets measured at amortised cost with carrying amount of RMB218million (as at 31 December 2024: RMB218 million) and financial assets measured at fair value through other comprehensive income with carrying amount of RMB936million (as at 31 December 2024: RMB933 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 2025, the increase in the Group’s Stage 1 financial assets due to newly originated or purchased financial assets amounted to RMB2,265,746 million (for the year ended 31 December 2024: RMB2,341,958 million), the decrease in Stage 1 financial assets due to derecognition amounted to RMB1,326,370 million (for the year ended 31 December 2024: RMB1,340,509 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

	Note	30 June 2025	31 December 2024
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”)		-	-
China Construction Bank (London) Limited (“CCB London”)	(i)	-	2,861
Subtotal		106,796	109,657
Less: Allowance for impairment losses		(8,672)	(8,672)
Total		98,124	100,985

(i) As at 30 June 2025, CCB London had completed its liquidation procedures.

(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 2025, 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 2025	2024
As at 1 January	23,560	20,983
Increase in capital during the period/year	2,611	2,738
Decrease in capital during the period/year	(293)	(1,104)
Share of (losses)/profits	(299)	584
Cash dividend receivable	(13)	(216)
Allowances for impairment losses (Note 31)	(29)	-
Effect of exchange difference and others	265	575
As at 30 June/31 December	25,802	23,560

(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 10,373 million	Equity investment	50.00%	50.00%	13,668	1	(565)	(609)
National Green Development Fund Co., Ltd.	Shanghai, the PRC	RMB 50,175 million	Investment	9.04%	9.04%	52,014	512	153	49
Jianyuan Infrastructure Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	Tianjin, the PRC	RMB 3,500 million	Equity investment	48.57%	40.00%	4,543	-	138	138
Diamond String Limited	Hong Kong, the PRC	HK$ 10,000	Property investment	50.00%	50.00%	1,682	1,667	107	22
Guomin Pension&Insurance Co., Ltd	Beijing, the PRC	RMB 11,378 million	Insurance	8.79%	8.79%	73,770	60,617	2,486	204

(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 2025 and 31 December 2024, 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 2025	31 December 2024
Financial investments		
Financial assets measured at fair value through profit or loss	197,742	187,978
Financial assets measured at amortised cost	2,738	2,848
Financial assets measured at fair value through other comprehensive income	2,436	2,309
Long-term equity investments	15,321	15,088
Other assets	3,894	3,527
Total	222,131	211,750

(Expressed in millions of RMB, unless otherwise stated)

23 Structured entities (continued)

(1) Unconsolidated structured entities (continued)

For the six months ended 30 June 2025 and 2024, gains and losses from the Group's unconsolidated structured entities were as follows:

	Six months ended 30 June	
	2025	2024
Interest income	55	222
Fee and commission income	6,527	4,928
Net trading gain	35	45
Dividend income	686	1,397
Net gain/(loss) arising from investment securities	780	(589)
Share of losses of associates and joint ventures	(306)	(1)
Total	7,777	6,002

As at 30 June 2025, the balance of unconsolidated structured entities initiated by the Group totalled RMB5,446,631 million (as at 31 December 2024: RMB5,356,359 million).

(2) Consolidated structured entities

Structured entities included into the Group's scope of consolidation consisted mainly of asset management plans and trust plans 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 2025	153,028	49,102	65,399	52,273	319,802
Additions	11	517	5,711	550	6,789
Transfer in (Note 25)	489	-	-	676	1,165
Other movements	(669)	(1,009)	(1,294)	(768)	(3,740)
As at 30 June 2025	152,859	48,610	69,816	52,731	324,016
Accumulated depreciation					
As at 1 January 2025	(66,823)	(36,065)	(12,435)	(37,873)	(153,196)
Charge for the period	(2,465)	(2,595)	(1,855)	(2,281)	(9,196)
Other movements	220	1,070	510	966	2,766
As at 30 June 2025	(69,068)	(37,590)	(13,780)	(39,188)	(159,626)
Allowances for impairment losses (Note 31)					
As at 1 January 2025	(388)	-	(1,099)	(3)	(1,490)
Charge for the period	-	-	-	-	-
Other movements	-	-	111	-	111
As at 30 June 2025	(388)	-	(988)	(3)	(1,379)
Net carrying value					
As at 1 January 2025	85,817	13,037	51,865	14,397	165,116
As at 30 June 2025	83,403	11,020	55,048	13,540	163,011

(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 2024	150,450	51,778	53,921	50,470	306,619
Additions	139	3,253	16,403	1,890	21,685
Transfer in (Note 25)	3,622	402	-	2,390	6,414
Other movements	(1,183)	(6,331)	(4,925)	(2,477)	(14,916)
As at 31 December 2024	153,028	49,102	65,399	52,273	319,802
Accumulated depreciation					
As at 1 January 2024	(62,147)	(36,597)	(10,674)	(35,786)	(145,204)
Charge for the year	(5,020)	(5,589)	(3,432)	(4,579)	(18,620)
Other movements	344	6,121	1,671	2,492	10,628
As at 31 December 2024	(66,823)	(36,065)	(12,435)	(37,873)	(153,196)
Allowances for impairment losses (Note 31)					
As at 1 January 2024	(394)	-	(1,070)	(3)	(1,467)
Charge for the year	-	-	(243)	-	(243)
Other movements	6	-	214	-	220
As at 31 December 2024	(388)	-	(1,099)	(3)	(1,490)
Net carrying value					
As at 1 January 2024	87,909	15,181	42,177	14,681	159,948
As at 31 December 2024	85,817	13,037	51,865	14,397	165,116

(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 2025, the ownership documentation for the Group’s bank premises with a net carrying value of RMB7,061 million (as at 31 December 2024: RMB7,435 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 2025	2024
Cost/Deemed cost		
As at 1 January	4,319	7,423
Additions	778	3,635
Transfer into fixed assets (Note 24)	(1,165)	(6,414)
Other movements	(67)	(325)
As at 30 June/31 December	3,865	4,319
Net carrying value		
As at 1 January	4,319	7,423
As at 30 June/31 December	3,865	4,319

Other movements include exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

26 Land use rights

	Six months ended 30 June 2025	2024
Cost/Deemed cost		
As at 1 January	22,870	22,903
Additions	30	1
Other movements	(45)	(34)
As at 30 June/31 December	22,855	22,870
Amortisation		
As at 1 January	(10,320)	(9,859)
Charge for the period/year	(257)	(519)
Other movements	21	58
As at 30 June/31 December	(10,556)	(10,320)
Allowances for impairment losses (Note 31)		
As at 1 January	(133)	(133)
Other movements	1	-
As at 30 June/31 December	(132)	(133)
Net carrying value		
As at 1 January	12,417	12,911
As at 30 June/31 December	12,167	12,417

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 2025	22,471	600	23,071
Additions	244	1	245
Other movements	(214)	-	(214)
As at 30 June 2025	22,501	601	23,102
Amortisation			
As at 1 January 2025	(16,902)	(330)	(17,232)
Charge for the period	(1,073)	(15)	(1,088)
Other movements	169	-	169
As at 30 June 2025	(17,806)	(345)	(18,151)
Allowances for impairment losses (Note 31)			
As at 1 January 2025	-	(9)	(9)
Additions	-	-	-
Other movements	-	-	-
As at 30 June 2025	-	(9)	(9)
Net carrying value			
As at 1 January 2025	5,569	261	5,830
As at 30 June 2025	4,695	247	4,942

(Expressed in millions of RMB, unless otherwise stated)

27 Intangible assets (continued)

	Software	Others	Total
Cost/Deemed cost			
As at 1 January 2024	21,076	704	21,780
Additions	1,533	-	1,533
Other movements	(138)	(104)	(242)
As at 31 December 2024	22,471	600	23,071
Amortisation			
As at 1 January 2024	(14,847)	(384)	(15,231)
Charge for the year	(2,213)	(32)	(2,245)
Other movements	158	86	244
As at 31 December 2024	(16,902)	(330)	(17,232)
Allowances for impairment losses (Note 31)			
As at 1 January 2024	-	(9)	(9)
Additions	-	-	-
Other movements	-	-	-
As at 31 December 2024	-	(9)	(9)
Net carrying value			
As at 1 January 2024	6,229	311	6,540
As at 31 December 2024	5,569	261	5,830

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 2025	2024
As at 1 January	2,522	2,456
Additions through acquisitions	32	28
Allowances for impairment losses (Note 31)	(2)	(4)
Effect of exchange difference and others	(91)	42
As at 30 June/31 December	2,461	2,522

(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 2025, the Group's goodwill impairment provision amounted to RMB39 million (as at 31 December 2024: RMB39 million).

(Expressed in millions of RMB, unless otherwise stated)

29 Deferred tax

	30 June 2025	31 December 2024
Deferred tax assets	140,362	120,485
Deferred tax liabilities	(1,345)	(1,525)
Total	139,017	118,960

(1) Analysed by nature

	30 June 2025		31 December 2024	
	Deductible /(taxable) temporary differences	Deferred tax assets /(liabilities)	Deductible /(taxable) temporary differences	Deferred tax assets /(liabilities)
Deferred tax assets				
- Fair value adjustments	(53,809)	(13,504)	(92,885)	(23,330)
- Allowances for impairment losses	591,710	147,533	542,241	135,185
- Employee benefits	47,080	11,770	49,883	12,470
- Others	(20,898)	(5,437)	(14,349)	(3,840)
Total	564,083	140,362	484,890	120,485
Deferred tax liabilities				
- Fair value adjustments	(2,723)	(537)	(2,733)	(527)
- Others	(3,309)	(808)	(4,140)	(998)
Total	(6,032)	(1,345)	(6,873)	(1,525)

(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 2025	(23,857)	135,185	12,470	(4,838)	118,960
Recognised in profit or loss	5,666	12,348	(700)	(2,022)	15,292
Recognised in other comprehensive income	4,150	-	-	615	4,765
As at 30 June 2025	(14,041)	147,533	11,770	(6,245)	139,017
As at 1 January 2024	(7,883)	132,164	5,318	(10,096)	119,503
Recognised in profit or loss	(1,863)	3,021	7,152	(2,966)	5,344
Recognised in other comprehensive income	(14,111)	-	-	8,224	(5,887)
As at 31 December 2024	(23,857)	135,185	12,470	(4,838)	118,960

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 2025	31 December 2024
Repossessed assets	(1)		
- Buildings		764	996
- Land use rights		16	16
- Others		6	6
		786	1,018
Clearing and settlement accounts		190,041	82,283
Right-of-use assets	(2)	23,681	25,119
Fee and commission receivables		17,471	20,512
Insurance related assets	(3)	17,121	16,737
Investment properties		11,635	13,761
Leasehold improvements		3,947	4,228
Deferred expenses		1,651	1,598
Others		93,285	92,461
Gross balance		359,618	257,717
Allowances for impairment losses (Note 31)			
- Repossessed assets		(614)	(765)
- Others		(12,577)	(12,228)
		(13,191)	(12,993)
Net balance		346,427	244,724

(1) For the six months ended 30 June 2025, the original cost of repossessed assets disposed of by the Group amounted to RMB230 million (for the six months ended 30 June 2024: RMB35 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 2025	47,156	189	47,345
Additions	3,287	15	3,302
Other movements	(5,006)	(29)	(5,035)
As at 30 June 2025	45,437	175	45,612
Accumulated depreciation			
As at 1 January 2025	(22,143)	(83)	(22,226)
Charge for the period	(3,570)	(27)	(3,597)
Other movements	3,866	26	3,892
As at 30 June 2025	(21,847)	(84)	(21,931)
Allowances for impairment losses (Note 31)			
As at 1 January 2025	(228)	-	(228)
Charge for the period	-	-	-
Other movements	5	-	5
As at 30 June 2025	(223)	-	(223)
Net carrying value			
As at 1 January 2025	24,785	106	24,891
As at 30 June 2025	23,367	91	23,458

(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 2024	49,640	150	49,790
Additions	7,869	99	7,968
Other movements	(10,353)	(60)	(10,413)
As at 31 December 2024	47,156	189	47,345
Accumulated depreciation			
As at 1 January 2024	(23,730)	(92)	(23,822)
Charge for the year	(7,523)	(45)	(7,568)
Other movements	9,110	54	9,164
As at 31 December 2024	(22,143)	(83)	(22,226)
Allowances for impairment losses (Note 31)			
As at 1 January 2024	(250)	-	(250)
Charge for the year	-	-	-
Other movements	22	-	22
As at 31 December 2024	(228)	-	(228)
Net carrying value			
As at 1 January 2024	25,660	58	25,718
As at 31 December 2024	24,785	106	24,891

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 2025	31 December 2024
Insurance contracts issued		
- Insurance contracts issued not applying the premium allocation approach	26	27
- Insurance contracts issued applying the premium allocation approach	-	-
Subtotal	26	27
Reinsurance contracts held		
- Reinsurance contracts held not applying the premium allocation approach	15,869	15,492
- Reinsurance contracts held applying the premium allocation approach	1,226	1,218
Subtotal	17,095	16,710
Total	17,121	16,737

(Expressed in millions of RMB, unless otherwise stated)

31 Movements of allowances for impairment losses

		Six months ended 30 June 2025				
	Note	As at 1 January	Charge/ (reversal)for the period	Transfer in/(out)	Write-offs and others	As at 30 June
Deposits with banks and non-bank financial institutions	16	107	(61)	(1)	-	45
Precious metals		1	(1)	-	-	-
Placements with banks and non-bank financial institutions	17	431	(52)	4	-	383
Financial assets held under resale agreements	19	33	6	-	-	39
Loans and advances to customers measured at amortised cost	20	802,894	114,576	(28,703)	(19,401)	869,366
Financial assets measured at amortised cost	21	26,519	(2,077)	(525)	(1,039)	22,878
Long-term equity investments	22	44	29	-	-	73
Fixed assets	24	1,490	-	2	(113)	1,379
Land use rights	26	133	-	-	(1)	132
Intangible assets	27	9	-	-	-	9
Goodwill	28	39	2	-	(2)	39
Other assets	30	12,993	1,796	140	(1,738)	13,191
Total		844,693	114,218	(29,083)	(22,294)	907,534

(Expressed in millions of RMB, unless otherwise stated)

31 Movements of allowances for impairment losses (continued)

		2024				
	Note	As at 1 January	Charge/ (reversal) for the year	Transfer in/(out)	Write-offs and others	As at 31 December
Deposits with banks and non-bank financial institutions	16	160	(60)	7	-	107
Precious metals		1	-	-	-	1
Placements with banks and non-bank financial institutions	17	951	(516)	(4)	-	431
Financial assets held under resale agreements	19	162	(129)	-	-	33
Loans and advances to customers measured at amortised cost	20	778,223	118,516	(37,551)	(56,294)	802,894
Financial assets measured at amortised cost	21	24,846	6,007	(3,228)	(1,106)	26,519
Long-term equity investments	22	44	-	-	-	44
Fixed assets	24	1,467	243	(2)	(218)	1,490
Land use rights	26	133	-	-	-	133
Intangible assets	27	9	-	-	-	9
Goodwill	28	409	4	(3)	(371)	39
Other assets	30	12,976	3,553	(387)	(3,149)	12,993
Total		819,381	127,618	(41,168)	(61,138)	844,693

Transfer in/(out) includes exchange differences.

(Expressed in millions of RMB, unless otherwise stated)

32 Borrowings from central banks

	30 June 2025	31 December 2024
The Chinese mainland	1,113,732	860,733
Overseas	73,804	73,103
Accrued interest	11,550	8,758
Total	1,199,086	942,594

33 Deposits from banks and non-bank financial institutions

(1) Analysed by type of counterparties

	30 June 2025	31 December 2024
Banks	274,594	174,292
Non-bank financial institutions	3,481,986	2,631,776
Accrued interest	31,068	29,817
Total	3,787,648	2,835,885

(2) Analysed by geographical sectors

	30 June 2025	31 December 2024
The Chinese mainland	3,632,519	2,671,982
Overseas	124,061	134,086
Accrued interest	31,068	29,817
Total	3,787,648	2,835,885

(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 2025	31 December 2024
Banks	468,514	436,847
Non-bank financial institutions	48,194	38,257
Accrued interest	3,890	4,777
Total	520,598	479,881

(2) Analysed by geographical sectors

	30 June 2025	31 December 2024
The Chinese mainland	188,335	146,681
Overseas	328,373	328,423
Accrued interest	3,890	4,777
Total	520,598	479,881

(Expressed in millions of RMB, unless otherwise stated)

35 Financial liabilities measured at fair value through profit or loss

	30 June 2025	31 December 2024
Financial liabilities related to precious metals	39,281	17,720
Structured financial instruments	179,321	222,873
Total	218,602	240,593

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 were considered not significant during the period and the year presented and cumulatively as at 30 June 2025 and 31 December 2024.

36 Financial assets sold under repurchase agreements

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

	30 June 2025	31 December 2024
Debt securities		
- Government bonds	1,013,157	727,635
- Debt securities issued by policy banks, banks and non-bank financial institutions	18,272	8,431
- Corporate bonds	1,743	1,140
Subtotal	1,033,172	737,206
Discounted bills	2,302	1,290
Accrued interest	3,265	1,422
Total	1,038,739	739,918

(Expressed in millions of RMB, unless otherwise stated)

37 Deposits from customers

	30 June 2025	31 December 2024
Demand deposits		
- Corporate customers	6,653,438	6,459,892
- Personal customers	6,225,690	5,853,434
Subtotal	12,879,128	12,313,326
Time deposits (including call deposits)		
- Corporate customers	5,497,907	5,320,081
- Personal customers	11,635,676	10,605,165
Subtotal	17,133,583	15,925,246
Accrued interest	456,780	475,298
Total	30,469,491	28,713,870

Deposits from customers include:

		30 June 2025	31 December 2024
(1)	Pledged deposits		
	- Deposits for acceptance	140,760	178,606
	- Deposits for letter of credit	35,830	29,276
	- Deposits for guarantee	29,701	31,362
	- Others	93,623	105,663
	Total	299,914	344,907
(2)	Outward remittance and remittance payables	18,972	16,938

(Expressed in millions of RMB, unless otherwise stated)

38 Accrued staff costs

		Six months ended 30 June 2025			
	Note	As at 1 January	Increased	Decreased	As at 30 June
Salaries, bonuses, allowances and subsidies		44,768	38,361	(41,770)	41,359
Housing funds		157	4,188	(4,145)	200
Union running costs and employee education costs		9,103	1,194	(993)	9,304
Post-employment benefits	(1)	701	8,520	(8,675)	546
Early retirement benefits		763	1	(14)	750
Compensation to employees for termination of employment relationship		-	12	(12)	-
Others	(2)	5,169	7,024	(7,128)	5,065
Total		60,661	59,300	(62,737)	57,224

		2024			
	Note	As at 1 January	Increased	Decreased	As at 31 December
Salaries, bonuses, allowances and subsidies		37,161	88,276	(80,669)	44,768
Housing funds		304	8,255	(8,402)	157
Union running costs and employee education costs		8,732	2,874	(2,503)	9,103
Post-employment benefits	(1)	889	17,321	(17,509)	701
Early retirement benefits		793	4	(34)	763
Compensation to employees for termination of employment relationship		-	45	(45)	-
Others	(2)	4,689	18,484	(18,004)	5,169
Total		52,568	135,259	(127,166)	60,661

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 2025			
	As at 1 January	Increased	Decreased	As at 30 June
Basic pension insurance	345	5,394	(5,306)	433
Unemployment insurance	60	198	(193)	65
Annuity contribution	791	3,011	(3,176)	626
Total	1,196	8,603	(8,675)	1,124

	2024			
	As at 1 January	Increased	Decreased	As at 31 December
Basic pension insurance	532	10,608	(10,795)	345
Unemployment insurance	64	390	(394)	60
Annuity contribution	867	6,187	(6,263)	791
Total	1,463	17,185	(17,452)	1,196

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 2025	2024	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024
As at 1 January	4,271	4,343	4,766	4,917	(495)	(574)
Cost of the net defined benefit liability in profit or loss						
- *Interest costs*	36	97	40	111	(4)	(14)
Remeasurements of the defined benefit liability in other comprehensive income						
- *Actuarial (gains)/losses*	(77)	136	-	-	(77)	136
- *Returns on plan assets*	-	-	2	43	(2)	(43)
Other changes						
- *Benefits paid*	(142)	(305)	(142)	(305)	-	-
As at 30 June/31 December	4,088	4,271	4,666	4,766	(578)	(495)

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 2025	31 December 2024
Discount rate	1.75%	1.75%
Health care cost increase rate	7.00%	7.00%
Average expected future lifetime of eligible employees	9.3 years	9.6 years

Mortality assumptions are based on China Life Insurance Mortality Table (2010-2013). The Table published historical statistics 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	(79)	82
Health care cost increase rate	35	(34)

(iii) As at 30 June 2025, the weighted average duration of supplementary retirement benefit obligations of the Group was 7.9 years (as at 31 December 2024: 8.0 years).

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

	30 June 2025	31 December 2024
Cash and cash equivalents	1,746	1,830
Equity instruments	603	663
Debt instruments and others	2,317	2,273
Total	4,666	4,766

(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 2025	31 December 2024
Income tax	20,782	28,324
Value added tax	13,333	9,778
Others	1,672	2,286
Total	35,787	40,388

40 Provisions

	Note	30 June 2025	31 December 2024
Expected credit losses on the off-balance sheet credit business	(1)	28,097	29,770
Expected losses from other businesses	(2)	2,486	8,552
Total		30,583	38,322

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

		Six months ended 30 June 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		91	(91)	-	-
Transfers in/(out) to Stage 2		(30)	30	-	-
Transfers in/(out) to Stage 3		-	(45)	45	-
Newly originated		8,455	-	-	8,455
Decreased		(8,351)	(3,184)	(199)	(11,734)
Remeasurements	(a)	(728)	2,128	206	1,606
As at 30 June 2025		22,779	3,484	1,834	28,097

(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)

	Note	2024 Stage 1	Stage 2	Stage 3	Total
As at 1 January 2024		28,385	4,782	1,433	34,600
Transfers:					
Transfers in/(out) to Stage 1		178	(178)	-	-
Transfers in/(out) to Stage 2		(40)	42	(2)	-
Transfers in/(out) to Stage 3		-	(69)	69	-
Newly originated		10,445	-	-	10,445
Decreased		(14,264)	(3,625)	(478)	(18,367)
Remeasurements	(a)	(1,362)	3,694	760	3,092
As at 31 December 2024		23,342	4,646	1,782	29,770

(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 2025	31 December 2024
Interbank certificates of deposit issued/Certificates of deposit	(1)	2,023,029	1,553,226
Bonds issued	(2)	193,024	166,658
Subordinated bonds issued	(3)	11,998	11,998
Non-capital TLAC bonds issued	(4)	49,998	49,997
Eligible Tier 2 capital bonds issued	(5)	619,248	594,092
Accrued interest		15,837	10,624
Total		2,913,134	2,386,595

(1) Interbank certificates of deposit issued/certificates of deposit were mainly issued by the head office, overseas branches, CCB New Zealand 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 2025	31 December 2024
16/05/2019	16/05/2029	3.88%	Hong Kong	USD	1,432	1,438
16/03/2020	15/03/2025	2.75%	The Chinese mainland	RMB	-	5,000
21/07/2020	21/07/2025	1.99%	Hong Kong	USD	3,235	3,244
28/09/2020	28/09/2025	1.78%	Hong Kong	USD	1,432	1,438
28/09/2020	28/09/2030	2.55%	Hong Kong	USD	716	719
22/04/2021	22/04/2026	1.46%	Hong Kong	USD	3,941	4,015
22/07/2021	22/07/2026	1.80%	Hong Kong	USD	3,292	3,291
15/09/2021	15/09/2026	1.60%	Hong Kong	USD	2,505	2,510
29/09/2021	29/09/2026	1.50%	Hong Kong	USD	5,016	5,110
17/05/2022	17/05/2025	3.125%	Hong Kong	USD	-	7,299
23/05/2022	25/05/2025	2.60%	The Chinese mainland	RMB	-	10,000
12/12/2022	14/12/2025	2.92%	The Chinese mainland	RMB	10,000	10,000
09/02/2023	09/02/2026	3M New Zealand benchmark interest rate +1.10%	Auckland	NZD	978	924
22/03/2023	24/03/2026	2.80%	The Chinese mainland	RMB	10,000	10,000
31/05/2023	31/05/2025	2.80%	United Kingdom	RMB	-	1,989
02/11/2023	02/11/2026	3M New Zealand benchmark interest rate +1.20%	Auckland	NZD	652	616
24/11/2023	24/11/2026	3.80%	Luxembourg	EUR	840	760
30/11/2023	30/11/2026	3.88%	Luxembourg	EUR	2,521	2,281
30/11/2023	30/11/2026	SOFR +0.65%	Dubai	USD	4,299	4,380
30/11/2023	30/11/2026	5.00%	Hong Kong	USD	3,582	3,650

(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 2025	31 December 2024
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	2,700
16/07/2024	16/07/2027	SOFR +0.55%	Hong Kong	USD	7,165	7,300
16/07/2024	16/07/2027	2.83%	United Kingdom	RMB	2,000	1,989
09/09/2024	11/09/2027	2.05%	Hong Kong	RMB	2,401	2,389
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	-
23/04/2025	25/04/2028	1.87%	The Chinese mainland	RMB	1,200	-
13/05/2025	13/05/2028	2.335%	Luxembourg	EUR	840	-
22/05/2025	26/05/2028	1.65%	The Chinese mainland	RMB	25,000	-
22/05/2025	26/05/2030	1.76%	The Chinese mainland	RMB	5,000	-
28/05/2025	28/05/2028	SOFR +0.52%	Hong Kong	USD	7,165	-
28/05/2025	28/05/2030	SOFR +0.60%	Hong Kong	USD	3,582	-
28/05/2025	28/05/2028	1.90%	Hong Kong	RMB	2,001	-
29/05/2025	29/05/2028	1.90%	Luxembourg	EUR	801	-
10/06/2025	12/06/2028	1.75%	The Chinese mainland	RMB	1,600	-
17/06/2025	16/06/2028	1.87%	Luxembourg	EUR	1,001	-
27/06/2025	23/06/2028	1.86%	Luxembourg	EUR	1,200	-
Total nominal value					193,097	166,742
Less:Unamortised issuance costs					(73)	(84)
Carrying value as at period/year end					193,024	166,658

(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 2025	31 December 2024
28/01/2021	01/02/2031	4.30%	RMB	(a)	6,000	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					12,000	12,000
Less: Unamortised issuance cost					(2)	(2)
Carrying value as at period/year end					11,998	11,998

(a) The Group has an option to redeem part or all of the bonds on 1 February 2026, subject to registration from the PBOC and the NFRA.

(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 2025	31 December 2024
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
Total nominal value					50,000	50,000
Less: Unamortised issuance cost					(2)	(3)
Carrying value as at period/year end					49,998	49,997

(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.

(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 2025	31 December 2024
24/06/2020	24/06/2030	2.45%	USD	(a)	-	14,599
10/09/2020	14/09/2030	4.20%	RMB	(b)	65,000	65,000
06/08/2021	10/08/2031	3.45%	RMB	(c)	65,000	65,000
06/08/2021	10/08/2036	3.80%	RMB	(d)	15,000	15,000
05/11/2021	09/11/2031	3.60%	RMB	(e)	35,000	35,000
05/11/2021	09/11/2036	3.80%	RMB	(f)	10,000	10,000
10/12/2021	14/12/2031	3.48%	RMB	(g)	12,000	12,000
10/12/2021	14/12/2036	3.74%	RMB	(h)	8,000	8,000
13/01/2022	21/01/2032	2.85%	USD	(i)	14,330	14,599
15/06/2022	17/06/2032	3.45%	RMB	(j)	45,000	45,000
15/06/2022	17/06/2037	3.65%	RMB	(k)	15,000	15,000
03/11/2022	07/11/2032	3.00%	RMB	(l)	25,000	25,000
03/11/2022	07/11/2037	3.34%	RMB	(m)	15,000	15,000
24/03/2023	28/03/2033	3.49%	RMB	(n)	5,000	5,000
24/03/2023	28/03/2038	3.61%	RMB	(o)	15,000	15,000
24/10/2023	26/10/2033	3.45%	RMB	(p)	45,000	45,000
24/10/2023	26/10/2038	3.53%	RMB	(q)	15,000	15,000
14/11/2023	16/11/2033	3.30%	RMB	(r)	25,000	25,000
14/11/2023	16/11/2038	3.42%	RMB	(s)	15,000	15,000
01/02/2024	05/02/2034	2.75%	RMB	(t)	20,000	20,000
01/02/2024	05/02/2039	2.82%	RMB	(u)	30,000	30,000
04/07/2024	08/07/2034	2.21%	RMB	(v)	40,000	40,000
04/07/2024	08/07/2039	2.37%	RMB	(w)	10,000	10,000
26/12/2024	30/12/2034	1.96%	RMB	(x)	35,000	35,000
25/03/2025	27/03/2035	2.07%	RMB	(y)	40,000	-
Total nominal value					619,330	594,198
Less: Unamortised issuance cost					(82)	(106)
Carrying value as at period/year end					619,248	594,092

41 Debt securities issued (continued)

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

(a) The Group has chosen to exercise the option to redeem all the bonds on 24 June 2025.

(b) The Group has an option to redeem the bonds on 14 September 2025, 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 interests associated with the portion of bonds written off will not be paid either.

(c) 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 interests associated with the portion of bonds written off will not be paid either.

(d) 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 interests associated with the portion of bonds written off will not be paid either.

(e) 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 interests associated with the portion of bonds written off will not be paid either.

(f) 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 interests associated with the portion of bonds written off will not be paid either.

(g) 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 interests 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 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 interests associated with the portion of bonds written off will not be paid either.

(i) 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 interests associated with the portion of bonds written off will not be paid either.

(j) 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 interests associated with the portion of bonds written off will not be paid either.

(k) 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 interests associated with the portion of bonds written off will not be paid either.

(l) 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 interests associated with the portion of bonds written off will not be paid either.

(m) 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 interests associated with the portion of bonds written off will not be paid either.

(n) 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 interests 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 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 interests associated with the portion of bonds written off will not be paid either.

(p) 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 interests associated with the portion of bonds written off will not be paid either.

(q) 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 interests associated with the portion of bonds written off will not be paid either.

(r) 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 interests associated with the portion of bonds written off will not be paid either.

(s) 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 interests associated with the portion of bonds written off will not be paid either.

(t) 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 interests associated with the portion of bonds written off will not be paid either.

(u) 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 interests 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 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 interests associated with the portion of bonds written off will not be paid either.

(w) 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 interests associated with the portion of bonds written off will not be paid either.

(x) 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 interests associated with the portion of bonds written off will not be paid either.

(y) 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 interests associated with the portion of bonds written off will not be paid either.

(6) For the six months ended 30 June 2025 and for the year ended 31 December 2024, 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 2025	31 December 2024
Insurance related liabilities	(1)	283,789	276,617
Clearing and settlement accounts		60,507	142,043
Lease liabilities	(2)	22,658	23,920
Deferred income		15,274	15,626
Dormant accounts		9,385	8,527
Payment and collection clearance accounts		9,259	18,447
Accrued expenses advance		8,494	9,506
Capital expenditure payable		3,512	4,962
Cash pledged and rental prepayments		2,431	2,797
Dividend Payable		79	49,252
Others		86,935	101,265
Total		502,323	652,962

(1) Insurance related liabilities

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

	30 June 2025	31 December 2024
Insurance contracts issued		
- Insurance contracts issued not applying the premium allocation approach	281,504	274,812
- Insurance contracts issued applying the premium allocation approach	2,284	1,802
Subtotal	283,788	276,614
Reinsurance contracts held		
- Reinsurance contracts held not applying the premium allocation approach	-	-
- Reinsurance contracts held applying the premium allocation approach	1	3
Subtotal	1	3
Total	283,789	276,617

(Expressed in millions of RMB, unless otherwise stated)

42 Other liabilities (continued)

(2) Lease liabilities

Maturity analysis - undiscounted cash flows

	30 June 2025	31 December 2024
Within one year	6,355	6,657
Between one year and five years	12,965	13,623
More than five years	7,068	7,422
Total undiscounted lease liabilities	26,388	27,702
Lease liabilities	22,658	23,920

43 Share capital

(1) Structure of share capital

	30 June 2025	31 December 2024
Listed in Hong Kong (H shares)	240,417	240,417
Listed in the Chinese mainland (A shares)	21,183	9,594
Total	261,600	250,011

All H and A shares are ordinary shares, have a par value of RMB1 per share and rank pari passu with the same rights and benefits.

(2) Changes in share capital

	Six months ended 30 June 2025
As at 1 January 2025	250,011
Issuance of A-shares to specific investors	11,589
As at 30 June 2025	261,600

As described in Note 1, in the first half of 2025, the Bank issued 11,589 million ordinary A-shares to specific investors, with a par value of RMB1 per share. The paid-in status of the above-mentioned share capital has been verified by Ernst & Young Hua Ming LLP, which issued the Capital Verification Report EYHM (2025) No. 70008881_A02 on 23 June 2025.

(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	Initial interest 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 2025 Quantity (million shares)	1 January 2025 Carrying value	Increase/(Decrease) Quantity (million shares)	Increase/(Decrease) Carrying value	30 June 2025 Quantity (million shares)	30 June 2025 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	Initial 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
Carrying amount							140,000		

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 2025 Quantity (million units)	1 January 2025 Carrying value	Increase/(Decrease) Quantity (million units)	Increase/(Decrease) Carrying value	30 June 2025 Quantity (million units)	30 June 2025 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
Total	1,000	100,000	400	40,000	1,400	140,000

(3) Interests attributable to the holders of equity instruments

Items	30 June 2025	31 December 2024
1. Total equity attributable to equity holders of the Bank	3,563,298	3,322,127
(1) Equity attributable to ordinary equity holders of the Bank	3,363,321	3,162,150
(2) Equity attributable to other equity holders of the Bank	199,977	159,977
Of which: net profit	-	7,108
dividends received	-	7,108
2. Total equity attributable to non-controlling interests	21,561	21,838
(1) Equity attributable to non-controlling interests of ordinary shares	19,562	19,839
(2) Equity attributable to non-controlling interests of other equity instruments	1,999	1,999

(Expressed in millions of RMB, unless otherwise stated)

45 Capital reserve

	30 June 2025	31 December 2024
Share premium and others	229,113	135,736

In the first half of 2025, the Bank issued 11,589 million ordinary A-shares to specific investors, with a par value of RMB1 per share. Total proceeds from this offering stood at RMB105,000 million, with net proceeds of RMB104,969 million after deducting RMB31 million issuance expenses, of which RMB11,589 million was recognised in share capital and RMB93,380 million in capital reserve.

(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 2025				
	1 January 2025	Net-of-tax amount attributable to equity shareholders of the Bank	Other comprehensive income transferred to retained earnings	30 June 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)	79	-	(96)	79	-	-	79	-
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	8,719	57	(53)	8,723	908	-	(237)	57	614
Others	865	2	-	867	2	-	-	2	-
(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	(14,531)	-	39,576	(8,729)	(10,403)	4,704	(14,531)	103
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	4,378	950	-	5,328	1,268	-	(317)	950	1
Net gain/(loss) on cash flow hedges	806	(264)	-	542	(264)	-	-	(264)	-
Exchange difference on translating foreign operations	1,786	108	-	1,894	73	-	-	108	(35)
Others	(12,585)	(940)	-	(13,525)	(2,459)	-	615	(940)	(904)
Total	57,901	(14,539)	(53)	43,309	(9,122)	(10,403)	4,765	(14,539)	(221)

(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 2024				
	1 January 2024	Net-of-tax amount attributable to equity shareholders of the Bank	Other comprehensive income transferred to retained earnings	31 December 2024	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	(82)	(93)	-	(175)	(93)	-	-	(93)	-
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	217	8,509	(7)	8,719	12,355	-	(3,203)	8,509	643
Others	791	74	-	865	74	-	-	74	-
(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	23,597	30,510	-	54,107	49,148	(3,996)	(11,322)	30,510	3,320
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	5,617	(1,239)	-	4,378	(1,655)	-	414	(1,239)	(2)
Net gain on cash flow hedges	706	100	-	806	100	-	-	100	-
Exchange difference on translating foreign operations	482	1,304	-	1,786	1,273	-	-	1,304	(31)
Others	(7,347)	(5,238)	-	(12,585)	(18,494)	-	8,224	(5,238)	(5,032)
Total	23,981	33,927	(7)	57,901	42,708	(3,996)	(5,887)	33,927	(1,102)

(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 2025	31 December 2024
MOF	(1)	521,876	521,876
Hong Kong Banking Ordinance	(2)	2,124	2,124
Other regulatory bodies in the Chinese mainland	(3)	10,690	9,858
Other overseas regulatory bodies		742	733
Total		535,432	534,591

(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 first extraordinary general meeting of 2025 held on 22 April 2025, the shareholders approved the profit distribution plan for 2024. The total cash dividend for the year in an aggregate amount of RMB100,754 million. After deducting the interim dividend of RMB49,252 million, the Bank proposed to all ordinary shareholders a final cash dividend for 2024 in an aggregate amount of RMB51,502 million.

On 29 August 2025, the Board of Directors proposed a cash dividend of RMB1.858 for each ten shares (including taxes) with an aggregate amount of RMB48,605 million to all shareholders for the 2025 interim profit distribution. The proposal will be submitted to the general meeting for deliberation in the second half of 2025. 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 general 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 2025	31 December 2024	30 June 2024
Cash	47,703	46,691	47,247
Surplus deposit reserves with central banks	741,804	259,529	793,295
Demand deposits with banks and non-bank financial institutions	101,790	98,806	82,155
Time deposits with banks and non-bank financial institutions with original maturity with or within three months	44,775	33,079	18,818
Placements with banks and non-bank financial institutions with original maturity with or within three months	136,871	131,343	206,904
Total	1,072,943	569,448	1,148,419

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 derecognized them. As at 30 June 2025, the carrying value of the Group's securities serving as collaterals under repurchase agreements and debt securities lent to counterparties was RMB1,091,870 million (as at 31 December 2024: RMB647,402 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 2025, loans with an original carrying amount of RMB68,905 million (as at 31 December 2024: 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 2025, the carrying amount of assets that the Group continued to recognise was RMB427 million (as at 31 December 2024: RMB5,710 million). As at 30 June 2025, the carrying amount of continuing involvement assets and liabilities that the Group continued to recognise was RMB427 million (as at 31 December 2024: RMB5,710 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 2025, the carrying amount of transferred credit assets that the Group had continued to recognise was RMB1,241 million (as at 31 December 2024: RMB26,438 million) and the carrying amount of their associated financial liabilities was RMB3,746 million (as at 31 December 2024: RMB22,344 million).

As at 30 June 2025, the carrying amount of asset-backed securities held in the securitisation transaction derecognised by the Group was RMB952 million (as at 31 December 2024: RMB1,126 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 subsidiary 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 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
	30 June 2025								
Segment assets	7,601,143	5,613,154	8,549,279	6,106,970	6,245,120	2,138,263	15,664,878	1,968,235	53,887,042
Long-term equity investments	2,754	1,467	9,954	3,669	-	-	4,920	3,038	25,802
	7,603,897	5,614,621	8,559,233	6,110,639	6,245,120	2,138,263	15,669,798	1,971,273	53,912,844
Deferred tax assets									140,362
Elimination									(9,620,358)
Total assets									44,432,848
Segment liabilities	7,567,581	5,573,441	8,316,961	6,060,236	6,217,256	2,130,491	12,783,063	1,817,973	50,467,002
Deferred tax liabilities									1,345
Elimination									(9,620,358)
Total liabilities									40,847,989
Off-balance sheet credit commitments	761,681	603,195	762,722	786,072	623,968	208,723	-	299,603	4,045,964

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(1) Geographical segments (continued)

	Six months ended 30 June 2024								
	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central	Western	Northeastern	Head Office	Overseas	Total
External net interest income/(expense)	27,713	21,036	12,998	29,426	36,033	(2,100)	161,677	9,276	296,059
Internal net interest income/(expense)	22,388	21,698	31,728	23,150	19,080	15,572	(130,295)	(3,321)	-
Net interest income	50,101	42,734	44,726	52,576	55,113	13,472	31,382	5,955	296,059
Net fee and commission income	12,886	11,154	10,498	8,858	7,083	1,964	9,028	1,225	62,696
Net trading gain/(loss)	1,171	159	70	162	46	(3)	1,851	547	4,003
Dividend income	365	-	2,411	226	-	3	4	42	3,051
Net gain/(loss) arising from investment securities	1,473	(659)	(316)	(215)	(560)	(102)	5,029	(130)	4,520
Net (loss)/gain on derecognition of financial assets measured at amortised cost	(3)	23	26	-	(1)	(33)	1,854	48	1,914
Other operating (expense)/income, net	(2,432)	340	1,255	189	877	87	461	1,811	2,588
Operating income	63,561	53,751	58,670	61,796	62,558	15,388	49,609	9,498	374,831
Operating expenses	(16,650)	(11,609)	(15,176)	(15,129)	(15,220)	(5,250)	(11,894)	(3,460)	(94,388)
Credit impairment losses	(11,167)	(12,500)	(13,016)	(17,164)	(17,432)	(3,218)	(12,235)	(922)	(87,654)
Other impairment losses	-	-	7	-	(1)	-	-	11	17
Share of profits/(losses) of associates and joint ventures	5	(7)	200	(118)	-	-	(10)	136	206
Profit before tax	35,749	29,635	30,685	29,385	29,905	6,920	25,470	5,263	193,012
Capital expenditure	445	137	16,385	352	241	186	299	97	18,142
Depreciation and amortisation	2,008	1,546	3,654	1,920	1,885	726	2,165	1,042	14,946
	31 December 2024								
Segment assets	7,125,913	5,405,807	8,064,454	5,718,074	6,039,426	2,106,273	13,479,966	1,790,163	49,730,076
Long-term equity investments	2,861	1,446	9,370	3,969	-	-	2,904	3,010	23,560
	7,128,774	5,407,253	8,073,824	5,722,043	6,039,426	2,106,273	13,482,870	1,793,173	49,753,636
Deferred tax assets									120,485
Elimination									(9,302,972)
Total assets									40,571,149
Segment liabilities	7,066,990	5,355,827	7,825,864	5,651,329	5,989,751	2,091,890	10,897,772	1,649,208	46,528,631
Deferred tax liabilities									1,525
Elimination									(9,302,972)
Total liabilities									37,227,184
Off-balance sheet credit commitments	753,146	625,877	759,712	749,260	576,558	189,178	-	310,720	3,964,451

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, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit taking and wealth management services, agency services, financial consulting and advisory services, cash management services, remittance and settlement services, guarantee services, and investment banking services, etc.

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 loans, deposit taking and wealth management services, card business, remittance services and agency services, etc.

Treasury and asset management business

This segment covers the Group’s treasury operations. The treasury and asset management segment enters into inter-bank deposit and placement transactions, repurchase and resale transactions, and invests in debt securities. It also trades in derivatives and foreign currencies for its own account. The treasury and asset management segment carries out customer-driven derivatives, foreign currency, precious metal trading and custody services. Its function also includes the management of the Group’s overall liquidity position, including the issuance of debt securities.

Others

This segment covers equity investments and the revenues, results, assets and liabilities of overseas commercial banks.

(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	138,982	30,998	109,856	6,873	286,709
Internal net interest (expense)/income	(50,573)	115,489	(65,736)	820	-
Net interest income	88,409	146,487	44,120	7,693	286,709
Net fee and commission income	23,271	27,292	14,616	39	65,218
Net trading (loss)/gain	(390)	(40)	1,440	844	1,854
Dividend income	1,738	514	271	125	2,648
Net (loss)/gain arising from investment securities	(800)	1,650	10,423	418	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	599	(1,117)	2,536	6,367	8,385
Operating income	112,826	174,786	82,658	15,635	385,905
Operating expenses	(37,279)	(47,418)	(6,258)	(4,548)	(95,503)
Credit impairment losses	(57,857)	(48,570)	1,090	(2,315)	(107,652)
Other impairment losses	21	-	(31)	-	(10)
Share of (losses)/profits of associates and joint ventures	(238)	(64)	(23)	26	(299)
Profit before tax	17,473	78,734	77,436	8,798	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
	30 June 2025				
Segment assets	18,663,589	8,764,300	15,890,610	1,178,117	44,496,616
Long-term equity investments	10,804	2,637	5,532	6,829	25,802
	18,674,393	8,766,937	15,896,142	1,184,946	44,522,418
Deferred tax assets					140,362
Elimination					(229,932)
Total assets					44,432,848
Segment liabilities	12,501,803	18,796,953	7,809,455	1,968,365	41,076,576
Deferred tax liabilities					1,345
Elimination					(229,932)
Total liabilities					40,847,989
Off-balance sheet credit commitments	2,576,231	1,170,130	-	299,603	4,045,964

(Expressed in millions of RMB, unless otherwise stated)

52 Operating segments (continued)

(2) Business segments (continued)

	Six months ended 30 June 2024				
	Corporate finance business	Personal finance business	Treasury and asset management business	Others	Total
External net interest income	135,074	50,579	103,448	6,958	296,059
Internal net interest (expense)/income	(45,613)	91,198	(46,280)	695	-
Net interest income	89,461	141,777	57,168	7,653	296,059
Net fee and commission income/(expense)	22,157	28,228	12,589	(278)	62,696
Net trading gain	537	1,013	1,635	818	4,003
Dividend income	2,451	365	214	21	3,051
Net (loss)/gain arising from investment securities	(1,885)	1,437	5,105	(137)	4,520
Net (loss)/gain on derecognition of financial assets measured at amortised cost	(469)	1,862	464	57	1,914
Other operating income/(expense), net	1,051	(2,834)	1,471	2,900	2,588
Operating income	113,303	171,848	78,646	11,034	374,831
Operating expenses	(36,818)	(47,598)	(6,008)	(3,964)	(94,388)
Credit impairment losses	(57,481)	(26,319)	(363)	(3,491)	(87,654)
Other impairment losses	7	-	(2)	12	17
Share of profits/(losses) of associates and joint ventures	319	15	(119)	(9)	206
Profit before tax	19,330	97,946	72,154	3,582	193,012
Capital expenditure	16,315	1,162	572	93	18,142
Depreciation and amortisation	5,871	7,248	732	1,095	14,946
	31 December 2024				
Segment assets	17,075,455	8,681,552	13,827,989	1,045,883	40,630,879
Long-term equity investments	10,443	2,739	5,552	4,826	23,560
	17,085,898	8,684,291	13,833,541	1,050,709	40,654,439
Deferred tax assets					120,485
Elimination					(203,775)
Total assets					40,571,149
Segment liabilities	12,052,396	17,405,915	6,031,782	1,939,341	37,429,434
Deferred tax liabilities					1,525
Elimination					(203,775)
Total liabilities					37,227,184
Off-balance sheet credit commitments	2,494,669	1,159,062	-	310,720	3,964,451

(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 2025	31 December 2024
Entrusted loans	4,678,419	4,635,191
Entrusted funds	4,678,419	4,635,191

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 2025, the carrying value of the Group's financial assets pledged as collateral amounted to approximately RMB2,948,716 million (31 December 2024: RMB2,245,262 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 2025, the Group did not hold any collateral for resale agreements which was permitted to be sold or repledged in the absence of default for the transactions (31 December 2024: Nil).

(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 2025	31 December 2024
Loan commitments		
- with an original maturity within one year	69,477	76,319
- with an original maturity of one year or over	512,563	431,376
Credit card commitments	1,201,575	1,193,146
	1,783,615	1,700,841
Bank acceptances	536,279	617,285
Financing guarantees	30,159	30,457
Non-financing guarantees	1,355,215	1,329,065
Sight letters of credit	42,156	39,725
Usance letters of credit	262,720	217,469
Others	35,820	29,609
Total	4,045,964	3,964,451

(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 2025	31 December 2024
Credit risk-weighted asset amount of contingent liabilities and commitments	1,255,319	1,225,217

(3) Capital commitments

As at 30 June 2025, the Group's contracted for but not disbursed capital commitments amounted to RMB5,944 million (as at 31 December 2024: RMB3,245 million).

(4) Underwriting obligations

As at 30 June 2025, there was no unexpired underwriting commitment of the Group (as at 31 December 2024: 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 2025, were RMB51,334 million (as at 31 December 2024: RMB45,472 million).

55 Commitments and contingent liabilities (continued)

(6) Outstanding litigations and disputes

As at 30 June 2025, the Group was the defendant in certain pending litigations and disputes with gross claims of RMB13,427 million (as at 31 December 2024: RMB12,790 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). The Group considers that the provisions made are reasonable and adequate.

(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.

(8) Impact of the *Guiding Opinions on Regulating the Asset Management Business of Financial Institutions*

In accordance with the *Guiding Opinions on Regulating the Asset Management Business of Financial Institutions* jointly issued by the PBOC and three other ministries as well as the PBOC's relevant announcement, other than assets for which the Group had applied to regulators for disposal on a case-by-case basis, the Group has completed the rectification of legacy wealth management business and recognised its impact in 2025 interim financial statements in terms of provisions and credit impairment losses. The Group will duly implement relevant policies and regulatory requirements, continue to assess and disclose relevant impact, and strive to complete the rectification as soon as possible.

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 2025, 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, entrusted asset management, operating leases, 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 RMB12,000 million (as at 31 December 2024: 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.

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(1) Transactions with parent companies and their affiliates (continued)

(a) Transactions with parent companies

In the ordinary course of the business, material transactions that the Group entered into with parent companies are as follows:

Amounts

	Six months ended 30 June			
	2025		2024	
	Amount	Ratio to similar transactions	Amount	Ratio to similar transactions
Interest income	1,352	0.23%	1,942	0.31%
Interest expense	188	0.06%	66	0.02%
Net trading gain	11	0.59%	1	0.02%

Balances outstanding as at the end of the reporting period

	30 June 2025		31 December 2024	
	Balance	Ratio to similar transactions	Balance	Ratio to similar transactions
Loans and advances to customers	62,560	0.24%	66,600	0.27%
Financial investments				
Financial assets measured at fair value through profit or loss	987	0.13%	770	0.13%
Financial assets measured at amortised cost	34,968	0.47%	40,473	0.54%
Financial assets measured at fair value through other comprehensive income	11,501	0.32%	7,498	0.28%
Deposits from customers	66,468	0.22%	36,292	0.13%
Credit commitments	288	0.01%	288	0.01%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(1) Transactions with parent companies and their affiliates (continued)

(b) Transactions with the affiliates of parent companies

In the ordinary course of the business, material transactions that the Group entered into with the affiliates of parent companies are as follows:

Amounts

		Six months ended 30 June			
		2025		2024	
	Note	Amount	Ratio to similar transactions	Amount	Ratio to similar transactions
Interest income		9,645	1.67%	14,845	2.37%
Interest expense		3,465	1.18%	4,300	1.30%
Fee and commission income		57	0.08%	340	0.49%
Fee and commission expense		3	0.05%	11	0.18%
Net trading gain		618	33.33%	583	14.56%
Net gain arising from investment securities		1,882	16.10%	2,382	52.70%
Other operating income		309	1.75%	714	5.05%
Operating expenses	(i)	242	0.25%	287	0.30%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(1) Transactions with parent companies and their affiliates (continued)

(b) *Transactions with the affiliates of parent companies (continued)*

Balances outstanding as at the end of the reporting period

	Note	30 June 2025 Balance	30 June 2025 Ratio to similar transactions	31 December 2024 Balance	31 December 2024 Ratio to similar transactions
Deposits with banks and non-bank financial institutions		59,814	36.08%	37,494	24.26%
Placements with banks and non-bank financial institutions		285,738	36.59%	130,800	19.44%
Positive fair value of derivatives		5,114	10.04%	15,959	14.77%
Financial assets held under resale agreements		72,558	5.70%	31,295	5.03%
Loans and advances to customers		118,705	0.45%	157,404	0.63%
Financial investments					
Financial assets measured at fair value through profit or loss		202,512	27.13%	152,874	24.96%
Financial assets measured at amortised cost		190,447	2.57%	201,682	2.71%
Financial assets measured at fair value through other comprehensive income		457,163	12.68%	398,031	15.07%
Other assets		252	0.07%	562	0.23%
Deposits from banks and non-bank financial institutions	(ii)	300,239	7.93%	192,798	6.80%
Placements from banks and non-bank financial institutions		195,394	37.53%	186,085	38.78%
Negative fair value of derivatives		5,054	6.88%	11,188	11.90%
Financial assets sold under repurchase agreements		1,851	0.18%	34,944	4.72%
Deposits from customers		105,408	0.35%	133,328	0.46%
Other liabilities		57,405	11.43%	39,973	6.12%
Credit commitments		66,257	1.64%	11,585	0.29%

(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 the first half of 2025, the Bank issued ordinary A-shares to MOF and completed 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 2025, 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, material transactions that the Group entered into with the MOF are as follows:

Amounts

	From 24 June to 30 June 2025	
	Amount	Ratio to similar transactions
Interest income	1,176	0.20%
Net trading gain	7	0.38%

Balances outstanding as at the end of the reporting period

	30 June 2025	
	Balance	Ratio to similar transactions
Financial investments		
Financial assets measured at fair value through profit or loss	16,780	2.25%
Financial assets measured at amortised cost	1,234,651	16.64%
Financial assets measured at fair value through other comprehensive income	1,315,654	36.49%

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(3) 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	
	2025	2024
Interest income	543	433
Interest expense	44	70
Fee and commission income	48	54
Operating expenses	54	57

Balances outstanding as at the end of the reporting period

	30 June 2025	31 December 2024
Loans and advances to customers	49,851	45,680
Financial assets measured at fair value through profit or loss	1,218	1,241
Other assets	312	352
Deposits from customers	16,955	16,470
Other liabilities	1,444	1,307
Credit commitments	31,871	46,858

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(4) 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	
	2025	2024
Interest income	1,345	1,239
Interest expense	863	1,113
Fee and commission income	1,174	1,251
Fee and commission expense	311	334
Dividend income	718	231
Operating expenses	3,406	3,450
Other operating income/(expense), net	36	(117)

Balances outstanding as at the end of the reporting period

	30 June 2025	31 December 2024
Deposits with banks and non-bank financial institutions	3,747	2,944
Placements with banks and non-bank financial institutions	107,346	104,923
Positive fair value of derivatives	1,337	4,471
Financial assets held under resale agreements	5,823	2,375
Loans and advances to customers	21,591	20,397
Financial investments		
Financial assets measured at amortised cost	810	907
Financial assets measured at fair value through other comprehensive income	29,930	29,538
Other assets	41,784	39,758

(Expressed in millions of RMB, unless otherwise stated)

56 Related party relationships and transactions (continued)

(4) Transactions between the Bank and its subsidiaries (continued)

Balances outstanding as at the end of the reporting period (continued)

	30 June 2025	31 December 2024
Deposits from banks and non-bank financial institutions	14,213	15,807
Placements from banks and non-bank financial institutions	54,577	33,966
Negative fair value of derivatives	1,147	4,733
Deposits from customers	5,283	7,670
Debt securities issued	198	-
Other liabilities	4,753	6,731

As at 30 June 2025, the total maximum guarantee limit of guarantee letters issued by the Bank with its subsidiaries as beneficiary was RMB860 million (as at 31 December 2024: RMB932 million).

As at 30 June 2025, 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 RMB1,422 million and RMB1,253 million respectively (as at 31 December 2024,the transactions between subsidiaries of the Group were mainly Deposits with banks and non-bank financial institutions and Deposits from banks and non-bank financial institutions, and the balances of the above transactions were RMB2,137 million and RMB1,444 million respectively).

56 Related party relationships and transactions (continued)

(5) 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.

(6) Transactions with the Annuity Scheme and Plan Assets

Apart from the obligations for defined contributions to the Annuity Scheme and regular banking transactions, there were no other transactions between the Group and the Annuity Scheme in the six months ended 30 June 2025 and in the year ended 31 December 2024.

As at 30 June 2025, the fair value of the Group's supplementary retirement benefit plan assets managed by CCB Principal Asset Management and CCB Pension was RMB3,049 million (as at 31 December 2024:RMB3,143 million), and management fees payable to CCB Principal Asset Management and CCB Pension were RMB4.64 million (as at 31 December 2024: RMB4.29 million).

(7) 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, supervisors 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 2025 and for the year ended 31 December 2024, 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, supervisors and senior executives as at the end of the reporting period. Those loans, quasi-loans and other credit transactions to directors, supervisors 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 develop risk management strategies, supervise the implementation of such strategies, assess the Group's overall risk profile, regularly review the statements of risk appetite and communicate the Group's risk appetite through relevant policies. Senior management and its Risk and Internal Control Management Committee are responsible for executing risk strategies developed by the Board and organising and implementing comprehensive risk management across the Group.

The Risk Management Department is the lead department responsible for the Group's comprehensive risk management and leads the management of market risk. The Credit Management Department is the lead department responsible for the overall credit risk management and country risk management. The Asset & Liability Management Department is the lead department responsible for the management of liquidity risk and interest rate risk on banking book. The Internal Control & Compliance Department is the lead department responsible for operational risk management. The FinTech Department and Internal Control & Compliance Department jointly promote IT risk management. The Public Relations & Corporate Culture Department and Strategy and Policy Coordination Department are the lead departments responsible for reputational risk and strategic risk management, respectively. Other types of risks are managed by the respective specialised departments.

The Bank continues to optimise its risk governance system for subsidiaries, strengthens collaborative risk governance between the parent bank and subsidiaries as well as integrated risk control, and intensifies see-through management and process management. The Bank specifies the management objectives of subsidiaries for various risks, optimises the risk reporting mechanism and reporting lines, performs risk profiling, and bolsters risk management of key subsidiaries and key businesses, so as to consolidate the bottom line of risk compliance. The Bank continues to press ahead with differentiated and see-through management of overseas operations by carrying out comprehensive risk monitoring, risk profiling and risk warning. It bolsters interest rate risk management of overseas operations and adjusts risk limit management requirements.

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 includes key procedures such as, credit risk appetite, credit management, post investment and credit management, credit risk reporting, and expected credit loss approach implementation.

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, the Board of Supervisors, 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 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 2025 GDP growth value under the baseline scenario was set at round 5%. Forecast 2025 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 2025 and 31 December 2024, 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 2025	31 December 2024
Deposits with central banks	2,928,957	2,524,670
Deposits with banks and non-bank financial institutions	165,763	154,532
Placements with banks and non-bank financial institutions	780,987	672,875
Positive fair value of derivatives	50,911	108,053
Financial assets held under resale agreements	1,272,031	622,559
Loans and advances to customers	26,575,492	25,040,400
Financial investments		
Financial assets measured at fair value through profit or loss	482,212	354,639
Financial assets measured at amortised cost	7,418,599	7,429,723
Financial assets measured at fair value through other comprehensive income	3,554,924	2,609,514
Other financial assets	294,800	194,148
Total	43,524,676	39,711,113
Off-balance sheet credit commitments	4,045,964	3,964,451
Maximum credit risk exposure	47,570,640	43,675,564

(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 2025		
	Overdue but not credit-impaired loans and advances		Credit-impaired loans and advances
	Corporate	Personal	Corporate
Portion covered	13,233	36,055	102,518
Portion not covered	7,515	19,982	161,101
Total	20,748	56,037	263,619

	31 December 2024		
	Overdue but not credit-impaired loans and advances		Credit-impaired loans and advances
	Corporate	Personal	Corporate
Portion covered	7,001	29,891	101,450
Portion not covered	4,791	18,081	155,266
Total	11,792	47,972	256,716

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 2025			31 December 2024		
	Gross loan balance	Percentage	Balance secured by collateral	Gross loan balance	Percentage	Balance secured by collateral
Corporate loans and advances						
- Leasing and commercial services	2,901,366	10.57%	694,295	2,682,018	10.38%	676,716
- Transportation, storage and postal services	2,607,655	9.50%	696,711	2,479,499	9.59%	658,592
- Manufacturing	2,529,217	9.22%	434,411	2,264,558	8.76%	421,563
- Production and supply of electric power, heat, gas and water	1,788,425	6.52%	250,650	1,674,706	6.48%	235,043
- Wholesale and retail trade	1,571,051	5.72%	717,602	1,441,415	5.58%	705,860
- Real estate	1,023,314	3.73%	536,273	1,014,851	3.93%	526,419
- Construction	840,450	3.06%	173,995	711,472	2.75%	164,363
- Water, environment and public utility management	818,548	2.98%	264,159	765,953	2.96%	248,959
- Finance	765,364	2.79%	23,563	702,841	2.72%	20,552
- Mining	429,414	1.56%	28,833	371,304	1.44%	25,640
- Data Transfer, Software and Data Technology Services	284,333	1.04%	91,986	242,128	0.94%	87,318
- Scientific Research and Technological services	207,942	0.76%	84,963	179,270	0.69%	78,752
- Others	684,456	2.49%	189,433	654,640	2.54%	190,034
Total corporate loans and advances	16,451,535	59.94%	4,186,874	15,184,655	58.76%	4,039,811
Personal loans and advances	9,203,838	33.54%	6,835,006	8,977,310	34.74%	6,796,657
Discounted bills	1,739,261	6.34%	-	1,631,752	6.31%	-
Accrued interest	50,224	0.18%	-	49,577	0.19%	-
Total loans and advances to customers	27,444,858	100.00%	11,021,880	25,843,294	100.00%	10,836,468

(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 2025			31 December 2024		
	Gross loan balance	Percentage	Balance secured by collateral	Gross loan balance	Percentage	Balance secured by collateral
Yangtze River Delta	5,676,465	20.68%	2,520,541	5,240,886	20.29%	2,432,828
Western	5,129,174	18.69%	2,174,954	4,855,020	18.79%	2,155,775
Central	4,648,077	16.94%	1,947,699	4,290,781	16.60%	1,928,945
Bohai Rim	4,608,014	16.79%	1,596,099	4,338,437	16.79%	1,561,658
Pearl River Delta	4,414,670	16.09%	2,298,653	4,169,575	16.13%	2,271,355
Head office	1,091,010	3.97%	-	1,142,742	4.42%	-
Northeastern	1,086,507	3.96%	345,874	1,039,321	4.02%	347,121
Overseas	740,717	2.70%	138,060	716,955	2.77%	138,786
Accrued interest	50,224	0.18%	-	49,577	0.19%	-
Gross loans and advances to customers	27,444,858	100.00%	11,021,880	25,843,294	100.00%	10,836,468

(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 2025			
	Stage 3 Gross loan balance	Allowances for impairment losses		
		Stage 1	Stage 2	Stage 3
Pearl River Delta	85,072	(55,188)	(38,836)	(63,701)
Western	59,760	(80,719)	(53,298)	(40,193)
Central	58,915	(72,991)	(47,453)	(41,768)
Bohai Rim	54,973	(57,857)	(39,804)	(37,633)
Yangtze River Delta	47,913	(77,851)	(29,841)	(33,025)
Head office	24,866	(16,663)	(8,144)	(23,468)
Northeastern	23,253	(13,779)	(10,311)	(16,516)
Overseas	9,560	(2,302)	(1,297)	(6,728)
Total	364,312	(377,350)	(228,984)	(263,032)

	31 December 2024			
	Stage 3 Gross loan balance	Allowances for impairment losses		
		Stage 1	Stage 2	Stage 3
Pearl River Delta	82,590	(48,731)	(34,726)	(62,769)
Central	58,713	(59,114)	(42,581)	(40,756)
Western	52,990	(68,131)	(50,732)	(37,032)
Bohai Rim	48,047	(51,700)	(37,518)	(35,007)
Yangtze River Delta	43,845	(68,909)	(31,726)	(32,007)
Northeastern	24,170	(11,374)	(12,301)	(17,737)
Head office	23,735	(18,367)	(8,842)	(22,621)
Overseas	10,601	(2,043)	(1,486)	(6,684)
Total	344,691	(328,369)	(219,912)	(254,613)

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 2025	31 December 2024
Unsecured loans	12,813,576	11,712,918
Guaranteed loans	3,559,178	3,244,331
Loans secured by property and other immovable assets	9,289,525	9,198,171
Other pledged loans	1,732,355	1,638,297
Accrued interest	50,224	49,577
Gross loans and advances to customers	27,444,858	25,843,294

(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 2025 and 31 December 2024.

(g) Overdue loans analysed by overdue period

	30 June 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	33,008	42,409	29,488	2,100	107,005
Guaranteed loans	12,200	14,286	41,797	12,321	80,604
Loans secured by property and other immovable assets	52,786	49,461	44,366	14,816	161,429
Other pledged loans	3,192	1,798	7,760	1,846	14,596
Total	101,186	107,954	123,411	31,083	363,634
As a percentage of gross loans and advances to customers	0.37%	0.40%	0.45%	0.11%	1.33%

(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 2024				
	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	26,338	56,023	14,916	2,572	99,849
Guaranteed loans	5,554	22,075	36,199	11,106	74,934
Loans secured by property and other immovable assets	40,834	52,657	36,642	11,332	141,465
Other pledged loans	1,883	3,893	7,773	1,399	14,948
Total	74,609	134,648	95,530	26,409	331,196
As a percentage of gross loans and advances to customers	0.29%	0.52%	0.37%	0.10%	1.28%

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 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	26,226,148	299,187	-	26,525,335
Medium risk	-	504,987	-	504,987
High risk	-	-	364,312	364,312
Gross loans and advances	26,226,148	804,174	364,312	27,394,634
Allowances for impairment losses on loans and advances measured at amortised cost	(377,350)	(228,984)	(263,032)	(869,366)
Allowances for impairment losses on loans and advances measured at fair value through other comprehensive income	(2,798)	(1)	-	(2,799)

(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 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	24,655,387	287,748	-	24,943,135
Medium risk	-	505,891	-	505,891
High risk	-	-	344,691	344,691
Gross loans and advances	24,655,387	793,639	344,691	25,793,717
Allowances for impairment losses on loans and advances measured at amortised cost	(328,369)	(219,912)	(254,613)	(802,894)
Allowances for impairment losses on loans and advances measured at fair value through other comprehensive income	(2,309)	(5)	-	(2,314)

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 behaviors 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 behaviors 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 behaviors breaching the loan contracts and impacting significantly on the repayment of loans.

Off-balance sheet credit commitments

As at 30 June 2025 and 31 December 2024, 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 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	10,864,439	883	-	10,865,322
Medium risk	20,779	271	-	21,050
High risk	-	-	11,086	11,086
Total carrying amount excluding accrued interest	10,885,218	1,154	11,086	10,897,458
Allowance for impairment losses on financial assets measured at amortised cost	(12,123)	(7)	(10,748)	(22,878)
Allowance for impairment losses on financial assets measured at fair value through other comprehensive income	(3,760)	(6)	(258)	(4,024)

(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 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	9,928,818	881	-	9,929,699
Medium risk	23,776	270	-	24,046
High risk	-	-	13,208	13,208
Total carrying amount excluding accrued interest	9,952,594	1,151	13,208	9,966,953
Allowance for impairment losses on financial assets measured at amortised cost	(14,212)	(7)	(12,300)	(26,519)
Allowance for impairment losses on financial assets measured at fair value through other comprehensive income	(2,939)	(8)	(303)	(3,250)

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 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	2,214,268	-	-	2,214,268
Medium risk	-	-	-	-
High risk	-	-	-	-
Total carrying amount excluding accrued interest	2,214,268	-	-	2,214,268
Allowance for impairment losses	(467)	-	-	(467)

(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 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	1,445,054	-	-	1,445,054
Medium risk	-	-	-	-
High risk	-	-	-	-
Total carrying amount excluding accrued interest	1,445,054	-	-	1,445,054
Allowance for impairment losses	(571)	-	-	(571)

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 2025	31 December 2024
Credit-impaired	-	-
Allowances for impairment losses	-	-
Subtotal	-	-
Neither overdue nor credit-impaired		
- grades A to AAA	1,434,561	1,082,973
- grades B to BBB	22,250	28,420
- unrated	757,457	333,661
Accrued interest	4,980	5,483
Total	2,219,248	1,450,537
Allowances for impairment losses	(467)	(571)
Subtotal	2,218,781	1,449,966
Total	2,218,781	1,449,966

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 2025					
	Unrated	AAA	AA	A	Lower than A	Total
Credit-impaired						
- Banks and non-bank financial institutions	440	-	-	-	-	440
- Enterprises	8,924	345	150	-	1,699	11,118
Total	9,364	345	150	-	1,699	11,558
Allowances for impairment losses						(10,748)
Subtotal						810
Neither overdue nor credit-impaired						
- Government	3,767,700	5,214,060	102,161	37,798	16,585	9,138,304
- Central banks	9,671	5,526	23,706	7,795	1,624	48,322
- Policy banks	796,942	798	433	63,336	-	861,509
- Banks and non-bank financial institutions	229,102	399,024	42,570	251,001	47,458	969,155
- Enterprises	16,795	325,917	9,013	87,425	10,615	449,765
Total	4,820,210	5,945,325	177,883	447,355	76,282	11,467,055
Allowances for impairment losses						(12,130)
Subtotal						11,454,925
Total						11,455,735

(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 2024					
	Unrated	AAA	AA	A	Lower than A	Total
Credit-impaired						
- Banks and non-bank financial institutions	813	-	-	-	-	813
- Enterprises	10,745	335	147	-	1,706	12,933
Total	11,558	335	147	-	1,706	13,746
Allowances for impairment losses						(12,300)
Subtotal						1,446
Neither overdue nor credit-impaired						
- Government	3,210,745	4,971,862	35,887	24,598	15,424	8,258,516
- Central banks	12,372	4,273	23,393	5,565	2,479	48,082
- Policy banks	896,996	16,933	428	102,222	-	1,016,579
- Banks and non-bank financial institutions	184,355	374,917	20,319	119,022	33,409	732,022
- Enterprises	15,307	289,027	13,674	28,965	4,477	351,450
Total	4,319,775	5,657,012	93,701	280,372	55,789	10,406,649
Allowances for impairment losses						(14,219)
Subtotal						10,392,430
Total						10,393,876

(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 rules set out by the NFRA, the Group measures the default risk exposure 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 assets

	Note	30 June 2025	31 December 2024
Counterparty credit default risk-weighted assets			
- Interest rate contracts		6,531	6,598
- Exchange rate contracts		66,521	70,479
- Other contracts	(a)	38,872	39,940
Subtotal		111,924	117,017
Risk-weighted assets for credit valuation adjustment		26,511	46,944
Total		138,435	163,961

(a) 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 2025		
	Allowances for 12-month ECL of all performing financial assets	Impact over lifetime	Current allowances for impairment losses
Performing loans	556,671	49,663	606,334
Performing financial investments	15,891	5	15,896

	31 December 2024		
	Allowances for 12-month ECL of all performing financial assets	Impact over lifetime	Current allowances for impairment losses
Performing loans	502,471	45,810	548,281
Performing financial investments	17,159	7	17,166

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 2025, when 2025 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 2024: 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 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	-

		Six months ended 30 June 2024			
	Note	As at 30 June	Average	Maximum	Minimum
VaR of trading portfolio		252	254	321	218
Of which:					
- Interest rate risk		34	31	38	22
- Foreign exchange risk	(i)	242	243	315	203
- Commodity risk		1	1	6	-

(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 RMB83,706 million (as at 31 December 2024: RMB46,805 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 RMB64,545 million (as at 31 December 2024: RMB92,363 million). In the event of a parallel fall or rise of 100 basis points in the yield curve, equity would increase by RMB155,752 million (as at 31 December 2024: RMB119,288 million) or decrease by RMB139,869 million (as at 31 December 2024: RMB108,445 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 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		93,459	2,882,684	517	-	-	2,976,660
Deposits and placements with banks and non-bank financial institutions		-	471,950	465,571	9,229	-	946,750
Financial assets held under resale agreements		-	1,272,031	-	-	-	1,272,031
Loans and advances to customers	(i)	47,132	9,432,450	15,947,196	1,066,168	82,546	26,575,492
Investments	(ii)	341,857	838,430	1,326,498	3,823,064	5,466,309	11,796,158
Others		865,757	-	-	-	-	865,757
Total assets		1,348,205	14,897,545	17,739,782	4,898,461	5,548,855	44,432,848
Liabilities							
Borrowings from central banks		-	317,835	880,240	1,011	-	1,199,086
Deposits and placements from banks and non-bank financial institutions		-	3,078,174	877,338	349,319	3,415	4,308,246
Financial liabilities measured at fair value through profit or loss		40,664	123,911	54,027	-	-	218,602
Financial assets sold under repurchase agreements		-	787,264	250,507	968	-	1,038,739
Deposits from customers		86,608	16,491,693	6,483,495	7,403,252	4,443	30,469,491
Debt securities issued		-	1,130,516	1,016,726	632,201	133,691	2,913,134
Others		700,691	-	-	-	-	700,691
Total liabilities		827,963	21,929,393	9,562,333	8,386,751	141,549	40,847,989
Asset-liability gap		520,242	(7,031,848)	8,177,449	(3,488,290)	5,407,306	3,584,859

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(c) Interest rate risk (continued)

		31 December 2024					
	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		107,769	2,463,124	468	-	-	2,571,361
Deposits and placements with banks and non-bank financial institutions		-	409,941	405,964	11,502	-	827,407
Financial assets held under resale agreements		-	621,346	1,213	-	-	622,559
Loans and advances to customers	(i)	45,447	11,876,651	12,244,572	786,070	87,660	25,040,400
Investments	(ii)	315,092	411,568	1,213,320	3,598,432	5,169,111	10,707,523
Others		801,899	-	-	-	-	801,899
Total assets		1,270,207	15,782,630	13,865,537	4,396,004	5,256,771	40,571,149
Liabilities							
Borrowings from central banks		-	195,789	745,856	949	-	942,594
Deposits and placements from banks and non-bank financial institutions		-	2,462,199	434,458	415,228	3,881	3,315,766
Financial liabilities measured at fair value through profit or loss		19,309	178,481	42,803	-	-	240,593
Financial assets sold under repurchase agreements		-	430,104	309,015	799	-	739,918
Deposits from customers		79,967	15,844,316	5,384,333	7,389,066	16,188	28,713,870
Debt securities issued		-	459,229	1,214,182	579,491	133,693	2,386,595
Others		887,848	-	-	-	-	887,848
Total liabilities		987,124	19,570,118	8,130,647	8,385,533	153,762	37,227,184
Asset-liability gap		283,083	(3,787,488)	5,734,890	(3,989,529)	5,103,009	3,343,965

(i) For loans and advances to customers, the "within three months" category includes overdue amounts (net of allowances for impairment losses) of RMB73,212million as at 30 June 2025 (as at 31 December 2024: RMB56,061 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 2025			
	Note	RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and deposits with central banks		2,721,289	152,167	103,204	2,976,660
Deposits and placements with banks and non-bank financial institutions		725,699	147,034	74,017	946,750
Financial assets held under resale agreements		1,262,009	7,327	2,695	1,272,031
Loans and advances to customers		25,795,879	405,236	374,377	26,575,492
Investments	(i)	11,307,456	263,302	225,400	11,796,158
Others		732,383	77,564	55,810	865,757
Total assets		42,544,715	1,052,630	835,503	44,432,848
Liabilities					
Borrowings from central banks		1,124,116	21,981	52,989	1,199,086
Deposits and placements from banks and non-bank financial institutions		3,711,473	359,939	236,834	4,308,246
Financial liabilities measured at fair value through profit or loss		167,876	4,789	45,937	218,602
Financial assets sold under repurchase agreements		1,012,116	11,202	15,421	1,038,739
Deposits from customers		29,613,583	541,827	314,081	30,469,491
Debt securities issued		2,607,118	216,943	89,073	2,913,134
Others		619,116	35,759	45,816	700,691
Total liabilities		38,855,398	1,192,440	800,151	40,847,989
Net position		3,689,317	(139,810)	35,352	3,584,859
Net notional amount of derivatives		(108,553)	48,570	49,174	(10,809)
Credit commitments		3,564,035	319,742	162,187	4,045,964

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(2) Market risk (continued)

(d) Currency risk (continued)

	Note	31 December 2024 RMB	USD (RMB equivalent)	Others (RMB equivalent)	Total
Assets					
Cash and deposits with central banks		2,399,191	110,843	61,327	2,571,361
Deposits and placements with banks and non-bank financial institutions		629,553	163,030	34,824	827,407
Financial assets held under resale agreements		621,346	-	1,213	622,559
Loans and advances to customers		24,262,628	414,631	363,141	25,040,400
Investments	(i)	10,320,063	235,931	151,529	10,707,523
Others		693,925	75,473	32,501	801,899
Total assets		38,926,706	999,908	644,535	40,571,149
Liabilities					
Borrowings from central banks		867,919	13,180	61,495	942,594
Deposits and placements from banks and non-bank financial institutions		2,869,072	307,483	139,211	3,315,766
Financial liabilities measured at fair value through profit or loss		224,067	4,240	12,286	240,593
Financial assets sold under repurchase agreements		721,281	8,753	9,884	739,918
Deposits from customers		27,917,176	488,906	307,788	28,713,870
Debt securities issued		2,091,358	204,540	90,697	2,386,595
Others		829,608	20,824	37,416	887,848
Total liabilities		35,520,481	1,047,926	658,777	37,227,184
Net position		3,406,225	(48,018)	(14,242)	3,343,965
Net notional amount of derivatives		(59,073)	(33,667)	93,982	1,242
Credit commitments		3,480,217	321,435	162,799	3,964,451

(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 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	2,186,109	788,990	-	1,044	517	-	-	2,976,660
Deposits and placements with banks and non-bank financial institutions	-	102,873	214,624	153,165	466,413	9,675	-	946,750
Financial assets held under resale agreements	-	-	1,268,433	3,598	-	-	-	1,272,031
Loans and advances to customers	124,071	1,042,921	923,116	2,024,547	6,839,453	7,213,831	8,407,553	26,575,492
Investments								
– Financial assets measured at fair value through profit or loss	223,341	41,614	30,301	28,011	151,789	58,602	212,802	746,460
– Financial assets measured at amortised cost	687	-	78,596	164,344	527,966	2,448,086	4,198,920	7,418,599
– Financial assets measured at fair value through other comprehensive income	50,413	-	187,050	271,057	645,436	1,362,326	1,089,015	3,605,297
– Long-term equity investments	25,802	-	-	-	-	-	-	25,802
Others	367,017	361,244	22,847	34,219	43,881	22,268	14,281	865,757
Total assets	2,977,440	2,337,642	2,724,967	2,679,985	8,675,455	11,114,788	13,922,571	44,432,848
Liabilities								
Borrowings from central banks	-	-	92,806	225,029	880,240	1,011	-	1,199,086
Deposits and placements from banks and non-bank financial institutions	-	2,021,254	320,824	649,750	936,837	366,165	13,416	4,308,246
Financial liabilities measured at fair value through profit or loss	-	40,664	53,308	70,603	54,027	-	-	218,602
Financial assets sold under repurchase agreements	-	-	252,104	535,160	250,507	968	-	1,038,739
Deposits from customers	-	12,983,353	1,495,162	2,092,769	6,486,954	7,405,089	6,164	30,469,491
Debt securities issued	-	-	424,680	678,270	1,019,859	656,634	133,691	2,913,134
Others	2,747	228,928	34,663	27,617	88,836	77,746	240,154	700,691
Total liabilities	2,747	15,274,199	2,673,547	4,279,198	9,717,260	8,507,613	393,425	40,847,989
Net gaps	2,974,693	(12,936,557)	51,420	(1,599,213)	(1,041,805)	2,607,175	13,529,146	3,584,859
Notional amount of derivatives								
– Interest rate contracts	-	-	134,254	126,873	1,161,387	404,158	22,203	1,848,875
– Exchange rate contracts	-	-	1,393,839	873,881	3,527,939	148,963	3,364	5,947,986
– Other contracts	-	-	70,035	57,687	177,172	5,186	-	310,080
Total	-	-	1,598,128	1,058,441	4,866,498	558,307	25,567	8,106,941

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(a) Maturity analysis (continued)

	31 December 2024							
	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	2,263,961	305,752	-	1,180	468	-	-	2,571,361
Deposits and placements with banks and non-bank financial institutions	-	99,404	212,706	97,574	406,267	11,456	-	827,407
Financial assets held under resale agreements	-	-	621,346	-	1,213	-	-	622,559
Loans and advances to customers	109,710	1,041,426	918,562	1,889,087	6,646,368	6,547,324	7,887,923	25,040,400
Investments								
– Financial assets measured at fair value through profit or loss	214,855	43,701	6,358	20,966	89,471	53,781	183,372	612,504
– Financial assets measured at amortised cost	713	-	22,186	62,731	478,071	2,449,332	4,416,690	7,429,723
– Financial assets measured at fair value through other comprehensive income	32,263	-	87,900	177,930	637,937	1,127,504	578,202	2,641,736
– Long-term equity investments	23,560	-	-	-	-	-	-	23,560
Others	354,151	248,254	34,012	61,085	65,494	19,460	19,443	801,899
Total assets	2,999,213	1,738,537	1,903,070	2,310,553	8,325,289	10,208,857	13,085,630	40,571,149
Liabilities								
Borrowings from central banks	-	-	88,672	107,117	745,856	949	-	942,594
Deposits and placements from banks and non-bank financial institutions	-	1,651,856	459,228	323,840	437,014	429,740	14,088	3,315,766
Financial liabilities measured at fair value through profit or loss	-	19,309	116,842	61,639	42,803	-	-	240,593
Financial assets sold under repurchase agreements	-	-	176,141	253,963	309,015	799	-	739,918
Deposits from customers	-	12,382,497	1,513,049	2,020,375	5,388,776	7,391,103	18,070	28,713,870
Debt securities issued	-	-	169,986	272,380	1,216,956	593,580	133,693	2,386,595
Others	5,532	373,349	65,490	40,720	94,015	80,873	227,869	887,848
Total liabilities	5,532	14,427,011	2,589,408	3,080,034	8,234,435	8,497,044	393,720	37,227,184
Net gaps	2,993,681	(12,688,474)	(686,338)	(769,481)	90,854	1,711,813	12,691,910	3,343,965
Notional amount of derivatives								
– Interest rate contracts	-	-	185,776	165,694	375,280	205,031	12,146	943,927
– Exchange rate contracts	-	-	1,482,353	1,300,984	2,776,854	137,068	3,029	5,700,288
– Other contracts	-	-	63,246	65,742	98,316	4,636	-	231,940
Total	-	-	1,731,375	1,532,420	3,250,450	346,735	15,175	6,876,155

(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 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	1,199,086	1,211,847	-	92,976	226,470	891,386	1,015	-
Deposits and placements from banks and non-bank financial institutions	4,308,246	4,346,151	2,021,254	321,050	653,195	949,512	385,528	15,612
Financial liabilities measured at fair value through profit or loss	218,602	218,602	40,664	53,308	70,603	54,027	-	-
Financial assets sold under repurchase agreements	1,038,739	1,042,288	-	252,205	536,703	252,319	1,061	-
Deposits from customers	30,469,491	31,346,920	12,984,676	1,528,729	2,156,815	6,786,377	7,883,725	6,598
Debt securities issued	2,913,134	3,009,675	-	425,579	681,589	1,042,607	713,859	146,041
Other non-derivative financial liabilities	472,533	691,271	117,835	11,743	9,324	33,360	65,080	453,929
Total	40,619,831	41,866,754	15,164,429	2,685,590	4,334,699	10,009,588	9,050,268	622,180
Off-balance sheet loan commitments and credit card commitments (Note)		1,783,615	1,206,887	8,838	17,742	98,026	203,044	249,078
Guarantees, acceptances and other credit commitments (Note)		2,262,349	974	336,048	399,984	935,184	552,238	37,921

(Expressed in millions of RMB, unless otherwise stated)

57 Risk management (continued)

(3) Liquidity risk (continued)

(b) Contractual undiscounted cash flow (continued)

	31 December 2024							
	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	942,594	954,775	-	88,802	107,603	757,416	954	-
Deposits and placements from banks and non-bank financial institutions	3,315,766	3,356,242	1,651,856	459,750	325,752	445,333	456,728	16,823
Financial liabilities measured at fair value through profit or loss	240,593	240,593	19,309	116,842	61,639	42,803	-	-
Financial assets sold under repurchase agreements	739,918	742,783	-	176,171	254,614	311,179	819	-
Deposits from customers	28,713,870	29,626,429	12,382,741	1,558,899	2,084,847	5,610,320	7,970,727	18,895
Debt securities issued	2,386,595	2,488,616	-	170,822	274,226	1,244,984	650,457	148,127
Other non-derivative financial liabilities	570,819	780,553	202,836	32,312	12,526	33,781	69,173	429,925
Total	36,910,155	38,189,991	14,256,742	2,603,598	3,121,207	8,445,816	9,148,858	613,770
Off-balance sheet loan commitments and credit card commitments (Note)		1,700,841	1,202,256	10,696	15,750	77,567	170,474	224,098
Guarantees, acceptances and other credit commitments (Note)		2,263,610	1,772	298,669	339,599	1,048,432	540,128	35,010

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 Board of the Bank assumes the ultimate responsibility for operational risk management. Senior management is responsible for the implementation of operational risk management, with key duties including organising the formulation of basic policies and rules on operational risk management. The operational risk organisational structure comprises business and management departments, operational risk management departments, and audit department.

The Group has formulated basic rules for operational risk management, and established an operational risk management system tailored to its business nature, size, complexity and risk profile. Such management framework strengthens the coordinated control of "three lines of defence" and uses operational risk appetite and its transmission as guiding principles. Empowered by operational risk management tools and supported by operational risk culture, staffing, incentives and disciplines, and IT systems, the Group continues to promote 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 framework. 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 2025, the Group actively benchmarked itself against the *Rules on Operational Risk Management of Banking and Insurance Institutions*, further improving management mechanisms such as the transmission of operational risk appetite and risk reporting to cement the foundation for operational risk management. It strictly implemented regulatory requirements such as the *Capital Rules for Commercial Banks* and the *Provisions on the Application and Validation of Advanced Capital Measurement Approach by Commercial Banks* and improved the measurement system under standardised approach for operational risks, advancing preparatory work for evaluation applications related to the implementation of the standardised approach for operational risks such as self-assessments and external audits. The Group initiated a new round of business impact analysis, so as to constantly refine its business continuity management strategies, identify important business operations, and be well prepared for operational risk exposures. Additionally, it conducted coordinated drills on continuity of important business operations with a focus on its management priorities, to improve emergency awareness and response capabilities among relevant personnel, thus enhancing both effectiveness and quality of such drills.

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. The board of supervisors takes charge of supervising the performance of the Board and senior management. According to the requirements of the Board and the Board of Supervisors, 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 2025, 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 2024.

(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 2025			
	Level 1	Level 2	Level 3	Total
Measured at fair value on a recurring basis				
Assets				
Positive fair value of derivatives	-	50,905	6	50,911
Loans and advances to customers				
– Loans and advances to customers measured at fair value through other comprehensive income	-	1,739,261	-	1,739,261
Financial assets measured at fair value through profit or loss				
Financial assets held for trading purposes				
– Debt securities	5,499	242,680	-	248,179
– Equity instruments and funds	402	2,638	-	3,040
Other financial assets measured at fair value through profit or loss				
– Debt investments	-	50,794	26,883	77,677
– Debt securities	14	152,970	3,372	156,356
– Equity instruments, funds and others	16,328	133,725	111,155	261,208
Financial assets measured at fair value through other comprehensive income				
– Debt securities	287,730	3,265,854	1,340	3,554,924
– Equity instruments designated as measured at fair value through other comprehensive income	21,271	-	29,102	50,373
Total	331,244	5,638,827	171,858	6,141,929
Measured at fair value on a recurring basis				
Liabilities				
Financial liabilities measured at fair value through profit or loss	-	217,219	1,383	218,602
Negative fair value of derivatives	-	73,423	6	73,429
Total	-	290,642	1,389	292,031

(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 2024			
	Level 1	Level 2	Level 3	Total
Measured at fair value on a recurring basis				
Assets				
Positive fair value of derivatives	-	108,049	4	108,053
Loans and advances to customers				
– Loans and advances to customers measured at fair value through other comprehensive income	-	1,631,752	-	1,631,752
Financial assets measured at fair value through profit or loss				
Financial assets held for trading purposes				
– Debt securities	3,495	127,185	-	130,680
– Equity instruments and funds	302	2,747	-	3,049
Other financial assets measured at fair value through profit or loss				
– Debt investments	-	54,521	24,357	78,878
– Debt securities	5	141,604	3,472	145,081
– Equity instruments, funds and others	13,542	119,824	121,450	254,816
Financial assets measured at fair value through other comprehensive income				
– Debt securities	292,397	2,316,116	1,001	2,609,514
– Equity instruments designated as measured at fair value through other comprehensive income	13,781	-	18,441	32,222
Total	323,522	4,501,798	168,725	4,994,045
Measured at fair value on a recurring basis				
Liabilities				
Financial liabilities measured at fair value through profit or loss	-	239,005	1,588	240,593
Negative fair value of derivatives	-	93,986	4	93,990
Total	-	332,991	1,592	334,583

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 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 investments	Debt securities	Equity instruments, funds and others	Debt securities	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	24,357	3,472	121,450	1,001	18,441	168,725	(1,588)	(4)	(1,592)
Total gains or losses:										
In profit or loss	2	691	41	(857)	-	-	(123)	(29)	(2)	(31)
In other comprehensive income	-	-	-	-	9	(1,310)	(1,301)	-	-	-
Purchases	-	4,992	112	5,899	330	12,051	23,384	(322)	-	(322)
Sales, settlements and transfers out	-	(3,157)	(253)	(15,337)	-	(80)	(18,827)	556	-	556
30 June 2025	6	26,883	3,372	111,155	1,340	29,102	171,858	(1,383)	(6)	(1,389)

(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)

	2024									
		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 investments	Debt securities	Equity instruments, funds and others	Debt securities	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 2024	8	27,879	1,131	135,380	54	7,439	171,891	(687)	(8)	(695)
Total gains or losses:										
In profit or loss	(4)	672	38	(2,826)	-	-	(2,120)	(506)	4	(502)
In other comprehensive income	-	-	-	-	7	9,902	9,909	-	-	-
Purchases	-	2,893	2,827	18,427	940	1,100	26,187	(1,041)	-	(1,041)
Sales, settlements and transfers out	-	(7,087)	(524)	(29,531)	-	-	(37,142)	646	-	646
As at 31 December 2024	4	24,357	3,472	121,450	1,001	18,441	168,725	(1,588)	(4)	(1,592)

(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 2025			Six months ended 30 June 2024		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Net gains/(losses)	1,187	(1,341)	(154)	1,093	(1,302)	(209)

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 2025 and 31 December 2024 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 2025					31 December 2024				
	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	7,418,599	8,034,650	14,943	7,972,711	46,996	7,429,723	8,089,222	19,236	8,007,245	62,741
Total	7,418,599	8,034,650	14,943	7,972,711	46,996	7,429,723	8,089,222	19,236	8,007,245	62,741

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 2025, the fair value of subordinated bonds, non-capital TLAC bonds and the eligible Tier 2 capital bonds was RMB714,600 million (As at 31 December 2024: RMB685,641 million) and the corresponding carrying value was RMB694,424 million (As at 31 December 2024: RMB663,503 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 the level 2 of 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 2025, 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 random and therefore unpredictable. 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 recognizes 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 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 2025	31 December 2024
Common Equity Tier 1 ratio	(a)(b)	14.34%	14.48%
Tier 1 ratio	(a)(b)	15.19%	15.21%
Total capital ratio	(a)(b)	19.51%	19.69%
Common Equity Tier 1 capital: instruments and reserves			
- Qualifying common share capital and capital reserve		490,687	385,621
- Surplus reserve		402,196	402,196
- General reserve		534,985	534,151
- Retained earnings		1,892,908	1,782,502
- Accumulated other comprehensive income		50,284	65,136
- Non-controlling interest given recognition in Common Equity Tier 1 capital		3,718	3,703
Common Equity Tier 1 capital: regulatory adjustments			
- Goodwill (net of deferred tax liabilities)		2,110	2,170
- Other intangible assets (excluding land use rights) (net of deferred tax liabilities)		4,285	5,009
- Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet		458	581
Additional Tier 1 capital: instruments			
- Qualifying Additional Tier 1 instruments		199,977	159,977
- Non-controlling interest given recognition in Additional Tier 1 capital		137	139
Additional Tier 1 capital: regulatory adjustments			
- Significant investments in the Additional Tier 1 capital of financial institutions outside the regulatory scope of consolidation		1,218	1,241
Tier 2 capital: instruments and provisions			
- Qualifying Tier 2 instruments		619,248	594,092
- Non-controlling interest given recognition in Tier 2 capital		214	226
- Provisions in Tier 2		396,288	384,521
Common Equity Tier 1 capital	(c)	3,367,925	3,165,549
Tier 1 capital	(c)	3,566,821	3,324,424
Total capital	(c)	4,582,571	4,303,263
Risk-weighted assets	(d)	23,483,601	21,854,590

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 2025 (Unaudited)	31 December 2024 (Audited)
Assets:		
Cash and deposits with central banks	2,962,699	2,559,938
Deposits with banks and non-bank financial institutions	120,590	99,712
Precious metals	141,307	138,433
Placements with banks and non-bank financial institutions	872,830	742,239
Positive fair value of derivatives	49,180	108,425
Financial assets held under resale agreements	1,266,029	603,048
Loans and advances to customers	26,158,929	24,614,019
Financial investments		
Financial assets measured at fair value through profit or loss	466,495	329,665
Financial assets measured at amortised cost	7,346,320	7,360,794
Financial assets measured at fair value through other comprehensive income	3,332,154	2,405,518
Long-term equity investments	103,044	103,889
Investments in consolidated structured entities	15,186	15,186
Fixed assets	103,463	108,869
Construction in progress	3,559	3,742
Land use rights	11,324	11,552
Intangible assets	3,902	4,610
Deferred tax assets	135,773	114,859
Other assets	324,287	221,135
Total assets	43,417,071	39,545,633

(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 2025 (Unaudited)	31 December 2024 (Audited)
Liabilities:		
Borrowings from central banks	1,199,037	942,594
Deposits from banks and non-bank financial institutions	3,766,245	2,804,865
Placements from banks and non-bank financial institutions	447,186	362,665
Financial liabilities measured at fair value through profit or loss	197,947	223,201
Negative fair value of derivatives	71,008	95,543
Financial assets sold under repurchase agreements	1,003,092	716,186
Deposits from customers	30,095,402	28,355,703
Accrued staff costs	51,789	54,909
Taxes payable	33,530	38,951
Provisions	29,724	37,396
Debt securities issued	2,867,674	2,340,510
Deferred tax liabilities	170	173
Other liabilities	176,638	329,946
Total liabilities	39,939,442	36,302,642

(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 2025 (Unaudited)	31 December 2024 (Audited)
Equity:		
Share capital	261,600	250,011
Other equity instruments		
Preference shares	59,977	59,977
Perpetual bonds	140,000	100,000
Capital reserve	228,179	134,802
Other comprehensive income	50,232	64,560
Surplus reserve	402,196	402,196
General reserve	522,766	522,757
Retained earnings	1,812,679	1,708,688
Total equity	3,477,629	3,242,991
Total liabilities and equity	43,417,071	39,545,633

Approved and authorised for issue by the Board of Directors on 29 August 2025.

Zhang Jinliang	Zhang Yi	Liu Fanggen
Chairman and executive director	*Vice chairman, executive director and president*	*General manager 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 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)

	(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 2024	250,011	59,977	139,991	134,813	31,314	369,906	484,917	1,612,281	3,083,210
Movements during the period	-	-	-	-	20,231	-	7	57,146	77,384
(1)Total comprehensive income for the period	-	-	-	-	20,231	-	-	157,157	177,388
(2)Profit distribution									
i.Appropriation to general reserve	-	-	-	-	-	-	7	(7)	-
ii.Dividends to ordinary shareholders	-	-	-	-	-	-	-	(100,004)	(100,004)
As at 30 June 2024	250,011	59,977	139,991	134,813	51,545	369,906	484,924	1,669,427	3,160,594

(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 2024	250,011	59,977	139,991	134,813	31,314	369,906	484,917	1,612,281	3,083,210
Movements during the year	-	-	(39,991)	(11)	33,246	32,290	37,840	96,407	159,781
(1)Total comprehensive income for the year	-	-	-	-	33,246	-	-	322,901	356,147
(2)Changes in share capital									
i.Capital deduction by other equity instruments holders	-	-	(39,991)	(11)	-	-	-	-	(40,002)
(3)Profit distribution									
i.Appropriation to surplus reserve	-	-	-	-	-	32,290	-	(32,290)	-
ii.Appropriation to general reserve	-	-	-	-	-	-	37,840	(37,840)	-
iii.Dividends to ordinary shareholders	-	-	-	-	-	-	-	(149,256)	(149,256)
iv.Dividends to other equity instruments holders	-	-	-	-	-	-	-	(7,108)	(7,108)
As at 31 December 2024	250,011	59,977	100,000	134,802	64,560	402,196	522,757	1,708,688	3,242,991

59 Events after the reporting period

On 7 July 2025, the Group completed the issuance of RMB30.00 billion green financial bonds consisting of two types: Type 1 is 3-year fixed-rate green financial bond with an issuance size of RMB20.00 billion and a coupon rate of 1.57%, while Type 2 is 3-year floating rate green financial bond with an issuance size of RMB10.00 billion, an initial floating rate of 1.63% and subsequent coupon rates adjusted quarterly based on issuance terms. On 22 July 2025, the Group completed the issuance of RMB2.50 billion financial bonds with a 3-year term and a fixed coupon rate of 1.75%. On 25 July 2025, the Group completed the issuance of RMB45.00 billion Tier 2 capital bonds, which consisted of two types: Type 1 is 10-year fixed rate capital bond with an issuance size of RMB40.00 billion, a coupon rate of 1.94%, and a conditional redemption right for the issuer at the end of the fifth year; Type 2 is 15-year fixed rate capital bond with an issuance size of RMB5.00 billion, a coupon rate of 2.13%, and a conditional redemption right for the issuer at the end of the tenth year.

In July 2025, the Bank completed the payment of RMB1,182.50 million second capital contribution to China Integrated Circuit Industry Investment Fund Phase III Co., Ltd.

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 2025 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 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
(5)	*Annual Improvements to IFRS Accounting Standards* – Volume 11 Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026

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.

(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.

62 Possible impact of amendments, new standards and interpretations issued but not yet effective (continued)

(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 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*

The IASB issued Amendments to IFRS 9 and IFRS 7, which clarify:

• That a financial liability is derecognised on the "settlement date", i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. The amendments also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before the settlement date if certain conditions are met.
• How to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance ("ESG")-linked features and other similar contingent features.
•The treatment of non-recourse assets and contractually linked instruments.

In addition, the amendments to IFRS 7 require additional disclosures for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments.

62 Possible impact of amendments, new standards and interpretations issued but not yet effective (continued)

(5) *Annual Improvements to IFRS Accounting Standards* – Volume 11 Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The IASB has published the *Annual Improvements (Volume 11)*, making narrow-scope amendments to the requirements of *IFRS 1 First-time Adoption of International Financial Reporting Standards*, *IFRS 7 Financial Instruments: Disclosures*, *IFRS 9 Financial Instruments*, *IFRS 10 Consolidated Financial Statements* and *IAS 7 Statement of Cash Flows*. The amendments will become effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

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 2025 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 2025 or total equity as at 30 June 2025 between the Group's consolidated financial statements prepared under IFRS and those prepared under PRC GAAP and regulations.

(Expressed in millions of RMB unless otherwise stated)

2 Currency concentrations

	30 June 2025			
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	1,005,271	326,025	517,610	1,848,906
Spot liabilities	(1,164,471)	(556,657)	(282,674)	(2,003,802)
Forward purchases	3,467,969	499,808	233,396	4,201,173
Forward sales	(3,307,679)	(223,279)	(443,608)	(3,974,566)
Net option position	(26,863)	-	4	(26,859)
Net (short)/long position	(25,773)	45,897	24,728	44,852
Net structural position	54,599	2,771	569	57,939

	31 December 2024			
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	Total
Spot assets	964,301	315,444	411,909	1,691,654
Spot liabilities	(1,017,588)	(498,078)	(249,136)	(1,764,802)
Forward purchases	3,351,341	316,408	243,302	3,911,051
Forward sales	(3,276,346)	(91,062)	(367,232)	(3,734,640)
Net option position	(47,118)	-	(829)	(47,947)
Net (short)/long position	(25,410)	42,712	38,014	55,316
Net structural position	51,658	2,782	95	54,535

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.

(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 2025				
	Banks	Public sector entities	Non-bank private institutions	Others	Total
Asia Pacific	330,644	159,682	573,046	61,730	1,125,102
- of which attributed to Hong Kong	29,240	38,121	312,076	8,929	388,366
Europe	31,356	45,006	85,519	-	161,881
North and South America	12,284	206,282	88,445	-	307,011
Total	374,284	410,970	747,010	61,730	1,593,994

	31 December 2024				
	Banks	Public sector entities	Non-bank private institutions	Others	Total
Asia Pacific	242,453	103,311	573,474	76,067	995,305
- of which attributed to Hong Kong	25,284	30,997	325,920	11,097	393,298
Europe	22,660	42,593	79,236	688	145,177
North and South America	18,834	179,348	64,601	129	262,912
Total	283,947	325,252	717,311	76,884	1,403,394

(Expressed in millions of RMB unless otherwise stated)

4 Overdue loans and advances to customers by geographical sector

	30 June 2025	31 December 2024
Pearl River Delta	70,127	67,872
Central	43,193	43,176
Bohai Rim	41,315	38,837
Western	39,069	36,658
Yangtze River Delta	30,281	31,283
Head office	17,665	17,595
North-eastern	13,354	14,093
Overseas	7,444	7,073
Total	262,448	256,587

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 2025, 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.