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Bank of Zhengzhou Co., Ltd.*
鄭州銀行股份有限公司*

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

(H Shares Stock Code: 6196)

THIRD QUARTERLY REPORT OF 2024

The board of directors (the “**Board**”) of Bank of Zhengzhou Co., Ltd.* (the “**Bank**”) hereby announces the unaudited third quarterly results of the Bank and its subsidiaries for the nine months ended 30 September 2024 (the “**Reporting Period**”), which was prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
Bank of Zhengzhou Co., Ltd.*
ZHAO Fei
Chairman

Zhengzhou, Henan, the PRC
30 October 2024

As at the date of this announcement, the Board comprises Mr. ZHAO Fei as executive director, Ms. WANG Dan, Mr. LIU Bingheng and Mr. WANG Shihao as non-executive directors, and Ms. LI Yanyan, Mr. LI Xiaojian, Mr. SONG Ke and Ms. LI Shuk Yin Edwina as independent non-executive directors.

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

IMPORTANT NOTICES:

1. The Board, the board of supervisors, and directors, supervisors and senior management of the Bank warrant the truthfulness, accuracy and completeness of the contents of this third quarterly report of 2024 of the Bank (the “**Report**”), and that there are no false representations or misleading statements contained in or material omissions from the Report, and they jointly and severally assume liability for the Report.
2. Financial information set out in the Report has been prepared in accordance with the IFRSs. Unless otherwise specified, the financial information contained herein represents data from the consolidated financial statements of the Bank and its subsidiaries, i.e. Henan Jiuding Financial Leasing Co., Ltd., Fugou Zhengyin County Bank Co., Ltd., Xinmi Zhengyin County Bank Co., Ltd., Xunxian Zhengyin County Bank Co., Ltd., Queshan Zhengyin County Bank Co., Ltd. and Xinzheng Zhengyin County Bank Co., Ltd. (collectively, the “**Group**” or “**Bank**”).
3. Mr. ZHAO Fei, the legal representative of the Bank and chairman of the Board, Mr. SUN Haigang, the person in charge of accounting, and Mr. FU Qiang, the head of the accounting department of the Bank hereby declare and warrant the truthfulness, accuracy and completeness of the financial information in the Report.
4. The quarterly financial report of the Bank has not been audited.

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

During the Reporting Period, unless otherwise specified, the Bank is not required to make retrospective adjustments to or restatements of the accounting data of the previous years.

Unit: RMB'000

Item	July to September 2024	Increase/decrease as compared with the corresponding period of the previous year (%)	January to September 2024	Increase/decrease as compared with the corresponding period of the previous year (%)
Operating income ⁽¹⁾	2,655,893	(25.42)	9,061,035	(13.41)
Net profit attributable to equity shareholders of the Bank	650,271	(7.63)	2,244,132	(18.41)
Net cash flows generated from operating activities	16,018,136	N/A	11,613,414	N/A
Net cash flows generated from operating activities per share (<i>RMB/share</i>)	1.76	N/A	1.28	N/A
Basic earnings per share (<i>RMB/share</i>) ⁽²⁾	0.07	(12.50)	0.25	(16.67)
Diluted earnings per share (<i>RMB/share</i>) ⁽²⁾	0.07	(12.50)	0.25	(16.67)
Weighted average return on net assets (%) (on annualised basis) ⁽²⁾	5.82	Decreased by 0.68 percentage point	6.85	Decreased by 1.84 percentage points

Notes:

- (1) Operating income includes net interest income, net fee and commission income, net trading gains, net gains arising from investments and other operating income.
- (2) Basic earnings per share, diluted earnings per share and weighted average return on net assets were all calculated according to the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 - Calculation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision).

During the Reporting Period, the Bank did not distribute interests on indefinite-term capital bonds. No interests on indefinite-term capital bonds had to be deducted from the “net profit attributable to equity shareholders of the Bank”, and net proceeds from the issuance of indefinite-term capital bonds were deducted from the “weighted average net assets”.

Unit: RMB'000

Scale indicators	30 September 2024	31 December 2023	Increase/decrease as compared with the end of the previous year (%)
Total assets	666,626,085	630,709,429	5.69
Loans and advances to customers			
Corporate loans and advances	276,800,375	253,460,203	9.21
Personal loans and advances	87,575,366	84,146,734	4.07
Discounted bills	19,335,147	23,001,269	(15.94)
Gross loans and advances to customers	383,710,888	360,608,206	6.41
Add: Accrued interests	1,086,376	1,526,725	(28.84)
Less: Provision for impairment ⁽¹⁾	11,838,473	11,809,634	0.24
Book value of loans and advances to customers	372,958,791	350,325,297	6.46
Total liabilities	609,820,482	576,394,573	5.80
Deposits from customers			
Corporate deposits	152,788,077	157,539,175	(3.02)
Personal deposits	210,277,400	168,643,217	24.69
Other deposits ⁽²⁾	33,843,922	34,779,047	(2.69)
Total deposits from customers	396,909,399	360,961,439	9.96
Add: Accrued interests	7,440,514	5,560,471	33.81
Book value of deposits from customers	404,349,913	366,521,910	10.32
Share capital	9,092,091	9,092,091	–
Shareholders' equity	56,805,603	54,314,856	4.59
Including: Equity attributable to equity shareholders of the Bank	54,898,739	52,452,824	4.66
Equity attributable to ordinary shareholders of the Bank	44,899,884	42,453,969	5.76
Net assets per share attributable to ordinary shareholders of the Bank (RMB/share)	4.94	4.67	5.78

Notes:

- (1) Provision for impairment excludes provision for impairment on forfeiting and discounted bills, which is included in other comprehensive income.
- (2) Other deposits include pledged deposits, remittances outstanding and temporary deposits, etc.

(II) Explanations on differences between consolidated financial statements prepared in accordance with China Accounting Standards for Business Enterprises and IFRSs

There are no differences between the net profit attributable to equity shareholders of the Bank for the Reporting Period ended 30 September 2024 and the equity attributable to equity shareholders of the Bank as at the end of the Reporting Period as presented in the Group's consolidated financial statements prepared under China Accounting Standards for Business Enterprises and those prepared under IFRSs.

(III) Supplementary financial indicators

Regulatory indicators	Regulatory standards	30 September 2024	31 December 2023	31 December 2022	31 December 2021
Core tier-one capital adequacy ratio (%) ⁽¹⁾	≥7.5	8.97	8.90	9.29	9.49
Tier-one capital adequacy ratio (%) ⁽¹⁾	≥8.5	11.08	11.13	11.63	13.76
Capital adequacy ratio (%) ⁽¹⁾	≥10.5	12.29	12.38	12.72	15.00
Leverage ratio (%) ⁽¹⁾	≥4	7.23	7.60	7.69	8.72
Liquidity ratio (%) ⁽²⁾	≥25	67.94	59.10	72.34	63.72
Liquidity coverage ratio (%) ⁽²⁾	≥100	199.11	265.83	300.13	339.61
Non-performing loan ratio (%) ⁽³⁾	≤5	1.86	1.87	1.88	1.85
Allowance to non-performing loans (%) ⁽³⁾	≥150	166.23	174.87	165.73	156.58
Allowance to total loans (%) ⁽³⁾	≥2.5	3.09	3.28	3.12	2.90
Loan to deposit ratio (%) ⁽²⁾		96.67	99.90	97.99	90.66
Return on total assets (%) (on annualised basis)		0.47	0.30	0.45	0.61
Cost-to-income ratio (%) ⁽⁴⁾		25.53	27.05	22.98	23.06

Notes:

- (1) From 2024, the Bank calculates the capital adequacy ratios and leverage ratio in accordance with the relevant requirements under the Administrative Measures for Capital of Commercial Banks of the National Financial Regulatory Administration.
- (2) Among the above regulatory indicators, liquidity ratio and liquidity coverage ratio are all data reported to the regulatory departments, and loan to deposit ratio is calculated by dividing total loan principal by total deposit principal.
- (3) Non-performing loan ratio was calculated by dividing total non-performing loan principal (excluding accrued interests) by gross loans and advances to customers (excluding accrued interests); the allowance to non-performing loans was calculated by dividing allowance for impairment losses on loans and advances to customers by total non-performing loan principal (excluding accrued interests); and the allowance to total loans was calculated by dividing allowance for impairment losses on loans and advances to customers by gross loans and advances to customers (excluding accrued interests).
- (4) Calculated by dividing operating expenses (after deducting tax and surcharges) by operating income.

(IV) Analysis on capital adequacy ratios and leverage ratio

Capital adequacy ratios

Unit: RMB'000

Item	30 September 2024	31 December 2023
Net core tier-one capital	43,552,966	40,526,517
Net tier-one capital	53,784,291	50,718,655
Net tier-two capital	5,880,581	5,653,950
Net total capital	59,664,872	56,372,605
Total risk-weighted assets	485,532,934	455,490,556
Core tier-one capital adequacy ratio (%)	8.97	8.90
Tier-one capital adequacy ratio (%)	11.08	11.13
Capital adequacy ratio (%)	12.29	12.38

Leverage ratio

Unit: RMB'000

Item	30 September 2024	30 June 2024	31 March 2024	31 December 2023
Net tier-one capital	53,784,291	54,254,716	53,042,929	54,229,055
Balance of on/off-balance sheet assets after adjustment	743,550,418	723,014,496	705,091,526	713,854,338
Leverage ratio (%)	7.23	7.50	7.52	7.60

(V) Analysis on liquidity coverage ratio

Unit: RMB'000

Item	30 September 2024
Qualified quality liquid assets	64,436,340
Net cash outflow for the next 30 days	32,362,284
Liquidity coverage ratio (%)	199.11

(VI) Analysis on the five-category loan classification*Unit: RMB'000*

Five-category loan classification	30 September 2024		31 December 2023		Change (%)
	Amount	Proportion (%)	Amount	Proportion (%)	
Normal	368,922,269	96.14	346,468,982	96.08	6.48
Special-mention	7,661,595	2.00	7,382,722	2.05	3.78
Sub-standard	3,074,152	0.80	3,674,439	1.02	(16.34)
Doubtful	2,092,284	0.55	1,292,407	0.36	61.89
Loss	1,960,588	0.51	1,789,656	0.49	9.55
Total	383,710,888	100.00	360,608,206	100.00	6.41

(VII) Changes in major accounting data and financial indicators and the reasons therefor*Unit: RMB'000*

Item	January to September 2024	January to September 2023	Increase/decrease as compared with the corresponding period of the previous year (%)	Main reason
Share of (losses)/profits of associates	(10,170)	23,620	(143.06)	Mainly due to the decrease in the profit of subsidiaries during the Reporting Period as compared with the corresponding period of the previous year.
Income tax expense	(268,129)	(496,701)	(46.02)	Mainly due to the decrease in taxable income during the Reporting Period as compared with the corresponding period of the previous year.

Unit: RMB'000

Item	30 September 2024	31 December 2023	Increase/decrease as compared with the end of the previous year (%)	Main reason
Deposits with banks and other financial institutions	1,726,497	1,244,162	38.77	Mainly due to the change in the scale of deposits with banks during the Reporting Period.
Placements with banks and other financial institutions	9,803,575	6,227,699	57.42	Mainly due to the change in the scale of placements with banks and other financial institutions during the Reporting Period.
Financial assets held under resale agreements	2,148,303	10,689,146	(79.90)	Mainly due to the change in the scale of financial assets held under resale agreements during the Reporting Period.
Other liabilities	3,995,606	3,064,663	30.38	Mainly due to the change in the scale of settlement of fund transactions.
Fair value reserve	400,833	189,386	111.65	Mainly due to the change in the fair value of financial assets at fair value through other comprehensive income.

II. DISCUSSION AND ANALYSIS ON OPERATION

Steady growth in principal businesses. As of the end of the Reporting Period, the Bank's total assets amounted to RMB666,626 million, representing an increase of 5.69% from the beginning of the year; gross loans and advances to customers amounted to RMB383,711 million, representing an increase of 6.41% from the beginning of the year; and total deposits from customers amounted to RMB396,909 million, representing an increase of 9.96% from the beginning of the year.

Stable quality and efficiency of operation. During the Reporting Period, the Bank achieved an operating income of RMB9,061 million and a net profit of RMB2,289 million; the non-performing loan ratio was 1.86%, representing a decrease of 0.01 percentage point from the beginning of the year; the allowance to non-performing loans was 166.23% and the capital adequacy ratio was 12.29%, which were at a sound and reasonable level.

Constant deepening of business transformation. During the Reporting Period, the Bank thoroughly implemented the political and people-oriented nature of financial work, constantly improved the service systems of community finance and rural finance, kept enhancing its capabilities in public finance and technological innovation finance services, strengthened its channel construction and made efforts to improve customer experience. Meanwhile, the Bank conducted business transformation in an orderly manner, continuously enhanced its capability to deeply expand its reach in regions and provided high-quality financial services to the local economic development.

III. SHAREHOLDER INFORMATION

Total number of ordinary shareholders, shareholding of the top 10 ordinary shareholders and the top 10 ordinary shareholders not subject to trading moratorium

As at the end of the Reporting Period, the Bank had a total of 104,093 ordinary shareholders, including 104,042 holders of A shares and 51 holders of H shares.

Unit: shares

Shareholding of the top 10 ordinary shareholders							
Name of shareholder	Nature of shareholder	Class of shares	Number of shares held	Shareholding percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen	
						Status of shares	Number
HKSCC Nominees Limited ⁽²⁾	Overseas legal person	H shares	2,020,252,753	22.22	-	Unknown	-
Zhengzhou Finance Bureau (鄭州市財政局)	State-owned	A shares	657,246,311	7.23	-	Pledged	93,278,900
Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司)	State-owned legal person	A shares	608,105,180	6.69	207,515,000	-	-
Bridge Trust Co., Ltd. (百瑞信託有限責任公司)	State-owned legal person	A shares	385,930,906	4.24	-	-	-
Yutai International (Henan) Real Estate Development Co., Ltd. (豫泰國際(河南)房地產開發有限公司)	Domestic non-state-owned legal person	A shares	348,722,000	3.84	-	Pledged Frozen	348,722,000 348,722,000
Henan Guoyuan Trade Co., Ltd. (河南國原貿易有限公司)	Domestic non-state-owned legal person	A shares	320,590,857	3.53	121,000,000	Pledged Frozen	198,984,500 230,931,027
Zhongyuan Trust Co., Ltd. (中原信託有限公司)	State-owned legal person	A shares	318,676,633	3.50	-	-	-
Henan Shengrun Holding Group Co., Ltd. (河南盛潤控股集團有限公司)	Domestic non-state-owned legal person	A shares	133,100,000	1.46	-	Pledged Frozen	133,100,000 133,100,000
Henan Chendong Industry Co., Ltd. (河南晨東實業有限公司)	Domestic non-state-owned legal person	A shares	123,904,992	1.36	-	Pledged	123,904,992
Henan Investment Group Co., Ltd. (河南投資集團有限公司)	State-owned legal person	A shares	119,482,821	1.31	-	-	-

Unit: shares

Shareholding of the top 10 ordinary shareholders not subject to trading moratorium

Name of shareholder	Number of ordinary shares held not subject to trading moratorium at the end of the Reporting Period	Type of shares	
		Class of shares	Number
HKSCC Nominees Limited ⁽²⁾	2,020,252,753	H shares	2,020,252,753
Zhengzhou Finance Bureau (鄭州市財政局)	657,246,311	A shares	657,246,311
Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司)	400,590,180	A shares	400,590,180
Bridge Trust Co., Ltd. (百瑞信託有限責任公司)	385,930,906	A shares	385,930,906
Yutai International (Henan) Real Estate Development Co., Ltd. (豫泰國際(河南)房地產開發有限公司)	348,722,000	A shares	348,722,000
Zhongyuan Trust Co., Ltd. (中原信託有限公司)	318,676,633	A shares	318,676,633
Henan Guoyuan Trade Co., Ltd. (河南國原貿易有限公司)	199,590,857	A shares	199,590,857
Henan Shengrun Holding Group Co., Ltd. (河南盛潤控股集團有限公司)	133,100,000	A shares	133,100,000
Henan Chendong Industry Co., Ltd. (河南晨東實業有限公司)	123,904,992	A shares	123,904,992
Henan Investment Group Co., Ltd. (河南投資集團有限公司)	119,482,821	A shares	119,482,821

Description of related party relationships or concerted actions of the above shareholders

Zhengzhou Finance Bureau (鄭州市財政局) wholly owns Zhengzhou Investment Group Co., Ltd. (鄭州市投資集團有限公司). Zhengzhou Investment Group Co., Ltd. wholly owns Zhengzhou Talent Development Group Co., Ltd. (鄭州人才發展集團有限公司). Zhengzhou Talent Development Group Co., Ltd. wholly owns Zhengzhou Zhongrongchuang Industrial Investment Co., Ltd. (鄭州市中融創產業投資有限公司), which in turn wholly owns Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司).

Henan Investment Group Co., Ltd. (河南投資集團有限公司) holds 64.93% equity interest in Zhongyuan Trust Co., Ltd. (中原信託有限公司).

The Bank is not aware of whether the other shareholders above have any related party relationships or belong to any acting-in-concert parties under the Administration Measures on the Acquisition of Listed Companies (《上市公司收購管理辦法》).

Description of the top 10 ordinary shareholders participating in margin financing and securities lending business (if any)

Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司) holds 429,905,180 A shares through ordinary securities account and 178,200,000 A shares through client account of collateral securities for margin trading at CSC Financial Co., Ltd. (中信建投證券股份有限公司), holding a total of 608,105,180 A shares.

Notes:

- (1) The figures above are sourced from the register of shareholders of the Bank as at 30 September 2024.
- (2) The shares held by HKSCC Nominees Limited are held by it in the capacity of nominee and represent the aggregate number of H shares held by all institutional and individual investors registered in HKSCC Nominees Limited as of the end of the Reporting Period.

During the Reporting Period, no shares were lent out by the shareholders holding more than 5% of the Bank's shares, the top 10 shareholders and the top 10 holders of circulating shares not subject to trading moratorium of the Bank to be involved in the margin refinancing business. There was no change in the top 10 shareholders and the top 10 holders of circulating shares not subject to trading moratorium as compared with the previous period due to lending/returning of shares in the margin refinancing business.

During the Reporting Period, none of the top 10 ordinary shareholders and the top 10 ordinary shareholders not subject to trading moratorium carried out any agreed buy-back transactions.

IV. OTHER SIGNIFICANT EVENTS

During the Reporting Period, save as disclosed in the Report, other announcements and circulars of the Bank, the Bank had no other significant events.

V. RELEASE OF QUARTERLY REPORT

The Report is published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Bank (www.zzbank.cn) simultaneously. The third quarterly report of 2024 of the Bank prepared in accordance with China Accounting Standards for Business Enterprises is also published on the website of the Shenzhen Stock Exchange (www.szse.cn) and the website of the Bank (www.zzbank.cn) simultaneously.

VI. QUARTERLY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

for the nine months ended 30 September 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Nine months ended 30 September	
	2024	2023
	(unaudited)	(unaudited)
Interest income	17,115,688	18,830,673
Interest expense	<u>(9,730,290)</u>	<u>(9,813,088)</u>
Net interest income	<u>7,385,398</u>	<u>9,017,585</u>
Fee and commission income	454,812	552,571
Fee and commission expense	<u>(104,958)</u>	<u>(110,341)</u>
Net fee and commission income	<u>349,854</u>	<u>442,230</u>
Net trading gains	616,521	582,277
Net gains arising from investments	635,716	338,807
Other operating income	<u>73,546</u>	<u>83,759</u>
Operating income	9,061,035	10,464,658
Operating expenses	(2,436,452)	(2,345,911)
Credit impairment losses	(4,046,336)	(4,796,855)
Other operating expenses	<u>(10,984)</u>	<u>–</u>
Operating profit	2,567,263	3,321,892
Share of (losses)/profits of associates	<u>(10,170)</u>	<u>23,620</u>
Profit before taxation	2,557,093	3,345,512
Income tax expense	<u>(268,129)</u>	<u>(496,701)</u>
Profit for the period	<u>2,288,964</u>	<u>2,848,811</u>
Net profit attributable to:		
Equity shareholders of the Bank	2,244,132	2,750,645
Non-controlling interests	<u>44,832</u>	<u>98,166</u>
	<u>2,288,964</u>	<u>2,848,811</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

for the nine months ended 30 September 2024 (continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

	Nine months ended 30 September	
	2024	2023
	(unaudited)	(unaudited)
Other comprehensive income:		
Other comprehensive income net of tax attributable to equity shareholders of the Bank	201,783	127,216
Items that may be reclassified subsequently to profit or loss		
– Change in fair value/credit losses from debt investments measured at fair value through other comprehensive income	203,427	127,597
Item that will not be reclassified subsequently to profit or loss		
– Net income from investments in equity instruments designated as fair value through other comprehensive income	8,020	3,970
– Remeasurement of net defined benefit liability	(9,664)	(4,351)
Non-controlling interests	–	–
Other comprehensive income net of tax	201,783	127,216
Total comprehensive income	2,490,747	2,976,027
Total comprehensive income attributable to:		
Equity shareholders of the Bank	2,445,915	2,877,861
Non-controlling interests	44,832	98,166
	2,490,747	2,976,027
Basic and diluted earnings per share <i>(in RMB)</i>	0.25	0.30

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

*for the three months from 1 July 2024 to 30 September 2024
(Expressed in thousands of Renminbi, unless otherwise stated)*

	Three months from 1 July to 30 September	
	2024	2023
	(unaudited)	(unaudited)
Interest income	5,338,230	6,433,151
Interest expense	(3,248,379)	(3,341,349)
Net interest income	2,089,851	3,091,802
Fee and commission income	115,101	156,459
Fee and commission expense	(31,246)	(36,326)
Net fee and commission income	83,855	120,133
Net trading gains	166,242	181,033
Net gains arising from investments	302,107	145,161
Other operating income	13,838	22,932
Operating income	2,655,893	3,561,061
Operating expenses	(772,647)	(823,110)
Credit impairment losses	(1,185,513)	(1,919,339)
Other operating expenses	(3,745)	–
Operating profit	693,988	818,612
Share of losses of associates	(6,470)	(90)
Profit before taxation	687,518	818,522
Income tax expense	(47,666)	(84,194)
Profit for the period	639,852	734,328
Net profit attributable to:		
Equity shareholders of the Bank	650,271	704,012
Non-controlling interests	(10,419)	30,316
	639,852	734,328

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

for the three months from 1 July 2024 to 30 September 2024 (continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

	Three months from	
	1 July to 30 September	
	2024	2023
	(unaudited)	(unaudited)
Other comprehensive income:		
Other comprehensive income net of tax attributable to equity shareholders of the Bank	(158,590)	(46,638)
Items that may be reclassified subsequently to profit or loss		
– Change in fair value/credit losses from debt investments measured at fair value through other comprehensive income	(165,554)	(51,911)
Item that will not be reclassified subsequently to profit or loss		
– Net income from investments in equity instruments designated as fair value through other comprehensive income	6,964	5,273
– Remeasurement of net defined benefit liability	–	–
Non-controlling interests	–	–
Other comprehensive income net of tax	(158,590)	(46,638)
Total comprehensive income	481,262	687,690
Total comprehensive income attributable to:		
Equity shareholders of the Bank	491,681	657,374
Non-controlling interests	(10,419)	30,316
	481,262	687,690
Basic and diluted earnings per share (<i>in RMB</i>)	0.07	0.08

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED*at 30 September 2024**(Expressed in thousands of Renminbi, unless otherwise stated)*

	30 September 2024 (unaudited)	31 December 2023 (audited)
Assets		
Cash and deposits with central bank	26,247,672	26,369,865
Deposits with banks and other financial institutions	1,726,497	1,244,162
Placements with banks and other financial institutions	9,803,575	6,227,699
Financial assets held under resale agreements	2,148,303	10,689,146
Loans and advances to customers	372,958,791	350,325,297
Financial investments:		
Financial investments at fair value through profit or loss	43,476,702	40,723,996
Financial investments at fair value through other comprehensive income	26,403,133	22,872,676
Financial investments measured at amortised cost	134,106,209	122,756,433
Lease receivables	32,233,375	32,817,168
Interest in associates	594,231	604,401
Property and equipment	3,418,665	3,424,145
Deferred tax assets	6,649,643	6,278,278
Other assets	6,859,289	6,376,163
Total assets	<u>666,626,085</u>	<u>630,709,429</u>
Liabilities		
Due to central bank	31,080,399	30,960,269
Deposits from banks and other financial institutions	11,854,850	14,307,609
Placements from banks and other financial institutions	29,510,612	33,246,902
Financial assets sold under repurchase agreements	32,019,716	25,131,941
Deposits from customers	404,349,913	366,521,910
Tax payable	1,013,609	1,092,496
Debt securities issued	95,995,777	102,068,783
Other liabilities	3,995,606	3,064,663
Total liabilities	<u>609,820,482</u>	<u>576,394,573</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED*at 30 September 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)*

	30 September 2024 (unaudited)	31 December 2023 (audited)
Equity		
Share capital	9,092,091	9,092,091
Other equity instruments	9,998,855	9,998,855
Capital reserve	5,985,102	5,985,102
Surplus reserve	3,689,605	3,689,605
General reserve	8,266,509	8,266,509
Fair value reserve	400,833	189,386
Remeasurement of net defined benefit liability	(83,707)	(74,043)
Retained earnings	17,549,451	15,305,319
	<hr/>	<hr/>
Total equity attributable to equity shareholders of the Bank	54,898,739	52,452,824
Non-controlling interests	1,906,864	1,862,032
	<hr/>	<hr/>
Total equity	56,805,603	54,314,856
	<hr/>	<hr/>
Total liabilities and equity	666,626,085	630,709,429
	<hr/> <hr/>	<hr/> <hr/>

Zhao Fei
Chairman of the Board of Directors

Sun Haigang
Person in Charge of Accounting Affairs

Fu Qiang
Head of Accounting Department

Bank of Zhengzhou Co., Ltd.
(Company Chop)

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED*for the nine months ended 30 September 2024**(Expressed in thousands of Renminbi, unless otherwise stated)*

	Nine months ended 30 September	
	2024	2023
	(unaudited)	(unaudited)
Cash flows from operating activities		
Profit before tax	2,557,093	3,345,512
<i>Adjustments for:</i>		
Credit impairment losses	4,046,336	4,796,855
Depreciation and amortisation	306,668	316,401
Unrealised foreign exchange losses/(gains)	4,139	(96,225)
Net losses/(gains) from disposal of long-term assets	2,279	(10,247)
Net trading gains of financial investments at fair value through profit or loss	(61,733)	(6,295)
Net gains arising from investments	(635,716)	(338,807)
Share of losses/(profits) of associates	10,170	(23,620)
Interest expense on financing activities	1,905,604	1,925,283
Interest income on financial investments	(3,843,452)	(4,054,440)
	4,291,388	5,854,417
<i>Changes in operating assets</i>		
Net (increase)/decrease in deposits with central bank	(1,893,603)	354,751
Net increase in deposits and placements with banks and other financial institutions	(4,000,000)	(1,996,368)
Net (increase)/decrease in financial investments at fair value through profit or loss	(4,849,567)	963,365
Net decrease in financial assets held under resale agreements	8,539,245	5,312,073
Net increase in loans and advances to customers	(29,461,816)	(26,534,870)
Net increase in finance lease receivables	(256,676)	(2,376,042)
Net decrease/(increase) in other operating assets	397,078	(610,186)
	(31,525,339)	(24,887,277)
<i>Changes in operating liabilities</i>		
Net increase in amounts due to central bank	105,864	8,442,676
Net decrease in deposits and placements from banks and other financial institutions	(6,154,681)	(9,514,556)
Net increase/(decrease) in financial assets sold under repurchase agreements	6,889,649	(1,726,975)
Net increase in deposits from customers	35,947,960	20,596,286
Income tax paid	(867,376)	(788,371)
Net increase in other operating liabilities	2,925,949	1,003,872
	38,847,365	18,012,932

Nine months ended 30 September

2024	2023
(unaudited)	(unaudited)

Net cash flows generated from operating activities	11,613,414	(1,019,928)
Cash flows from investing activities		
Proceeds from disposal and redemption of investments	56,045,127	71,916,588
Proceeds from disposal of property and equipment and other assets	1,966	10,701
Payments on acquisition of investments	(66,150,876)	(79,207,468)
Dividends and interest received	4,796,988	4,050,909
Payments on acquisition of property and equipment and other assets	(214,760)	(424,284)
Payment for the capital increase of the associated company	–	(347,870)
Net cash flows generated from investing activities	(5,521,555)	(4,001,424)
Cash flows from financing activities		
Proceeds received from debt securities issued	105,234,850	105,708,413
Repayment of debt securities issued	(111,080,323)	(97,118,662)
Interest paid on debt securities issued	(2,128,820)	(1,848,838)
Cash flows from other financing activities	(93,688)	(86,638)
Net cash flows generated from financing activities	(8,067,981)	6,654,275
Net (decrease)/increase in cash and cash equivalents	(1,976,122)	1,632,923
Cash and cash equivalents as at 1 January	12,019,973	10,515,331
Effect of foreign exchange rate changes on cash and cash equivalents	(13,169)	3,094
Cash and cash equivalents as at 30 September	10,030,682	12,151,348
Net cash flows generated from operating activities include:		
Interest received	14,642,806	15,097,962
Interest paid	(6,001,090)	(6,910,657)